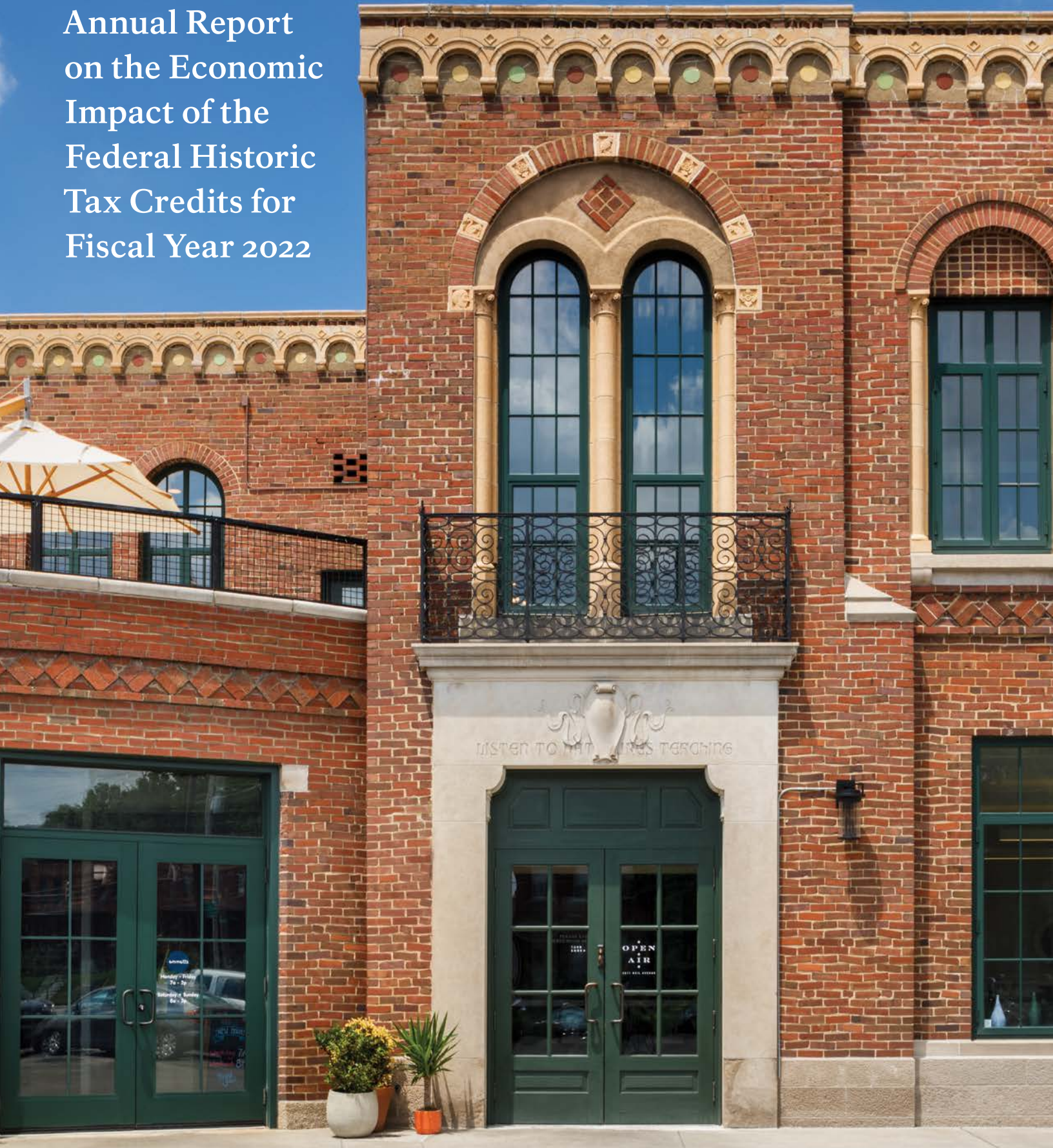


Annual Report
on the Economic
Impact of the
Federal Historic
Tax Credits for
Fiscal Year 2022



RUTGERS

Edward J. Bloustein School
of Planning and Public Policy



National Park Service

U.S. Department of the Interior
Technical Preservation Services

A Message from the National Park Service

Beyond the National Park System, the National Park Service (NPS) through its Cultural Resources, Partnerships, and Science programs is part of a national preservation partnership working to promote the preservation of historic resources in communities small and large throughout the country. For the past 45 years the NPS, in partnership with the State Historic Preservation Offices, has administered the Federal Historic Preservation Tax Incentives Program. The program provides a 20% Federal tax credit to property owners who undertake a substantial rehabilitation of a historic building in a business or income-producing use while maintaining its historic character.

Commonly referred to as the Historic Tax Credit (HTC), the HTC is designed not only to preserve and rehabilitate historic buildings, but also to promote the economic revitalization of older communities in the nation's cities and towns, along Main Streets, and in rural areas. Since the program's inception in 1976, the NPS has certified the rehabilitation of more than 48,000 historic properties throughout the United States, with the HTC leveraging over \$235.0 billion in private investment in historic rehabilitation and generating more than 3.2 million jobs. The NPS issues annual reports on the HTC program quantifying the number of historic rehabilitations certified each year, their reported costs, and other statistical information on the program. The annual report is available on the NPS Technical Preservation Services website at <https://www.nps.gov/taxincentives/>, along with information on the HTC program in general.

In Fiscal Year (FY) 2022, the NPS certified 858 completed historic rehabilitation projects, representing \$6.6 billion in estimated rehabilitation costs that qualify for the 20% Federal tax credit. Another 1,187 proposed projects were also approved in FY 2022. Many of these projects involved buildings that were abandoned or underutilized and in need of substantial rehabilitation to return them to, or for their continued, economic viability. The HTC program also is an important tool in helping to revitalize older, economically depressed communities. Based on project data provided by the NPS, PolicyMap determined that 50% of the certified rehabilitation projects in FY 2022 were located in low- and moderate- income census tracts and 78% were located in economically distressed areas.

A common misconception about the HTC program is that it only supports large projects and projects in large cities. Almost half (44%) of all projects in FY 2022 were under \$1 million, and 17% were under \$250,000. PolicyMap determined that 29% of all certified rehabilitation projects in FY 2022 were located in communities with under 50,000 in population and 19% in communities with under 25,000 in population.

For FY 2022, the NPS also turned to the Rutgers University Center for Urban Policy Research, through a cooperative agreement, to undertake and report on the economic impacts of the HTC for the fiscal year ending September 30, 2022. This report highlights its main findings. An economic model originally developed by the Center under a series of grants from the NPS was utilized in the preparation of this report. The economic model was utilized by the Center for their prior reports on the Federal HTC, as well as for a number of other economic reports for state governments and others.

As the Center's report identifies, the level and breadth of the positive economic impacts resulting from the Federal HTCs in FY 2022 are quite significant. The report also includes information on the cumulative economic impact of the Federal HTCs for the past 45 years, starting in 1977-78 with the first completed rehabilitation project to be certified by the NPS under the program. Lastly, the report includes case studies of HTC projects certified in FY 2022. The program remains the Federal government's largest and most effective program supporting historic preservation and community revitalization.

Technical Preservation Services, National Park Service

February 2024



Open Air School, Columbus Ohio. Exterior after rehabilitation
 Photo: Kelley Companies

Executive Summary

Overview of the Rutgers Economic Analysis

The Federal Historic Tax Credit (HTC) is a Federal income tax credit that promotes the rehabilitation of income-producing historic properties. This study examines the economic impacts of the HTC (a 20% credit since 1986) by analyzing the economic consequences of the projects it supports. This analysis focuses on the economic effects of these projects during construction, quantifying the total economic impacts (i.e., direct as well as multiplier, or secondary, economic consequences) for the Fiscal Year 2022, beginning October 1, 2021, and ending September 30, 2022, and for the period since the program’s inception (beginning in FY 1977, with the certification of the first completed rehabilitation project under the program). The study uses the Preservation Economic Impact Model (PEIM), a comprehensive economic model developed by Rutgers University Center for Urban Policy Research for the National Park Service.

The current analysis applies the PEIM to both cumulative (FY 1977 through FY 2022) HTC-related historic rehabilitation investment (about \$235.0 billion in inflation-adjusted 2022 dollars) and single-year (FY 2022) HTC-related rehabilitation investment (about \$7.3 billion). It considers the effects of the cumulative \$235.0 billion rehabilitation investment as if it applied to one year (2022), rather than backdating the PEIM for each of the 45 years in the study period. It also considers the full rehabilitation investment associated with the HTC (e.g., \$7.3 billion in FY 2022), and not the somewhat lower amount reported by the National Park Service based on estimated qualified rehabilitation costs indicated by property owners requesting certification of rehabilitation for purposes of the tax credit (e.g., \$6.6 billion in FY 2022).¹

PEIM results include many fields of data. The fields most relevant to this study include:

JOBS	Employment, both part- and full-time, by place of work, estimated using the typical job characteristics of each industry.
INCOME	“Earned” or labor income; specifically, wages, salaries, and proprietor income.
WEALTH	Value-added; the sub-national equivalent of gross domestic product (GDP).
OUTPUT	The value of shipments, as reported in the Economic Census.
TAXES	Tax revenues generated by the activity, including taxes to the Federal government and to state and local governments.

¹ The HTC has a multi-step application process, encompassing Part 1 (evaluation of the historic significance of the property), Part 2 (description of the proposed rehabilitation work), and Part 3 (request for certification of completed work). Both Part 2 and Part 3 rehabilitation statistics include only costs considered “eligible” or “qualified” for the tax credit under the Internal Revenue Code (Qualified Rehabilitation Expenditures, or QREs), as opposed to “ineligible” or “nonqualified” costs. While the ineligible/nonqualified expenses do not count for tax credit purposes, they are a component of the total rehabilitation investment or cost borne by the HTC property owner. In practical terms, the total rehabilitation investment, including ineligible/nonqualified costs, helps pump prime the economy. For example, in FY 2022, the certified rehabilitation (Part 3) qualified rehabilitation expenditures amounted to about \$6.6 billion, while the total rehabilitation outlay associated with the HTC was an estimated \$7.3 billion.

National Economic Impacts

The following table summarizes the impacts of the HTC in inflation-adjusted 2022 dollars for each of these economic measures for the cumulative period FY 1977–2022 and for FY 2022.

FEDERAL HTC-ASSISTED REHABILITATION		
National Total Impacts 2022 \$ billion	\$199.1 billion CUMULATIVE (FY 1977–2022)² historic rehabilitation expenditures results in:	\$8.0 billion ANNUAL FY 2022 historic rehabilitation expenditures results in:
Jobs (person-years, in thousands)	3,042	135
Income (\$ billion)	\$157.3	\$5.6
Output (\$ billion)	\$428.4	\$15.0
GDP (\$ billion)	\$213.8	\$7.7
Taxes (\$ billion)	\$60.7	\$2.1
Federal (\$ billion)	\$42.9	\$1.3
State (\$ billion)	\$8.8	\$0.3
Local (\$ billion)	\$9.0	\$0.4

The benefits of investment in HTC-related historic rehabilitation projects are extensive, increasing payrolls and production in nearly all sectors of the nation’s economy. The cumulative effects for the period of FY 1977 through FY 2022 are illustrative. During that period, \$235.0 billion in HTC-related rehabilitation investment created 3,164,000 jobs and \$251.6 billion in GDP, about 30% of which (983,000 jobs and \$75.1 billion in GDP) was in the construction sector. This is as one would expect, given the share of such projects that require the employment of building contractors and trades. Other major beneficiaries were the service sector (571,000 jobs, \$33.4 billion in GDP), the manufacturing sector (669,000 jobs, \$66.8 billion in GDP), and the retail trade sector (441,000 jobs, \$17.7 billion in GDP). As a result of both direct and multiplier effects, and due to the interconnectedness of the national economy, sectors not immediately associated with historic rehabilitation, such as agriculture, mining, transportation, and public utilities, benefit as well. (see Exhibit 3.1).

The most recent economic benefits of the federal HTC are also impressive. In FY 2022, HTC-related investments generated approximately 122,000 jobs, including 43,000 in construction and 27,000 in manufacturing, and were responsible for \$7.0 billion in GDP, including \$2.3 billion in construction and \$2.0 billion in manufacturing. HTC-related activity in FY 2022 generated \$5.2 billion in income, with construction (\$1.9 billion) and manufacturing (\$1.2 billion) reaping major shares. (See Exhibit 3.2)

² Changes in the official annual reported rates of inflation caused the Rutgers research team to make various changes in the calculations concerning the economic impacts of the HTC over time. The changes are particularly notable over the past few years when job counts ensuing from the HTC had to be adjusted.



BEFORE



AFTER

Open Air School, Columbus Ohio. First floor hallway before rehabilitation (left) and after rehabilitation (right)
Photos: Judy Williams (left), Kelley Companies (right)

The HTC National and State Economic Impacts

A breakdown by state of the national economic benefits, both for FY 2022 and cumulatively for the last five fiscal years (FY 2018–2022), shows the benefits of the program on the national economy. (See Exhibits 2.1 and 2.2)

HTC-related historic rehabilitation investment benefits state economies as well as the national economy. For example, in Connecticut in FY 2022, Federal HTC-related rehabilitation activity totaled about \$150.5 million. The national impacts of that investment included 2,155 jobs, an additional \$275.4 million in output, \$104.8 million in income, \$145.7 million in GDP, \$24.1 million in Federal taxes, and \$38.8 million in total taxes. In Connecticut alone, the same \$150.5 million in HTC-related spending resulted in 1,317 jobs, \$150.5 million in output, \$66.9 million in income, \$85.8 million in gross state product (GSP), and \$21.8 million in total taxes.

HTC Impacts Compared with those of Non-Preservation Investments

How does HTC-related historic rehabilitation perform as an economic pump primer compared with other, non-preservation investments? In short, quite well. Numerous studies conducted by Rutgers University have shown that in many parts of the country, a \$1 million investment in historic rehabilitation yields markedly better effects on employment, income, GDP, and state and local taxes than an equal investment in new construction or many other economic activities (e.g., manufacturing or services). These findings demonstrate that historic rehabilitation, combined holistically with the many activities of the broader economy, delivers a commendably strong “bang for the buck.”

The Cost of the HTC

The HTC is a tax expenditure and has a public cost. In the simplest terms, the Federal cost of the HTC is equal to the credit percent (20% since 1986) applied to the Part 3 (qualified for tax credit) estimated investment.³ Applying that calculation, the federal HTC costs the U.S. Treasury approximately \$44.3 billion (in inflation-adjusted 2022 dollars) over the period of FY 1977 through FY 2022, while the cost for projects certified by the National Park Service in FY 2022 alone was about \$1.311 billion.⁴ Weighing against these costs are the significant economic impacts (i.e., jobs, income, GDP, and output) and tax revenue (Federal, state, and local) generated by HTC-aided rehabilitations and documented in this study. An important finding is that the HTC yields a net benefit to the U.S. Treasury, generating \$50.3 billion in federal tax receipts over the life of the program, compared with \$44.3 billion in credits allocated. (See Exhibit 1)

³See footnote 1, on page 1.

⁴ These estimates are based on the full utilization of the credits in cases of certified rehabilitation and calculates the 20% tax credit as taken in one-year and not over five-years. For various reasons, not all completed projects certified by the National Park Service may ultimately utilize the credit. Their economic impact, nevertheless, remains.

Fiscal Year 2022 Highlights

\$7.3 billion

Total in rehabilitation investment

2022 POSITIVE IMPACTS
on the national economy:

\$13.7 billion in output,
\$7.0 billion in GDP,
\$5.2 billion in income, and
\$1.9 billion in taxes, including
\$1.2 billion in Federal tax receipts.

122,000

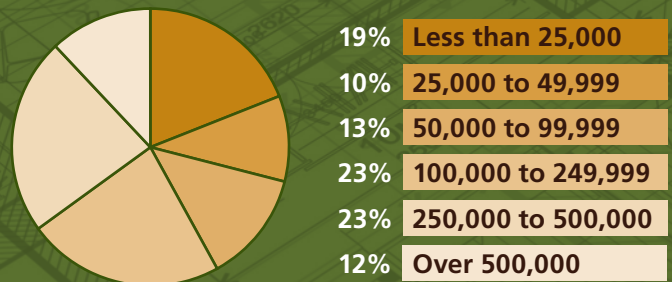
NEW JOBS created and billions
of dollars in total (direct and
secondary) economic gains

50% Projects in low- and moderate-
income census tracts*

78% Projects in economically
distressed areas*

29% Projects in communities of
less than 50,000 people*

Projects by Community Size (Population)*



*Courtesy of PolicyMap (Count of Population, 2020. United States Census Bureau Decennial Redistricting File (PL 94-171). New Markets Tax Credit (NMTCT) Eligibility Status for 2019 using 2011-2015 eligibility data. United States Department of the Treasury, CDFI Fund)

Fiscal Year 1977 — Fiscal Year 2022 Cumulative HTC Impacts

\$235.0 billion

in cumulative rehabilitation investment

In inflation-adjusted (2022 dollars) \$44.3 billion
HTC cost encouraged a five times greater amount
of historic rehabilitation, \$235.0 billion.

3.2 million

NEW JOBS created and billions
of dollars in total (direct and
secondary) economic gains

CUMULATIVE POSITIVE IMPACTS
on the national economy:

\$503.8 billion in output,
\$251.6 billion in GDP,
\$185.1 billion in income, and
\$71.3 billion in taxes, including
\$50.3 billion in Federal tax receipts.

These leverage and multiplier effects support the economic argument that the **Federal HTC is a strategic investment that works.**

Exhibit 1

Summary of Federal Historic Tax Credit Statistics

Dollar amounts are expressed in billions				
Investment/Tax Credit Component ^a	FY 1977–2022			
	Nominal \$ ^d		Real \$ ^e	
	Total	Annual Average	Total	Annual Average
Approved proposed (for tax credit) rehabilitation (Part 2)	\$148.3	\$3.30	\$276.0	\$6.13
Certified (for tax credit) rehabilitation (Part 3)	\$112.3	\$2.50	\$211.5	\$4.70
Total rehabilitation cost ^b	\$124.8	\$2.77	\$235.1	\$5.22
Federal tax credit ^c	\$22.9	\$0.51	\$44.3	\$0.98

Dollar amounts are expressed in billions		
Economic Impacts (See Exhibit 3.1 for details)	FY 1977–2022 ^e	
	Total	Annual Average
Jobs (in thousands)	3,164	70
Income	\$185.1	\$4.11
Gross Domestic Product	\$251.6	\$5.59
Output	\$503.8	\$11.20
Taxes-All Government	\$71.3	\$1.58
Taxes-Federal Government	\$50.3	\$1.12
Taxes-State Government	\$10.4	\$0.23
Taxes-Local Government	\$10.7	\$0.24

Technical Background: The HTC has a multi-step application process encompassing Part 1 (evaluation of the historic significance of the property), Part 2 (description of the rehabilitation work), and Part 3 (request for certification of completed work). With respect to the HTC’s dollar magnitude, the most complete data is for the approved proposed (for tax credit) rehabilitation investment (Part 2). We do not have as good data on the year-by-year certified (for tax credit) rehabilitation (Part 3) volume over the full FY 1977–2022 period. (Only a portion of the Part 2 rehabilitation is ultimately certified as Part 3.) Further, we do not have specific data on the total rehabilitation investment associated with the HTC. By way of background, both Part 2 and Part 3 rehabilitation statistics include only what are termed “eligible” or “qualified” items (or Qualified Rehabilitation Expenditures—QREs) for the tax credit as opposed to what are called “ineligible” or “non-qualified” costs. Examples of eligible/qualified items include outlays for rehabilitation (walls, floors, and ceilings, etc.) construction-period interest and taxes, and architect fees; examples of ineligible/non-qualified costs include landscaping, financing and leasing fees, and various other outlays (e.g., for fencing, paving, sidewalks and parking lots). While the ineligible/non-qualified expenses do not count for tax credit purposes, they are a component of the total rehabilitation investment borne by the HTC developer, and in fact, the total rehabilitation investment (including ineligible/non-qualified costs) help pump prime the economy. Based on the best published data and through additional case studies conducted specifically for the purposes of the current investigation, Rutgers University estimates some of the “missing information” noted above regarding the cumulative HTC investment over FY 1977–2022.

^a Data estimated from best available information.

^b Equals all rehabilitation outlays—both eligible/qualified expenses and ineligible/non-qualified costs. The total rehabilitation cost is estimated by dividing the Part 3 investment by 0.9. Case study investigation suggests that the Part 3 amount is closer to 85% of the total rehabilitation cost, however we elected to apply the 0.9 factor to be conservative, that is to derive a lower rather than a higher estimate of the total rehabilitation expense.

^c Assumes a 25% HTC in FY 1977 – FY 1986 and a 20% HTC in FY 1987 – FY 2022. These percents are applied to the certified rehabilitation (Part 3) qualified rehabilitation expenditures..

^d In indicated year dollars—not adjusted for inflation.

^e In inflation-adjusted 2022 dollars.

SOURCES: Technical Preservation Services, National Park Service. Calculations by Rutgers University.

Exhibit 2.1 Fiscal Year 2022
National Economic and Tax Impacts of Federal HTC-Related Investment by State

State	Total Rehabilitation Costs in 2022 \$ millions	National Economic Impacts				Tax Impacts in 2022 \$ millions			
		Employment jobs	in 2022 \$ millions		Output	Local	State	Federal	Total
			Income	GDP					
Alabama	\$48.5	895	\$30.7	\$57.8	\$79.6	\$0.9	\$1.3	\$7.4	\$9.5
Alaska	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arizona	1.1	19	0.7	0.8	2.1	1.1	0.7	0.2	1.9
Arkansas	28.3	585	19.7	29.3	52.2	0.6	1.0	4.7	6.3
California	155.1	2,314	112.5	146.9	303.5	3.9	6.3	28.5	38.7
Colorado	31.1	1,996	21.9	30.4	58.6	0.8	1.0	5.2	7.0
Connecticut	150.5	2,155	104.8	145.7	275.4	7.9	6.7	24.1	38.8
Delaware	147.3	2,331	104.1	141.7	274.8	6.8	7.1	23.2	37.2
District of Columbia	148.5	2,158	100.1	135.4	261.4	10.0	4.0	20.3	34.3
Florida	115.1	2,006	81.3	110.1	215.5	6.0	3.6	19.4	29.0
Georgia	153.3	3,028	106.4	156.5	280.7	7.2	7.0	25.9	40.2
Hawaii	1.1	16	0.8	1.1	2.0	0.0	0.0	0.2	0.2
Idaho	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Illinois	173.3	2,555	126.1	162.8	338.4	5.5	5.0	30.3	40.8
Indiana	59.4	1,041	42.4	57.1	113.3	19.6	13.0	10.1	42.7
Iowa	110.4	1,994	74.7	111.5	194.1	3.7	3.3	17.3	24.3
Kansas	56.3	1,023	39.4	54.6	104.4	13.3	9.2	9.1	31.6
Kentucky	39.1	749	27.1	38.3	71.7	3.9	3.1	6.2	13.3
Louisiana	431.3	7,620	307.5	402.8	817.1	15.0	15.7	70.8	101.5
Maine	33.3	504	19.5	29.4	63.7	1.5	1.4	5.3	8.2
Maryland	108.4	1,675	76.1	102.4	201.1	3.5	3.2	17.4	24.1
Massachusetts	433.6	5,634	304.3	408.2	807.4	11.6	14.0	70.0	95.5
Michigan	159.6	2,535	113.0	151.4	301.0	4.7	5.8	26.4	36.8
Minnesota	368.2	5,798	258.5	348.2	687.5	12.9	14.6	59.4	86.9
Mississippi	40.9	851	28.4	40.4	75.3	3.1	2.5	6.6	12.2
Missouri	30.3	519	21.6	28.6	57.6	0.8	1.0	5.0	6.8
Montana	4.3	84	3.0	4.3	8.0	0.2	0.1	0.7	1.0
Nebraska	9.1	174	6.2	9.0	16.3	1.9	1.3	1.4	4.6
Nevada	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	13.3	204	9.2	12.8	24.6	0.5	0.2	2.1	2.8
New Jersey	30.0	431	21.3	28.0	57.0	0.6	0.9	4.9	6.4
New Mexico	7.5	145	5.3	7.3	14.2	0.3	0.3	1.2	1.9
New York	1,327.8	21,966	946.1	1,263.6	2,498.6	86.0	72.9	228.2	387.2
North Carolina	112.1	2,099	78.9	112.2	209.9	2.7	3.9	19.2	25.8
North Dakota	14.5	255	10.1	13.4	26.7	0.5	0.4	2.1	3.0
Ohio	411.9	7,400	293.3	405.9	782.3	17.9	15.1	71.4	104.4
Oklahoma	77.3	1,525	55.1	77.3	147.7	1.9	2.7	13.3	17.8
Oregon	15.5	273	11.2	14.7	30.1	0.4	0.5	2.7	3.6
Pennsylvania	613.2	9,967	445.2	590.1	1,195.8	20.4	17.3	108.0	145.7
Rhode Island	36.4	554	24.8	37.2	65.4	1.3	1.1	5.7	8.1
South Carolina	181.1	3,385	125.6	183.7	330.9	5.2	5.8	30.1	41.1
South Dakota	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee	6.4	113	4.5	6.2	11.9	0.2	0.1	1.0	1.4
Texas	124.4	2,009	90.1	117.8	243.6	4.3	2.5	22.2	29.0
Utah	56.2	1,040	39.4	55.2	104.3	1.5	1.9	9.2	12.6
Vermont	20.3	361	14.7	19.3	39.0	0.8	1.0	3.3	5.1
Virginia	358.4	6,031	256.4	346.6	682.8	9.3	12.0	61.4	82.7
Washington	607.9	9,744	436.0	590.8	1,168.3	28.1	22.0	105.0	155.0
West Virginia	11.2	214	7.7	11.2	20.4	0.3	0.4	1.8	2.5
Wisconsin	221.4	3,853	156.9	215.7	415.9	7.8	8.9	37.3	54.1
Wyoming	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Totals	\$7,284.1	121,830	\$5,163.0	\$7,013.8	\$13,732.2	\$336.4	\$301.9	\$1,225.3	\$1,863.6

SOURCE: Technical Preservation Services, National Park Service. Calculations by Rutgers University.

Exhibit 2.2 Cumulative Fiscal Years 2018–2022 National Economic and Tax Impacts of Federal HTC-Related Investment by State

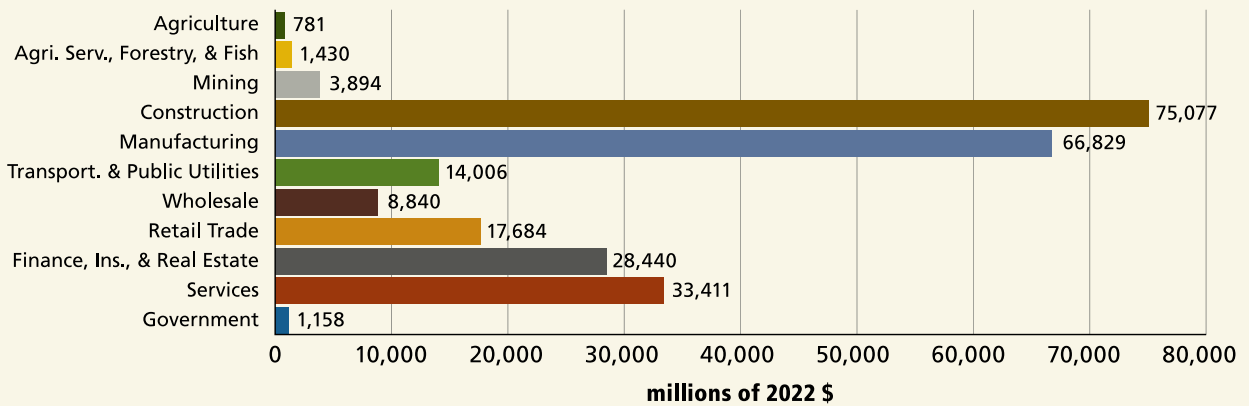
State	Total Rehabilitation Costs in 2022 \$ millions	National Economic Impacts				Tax Impacts			
		Employment jobs	in 2022 \$ millions			in 2022 \$ millions			
			Income	GDP	Output	Local	State	Federal	Total
Alabama	\$358.8	5,563	\$227.6	\$428.1	\$588.9	\$6.4	\$9.4	\$54.7	\$70.5
Alaska	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arizona	77.7	1,108	45.9	59.1	149.5	73.5	47.4	13.1	133.9
Arkansas	303.3	5,478	210.9	315.0	560.6	5.9	11.0	50.8	67.8
California	846.0	10,628	613.2	800.9	1,655.0	21.4	34.1	155.4	210.9
Colorado	168.4	9,585	118.7	164.6	317.1	4.2	5.5	28.1	37.8
Connecticut	635.4	8,007	442.4	614.9	1,162.4	33.5	28.4	101.8	163.7
Delaware	225.6	3,177	159.5	217.1	421.2	10.4	10.9	35.6	56.9
District of Columbia	760.6	9,232	512.9	693.6	1,339.1	51.0	20.6	103.9	175.6
Florida	323.8	4,892	228.7	309.8	606.1	16.8	10.2	54.5	81.5
Georgia	975.4	16,561	677.1	995.7	1,786.0	46.0	44.6	165.0	255.7
Hawaii	15.7	184	10.6	15.1	27.8	0.5	0.6	2.3	3.5
Idaho	16.2	293	11.0	15.7	29.1	0.4	0.4	2.5	3.1
Illinois	2,250.3	30,684	1,638.3	2,114.3	4,394.9	71.3	64.8	394.2	530.2
Indiana	531.0	8,029	379.4	510.6	1,013.3	175.0	116.6	90.3	381.8
Iowa	943.4	14,596	638.8	953.6	1,659.4	31.5	28.1	148.0	207.7
Kansas	309.2	4,882	216.3	299.5	573.2	72.9	50.7	49.7	173.4
Kentucky	370.7	6,102	256.7	362.6	679.0	37.1	29.5	59.2	125.8
Louisiana	1,795.9	27,175	1,280.3	1,677.1	3,402.2	62.7	65.2	294.6	422.5
Maine	143.6	1,891	84.5	126.8	275.2	6.4	6.1	22.9	35.3
Maryland	654.3	8,978	459.4	617.9	1,214.1	21.3	19.2	104.7	145.2
Massachusetts	1,847.1	20,758	1,296.4	1,739.1	3,439.8	49.3	59.5	298.2	406.8
Michigan	1,394.6	18,811	988.1	1,323.7	2,630.8	41.4	50.2	230.3	322.0
Minnesota	940.5	12,855	660.2	889.5	1,756.2	33.0	37.4	151.8	222.1
Mississippi	245.1	4,476	170.6	242.2	451.5	18.5	14.7	39.6	73.0
Missouri	1,883.9	32,982	1,579.9	2,093.0	4,211.9	61.1	70.0	366.8	498.1
Montana	16.1	300	11.2	15.7	29.5	0.6	0.6	2.6	3.6
Nebraska	226.6	3,634	154.8	224.0	405.3	46.8	32.0	35.1	113.8
Nevada	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	142.2	1,869	99.0	137.7	263.3	5.6	2.0	22.8	30.2
New Jersey	680.2	8,341	482.5	634.9	1,291.7	13.4	20.1	111.3	144.7
New Mexico	15.8	257	11.3	15.5	30.0	0.7	0.7	2.6	4.0
New York	5,042.5	72,918	3,592.9	4,798.8	9,488.8	326.8	276.7	866.8	1,470.4
North Carolina	1,225.3	19,675	863.0	1,227.3	2,295.2	29.7	42.9	209.5	282.0
North Dakota	40.0	618	28.1	37.0	73.9	1.3	1.0	5.9	8.4
Ohio	3,323.8	50,710	2,366.7	3,274.8	6,312.0	144.3	121.6	576.4	842.3
Oklahoma	415.0	7,130	295.7	414.6	792.5	10.1	14.4	71.2	95.6
Oregon	359.9	5,353	261.2	342.6	700.5	9.3	12.6	62.7	84.8
Pennsylvania	3,010.7	41,885	2,185.6	2,897.1	5,870.7	100.4	85.1	530.0	715.6
Rhode Island	680.2	8,902	463.8	696.5	1,223.5	54.1	22.3	86.7	130.6
South Carolina	380.7	9,407	407.1	595.2	1,072.4	17.0	18.8	97.6	133.2
South Dakota	34.1	563	22.1	28.7	58.7	1.1	0.5	4.8	6.3
Tennessee	647.6	9,237	454.1	628.3	1,207.2	18.3	13.9	105.6	137.8
Texas	2,714.6	37,550	1,966.6	2,571.8	5,317.0	93.7	53.9	484.5	632.1
Utah	104.9	1,791	73.6	103.2	195.0	2.8	3.5	17.3	23.5
Vermont	99.0	1,522	71.7	94.1	189.9	3.0	4.8	16.1	24.9
Virginia	1,969.3	28,443	1,409.2	1,904.8	3,752.2	51.0	66.1	337.3	454.5
Washington	1,136.6	16,409	815.1	1,104.6	2,184.3	52.4	41.1	196.2	289.9
West Virginia	108.0	1,742	74.6	108.3	196.7	3.3	3.7	17.4	24.3
Wisconsin	1,376.8	20,884	975.4	1,341.0	2,586.5	48.6	55.3	232.2	336.3
Wyoming	1.6	28	1.3	1.8	3.3	0.1	0.0	0.3	0.5
Totals	\$41,768.0	616,098	\$29,993.8	\$40,777.8	\$79,884.4	\$1,985.6	\$1,728.8	\$7,110.9	\$10,794.2

SOURCE: Technical Preservation Services, National Park Service. Calculations by Rutgers University.

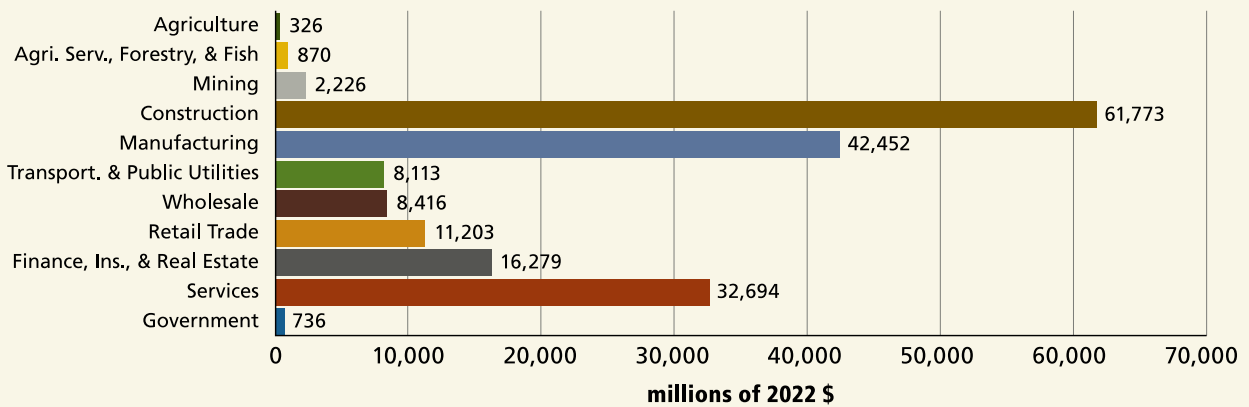
Exhibit 3.1

National Economic Impacts of HTC-Related Activity by Sector FY 1977 through FY 2022 (HTC Investment: \$235.0 billion)

Gross Domestic Product by Sector from Federal Historic Preservation Investment \$251,012 million cumulative, FY 1977–2022



Income Created by Sector from Federal Historic Preservation Investment \$185,096 million cumulative, FY 1977–2022



Jobs Created by Sector from Federal Historic Preservation Investment 3,164,131 jobs cumulative, FY 1977–2022

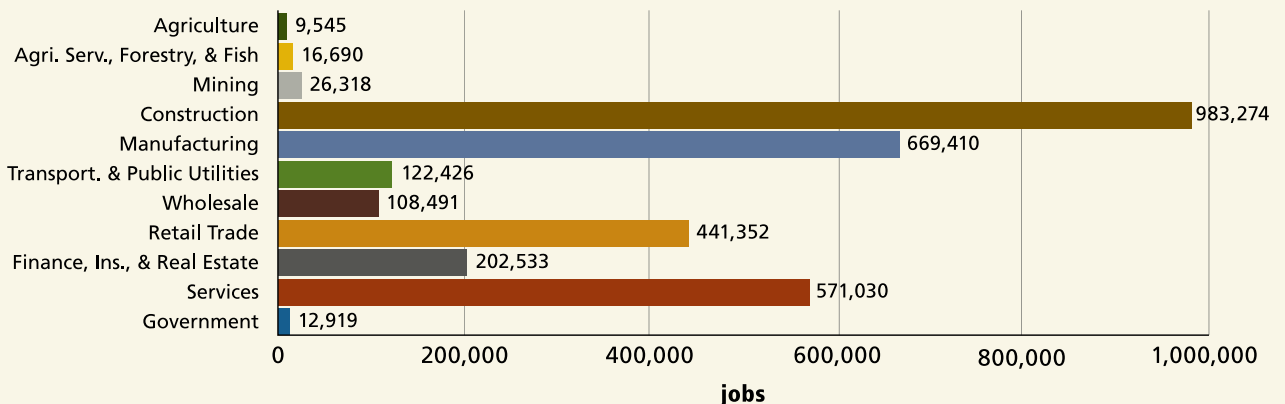
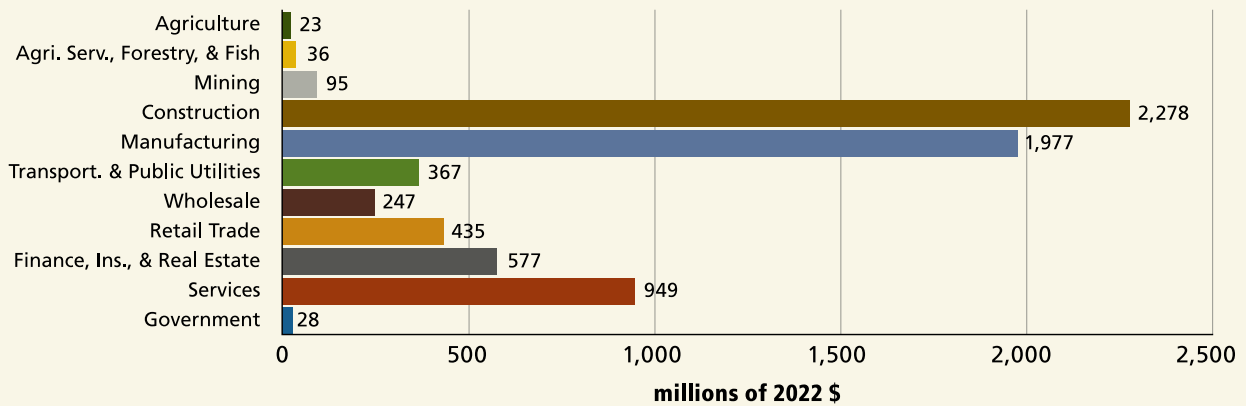


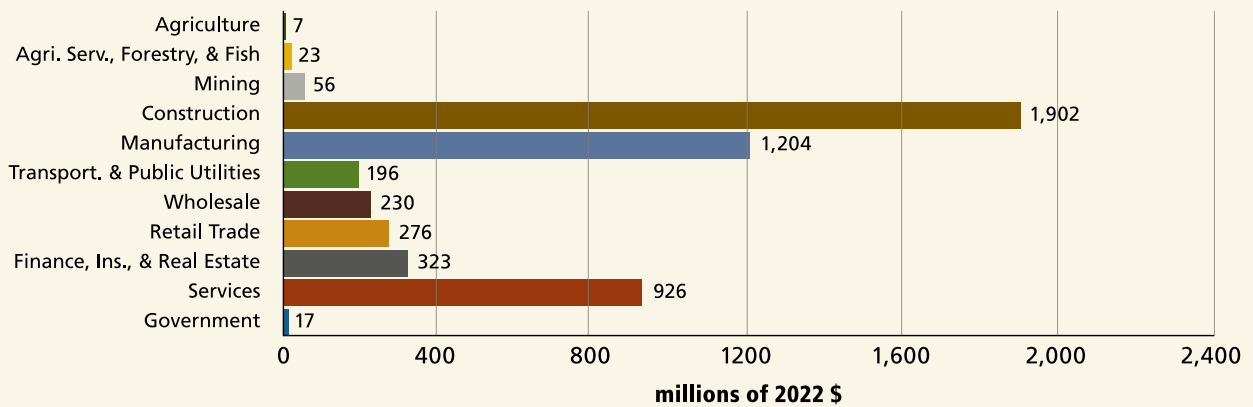
Exhibit 3.2

**National Economic Impacts of HTC-Related Activity by Sector
FY 2022 (HTC Investment: \$7.3 billion)**

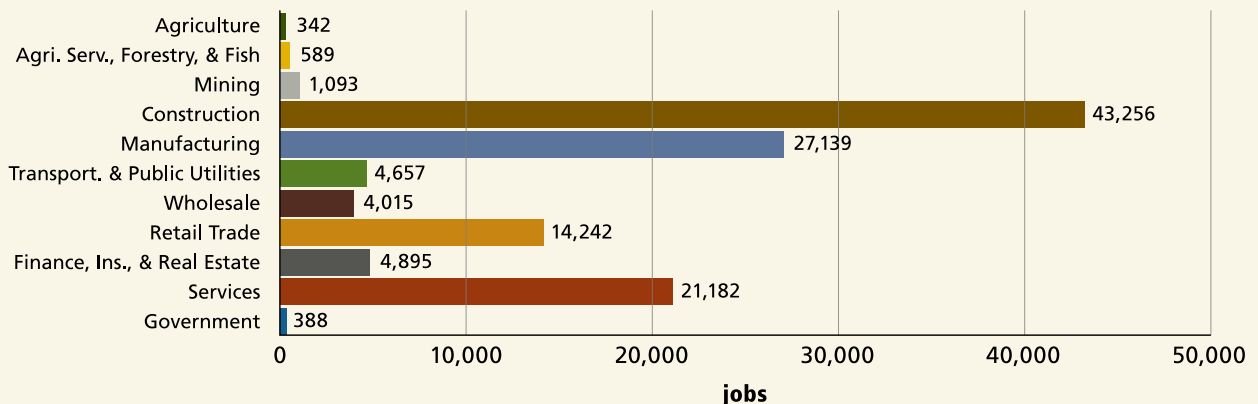
Gross Domestic Product by Sector from Federal Historic Preservation Investment
\$7,014 million, FY 2022



Income Created by Sector from Federal Historic Preservation Investment
\$5,163 million, FY 2022



Jobs Created by Sector from Federal Historic Preservation Investment
121,830 jobs, FY 2022



Atlantic Permanent Building Norfolk, Virginia



Sophisticated, modern in style, and convenient are the descriptors used for the rehabilitated Atlantic Permanent Apartments and D’Art Center in Norfolk, Virginia, illustrative words that equally applied when the former Atlantic Permanent Bank headquarters building was erected in 1954. Beyond preserving the sleek lines of Norfolk’s only International Style building, this rehabilitation project introduced another timely title: floodproof.

The Atlantic Permanent Building is located in Norfolk’s Art District, the Auto Row Historic District, and within walking distance to downtown restaurants and entertainment. It’s also at the center of a dizzying array of flood risk factors. The combination of Norfolk’s sinking terra firma (much of it infill), high water table, and stormwater runoff, intensifies the fact that the building sits adjacent to the lowest point in the area. Floodplain regulations for Norfolk mandate elevation and floodproofing for substantial improvements to buildings, but it did not make sense to raise the Atlantic Permanent by six feet, out of the flood plain and coastal flood hazard levels.

With creative ingenuity the rehabilitation team recommended a combined approach of dry floodproofing and wet floodproofing that would be make the building more resilient and preserve character-defining features like the large historic glass panels at the entrance along Boush Street and the horizontal emphasis of the massing. The plan included installing shatterproof glass and using moisture-resistant gypsum with fiberglass meant to impede mold growth on the interior walls. The building’s entrances could be blocked by manually inserted flood barriers — aluminum panels set into steel channels meant for low level nuisance flooding — and two sump pumps would remove excess water on the interior if a heavy flood event occurred. This floodproofing allows the interior to survive inundation of up to six feet above the finished floor.

The electric and mechanical equipment on the first floor required the dry floodproof approach. The elevator shaft and equipment room were made impenetrable to water by using waterproof membranes and sealants on structurally reinforced concrete walls and slabs. Electrical circuits and outlets were raised to the base flood elevation level on the interior walls, protecting critical and expensive equipment that cannot sustain exposure to floodwaters.

The successful application of the mixed floodproofing approach resulted in a building that could survive a significant flood event and continue to serve the community in a new use with its historic identity intact. Today the former savings bank and office building houses an artist collaborative in the double-height lobby, working artist studios, and community outreach classrooms on the lower level, with uniquely designed apartments above.

PROJECT PROFILE

Historic Name: Atlantic Permanent Bank

Current Name: Atlantic Permanent Apartments and D’Art Center

Year Built: 1954

Rehabilitation Completed: 2022

Original Use: Bank and offices

New Use: Artist studios, classroom/ community outreach space, apartments on upper floors

Estimated Qualified Rehabilitation Expenditures: \$4,600,000

Estimated Total Project Cost: \$4,870,000

Above: Art installations in the former banking hall

Top right: Exterior with historic signs

Bottom right: Art installations and the historic vault

Photos: Yuzhu Zheng



CASE STUDY #2

Open Air School

Columbus, Ohio



PROJECT PROFILE

Historic Name: Open Air School

Current Name: Open Air Columbus

Year Built: 1928

Rehabilitation Completed: 2022

Original Use: School

New Use: Local small businesses, including café and restaurant

Estimated Qualified

Rehabilitation Expenditures:

\$5,003,100

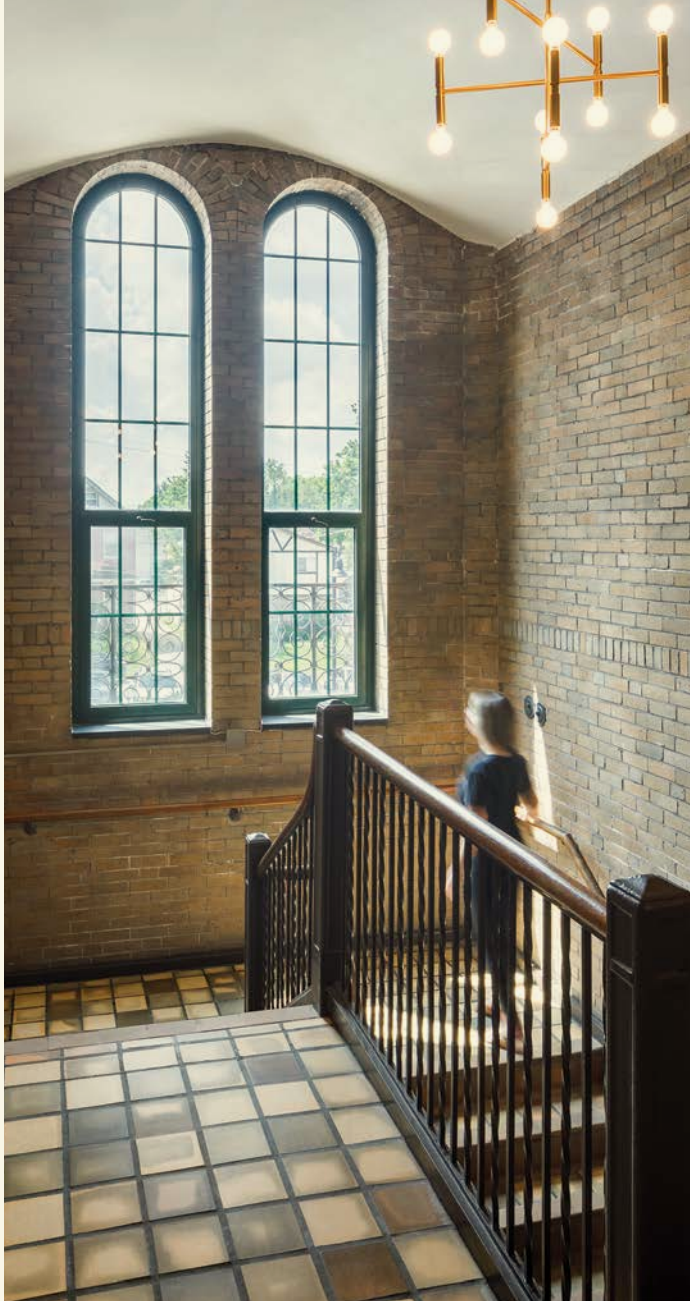
Estimated Total Project Cost:

\$6,588,100

Perched on a wooded hill above the Olentangy River, the Open Air School is perfectly positioned for its historic use—an open-air school—and it seems particularly fitting that the rehabilitation of the school took place during the recent pandemic, when people gravitated outdoors to spend time together.

The concept of open-air schools developed in Germany as an effort to combat the spread of tuberculosis in children, and it reached the United States by 1908. According to the National Register nomination for the school, the premise of an open-air school was that children's bodies could be strengthened against tuberculosis by exposing them to abundant fresh air in all seasons and providing ample rest and good nutrition. The nomination points out that this school was constructed with the typical features of an open-air school, a natural setting, outdoor play areas, a rest room for students to nap on cots, classrooms with abundant windows that were opened year-round, and a dining room that served students three meals a day.

The school was no longer an open-air school by the time it closed in the 2010s. The outdoor play area was enclosed and the rest room and dining room were repurposed for other educational uses. The Kelley Companies, a Columbus-based family-owned development firm purchased the building in 2018. Their comprehensive rehabilitation converted the building into spaces for a variety of local small businesses, including a fitness center, a café, a restaurant, a pottery, and a design firm.



Left: Former play area, now a patio

Above left: Stairwell

Above right: Detail of the building facade

Below right: Original cafeteria windows, now ordering stations in the cafe

Photos: Kelley Companies

The rehabilitation used both the Federal and the Ohio State Historic Tax Credits and preserved the building's historic character, spaces, and features. The new uses blend well into the historic school. Lockers remain in the quarry tile hallways, and historic classroom doors were preserved with the installation of fire doors behind them. Wood floors and other features remain in the classrooms. The rehabilitation also reconnected the exterior and interior of this former open-air school. An outdoor play area is now a shaded patio, and, with the addition of a discrete railing, the former play terrace is now an rooftop amenity.

The rehabilitated school has become a destination spot in the Old North Columbus neighborhood. The completed work retains so many historic features and finishes that visitors remark that it still feels like a school. The rehabilitation of the Open Air School won a James B. Recchie Design Award from Columbus Landmarks, and the Ohio State Historic Preservation Office awarded a Preservation Merit Award to the owners, the architects, the historic preservation consultant, and the design and branding firm.

This report is based on the findings of a National Park Service-funded study undertaken through a cooperative agreement with Rutgers University's Center for Urban Policy Research. Rutgers University is responsible for the content of the study. Some additional demographic analysis was provided courtesy of PolicyMap.

Front and Back Cover Images:
Open Air School, Columbus, Ohio
Photos: Kelley Companies



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