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Rep. Jim Kelly  
Chairperson, Financial Institutions and Rural Development Committee  
Kansas State Legislature

Re: House Bill 2569, The Historic Kansas Act

I write to lend my support to the referenced Act, and to identify the advantages of passing the Act to local municipalities within Kansas having historic buildings and districts. When passed the Act will encourage investment, maintenance, rehabilitation and restoration of buildings that may currently exist without usefulness or that may even exist as an eyesore in some communities of Kansas.

38 states currently exist with historic tax credit incentives. State tax incentives are sought by developers to fill financing gaps for historic rehabilitation projects because of the higher overall development costs of historic rehabilitation as compared to new construction. They can serve as a vital resource used in the service of historic preservation. Such tax credits have also been proven to be extremely beneficial to states in terms of job creation, increased property values and the generation of new state and local tax revenue.

While Kansas has an existing State Historic Tax Credit program this proposed act would create a low-cost alternative for smaller developers who cannot afford the to go after the current credit. It does create an incentive for capital improvements and continued maintenance of buildings 50 years or older, including houses, barns, and agricultural facilities at the state level. This credit would then be available to smaller developers, while larger developers would continue to apply for and work with the larger historic Tax Credit.

State HTC's have proven to be a key financing source in helping countless historic buildings be rehabilitated. The Historic Kansas Act could be a boon to historic preservation in cities and towns throughout Kansas and I urge you to support the act.

  
Edward T. Hingula