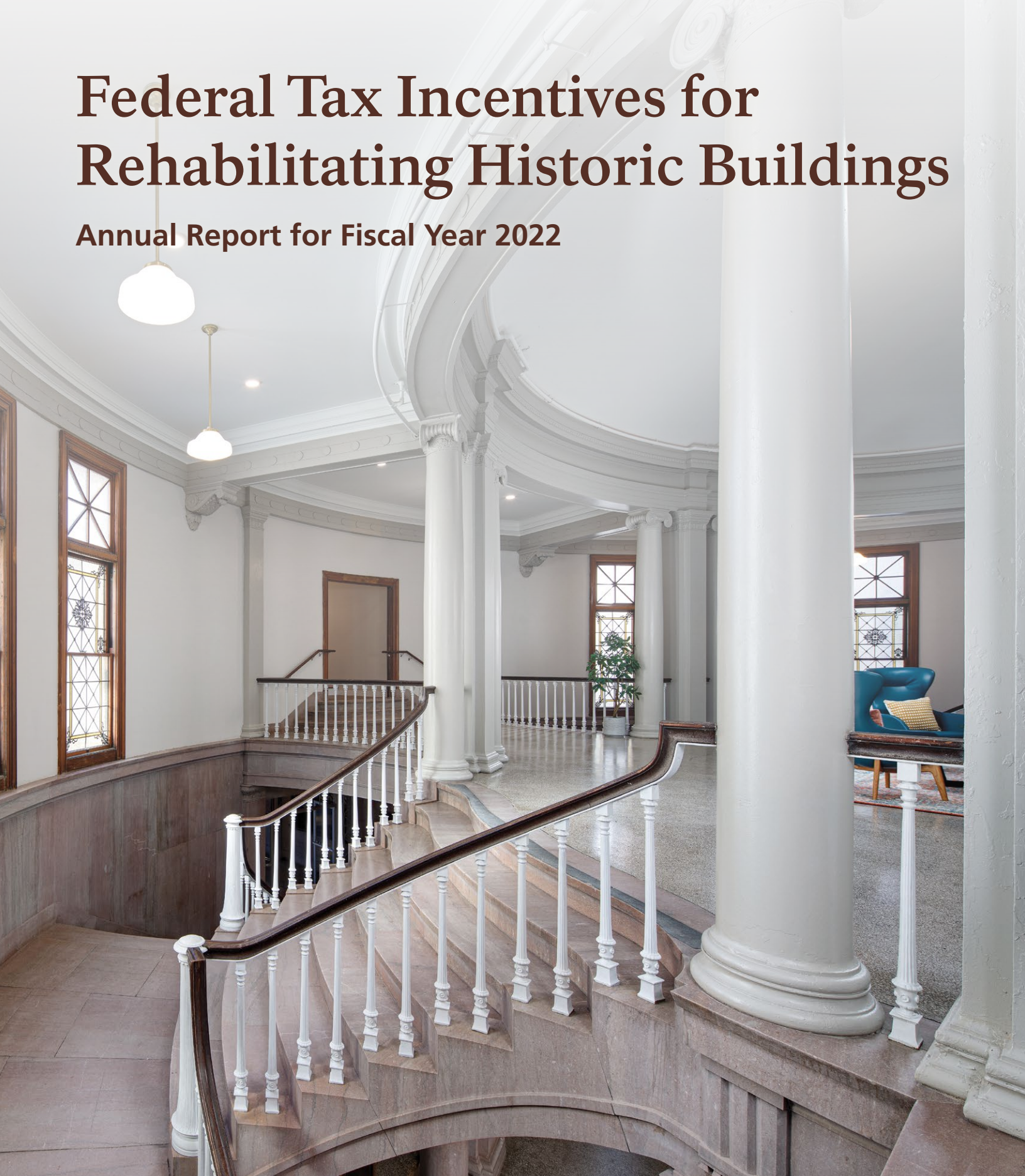


# Federal Tax Incentives for Rehabilitating Historic Buildings

Annual Report for Fiscal Year 2022



## 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 48,000 completed projects since its enactment in 1976, the program has leveraged over \$122.90 billion in private investment in the rehabilitation of historic properties—spurring the rehabilitation 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 in an 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 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 2023

Revised

**Worcester County Courthouse, Worcester, Massachusetts**

**1957 wing (left), original telephone closet (right)**

Photo: Ed Wonsek





# Fiscal Year 2022 at a Glance

**1,463** Certifications of significance (Part 1)

**1,187** Preliminary certifications of rehabilitation (Part 2)

Estimated rehabilitation costs ..... \$6.99 billion  
Median project QRE ..... \$1.00 million  
Average project QRE ..... \$5.89 million

Over **\$6.56 billion in private investment** in historic preservation and community revitalization.

**Projects both big and small**—almost half (44%) of all completed projects (Part 3) were under \$1 million QRE and 17% were under \$250,000 QRE.

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

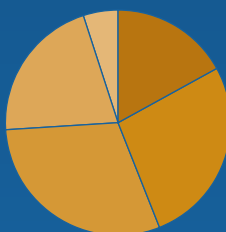
**Thirty-seven states have state historic tax credits** that can be used in tandem with the Federal historic tax credit.

**858** Certifications of completed work (Part 3)

Estimated rehabilitation costs ..... \$6.56 billion  
Median project QRE ..... \$1.31 million  
Average project QRE ..... \$7.64 million  
Rehabilitated housing units ..... 5,533  
New housing units ..... 9,036  
Low- and moderate-income housing units ..... 6,789

QRE = Qualified rehabilitation expenditures

## FY 2022 Size of Projects



17%	Under \$250,000
27%	\$25,000 to \$999,999
30%	\$1,000,000 to \$4,999,999
21%	\$5,000,000 to \$24,999,999
5%	Over \$25 million

# FY 1977 – FY 2022 Program Accomplishments



**\$122.90 billion**

Estimated Rehabilitation Investment

**308,039**

Rehabilitated Housing Units

**343,403**

New Housing Units



**48,293**

Historic Rehabilitation Projects Certified

**192,314**

Low- and Moderate-Income Housing Units

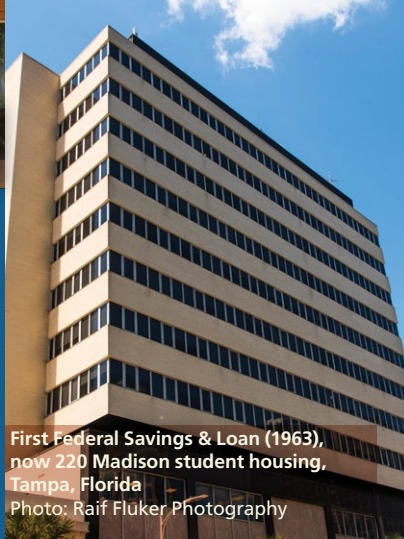


B. J. O. Norfeldt House (1921), now a rental residence, Santa Fe, New Mexico  
Photos: Emily Pannier

Open Air School (1928), now restaurants, Columbus, Ohio  
Photo: © Lauren K Davis / Feinknopf



Atlantic Permanent Building & Loan Association (1954), now The Atlantic Permanent art gallery, resident artist studios, and apartments, Norfolk, Virginia  
Photo: Erica Howard, Commonwealth Preservation Group

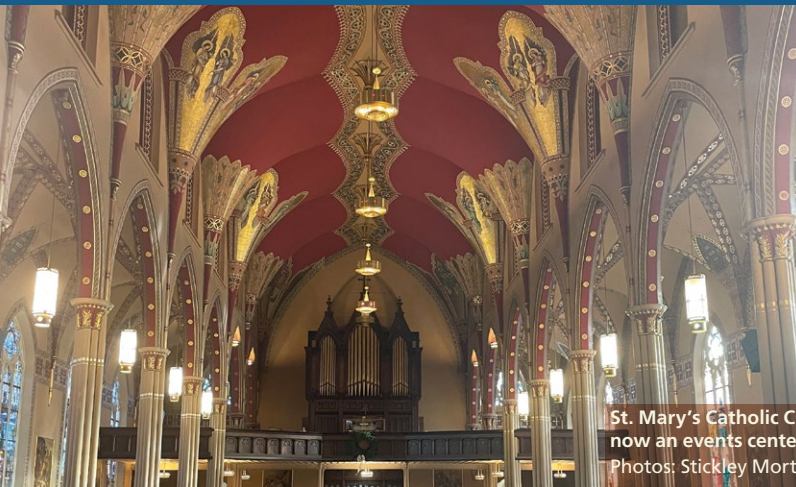


First Federal Savings & Loan (1963), now 220 Madison student housing, Tampa, Florida  
Photo: Raif Fluker Photography



Texas Theatre (1931), continued use as theatre, Dallas, Texas  
Photo: Barak Epstein

# FISCAL YEAR 2022 SELECT PROJECTS



St. Mary's Catholic Church (1864-1867), now an events center, Dubuque, Iowa  
Photos: Stickley Morton Architecture



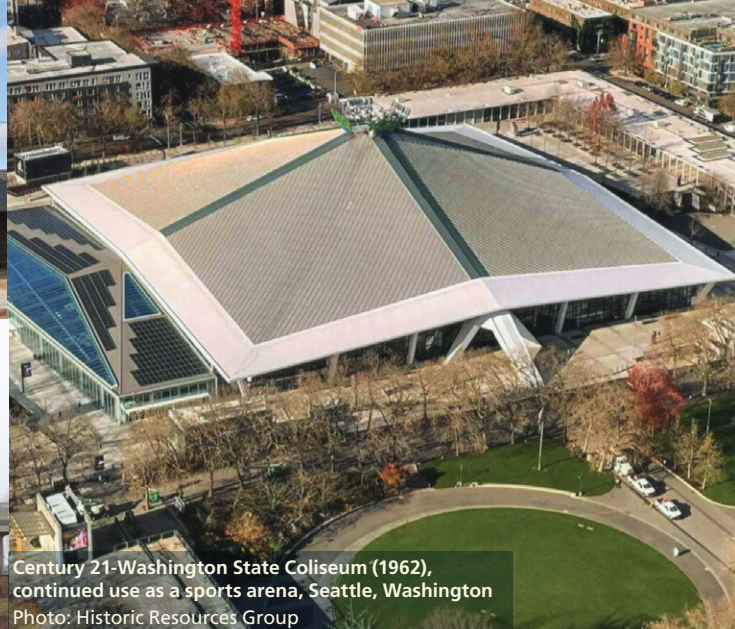
The Fernbank Apartments (1927), continued residential use, Mobile, Alabama  
Photo: Stephen McNair

Grand Rapids Christian School (1931, 1947), now affordable housing and community event space, Grand Rapids, Michigan  
Photo: Bill Lindhout Photography





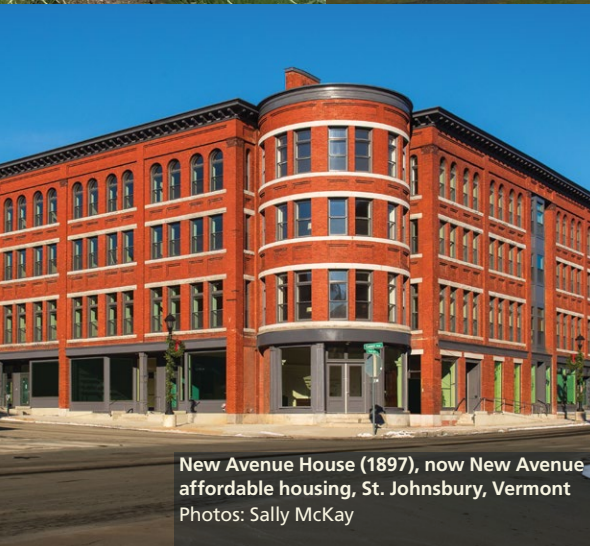
Pratt-Mertz Barn (1876), continued use as a barn, Manhattan, Kansas  
Photo: Brenda Spencer



Century 21-Washington State Coliseum (1962), continued use as a sports arena, Seattle, Washington  
Photo: Historic Resources Group



Smith Memorial Playground & Playhouse (1899), continued use as public recreation facility, Philadelphia, Pennsylvania  
Photo: Robert Powers



New Avenue House (1897), now New Avenue affordable housing, St. Johnsbury, Vermont  
Photos: Sally McKay



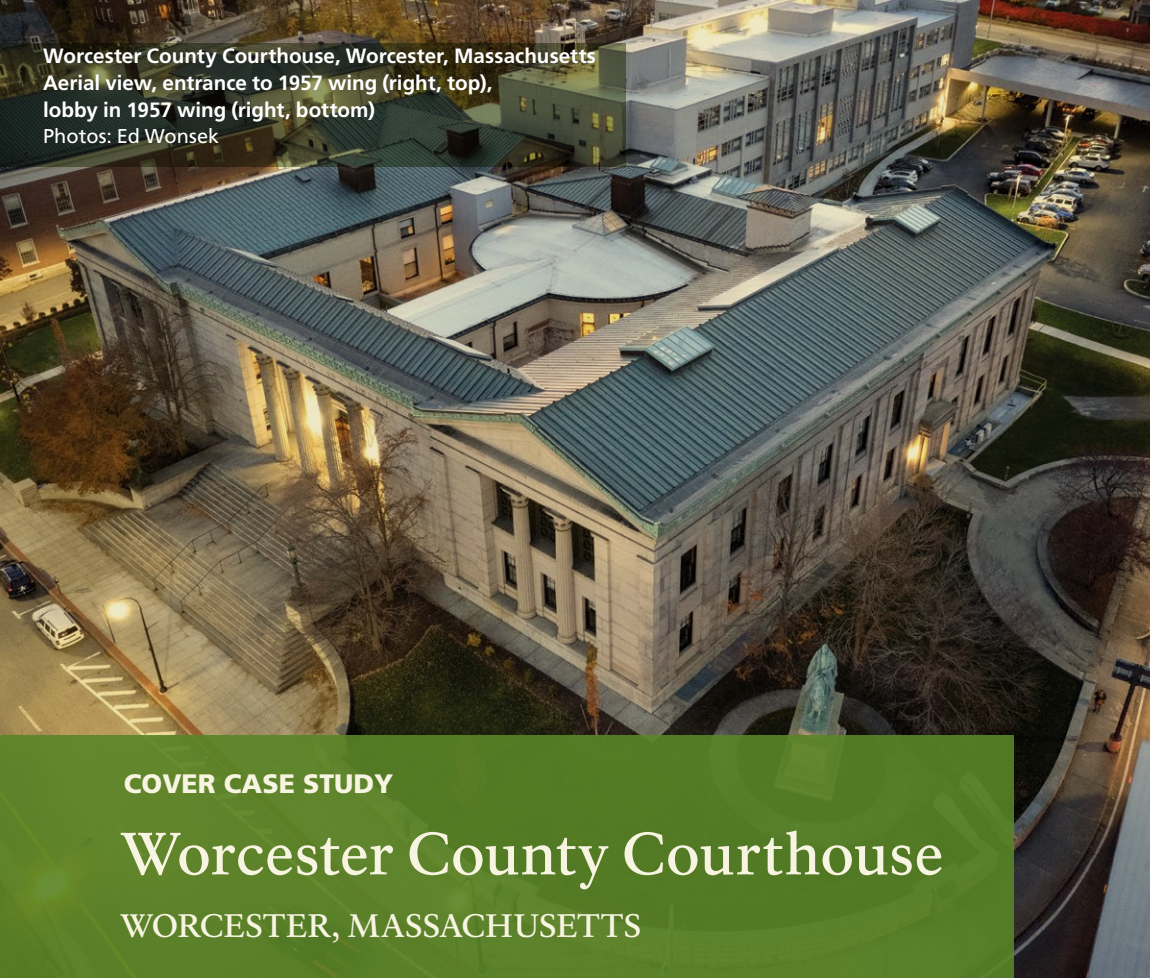
Pier 57 (1952), now commercial uses, food hall, public rooftop park, New York, New York  
Photo: Higgins Quasebarth & Partners, LLC (above) and Lester Ali (below)



William Henry Brisbane House (1868), now Brisbane House Airbnb, Arena, Wisconsin  
Photo: Samantha Crownover



Worcester County Courthouse, Worcester, Massachusetts  
Aerial view, entrance to 1957 wing (right, top),  
lobby in 1957 wing (right, bottom)  
Photos: Ed Wonsek



## COVER CASE STUDY

# Worcester County Courthouse

## WORCESTER, MASSACHUSETTS

Positioned in the heart of Worcester's Lincoln Square, the former Worcester County Courthouse has remained a regional landmark since its doors opened in 1845. Conceived as an impressive Greek Revival-style two-story granite structure with a single courtroom, it was expanded over the next century through a series of building campaigns that began with an addition in 1878. The massive main block was completed in 1898, and the rear annex concluded the courthouse construction in 1957.

After municipal activities ceased in 2007 and the complex was decommissioned, the interconnected group of buildings existed as a dense and underutilized labyrinth of offices, hallways, and monumental spaces. For local leaders, redeveloping the property presented a unique opportunity to accomplish two goals: preserve a regional landmark and address an increasingly urgent need to provide new mixed-income multifamily housing. Through a public bidding process in 2017, the City selected Trinity Financial to redevelop the property.

Trinity was able to finance and implement the \$57 million redevelopment by utilizing a complex mix of funding sources, including Federal and State low-income housing tax credits, Federal and State historic tax credits, municipal and State subsidies, and private contributions. Construction began in the Spring of 2019 and extended through the COVID-19 pandemic before reaching completion in the Summer of 2021. The project ultimately produced 118 rental apartments that are affordable to households at five different income levels. Unit types vary in style between lofts, townhouses, and apartments. Highlights of the rehabilitation include retention of five complete courtrooms,

nine lobbies, 10 hallways, and 15 stairs. Historic furniture, including judges' benches, counsel tables and lecterns, were retained throughout the building, as well as original signage, doors and hardware, plaster ornamentation, wood trim, and terrazzo and hardwood flooring. Several prominent statues and monuments along the perimeter of the property were also restored. The project introduced a series of new, modern amenities to the building including a fitness center, game room, pet spa, and makerspace to service creative professionals.

The Major Taylor Museum, coordinated in partnership with the Major Taylor Association and the Worcester Historical Museum, honors the life and legacy of Marshall Walter "Major" Taylor in a 1,700-square-foot exhibition space. Visitors can learn about the first African American world champion cyclist, who spent most of his life in Worcester. The museum provides descriptive information panels, interactive touch screens, select memorabilia, and an interactive bike exhibit. Admission is free.

Renamed "Courthouse Lofts," the former courthouse was recently awarded the 2022 Jack Kemp Award for Excellence in Affordable and Workforce Housing by the Urban Land Institute, the 2022 Paul and Niki Tsongas Award for commitment to historic preservation from Preservation Massachusetts, the 2022 Commercial Rehabilitation Award from Preservation Worcester, and the Major Taylor Museum was the recipient of the 2022 Game Changers Award from the Worcester Regional Chamber of Commerce.

Courtesy: Alisa M. Augenstein, The Public Archaeology Laboratory, Inc.

# FY 2022 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 2018–FY 2022	
	Part 1	Part 2	Part 3	Part 1	Part 2	Part 3			Part 3	QRE
Alabama	22	22	12	25	24	11	\$79,919,485	\$43,642,459	49	\$271,225,278
Alaska	0	0	0	0	0	0	0	0	1	48,000
Arizona	10	4	1	9	1	1	973,684	1,001,080	10	57,787,375
Arkansas	26	26	28	28	26	25	39,472,667	25,436,067	110	238,097,228
California	13	8	6	12	4	4	40,540,754	139,612,294	27	641,349,101
Colorado	15	17	5	15	12	5	25,917,546	28,002,611	27	134,505,282
Connecticut	22	11	9	16	12	8	208,502,868	135,494,328	31	503,419,136
Delaware	9	3	4	10	6	4	62,959,728	132,543,790	15	180,705,946
District of Columbia	6	1	3	5	1	3	102,000,000	133,643,176	16	571,799,079
Florida	15	8	5	14	6	7	28,485,653	103,593,879	36	252,592,217
Georgia	76	58	41	82	75	51	235,299,670	137,966,910	225	754,693,400
Hawaii	1	1	0	1	1	1	18,000,000	1,000,000	4	11,611,133
Idaho	0	0	0	0	0	0	0	0	6	13,883,547
Illinois	30	24	14	29	23	12	270,288,027	155,957,301	86	1,873,213,745
Indiana	18	9	6	17	7	6	38,746,883	53,454,327	74	412,337,066
Iowa	26	21	18	22	20	17	151,057,796	99,319,306	113	727,040,302
Kansas	15	18	12	16	23	13	40,408,800	50,679,742	84	241,816,614
Kentucky	22	24	17	19	26	16	44,775,627	35,229,414	120	286,927,326
Louisiana	122	100	51	109	95	47	160,495,100	388,195,946	410	1,384,360,765
Maine	16	12	5	17	13	6	100,774,178	29,934,351	35	112,291,783
Maryland	32	29	11	31	31	11	158,668,312	97,576,683	128	523,076,372
Massachusetts	33	31	68	28	65	74	327,231,647	390,231,294	221	1,437,787,357
Michigan	13	12	10	15	18	12	130,202,455	143,598,880	96	1,065,549,406
Minnesota	10	16	13	10	16	17	181,112,011	331,357,421	58	734,683,123
Mississippi	71	32	20	65	32	17	58,573,973	36,777,238	76	193,354,222
Missouri	101	48	21	104	48	19	200,901,485	27,283,350	386	1,732,640,107
Montana	7	2	3	7	1	2	2,750,000	3,902,891	6	13,883,246
Nebraska	2	1	2	2	2	2	11,300,000	8,200,000	24	170,786,047
Nevada	0	0	0	0	0	0	0	0	0	0
New Hampshire	4	2	3	4	2	2	18,550,000	11,941,484	12	109,550,125
New Jersey	18	8	4	17	6	4	149,750,000	27,015,818	18	522,946,303
New Mexico	1	0	1	1	0	2	0	6,777,975	3	12,027,975
New York	118	99	96	124	116	116	1,333,668,343	1,195,028,584	509	3,966,900,370
North Carolina	86	58	43	101	70	48	266,282,227	100,848,830	220	945,255,400
North Dakota	0	0	0	0	0	1	0	13,042,175	4	31,552,345
Ohio	129	103	60	117	100	64	737,890,222	370,734,055	339	2,540,558,236
Oklahoma	12	10	5	16	13	5	108,640,287	69,597,967	54	325,417,487
Oregon	2	6	2	2	4	3	155,517,128	13,909,453	34	272,317,024
Pennsylvania	41	37	67	38	34	66	350,007,026	551,902,474	335	2,319,221,406
Puerto Rico	0	0	0	3	1	0	825,000	0	0	0
Rhode Island	26	27	2	26	25	4	114,644,652	32,715,450	39	525,268,144
South Carolina	42	30	18	39	29	17	174,833,037	163,005,901	87	453,027,804
South Dakota	2	5	0	4	2	0	11,500,000	0	6	25,312,106
Tennessee	10	13	7	11	9	2	83,865,503	5,767,000	43	470,008,722
Texas	57	43	15	56	38	14	310,206,984	111,927,759	116	2,091,929,909
Utah	4	5	6	3	5	9	10,250,410	50,565,467	28	87,040,937
Vermont	10	14	10	11	15	3	34,376,133	18,294,295	38	77,221,781
Virgin Islands	0	0	0	0	0	0	0	0	0	0
Virginia	101	90	65	125	93	80	204,270,001	322,530,960	427	1,521,066,232
Washington	11	6	6	10	3	5	13,250,000	547,132,806	34	921,380,660
West Virginia	18	17	6	19	15	6	109,478,147	10,063,298	27	81,957,344
Wisconsin	28	27	18	27	18	16	76,875,793	199,269,041	116	1,079,966,604
Wyoming	1	0	0	1	1	0	6,800,000	0	2	1,205,000
<b>Total</b>	<b>1,454</b>	<b>1,138</b>	<b>819</b>	<b>1,463</b>	<b>1,187</b>	<b>858</b>	<b>\$6,990,839,242</b>	<b>\$6,555,705,529</b>	<b>4,965</b>	<b>\$32,922,596,116</b>

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 what constitutes 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](http://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 as technical guidance and publications on preserving and rehabilitating historic buildings is available from TPS at (202) 513-7270 or [www.nps.gov/tps](http://www.nps.gov/tps).



Front and Back Cover:  
Worcester County Courthouse,  
Worcester, Massachusetts

Photos: Ed Wonssek



Top: Original 1845 section

Middle: Former courtroom in the  
1898 section

Bottom: Major Taylor Museum

March 2023

Revised

