

Illinois Historic Preservation Agency

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History at work: Illinois leads the nation *More than \$1.3 billion in private-sector rehab projects moved forward last year with aid from Historic Preservation Agency*

SPRINGFIELD – The Illinois Historic Preservation Agency last year assisted private developers and property owners with rehabilitation projects that are pumping \$1.3 billion into the state economy, thanks to the nation’s best record in helping projects qualify for federal tax credits.

Projects that went forward with help from the agency’s Preservation Services Division included overhauling Chicago’s Wrigley Building, renovating Peoria’s Hotel Pere Marquette, revitalizing Rockford’s Peacock Brewery and opening the new Virgin Hotel Chicago.



“Illinois is a state that believes in making the most of its amazing historic resources. One way to do that is by helping the private sector inject new life into historic buildings. We’re thrilled that Illinois leads the nation in this important category,” said Amy Martin, executive director of the Illinois Historic Preservation Agency.

The federal government offers a 20 percent income tax credit on certain expenditures for rehabilitation of historic properties. Expenses that qualify for tax credits include architectural and structural renovation, life-safety improvements and energy-saving upgrades such as window repairs. The Illinois Historic Preservation Agency reviews projects and advises developers on how to qualify for the tax credits.

Illinois rehab projects that wrapped up in fiscal 2014 included \$726.6 million in private expenditures that qualified for federal tax credits – a higher total than in any other state. That translates to approximately 3,600 Illinois construction jobs.

Illinois' \$726.6 million in qualifying expenditures was nearly as much as the next two states combined. Pennsylvania was in second place with \$430.6 million, followed by New York with \$382.7 million.

In addition, projects still underway account for an estimated \$628.7 million in rehab expenses that will qualify for credits. The two categories add up to \$1.3 billion in private construction activity aided by the Illinois Historic Preservation Agency.

Historic renovation projects are a growing part of the Illinois economy. Projects completed over the past 10 years had more than \$2.1 billion in expenditures qualify for federal tax credits. This year's mark was more than five times higher than a decade ago.

The federal tax credit does not cost the state of Illinois anything, but it produces significant state and local benefits. Developers generally buy materials close to the project site and hire local workers, according to the National Trust, and rehabilitation of historic buildings often requires more workers at higher wages than new construction does.

Staff from the IHPA's Preservation Services Division made 233 visits to project sites in 2014 to review rehabilitation proposals and offer guidance to developers.



"This tax-credit program simultaneously creates jobs and preserves historic buildings. It's great for the state of Illinois, and we're proud to be part of its success," said Rachel Leibowitz, manager of the Preservation Services Division.

The Illinois Historic Preservation Agency also administers a small pilot state tax credit program and a homeowners' property tax assessment freeze program, which generated \$59 million and \$15 million in investment last year, respectively.

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