

April 10, 2023

To the honorable chair and committee members:

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On behalf of the Milwaukee Preservation Alliance, I am writing to encourage your support for the federal Historic Tax Credit Growth and Opportunity Act of 2023. This important bill would enhance perhaps the strongest tool available to help revitalize communities through historic preservation and adaptive reuse – the federal Historic Tax Credit. This financial incentive has been critical to making Milwaukee restoration projects happen for many years, including the nationally recognized re-opening of the Soldiers Home’s Old Main, a building that had been vacant for 30 years with a hole in its roof but recently returned to service as housing for veterans and their families at risk of homelessness.

These are the kinds of inspirational projects that may not be possible without the federal Historic Tax Credit. Unfortunately, as costs for materials and labor have risen, so has the cost of preservation projects increased in recent years. The HTC has lost investment value over the past decade due to multiple complex factors, including new IRS rulings, administrative burdens, and changes in the credit structure. The result is that the value of the tax credit investment has dropped 20-25% and usage of the credit has dropped 20% compared to four years ago.

HTC-GO addresses this issue with four permanent provisions that will add value to the HTC program, improve access to the credit, and increase investment in smaller rehabilitation projects. The House bill also includes a temporary tax provision to address recent challenges facing rehabilitation projects.

This committee and Common Council expressed the City of Milwaukee’s support for the federal Historic Tax Credit in 2017 in File 171175, and we urge your continued support of this incredibly important tool for economic revitalization.

Thank you for your hard work on behalf of the people and places of Milwaukee.

Respectfully,

Jeremy Ebersole
Executive Director
Milwaukee Preservation Alliance