

Date November 6, 2017

**RESOLUTION AFFIRMING SUPPORT OF  
THE FEDERAL HISTORIC PRESERVATION TAX INCENTIVE PROGRAM**

**WHEREAS**, the Federal Historic Preservation Tax Incentive program (Investment Tax Credit or ITC) in its current form was enacted by Congress and the Reagan administration to attract capital to historic rehabilitation projects that help stimulate local economies; and

**WHEREAS**, because of the ITC program, the State of Iowa has experienced exceptional economic growth and from 2002 to 2016 the ITC program invested \$195 million in 257 projects across Iowa, which leveraged an additional \$979 million of private investment, for a total investment in preserving historic structures of almost \$1.2 billion and these projects created 10,817 permanent jobs and an additional 8,997 construction jobs with a total income, net of taxes, of almost \$1.1 billion and most importantly, the income generated by these jobs and business added \$229 million in local, State and Federal tax revenues, with the Federal government realizing a revenue gain of \$174 million; and

**WHEREAS**, because of the ITC program, the City of Des Moines has experienced additional economic growth and between 1996 and 2016 there have been 106 applications for this program; and

**WHEREAS**, the ITC program leverages four private dollars for every dollar of Federal support and ITC projects are catalytic, generating additional real estate investment in nearby properties that spur an area-wide revitalization cycle and the \$25 billion in Federal historic tax credits issued over the life of the ITC program has generated more than \$30 billion in Federal tax revenue, a net gain to the Federal treasury of \$5 billion; and

**WHEREAS**, the ITC program is a powerful preservation tool which has led to the redevelopment of vacant, blighted and/or underutilized historic buildings and because of the ITC program, historic buildings were and can continue to be preserved and kept on the local tax rolls; and

**WHEREAS**, the ITC program is an excellent and successful example of a public-private partnership and the rehabilitation of historic buildings will not be financially feasible without these preservation based tax credits.

★ Roll Call Number

Agenda Item Number

27

Date November 6, 2017

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Des Moines, Iowa hereby supports retaining and funding the ITC program and urges President Trump and members of the Iowa Congressional delegation to support reauthorizing and funding the ITC program.

Moved by \_\_\_\_\_ to adopt.

APPROVED AS TO FORM:

Lawrence R. McDowell, Deputy City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GATTO				
GRAY				
HENSLEY				
MOORE				
WESTERGAARD				
TOTAL				

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED

Mayor

City Clerk



An Urban Main Street Program  
P.O. Box 8225 • Des Moines, IA 50301  
director@6thavedsm.org  
www.6thavedsm.org  
641-521-9340

November 6, 2017

Des Moines City Council:

The 6<sup>th</sup> Avenue Corridor greatly appreciates the Des Moines City Council's affirmation of support of the Federal Historic Preservation Tax Incentive Program. Our organization has been advocating for the retention of this critically important revitalization tool and has submitted a version of this letter to Senator Grassley, Senator Ernst, and Representative Young.

A successful reform of our nation's tax code aimed at growing the economy should incorporate the federal historic tax credit program as a widely embraced and successful solution to the economic challenges facing many Iowa communities today. The economic revival of our communities, from rural downtowns to historic urban corridors such as ours, requires incentives like the historic tax credit program to focus investment where it is needed most.

On a national level, federal historic tax credits have created more than 2.4 million well-paying local jobs, leveraged \$131.8 billion in private investment in our communities, generated more tax revenue than the program has cost the US Treasury and have preserved more than 42,000 historic buildings across America. In our Main Street District, historic tax credits helped transform a severely dilapidated late 1800s mansion into beautiful multifamily building that offers quality affordable housing, with the majority of the units rented to veterans and the elderly. We've recently begun rehabilitating the historic North Des Moines City Hall, and federal tax credits will be essential to ensuring the project is successful.

We strongly urge City Council members and City staff to continue advocating for the federal historic tax credit via personal phone calls and letters. Sensible tax reform must retain the federal historic tax credit. To abandon it is to disregard the significant contribution the historic tax credit program continues to provide for the redevelopment of our historic corridors and Main Streets throughout Iowa and the nation.

We thank you for your continued leadership in representing the great city of Des Moines and appreciate the work you do on behalf of our citizens.

With sincere respect,

Aaron Todd, Board President

Breann Bye, Executive Director

**About the 6<sup>th</sup> Avenue Corridor**

*The 6th Avenue Corridor, Inc. is an ambitious non-profit organization whose mission is to coordinate the commercial revitalization of 6th Avenue from I-235 north to the Des Moines River bridge, through the historic River Bend and Cheatom Park neighborhoods. As a designated Main Street Iowa Urban Neighborhood program, the 6th Avenue Corridor aims to improve the quality of life for local residents, while creating a destination for others throughout the City. Our holistic approach to revitalization encompasses neighborhood beautification, economic development, business stabilization, historic preservation, pedestrian safety enhancements, and hosting of events to foster positive perceptions of the area.*