



May 4, 2011

RE: HOUSE BILL NO. 349 (HB 349)--By Representatives Leger, Moreno, Jane Smith, and Talbot and SENATE BILL NO. 63 (SB 63)-- by Senator Murray

Dear Legislators, Councilmembers, and City Officials:

The Mid-City Neighborhood Organization (MCNO) Board of Directors wishes to state its strong support for the extension of the State Historic Tax Credit Program (S-HTC), both commercial and residential, in Louisiana. Even before Katrina, residents of Mid-City were leveraging the residential tax credit program to help revitalize our community. Post Katrina, with the creation of several Cultural Product Districts, we have seen numerous large-scale revitalization projects come to fruition as a result of the tax credit programs.

Some of these breathed new life into the commercial corridors of Mid-City and other areas; others provided much needed affordable housing for returning and new residents alike. These projects have brought blighted property back into commerce (and therefore swelled the city and state tax rolls), increased sales tax revenues, and attracted new residents and companies to relocate in Louisiana.

Newcomers in particular represent an important component of this program, as they are individuals, families, and companies—drawn by historic and cultural landscapes and opportunity—who might have gone elsewhere if these tax credit were not in place. Given the 25% tax credit that the state of Mississippi recently enacted, the threat of losing revenue and revitalization to a neighboring state has become even more clear.

Statistics prove that S-HTCs bring more than a three-for-one return on the money the state invests in them. In 2011 dollars, it is estimated the state will reap \$3.22 in NEW tax revenues. These projects also create jobs, stimulate tourism, and clean up neighborhoods. Most significantly from our perspective, they increase citizen satisfaction and hope.

While hope is a hard thing to quantify, numerous human capital management studies show that hopeful, satisfied citizens are more productive in society and the workplace. As a result, the ripple effect is even greater than raw numbers indicate.

Already, numerous rehabilitation projects including the Saenger Theater (a vital component of New Orleans' downtown fabric) are being stalled by the uncertainty surrounding the S-THC. To allow the S-HTC to expire would not only be short-sighted; it would also be devastating to the communities it serves. We urge you not only to act, but to act swiftly and decisively to ensure eligible historic properties—both residential and commercial—continue to benefit from the S-HTC.

Thank you,

Jennifer Farwell
President, MCNO