

# Putting People & Buildings to Work in Pennsylvania

## The Federal Historic Tax Credit | Preservation Advocacy Week 2017

The Historic Tax Credit (HTC) generates good-paying jobs by leveraging \$4 in private investment for every \$1 in tax credit to rehabilitate and revitalize historic buildings. The benefits last as long as the buildings: more housing, more space for businesses and entrepreneurs, and more economic activity in neighborhoods and downtown.

### QUICK FACTS

- **It pays for itself.** The HTC pays for itself in tax revenue, with \$1.25 returned to the Federal Treasury for every \$1 of credit.
- **It boosts the economy.** Every \$1M spent on rehab generates an added \$2.1M to the federal GDP, and on average, 60% of rehab project costs are used to hire local workers.
- **It fills the gap in struggling legacy cities.** The HTC shores up weaker real estate markets by incentivizing private investment needed to meet project costs. Over half of HTC projects in 2015 were in low- and moderate-income census tracts.



In 2015 alone in Pennsylvania, the Historic Tax Credit:

- Catalyzed **\$277M in rehab**
- Created **4,506 jobs**
- Generated **\$201M in wages**
- Returned **\$9.2M local taxes**
- Returned **\$7.8M state taxes**
- Returned **\$49M federal taxes**

◀ From 2001-2015, the HTC enabled 588 rehab projects in Pennsylvania with a total value of \$3 billion.



### Erie Insurance Heritage Center

Erie (3<sup>rd</sup> Congressional District)

Erie Insurance rehabilitated its early headquarters with goals to invest in Erie, maintain its commitment to innovation, and contribute to the preservation of the region's history. The center was built at a cost of \$5.1M, with approximately \$1M in Historic Tax Credits, and a new 52,000-square-foot Erie Insurance training center constructed down the street.

**JOB COUNT: 81 permanent jobs in Erie (est.)**



### Historic East Side/Merchants Row

Lancaster (16<sup>th</sup> Congressional District)

In Lancaster, the Historic East Side project transformed three adjacent buildings into 17 apartments, seven storefronts, and several office suites—and helped bring along a neighborhood with it. Completed in 2011, the project supports small business entrepreneurs and encourages activity in a once-neglected area. The \$7M project used approximately \$1.4M in Historic Tax Credits.

**JOB COUNT: 56 permanent jobs in Lancaster (est.)**

EDUCATIONAL MATERIAL PROVIDED BY:



SOURCES. Pennsylvania impacts: Annual Report on the Economic Impact of the Federal Historic Tax Credit for FY 2015, Rutgers University and the National Park Service; Novogradac. Map: Novogradac.

Erie Insurance: The Federal Historic Tax Credit: Transforming Communities, PlaceEconomics (jobs estimate). Image: www.eeaustin.com.

Historic East Side: PlaceEconomics (jobs estimate). Images: Historic East Side.

## Historic Tax Credit Projects in Pennsylvania, January-September 2015

PROJECT NAME	ADDRESS	CITY	DATE	PROJECT COST
-	127 Arch Street	Philadelphia	2/13/15	\$1,700,000
Prospect School	Cowan and Prospect Streets	Pittsburgh	2/13/15	\$13,868,216
McClare-Hutchinson Bldg.	20 South Third Street	Philadelphia	2/18/15	\$450,000
-	427 Monroe Street	Philadelphia	3/10/15	\$1,372,407
Quaker City Dye Works	110-118 W. Oxford St.	Philadelphia	3/10/15	\$31,817,240
-	1300-1302 Spruce Street	Philadelphia	3/16/15	\$1,589,000
Lando Building	907-909 Penn Avenue	Pittsburgh	3/16/15	\$5,048,000
Former South Side High School	900 East Carson Street	Pittsburgh	3/26/15	\$15,006,232
Princeton Club	1221-1223 Locust Street	Philadelphia	4/1/15	\$3,545,250
Philadelphia Company Office Building	435 6th Avenue	Pittsburgh	4/17/15	\$43,000,000
Henry F. Ortlieb Company Bottling House	829 - 851 N. American Street	Philadelphia	5/14/15	\$8,564,477
John H. Briggs Home	17 N. Front Street	Harrisburg	5/27/15	\$555,000
-	121 7th Street	Pittsburgh	6/3/15	\$6,000,000
-	306 Second Ave. and 209 Liberty Street	Warren	7/27/15	\$800,000
C.F. Adams Building	101 East 6th Street	Erie	8/7/15	\$5,105,000
-	716 Chestnut Street	Philadelphia	8/7/15	\$1,072,229
-	204 Allegheny Street	Hollidaysburg	8/10/15	\$228,964
York Casket Company	700 Linden Avenue	York	8/12/15	\$6,992,223
Building 18, Boiler and Blacksmith Shops	Kitty Hawk Avenue and S. 16th Street	Philadelphia	8/18/15	\$49,500,000
William Seel Building	319 Market Street	Harrisburg	8/27/15	\$900,748
-	1903 Spring Garden Street	Philadelphia	9/10/15	\$950,000
-	1310 Spruce Street	Philadelphia	9/18/15	\$810,000
Pennsylvania Building	1501-1515 Chestnut Street	Philadelphia	9/18/15	\$39,010,650