Historic Preservation Disaster Assistance Package for Hurricanes Harvey, Irma and Maria

As the Congress prepares its response to the catastrophic damage inflicted upon Texas, Florida, Puerto Rico and the Virgin Islands by Hurricanes Harvey, Irma and Maria, part of that response should include funding for the repair and rehabilitation of significant historic properties that were damaged by the storm. We recommend a $120 million grant program through the Historic Preservation Fund and also a 3-year 30% increase for the Historic Tax Credit.

Previous federal disaster aid for victims of Hurricane Katrina, Hurricane Sandy and other natural disasters have provided adequate funding for the repair of significant historic sites and properties. These funds have been crucial to the long-term effort to rebuild communities and economies in the disaster areas. For example, $50 million from the Historic Preservation Fund (HPF) was provided to State and Tribal Historic Preservation Officers to administer restoration grants for historic properties after Hurricane Katrina in 2005 (PL 109-234 and PL 110-28). Legislation signed into law to assist the recovery of Hurricane Sandy also included $50 million from the Historic Preservation Fund (PL 113-2).

We appreciate the Administration’s recent request of $17.5 million in Historic Preservation Fund grants to State and Tribal Historic Preservation Offices (SHPOs and THPOs) to accelerate permitting to rebuild historic properties damaged from Hurricanes Harvey, Irma and Maria.

As the Administration noted:

In the areas impacted by hurricanes, there are more than 150,000 listed or eligible for the National Register of Historic Places. Owners of historic buildings that were damaged will need SHPO or THPO approval before rebuilding. These funds would streamline that process and allow the SHPOs and THPOs to provide technical assistance and advice to local government officials and property owners about preserving historic and archeological resources affected by the hurricanes.

Although the Administration’s proposal provides funds for compliance and technical assistance, it does not build upon the successful precedents of responding to Hurricanes Katrina and Sandy to provide adequate grant funds to assist in the rebuilding of damaged historic properties. A successful grant program needs to include flexibility for compliance and rehabilitation grants. Also, we recommend strongly that any emergency HPF grant funding not require a match. Such a requirement would severely diminish the opportunities for SHPOs and THPOs to use such funds.

Our best current estimates are that $60 million is required to fund the repair of historic sites and properties damaged by Hurricane Harvey in Texas and that damages to historic sites in Puerto Rico will require about $48 million to repair. Florida appears to have escaped significant
damage to historic properties. There are not yet solid damage assessments from the Virgin Islands but it is clear that damages to historic structures are severe and wide-spread.

The devastation wrought by the recent hurricanes is epic, and the rebuilding effort will require sustained human and financial capital for years to come. The inclusion of historic preservation disaster relief grants and specific tax credit provisions—both effective components of previous disaster relief efforts—in forthcoming hurricane supplemental relief legislation will greatly help communities affected by Hurricanes Harvey, Irma and Maria to plan, rebuild and prosper anew. These funds will catalyze economic redevelopment, create jobs, rehabilitate historic buildings and ensure that our cultural heritage will be preserved for future generations.

1. Historic Preservation Disaster Relief Grants
Based on previous efforts following Hurricanes Katrina and Sandy, create a two-year, $120 million grant program within the federal Historic Preservation Fund. Eligible purposes should include:

- preservation projects and planning, including the stabilization, repair, and rehabilitation of historic structures and sites listed on or eligible for the National Register of Historic Places.
- technical assistance to local governments and property owners, including economic feasibility studies, surveys, and damage assessments.
- projects that receive insurance payments and other state or federal credits or grants are eligible for Historic Preservation Disaster Relief Grants, but must clearly demonstrate that these funds will be used for projects not fully covered by insurance or other state or federal funding sources.
- grants would be administered by the State or Tribal Historic Preservation Officer in each state and would be available to non-federal owners of National Register or National Register-eligible properties including individuals, non-profit organizations, and developers.
- grant funding should not require a non-federal match.
- grant funding should also be allowed to cover the costs associated with additional Section 106 reviews for SHPOs and THPOs, as included in the Administration’s current request.

2. Disaster Relief Rehabilitation Tax Credits
- Increase for 3 years the current federal rehabilitation tax credit (commonly referred to as the "Historic Tax Credit") for properties listed on or eligible for listing in the National Register of Historic Places from 20 percent to 26 percent.¹
- Increase the rehabilitation tax credit from 10 percent to 13 percent for the rehabilitation of buildings within the disaster zone that were constructed prior to 1936.
- Disaster relief should also include provisions allowing for additional allocations of both the new markets tax credit and low-income housing tax credit. Each of these credits can be combined with the federal rehabilitation tax credit to rehabilitate damaged historic properties in the disaster area.

¹ The proposed increase to the Historic Tax Credit from 20 to 26 percent and from 10 to 13 percent was included in the disaster response legislation for Katrina and the Midwest floods of 2008. The increase helped catalyze the renovation and productive reuse of numerous historic buildings and community landmarks.