

April 2020

The Honorable Ralph Northam
Office of the Governor
P.O. Box 1475
Richmond, VA 23218

Dear Governor Northam,

On behalf of Virginia's community of architects, developers, general contractors, builders and historic preservation professionals, we thank you for your leadership in Virginia during the COVID-19 outbreak. We write to offer a perspective as you consider the difficult budget decisions that will be necessary to put Virginia on the road to recovery.

As you consider the 2020/2022 Biennium Budget, we respectfully ask that you maintain the core operations of the Department of Historic Resources including the provisions for staffing and IT approved during the 2020 General Assembly session. These positions are essential to support programs that will put Virginians back to work.

Virginia's robust Historic Rehabilitation Tax Credit (HRTC) is a proven program that will put communities back to work. According to studies by VCU's Center for Urban and Regional Analysis and the Baker Tilly, a nationally recognized accounting and advisory firm, the HRTC program creates jobs and tax revenue not only in the planning and construction stage, but by repurposing once vacant and often derelict buildings and returning them to the tax rolls.

- Work associated with historic tax credit projects—the spending generated by construction and activities related to construction—generates \$4.20 to \$5.30 of economic impact for every \$1.00 of tax credit.
- In 2014 alone, the HRTC program resulted in \$467 million in economic output, supported 9,960 jobs and generated \$3.50 for every \$1 invested through the first three years

Thank you for considering our view and thank you for helping to lead Virginia through a recovery from this deadly virus.

Sincerely,

cc: The Hon. Clark Mercer, Chief of Staff
The Hon. Matthew Strickler, Secretary of the Natural Resources