



May 15, 2021

Senator Carla Nelson, Chair
Senate Taxes Committee

Representative Paul Marquart, Chair
House Taxes Committee

Dear Chair Nelson and Chair Marquart,

I am writing to urge the Taxes Conference Committee to continue the beneficial economic impacts of the Minnesota Historic Structure Rehabilitation Tax Credit by adopting the House position that extends the program until 2029. With economic recovery from the COVID-19 pandemic still far from certain, our state's highly successful historic tax credit program is one of the most reliable ways to boost state and local tax revenues and incentivize privately-fueled economic activity in the coming years.

Minnesota is one of thirty-nine states with a state historic tax credit program – and is the only one that still faces uncertainty, as four other such programs have been extended or newly created within the past twelve months. This refundable tax credit is worth 20% of the eligible costs to rehabilitate buildings that are listed in the National Register of Historic Places and used for income-producing purposes. As the credit is not issued until after the project is complete, it is used by project developers to secure loans and access the capital that is needed to undertake these complex and time-consuming projects.

Since its passage in 2010, the Minnesota Historic Tax Credit has generated \$3.5 billion in economic activity, created over 18,000 jobs, and created new futures for over 140 vacant and underutilized buildings. Dozens of Minnesota cities and neighborhoods still stand to benefit from the opportunities that this credit provides – and they could definitely use the boost of confidence and vitality that a newly rehabilitated local landmark helps to bring about.

Rethos is proud to be a leader in the RevitalizeMN coalition, a group of industry stakeholders, community leaders, and everyday Minnesotans who see a future in the buildings of our past. On behalf of RevitalizeMN, I urge you to fully fund the Historic Tax Credit for as long as possible and ensure that communities throughout Minnesota will benefit from this proven economic development tool for years to come.

Sincerely,

Heidi Swank,
Executive Director
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