

Angie Lake

From: Leanie Bayly <lbayly@millracenorthville.org>
Sent: Tuesday, December 15, 2020 11:39 AM
To: Angie Lake
Subject: SB-54 SUPPORT

15 December 2020

Dear A. Lake:

My name is Leanie Bayly and I represent the Northville Historical Society as their Executive Director. As you are aware, COVID-19 has dampened our economy. Much needs to be done to reinvigorate our downtown, business districts and neighborhoods. Therefore, I am writing to **request your support of SB 54, which will reinstate Michigan's historic preservation tax credit (Michigan's HTC).**

The historic preservation tax credit, an integral part of restoration projects from Detroit to Menominee, was phased out in 2011 as part of the Snyder administration's plan to eliminate most tax carve-out programs. In its 11-year life, \$206.8 million in credits were awarded. With this incentive:

- \$1.98 billion in investment in Michigan rehabilitation projects were generated.
- \$316 million in federal tax credits were leveraged
- 32,000 jobs were created.
- \$9.58 in direct economic impact was initiated by every dollar awarded.

The program will provide a **25 percent credit** on rehabilitation expenses against state income tax. These credits fill gaps in the financing of rehabilitation projects and are issued only after rehabilitation expenses are incurred and the projects completed. Therefore, projects generate significant economic impact and state and local tax revenue **before** the credits are issued.

Michigan's HTC program was one of the state's most useful tools for revitalizing older communities. The credits made rehabilitation projects possible, and those projects drove economic growth in Michigan. They can do so again.

SB 54 caps the total number of credits per year at **\$5 million** in order to have minimal initial impact on the State budget. To ensure the Historic Preservation Tax Credit will help our smaller communities and neighborhoods across the state, \$2 million of that amount is set aside for commercial projects with total rehab costs under \$2 million.

To analyze the bill's economic impact, the legislation has both a **10-year sunset** and the requirement that an annual report be issued detailing for each project, the **total rehabilitation costs, labor hours generated, jobs added, payroll added, total capital investments, gain in property value after rehabilitation and the amount of income and sales tax generated.**

Michigan's HTC was one of the state's most useful tools for revitalizing our downtowns, business districts and neighborhoods. With your support, it will be again and make a difference right here in the city of Northville, in Wayne County, Michigan. This program makes rehabilitation projects possible, and those projects drive economic growth in

Michigan. They add jobs and revenue to our economy, value to our communities, and enhance our quality of life. They help make our communities great places to live, work, and visit. For all of these reasons, I urge you to support SB 54.

Thank you.

Respectfully,
Leanie Bayly
Executive Director, Northville Historical Society
215 Griswold Street, Northville, MI 48167
lbayly@millracenorthville.org
(248) 348-1845

--
Leanie Bayly, Executive Director
Northville Historical Society at Mill Race Historical Village
lbayly@millracenorthville.org
248-348-1845, Option # 3
Direct Line: 248-607-7135

DUE TO COVID-19 ALL BUILDINGS AT MILL RACE VILLAGE ARE CURRENTLY CLOSED.

In the interest of protecting our members, our staff, our volunteers and the general public, Mill Race Village is following the guidelines established by Dr. Robert Gordon, the Director of the Michigan Department of Health and Human Services. We will be adhering to mandated mask requirements and limitations on social gatherings.

The grounds of Mill Race Village are open.

Please maintain 6 feet between yourself and others while in the Village.

Appointments can be made to meet with staff members.

The Northville Historical Society is a 501(c)(3)- non-profit organization. **Become a member and/or make a donation today!** for details. <https://www.millracenorthville.org/join-give>