



History Colorado

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HB24-1314: Expansion of the Historic Preservation Tax Credit

Representatives Lukens & Martinez // Senator Gonzales

Background:

The Historic Preservation Tax Credit (HPTC) program, jointly administered by OEDIT and History Colorado, has been in place since 2015 to provide incentives to rehabilitate commercial historic properties. Overall, \$10M in tax credits are available through the HPTC program. The HPTC program splits this \$10M into two pools:

- Large pool: \$5M available for projects with a total cost above \$2M
- Small pool: \$5M available for projects with a total cost under \$2M

An eligible project can use HPTC program tax credits to offset up to 35% of qualified rehabilitation expenditures. Typical rehabilitation expenditures include roof repairs or replacement, foundation repair, system upgrades, window restoration, and more. Projects in rural areas of the state are eligible for an enhanced tax credit award through the HPTC program. The total credit amount is capped at \$1M per project per year.

Since the program's inception 156 projects have been completed resulting in \$584.3M in rehabilitation costs, 2049 jobs added, \$92M in payroll, and \$54M in total taxes (local and state) added.

Legislation:

HB24-1314 will establish an additional pool of \$5M in transferable or refundable tax credits within the HPTC program specifically for commercial projects that meet historic rehabilitation standards **and** create new residential housing units. To qualify for this new pool of preservation credits projects must use 50% of the building as net new residential units. Like the existing credit, this new pool includes a 5% boost for rural projects, and a new 5% boost for projects that include deed-restrictions for affordable units. The maximum value of this tax credit is \$1.5M per project.

Supporters:

Office of Economic Development and International Trade • History Colorado • Downtown Denver Partnership • Colorado Preservation, Inc. • National Trust for Historic Preservation • Colorado Historical Foundation • Historic Denver, Inc. • Colorado Concern • Downtown Colorado, Inc. • Colorado Association of Realtors • Colorado Springs Chamber of Commerce and EDC



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Historic buildings are part of the housing solution. From empty upper floors on Main Street to vacant schools, offices, commercial buildings, and industrial structures, repurposing older buildings to provide new living space can help address today's housing crisis, adding density in older, mixed-use communities. Reusing existing buildings also supports Colorado's carbon-reduction goals, by eliminating excessive hauls to landfills, manufacturing, and delivery of new materials. In fact, the existing program has supported the creation of 802 units since the program went into effect in 2016.



Fuel & Iron, Pueblo: 28 units



Pancratia Hall: Denver, 75 units



Calkins School Apartments, Cortez: 12 units



Brush Central School, Brush: 40 units

Questions: Contact Jeannie Vanderburg, History Colorado, jvanderburg@capstonegrouppllc.com or Hannah Gutner, OEDIT, hannah.gutner@state.co.us.