

California Historic Tax Credit Implementation

OBJECTIVES

Phase 1

- Establish an Advisory Committee
- Formulate Coalition
- Develop Scope of Work

Phase 2

- Research and Analysis
- Economic Study/Analysis
- Data Collection
- Advocacy
- Legislative Contact

Phase 3

- Production of draft report (legislation)
- Review of draft report by Coalition

Phase 4

- Approval of final report
- Legislative Process

Phase 5

- Adoption of Credit
- Establish Program

IMPLEMENTATION

Economics

Cost Impacts

- State Income Tax Revenue loss: California Revenue and Tax Code (R&TC) - Franchise Tax board (Note: Federal income tax credit: Section 47 of the Internal Revenue Code)

Funding Needs

- Staff position(s) for Core Committee and Coalition
- Staff position(s) for actual program once adopted
- Economic Study, analysis, and/or modeling
- Outreach and Education costs
- Administrative costs

Revenue

- Additional taxes generated by rehabilitation work (i.e. property, income, sales, etc.)
- Fee for service

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Advocacy

- Formulate Partnerships with related concerns
 - Economic Development associations
 - Developers and Realtors
 - Sustainability and Green organizations
 - Smart Growth advocates
 - (Affordable) Housing coalitions
 - Historic Home Ownership
 - Tourism groups
 - Professional organizations (i.e. Architects, Planners)
 - Governmental agencies
 - Preservation organizations
 - Neighborhood and Main Street associations
 - Vacant building groups

- Education and Outreach
- Show Value

Immediate contacts

- Legislation Sponsorship
- Revenue & Tax Committee (Jan/Feb timing)
- CA Teacher's Association
- ULI
- Preservation Developers

Eligible Properties

- 150,000+ properties in OHP statewide database
 - 14,000+ National Register properties
 - ? California Register properties
 - 1,000+/- CA Certified Tax Projects since program inception

Justification

- Pros and Cons
- Facts and Statistics

Legislative/Political

- Contact Officials and Legislators
- Track Legislative Calendar
- Seek advice on tax measure from a powerful state senator
 - Get bill into a larger plan/bill

Provisions

- Qualifications, Requirements, and Restrictions

Schedule

- Establish Timeline