



Economic Impact of Historic Preservation in Kentucky

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About the federal Historic Preservation Fund

State Historic Preservation Offices (SHPOs) are a key component of implementing the national historic preservation program at the state and local levels, and adequate funding is needed to continue the current level of service to Kentucky constituents. We are asking for your support to:

- **Reauthorize the Historic Preservation Fund (HPF)** and maintain funding for SHPO offices. The fund **does not use taxpayer dollars**, and it goes toward allocating, protecting and utilizing historic resources.
- **Support the federal Historic Tax Credit (HTC).**
- **Support state Main Street programs**, which drive economic growth and community revitalization as well as encourage local entrepreneurship.

Kentucky Heritage Council staff **review more than \$1 BILLION worth of investment** in projects across the state EACH YEAR

The Kentucky Heritage Council makes it a priority to **streamline the federal process** to enhance the delivery of projects for the U.S. Army Corps of Engineers, Kentucky Transportation Cabinet, and companies seeking to invest in our state.

Our work supports infrastructure development.

Our agency is not funded by federal taxpayer dollars.

Our service to the Commonwealth is a testament to our small staff.

Please support the HPF to provide basic funding to our agency.

We deliver so investment can be made throughout the Commonwealth!

Historic Rehabilitation Tax Credits

KHC administers both state and federal historic rehabilitation tax credit programs. In 2020, Kentucky ranked 15th nationally utilizing the **Federal Historic Rehabilitation Tax Credit**, with 20 successfully completed projects **generating investment of \$54,292,000**. This tax credit can often be utilized in tandem with the **Kentucky Historic Preservation Tax Credit**, a key provision that strengthens use and effectiveness of both programs.

In 2020, KHC received a record 153 applications for the Kentucky tax credit from 22 counties; 127 of these were approved pending completion of the work. These approved projects **represent \$161,582,277 in proposed private investment** in rehabilitation. Since implemented in 2005, through 2020, the state tax credit has resulted in **1,091 buildings rehabilitated** across Kentucky and **\$663 million of private funds invested** in historic buildings, leveraged through \$49 million in credits.

Kentucky Main Street Program

Kentucky Main Street supports preservation and reuse of architecturally and historically significant buildings by providing structure for a community-driven approach to downtown revitalization, generating economic development and encouraging and benefiting independently-owned small businesses.

Like elsewhere in 2020 when Covid ground the economy to a halt in March, the pandemic left 27 Kentucky Main Street communities reeling with a loss of 1,344 jobs and 231 businesses over the first several months. But the good news is the Main Street Approach™ works – and these communities bounced back due to the resiliency of local directors and their ability to take advantage of tools they had learned through participation in the program. Things like assisting businesses to create space for open-air retail and dining, encouraging a shift to online sales, and networking with other directors to see what was working in their communities and apply different tactics.

By year's end, participating programs **cumulatively reported \$45,501,384 of investment in downtown commercial districts**, representing \$28,129,794 of private investment matched by \$17,371,590 in public improvements. Statewide, the program also reported 842 (net) new jobs in Main Street districts, 122 (net) new businesses, 66 rehabilitation projects completed, and 22,299 volunteer hours invested. Since the program's inception in 1979, **Kentucky Main Street can document \$4.7 billion of public-private investment** throughout the state!