

Detroit Historic District Commission

RESOLUTION 24-02

**Historic District Commission Support of H.B. 5430
Expanded Tax Credit Eligibility and Funding**

BY COMMISSIONER _____

WHEREAS, the Detroit Historic District Commission, via its statutory role in reviewing work proposed in city historic districts, recognizes the long-standing need for incentives such as tax credits to offset the costs of repair and rehabilitation for historic buildings in the City;

WHEREAS, the Commission is aware of current gaps in Michigan’s State Historic Tax Credit Program that make preservation and rehabilitation projects in Detroit more difficult; including:

- The inability to use the credit if a small, multi-unit building is owner occupied.
- The inability to use the credit if a property owner is a non-profit organization
- The inability to use the credit if the cost of rehabilitation is the responsibility of a lessee
- The inability to close a financing gap for small income-producing projects

WHEREAS, the Commission understands that House Bill 5430 seeks to address the above concerns by incorporating the following improvements:

- Amending the definition for small income-producing projects to allow owner-occupancy for cases where an owner lives above a storefront
- Expanding the definition for residential projects beyond single-family houses to include condominium units, multi-unit dwellings such as a duplex or fourplex, and multi-purpose structures including bed and breakfasts
- Amending the definition of “applicants” to “an individual, partnership, corporation, association, governmental entity, or other legal entity” allowing non-profits to participate
- Amending eligibility to include an applicant who holds a long-term lease, development agreement, or purchase agreement with the owner of a property
- Increasing the value of the credit from 25% to 30% for small income-producing and residential projects, which will particularly benefit small businesses in neighborhood commercial districts

THEREFORE BE IT RESOLVED that the Commission urges the approval of H.B. 5430 by the Michigan House of Representatives, and;

BE IT FURTHER RESOLVED that the Commission’s recommendation be forwarded to the sponsors of the bill, and the Speaker of the House.

Resolution PASSED/FAILED __-__

Tiffany Franklin, Chairperson
Dated: _____

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