

FOR RELEASE 12:00 Noon Friday, October 14, 2017

FOR MORE INFORMATION: Lynne Ireland, 402-471-4758 or lynne.ireland@nebraska.gov

Images of buildings and projects available

FOR PDF OF STUDY: www.nebraskahistory.org/histpres/nhtc/

MEDIA RELEASE:

New economic impact study cites \$79.8M impact and 1,033 jobs from Nebraska Historic Tax Credit Projects

Tax credits for historic preservation projects are producing big pay-offs. A new economic impact study finds the Nebraska Historic Tax Credit (NHTC) generated some \$79M in economic activity and 1,033 jobs in 2015, its inaugural year. The Nebraska State Historical Society administers the program and asked the Bureau of Business Research at the University of Nebraska-Lincoln to assess the first projects to use the tax credits created by the Nebraska Job Creation and Mainstreet Revitalization Act. Commercial and residential rehabilitation projects completed in Omaha, Boys Town, and Norfolk offer compelling evidence that preservation pays.

Thirteen of the 46 projects allocated credits are now completed and are the basis for the analysis.

Additional key findings include \$35.07M in wages for Nebraska workers and \$45.26M added to the state's gross state product. And even though the projects involved income tax credits, they leveraged \$3.22 million in state and local taxes.

The NHTC offers incentives for the redevelopment of historic properties and districts in Nebraska, and encourages private investment in historic buildings and neighborhoods. The program is intended to spur the rehabilitation of historic buildings throughout the state, which the study concludes, "is likely to promote both direct and indirect economic benefits to the state economy."

Rehabilitation of the historic Burlington Station in Omaha by the Hearst Corporation as the new home of KETV is one of the biggest and most visible projects. But important smaller scale efforts are helping convert long-vacant properties into low income and other housing, banking, and commercial and retail spaces.

(MORE)

The Travers Row Houses near 26th & St. Marys Avenue in Omaha, once vacant and slated for demolition, have come back to life a century after some entrepreneurial brothers first constructed the buildings in what was then “west” Omaha. Norfolk’s stately former US post office and courthouse, known as the “McMill Building” after the Roman numerals for its year of construction, MCMIII, now houses a variety of businesses and offices. Tax credits helped make major HVAC improvements possible.

Besides major improvements, other projects revive historic elements. A recently-discovered ornate plaster ceiling in the Hall County Courthouse in Grand Island was restored by a local plasterer through a 2016 tax credit project. And Chadron’s Weber Building will lose its “remuddled” storefront with one that’s historically appropriate.

The good news will keep on coming. Another 2016 project, The Hastings Brewery, is slated for rehabilitation as 35 low-income housing units. Dr. Eric Thompson, author of the study noted, “The numbers provide strong evidence that the Nebraska Historic Tax Credit has already had a number of positive impacts on the Nebraska economy. The program is likely to continue to have significant impacts as developers continue to take advantage of tax credits in coming years.”

Applications for potential tax credit projects are still being accepted by the Nebraska State Historical Society’s State Historic Preservation Office for 2016. The law authorizes a total of \$15 million in credits for each calendar year through 2022. Nine Nebraska communities, including Fairbury, Friend, Lincoln, and Pender in addition to those cited above, have projects already allocated for this year. But more credits are still available. The online NHTC application and instructions are available at: www.nebraskahistory.org/histpres/nhtc.htm

Another \$15M in tax credits for calendar year 2017 will be allocated based on applications received by the Nebraska State Historical Society no earlier than January 3, 2017.

(MORE)

The Nebraska State Historical Society's State Historic Preservation Office administers the program in cooperation with the Nebraska Department of Revenue. Its data indicate some \$67.17 million of total expenditures on projects completed during 2015 which took advantage of the NHTC.

About the Nebraska Historic Tax Credit:

The Nebraska Job Creation and Mainstreet Revitalization Act provides a 20 percent state tax credit (up to a limit of \$1 million for a single project) for eligible expenditures made for rehabilitating qualified historic buildings and structures. The Nebraska Historic Tax Credits may be used against state income tax, insurance premium taxes and financial institution deposit taxes. Rehabilitation projects must equal or exceed \$25,000 in total cost. For properties in metropolitan or primary class cities, the cost must exceed 25% of the property's assessed value or \$25,000, whichever is greater.

To qualify, a historic property must be listed individually in the National Register of Historic Places, located within a district listed in the National Register of Historic Places, listed individually under a certified local preservation ordinance, or located within a historic district designated under a certified local preservation ordinance. Single-family detached residences do not qualify for the program, but projects can include commercial, multifamily and industrial uses for eligible buildings and structures.

Project work must be executed to standards outlined in the Secretary of the Interior's "Standards for Rehabilitation." These standards are designed to preserve the historic building or structure's fabric and character, while still allowing for rehabilitation and new development. Information about the program is at www.nebraskahistory.org/histpres/nhtc.htm or 402-471-4788 or www.revenue.nebraska.gov/incentiv/historic_tax_credit.html or 402-471-5677.

####