

CONTACT: **George Talbot**
(251) 208-7590
George.Talbot@cityofmobile.org



Office of the Mayor

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LOCAL LEADERS SUPPORT REINSTATEMENT OF STATE HISTORIC TAX CREDITS

(Mobile, Ala.) — As the Alabama legislature prepares for the 2017 session, elected and business leaders in Mobile are encouraging the reinstatement of the Alabama Historic Rehabilitation Tax Credit (HRTC). In 2013 the legislature passed a bill creating the program, which triggered more than \$333 million in investment throughout the state in its three year span. In Mobile alone, 12 projects totaling \$42 million were undertaken or are currently underway. As is the case with most of the 52 rehabilitation projects statewide, many of these buildings would still be derelict "but for" the existence of the HRTC.

"You can't have a great city without a great downtown," said Mayor Stimpson. "The Alabama Historic Rehabilitation Tax Credit is a crucial catalyst for investment in downtown Mobile and throughout the City. It spurs economic activity, improves our quality of life and helps us continue this momentum in Mobile."

An economic impact study commissioned last year by the Alabama Department of Revenue recently concluded, "that the Alabama HRTC program provides important benefits to local, regional and state economies. It fosters rehabilitation of historic structures while providing important and meaningful...spillovers." According to Elizabeth Stevens, President & CEO of the Downtown Mobile Alliance, "Buildings renovated through Alabama HRTC program have removed blight and reenergized neighborhoods in Mobile, creating new commercial and residential space. The credits are helping us knit back the historic fabric of our downtown, resulting in a revitalized city center with greater appeal to locals and visitors. "

Mobile Area Chamber of Commerce President and CEO Bill Sisson believes a renewal of the HRTC is critical to its recruitment efforts. "As Mobile's economy continues to diversify, the Mobile Area Chamber of Commerce has seen a surge in a new industry sector focusing on entrepreneurship and innovation. Investors in this sector are keenly-interested in investing in a strong downtown corridor where they have access to not only work, but also live and play," he says. "This is just one of the many reasons the

historic tax credit appropriation is a critical legislative issue to the Chamber. Just one look at St. Louis Street and you can see the benefit of the tax credit in the Buick Building, and potential of several other properties lining that street.”

“These projects reinvigorate whole neighborhoods, provide new jobs for our citizens and bolster our tax base,” said Councilman Levon Manzie. “And, most importantly, especially in a city like ours with so much beautiful historic architecture, it ensures the irreplaceable historic character of these buildings and the city is preserved.”

Senate Pro Tem Del Marsh indicated Tuesday he would be involved in drafting legislation to renew and improve the program. Currently nine projects across the state are on a waiting list for the tax credits, and multiple individuals and developers have expressed interest in pursuing rehabilitation of historic properties if the program is renewed.

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