



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

HISTORICAL PRESERVATION & HERITAGE COMMISSION

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**Testimony by
J. Paul Loether, SHPO, Executive Director, R.I. Historical Preservation & Heritage Commission,
to the House Finance Committee
in support of H7246
An act relating to Taxation – Historic Preservation Tax Credits 2013**

June 10, 2020

Chairman Abney and members of the Committee, thank you for the opportunity to provide testimony today. As the State Historic Preservation Officer and Executive Director of the RIHPHC, I strongly support H7246, which will repeal the Historic Preservation Tax Credits 2013 sunset provision, and will allow this hugely successful and economically vital program to continue beyond June 30, 2020.

The positive economic impacts of this program cannot be overstated. To date, the 2013 tax credits have enabled the completion of 47 large-scale rehabilitation projects, for a total project value of \$318.6 million. These projects have leveraged private capital, created construction and longer-term jobs, and transformed underutilized or neglected historic commercial buildings into vibrant mixed-use spaces and much-needed housing. 18 projects remain active and working towards completion. Should any of these projects - which are scheduled for completion by 2025 - finish under budget, excess tax credits would be returned to the tax credit fund, and could be reallocated to new projects in the queue. Allowing the program to sunset on June 30, 2020 would preclude that reallocation. Without that incentive, there are potential projects that will simply be unable to proceed.

The current pandemic has created financial and operational challenges for all, and our economic recovery will depend on the availability of opportunities like the Historic Preservation Tax Credit, which facilitates the leveraging of federal, state, and private resources. Repealing the sunset provision is one step toward ensuring that this program - a true economic engine - will be available for the long road ahead.

Very Respectfully,

J. Paul Loether
State Historic Preservation Officer
Executive Director, RIHPHC