

Resolution No. 1293-17

AN EMERGENCY RESOLUTION

Council Members Brancatelli, Zone, Brady, Cleveland, Conwell, Cummins, Griffin, J. Johnson, K. Johnson, Kazy, Keane, Kelley, McCormack, Polensek, Pruitt, Reed

Urging Congress to preserve the federal Historic Tax Credit in its efforts at tax reform and its proposed budget plan and encouraging Ohio members of Congress to cosponsor the Historic Tax Credit Improvement Act.

WHEREAS, the federal Historic Tax Credit (HTC) was created in 1981 as a tool to drive economic development through the restoration and reuse of America's historic buildings; and

WHEREAS, the HTC is a widely used redevelopment tool, helping to revitalize cities, towns and rural communities across the country; the HTC stimulates economic growth through private investment that creates jobs; and

WHEREAS, the HTC program establishes a 20% income tax credit for the rehabilitation of historic, income-producing buildings that are determined by the U.S. Secretary of the Interior, through the National Park Service, to be certified historic structures; and

WHEREAS, the tax incentives for preservation attract private investment to the historic cores of cities and towns; generate jobs, enhance property values, and augment revenues for state and local governments through increased property, business and income taxes; and

WHEREAS, cities like Cleveland lack authority to raise local revenues to offset deep and unending cuts to federal grants and tax incentives; this means that tax incentives like HTC are irreplaceable as sources of financing for local community and economic development; and

WHEREAS, recently, federal Republican leadership released a tax reform framework that does not specifically preserve the HTC and "envisions" that most business tax credits will be repealed; and

WHEREAS, while the need for tax reform is clear, it must not come at the expense of the HTC: an important economic redevelopment incentive that more than pays for itself, and has a proven track record of creating jobs, saving historic buildings and revitalizing neighborhoods; and

WHEREAS, this resolution constitutes an emergency measure for the immediate preservation of public peace, property, health or safety, now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CLEVELAND:

Section 1. That this Council urges Congress to preserve the federal Historic Tax Credit in its efforts at tax reform and its proposed budget plan.

Section 2. That this Council encourages all Ohio members of congress to cosponsor the Historic Tax Credit Improvement Act.

Section 3. That the Clerk of Council is directed to transmit copies of this resolution to the members of the U.S. House Ways and Means Committee, the Senate Finance Committee, and Downtown Cleveland Alliance.

Section 4. That this resolution is hereby declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its adoption and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

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