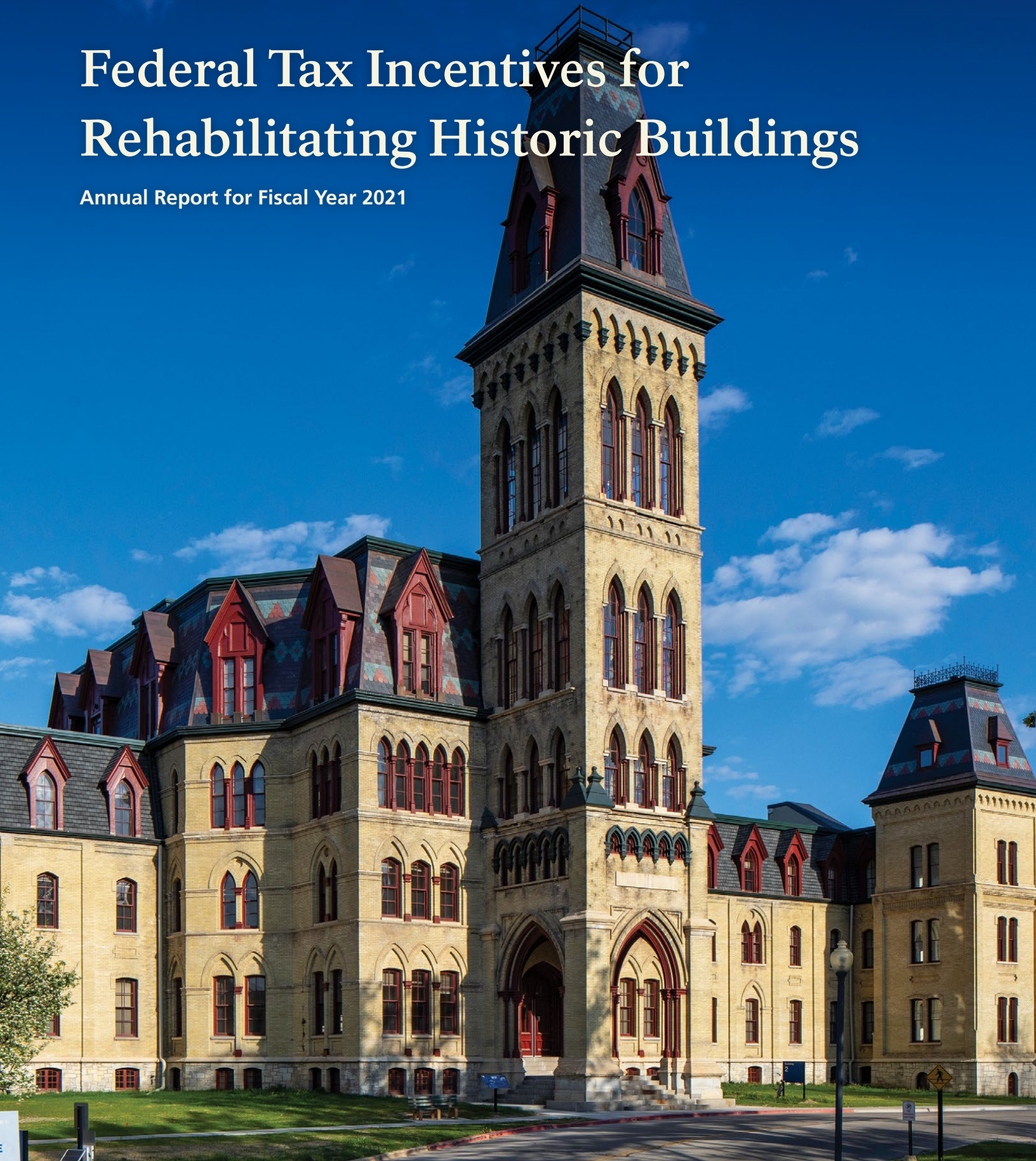


Federal Tax Incentives for Rehabilitating Historic Buildings

Annual Report for Fiscal Year 2021



Federal Tax Incentives for Rehabilitating Historic Buildings

A Successful Federal/State Partnership Since 1976

The Federal Historic Preservation Tax Incentives Program, administered by the National Park Service in partnership with the State Historic Preservation Offices, is the nation's most effective program to promote historic preservation and community revitalization through historic rehabilitation. With over 47,000 completed projects since its enactment in 1976, the program has leveraged over \$116.34 billion in private investment in the rehabilitation of historic properties—spurring the reuse of historic structures of every period, size, style, and type in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

Commonly known as the Historic Tax Credit, the program provides a 20% Federal tax credit to property owners who undertake a substantial rehabilitation of a historic building for a business or income-producing use, while maintaining its historic character. In a three-part application process, the National Park Service certifies that a building is historic, and therefore eligible for the program, and that its rehabilitation meets Federal preservation standards.

The Historic Tax Credit is the largest Federal program specifically supporting historic preservation. It generates much needed jobs and economic activity, enhances property values in older communities, creates affordable housing, and augments revenue for Federal, state, and local governments, leveraging many times its cost in private expenditures on historic preservation. This widely-recognized program has been instrumental in preserving the historic buildings and places that give our cities, towns, Main Streets, and rural areas their special character and has attracted new private investment to communities small and large throughout the nation.

Technical Preservation Services, National Park Service

March 2022

Residents' lounge, Old Main Building (1867–1877), Northwestern Branch, National Home for Disabled Volunteer Soldiers, Milwaukee, Wisconsin
Photo: Ryan Hainey Photography



Fiscal Year 2021 at a Glance



1,258 Certifications of significance (Part 1)

Over \$7.16 billion in private investment in historic preservation and community revitalization.

1,098 Preliminary certifications of rehabilitation (Part 2)

Projects both big and small—almost half (47%) of all completed projects (Part 3) were under \$1 million QRE and 18% were under \$250,000 QRE.

Estimated rehabilitation costs\$7.75 billion
 Median project QRE\$1.23 million
 Average project QRE\$7.06 million

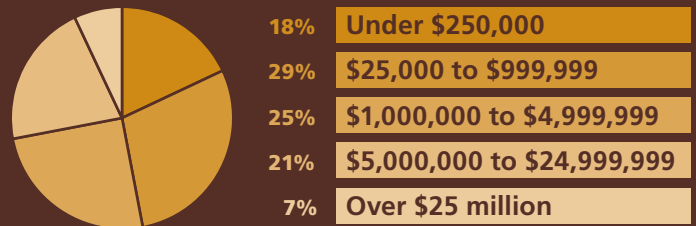
New National Register nominations—about 15% of projects involved properties not yet listed in the National Register of Historic Places.

Thirty-nine states have state historic tax credits that can be used in tandem with the Federal historic tax credit.

1,063 Certifications of completed work (Part 3)

FY 2021 Size of Projects

Estimated rehabilitation costs\$7.16 billion
 Median project QRE\$1.20 million
 Average project QRE\$6.74 million
 Rehabilitated housing units4,948
 New housing units11,297
 Low and moderate income housing units7,220



QRE = Qualified rehabilitation expenditures

FY 1977 – FY 2021 Program Accomplishments



\$116.34 billion

Estimated Rehabilitation Investment

302,506

Rehabilitated Housing Units

334,367

New Housing Units



47,435

Historic Rehabilitation Projects Certified

185,525

Low- and Moderate-Income Housing Units



2 Courtney Avenue (1900), now Heights House Airbnb, Newburgh, New York, before (left) and after (right) rehabilitation
 Photo: Carolyn Coppola (left), Carter Peabody (right)



Geneva Car Barn & Powerhouse (1901), now San Francisco Parks & Recreation youth arts center, San Francisco, California
 Photo: Matthew Millman



George Miller Building (1838), now commercial and residential uses, Charleston, South Carolina
 Photo: Kendra Waters, MacRostie Historic Advisors



First National Bank Tower (1961), now The National, hotel, apartments, and commercial uses, Dallas, Texas
 Photo: Ron Shipp Photography



Montgomery Mill (1875-1920), now Montgomery Mill Apartments, Windsor Locks, Connecticut
 Photo: Crosskey Architects



Gulfport-Harrison County Public Library (1966), now Coast Transit Authority Gulfport Transit Center, Gulfport, Mississippi
 Photo: Katherine Anderson, Mississippi Department of Archives & History



Church of the Epiphany (right) and sanctuary (above), now Epiphany Center for the Arts, Chicago, Illinois
 Photos: John Cramer, MacRostie Historic Advisors (right), Tom MacDonald (above)

FISCAL YEAR 2021 SELECT PROJECTS



J. C. Newman Cigar Company (1910), continued use as a cigar factory, Tampa, Florida
Photo: Adria Rebbecchi



Coca-Cola Bottling Plant (left) and former Tasting Room (right) (1930–1951), now Bottleworks Hotel (left) and hotel lobby (right), Indianapolis, Indiana
Photos: Susan Fleck and Ratio Design

Beloit Water, Gas & Electric Company Powerhouse (below) and former Turbine Hall (right) (1908–1947), now Beloit College Student Union, Beloit, Wisconsin
Photos: ©Tom Harris and Studio Gang



Kalispell Drug Company (1908), continued retail use, Kalispell, Montana
Photo: John Hinchey



Scruton Block (1883), now commercial and residential uses, Lewiston, Maine
Photo: Scott T. Hanson, MacRostie Historic Advisors

Golden Belt Manufacturing Company, Mill No. 1 (c. 1900), now Golden Belt Campus, mixed use development, Durham, North Carolina
Photo: LRC Properties and Alliance Architecture



Ohringer Home Furniture (1941), now The Ohringer, artists' residences, Braddock, Pennsylvania
Photo: Robert Ketcham





Roof details, Old Main Building
Photo: Ryan Hainey Photography



Apartment, Old Main Building
Photo: Ryan Hainey Photography

COVER CASE STUDY

Northwestern Branch, National Home for Disabled Volunteer Soldiers MILWAUKEE, WISCONSIN

The Northwestern Branch, National Home for Disabled Volunteer Soldiers—also known as the Milwaukee Soldiers Home—has been returned to its original purpose of housing and providing services for veterans thanks to a \$44 million rehabilitation project undertaken by The Alexander Company of Madison, Wisconsin.

With eleven branches nationwide, the National Home for Disabled Volunteer Soldiers was created to house and provide medical care for disabled Union troops after the Civil War. The Northwestern Branch, opened in 1867, was particularly innovative, being the first to employ professional female nurses and to provide separate quarters for elderly veterans. The branches operated until 1930, when they were incorporated into the Veterans' Administration. The Northwestern Branch is one of four branches designated as a National Historic Landmark in 2011.

As part of an Enhanced Use Lease agreement with the U.S. Department of Veterans Affairs, The Alexander Company preserved and rehabilitated six vacant historic buildings on the campus into 101 supportive housing units for veterans and their families who are homeless or at risk of becoming homeless. Residents have access to onsite services provided by the Milwaukee VA Medical Center.

When preservation efforts began in 2010, the fate of the campus was so uncertain that it was listed as one of the 11 Most Endangered Historic Places in America by the National Trust for Historic Preservation in 2011. The Victorian Gothic Old Main building (1867–1877), constructed of Milwaukee's well-known Cream City brick and topped with a polychromatic slate roof, had been vacant

for 20 years. Once again, the building and its iconic tower are the eye-catching centerpiece of the campus. The Headquarters Building (1895), the Catholic Chaplain's Quarters (1909), and several Quarters buildings (1916–1922) also were rehabilitated.

Highlights of the rehabilitation work included careful treatment of the buildings' exteriors and preservation of historic interior features and finishes throughout. Historic doors and windows, wood and terrazzo floors, metal ceilings, and tiled walls were preserved and repaired. Even historic post-office boxes were returned to their original use.

The Alexander Company partnered with the Housing Authority of the City of Milwaukee and led a wide-ranging public-private partnership to preserve and reuse the historic buildings. Funding sources included Federal low-income housing tax credits, Federal and State historic tax credits, and many other military and corporate foundation funding sources. The Greater Milwaukee Foundation and the Milwaukee Preservation Alliance organized a public fundraising campaign, Every Hero Deserves a Home, that attracted hundreds of individual donations. The project also received a Federal Save America's Treasures grant through the National Park Service.

The rehabilitation of the six buildings has received many awards, including a 2021 Richard H. Driehaus Foundation National Preservation Award given by the National Trust for Historic Preservation, and the 2021 ACHP/HUD Secretary's Award for Excellence in Historic Preservation. It also provides a replicable model for preserving historic institutions and returning them to active service in their communities.

FY 2021 STATE-BY-STATE PROJECT ACTIVITY

Estimated Qualified Rehabilitation Expenditures (QRE) and Five-Year Cumulative Totals

State	Applications Received			Applications Approved			Estimated QRE at Part 2	Estimated QRE at Project Completion (Part 3)	Cumulative Totals FY 2017–FY 2021	
	Part 1	Part 2	Part 3	Part 1	Part 2	Part 3			Part 3	QRE
Alabama	16	16	12	12	12	13	\$151,178,185	\$92,169,917	49	\$267,661,721
Alaska	0	0	0	0	0	0	0	0	1	48,000
Arizona	9	6	1	8	6	1	24,647,402	1,200,000	11	74,151,319
Arkansas	28	26	17	26	26	15	14,137,633	9,602,547	101	219,435,800
California	5	7	6	5	8	7	285,795,027	124,161,179	31	578,641,508
Colorado	9	16	6	11	9	6	55,235,942	28,279,293	23	106,725,571
Connecticut	9	8	10	9	4	12	19,905,400	211,002,819	40	511,789,712
Delaware	13	11	1	11	9	4	10,061,203	20,714,176	14	61,675,472
District of Columbia	3	2	2	3	1	2	8,100,000	40,540,121	17	523,700,916
Florida	9	12	8	10	11	8	236,394,432	108,462,086	35	161,083,089
Georgia	61	63	54	70	74	56	213,863,476	236,667,555	205	661,609,595
Hawaii	0	1	1	0	0	1	0	4,886,802	4	11,566,672
Idaho	0	3	0	0	3	1	5,150,000	2,000,000	7	24,683,547
Illinois	27	17	18	25	16	18	164,198,462	341,636,873	91	2,095,283,695
Indiana	20	19	19	12	15	19	54,966,728	173,702,213	73	393,952,777
Iowa	25	17	21	27	23	23	155,654,380	228,767,891	141	870,624,449
Kansas	21	29	18	23	23	19	38,790,972	42,077,178	88	251,740,628
Kentucky	44	41	21	53	48	30	90,446,732	79,507,892	130	380,136,286
Louisiana	88	79	82	87	82	87	389,336,286	253,210,242	478	1,343,282,576
Maine	15	9	8	13	11	7	73,222,219	17,862,966	38	157,520,930
Maryland	10	12	10	11	10	12	111,158,545	42,867,159	159	502,309,740
Massachusetts	70	71	38	64	32	29	540,454,347	225,194,373	194	1,441,959,421
Michigan	28	24	16	34	21	16	373,756,644	230,093,858	113	1,080,663,515
Minnesota	23	25	12	21	27	10	530,222,180	153,892,533	60	727,804,863
Mississippi	21	20	18	22	21	18	30,009,300	77,990,691	65	158,153,059
Missouri	56	59	83	52	51	87	178,615,591	471,183,624	438	1,941,865,729
Montana	4	6	1	4	6	1	12,154,596	65,000	4	9,980,355
Nebraska	3	6	7	4	6	7	63,208,374	87,135,261	25	174,687,634
Nevada	0	0	0	0	0	0	0	0	0	0
New Hampshire	5	6	1	5	6	3	46,900,338	18,266,691	12	98,558,641
New Jersey	12	4	5	9	4	5	38,069,387	271,845,161	21	497,030,485
New Mexico	0	0	1	0	0	0	0	0	1	5,250,000
New York	160	125	165	147	123	152	1,344,894,770	505,987,108	466	3,795,603,002
North Carolina	74	64	37	67	55	35	184,328,786	174,565,630	210	922,012,158
North Dakota	0	0	1	0	0	0	0	0	3	18,510,170
Ohio	106	106	64	109	106	61	787,725,599	516,801,588	379	2,609,623,228
Oklahoma	21	12	12	17	8	12	13,091,712	69,908,015	55	298,380,237
Oregon	3	3	9	3	5	9	20,967,000	77,156,242	35	267,178,361
Pennsylvania	46	35	84	50	32	88	222,409,226	473,979,593	308	2,098,246,549
Puerto Rico	3	1	0	3	0	0	0	0	0	0
Rhode Island	5	3	9	5	2	8	15,000,000	106,793,696	41	527,731,918
South Carolina	28	47	20	29	38	19	150,316,103	85,089,689	84	433,343,602
South Dakota	3	0	1	0	0	1	0	10,000,000	7	26,612,106
Tennessee	17	12	4	16	13	7	103,599,165	84,519,978	53	498,491,038
Texas	47	38	26	41	38	24	323,920,453	755,577,979	115	2,142,079,328
Utah	3	6	7	2	7	5	37,319,023	5,447,229	27	50,150,693
Vermont	13	4	10	10	3	9	9,370,148	31,742,124	47	68,105,026
Virgin Islands	0	0	0	0	0	0	0	0	0	0
Virginia	116	84	83	88	62	75	246,176,955	261,289,898	451	1,540,841,043
Washington	12	10	5	8	10	6	142,141,851	59,332,528	38	422,679,271
West Virginia	14	11	8	11	9	7	46,177,119	35,690,373	27	92,160,120
Wisconsin	24	19	25	19	21	28	178,002,803	313,406,824	125	1,043,562,724
Wyoming	3	2	0	2	1	0	8,500,000	0	2	1,205,000
Total	1,332	1,197	1,067	1,258	1,098	1,063	\$7,749,574,494	\$7,162,274,594	5,142	\$32,190,093,279

Source: Technical Preservation Services, National Park Service

The **Federal Historic Preservation Tax Incentives Program** is administered by the National Park Service in partnership with the State Historic Preservation Offices.

The **State Historic Preservation Offices (SHPOs)** are the first point of contact for property owners wishing to use the historic rehabilitation tax credit. The SHPOs can help determine whether a historic building is eligible for Federal or State tax credits, provide guidance before beginning a project, and advise on the application requirements and appropriate preservation work. For the phone number or website of your SHPO, contact the National Conference of State Historic Preservation Officers at (202) 624-5465 or www.ncshpo.org.

The **Technical Preservation Services (TPS)** office administers the tax incentives program on behalf of the National Park Service. Information about the program and application requirements as well technical guidance and publications on preserving and rehabilitating historic buildings is available from TPS at (202) 513-7270 or www.nps.gov/tps.



Front and Back Cover:
Northwestern Branch, National
Home for Disabled Volunteer
Soldiers Milwaukee, Wisconsin

Photos: Ryan Hainey
Photography



Top: Quarters Buildings (1916–1922), originally
staff housing

Middle: Original mailboxes in the Post Office,
Headquarters Building

Bottom: Headquarters Building (1895–1896),
originally administrative offices

