



HISTORIC PRESERVATION: AN OVERLOOKED ECONOMIC DRIVER

A STUDY OF THE IMPACTS OF HISTORIC PRESERVATION IN RHODE ISLAND

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Prepared by



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EXECUTIVE SUMMARY

Historic preservation pays dividends for Rhode Island – its economy, its environment, and its quality of life. Because historic buildings, sites, and neighborhoods are so fully integrated into the life of Rhode Island, there is a risk that the contributions of those resources will be overlooked or taken for granted. This report was commissioned to measure historic preservation in Rhode Island in four areas: heritage tourism, the jobs and income generated through the historic tax credit, and the contributions of historic preservation to quality of life and to the environment of Rhode Island.



HISTORIC
PRESERVATION
**TAX
CREDITS**

**326 HISTORIC
BUILDINGS
REHABILITATED AND
OVER \$1.4 BILLION
INVESTED IN RHODE
ISLAND**

HERITAGE TOURISM

**9.8 MILLION
HERITAGE VISITORS
EACH YEAR
ADD NEARLY
\$1.4 BILLION
TO RHODE ISLAND'S
ECONOMY**



**26 OUT OF 39
MUNICIPALITIES IN RHODE
ISLAND HAVE HISTORIC TAX
CREDIT PROJECTS**



THE SPENDING OF
HERITAGE VISITORS
CREATES
**19,000
DIRECT JOBS AND
7,000
INDIRECT JOBS**

**\$602 MILLION
IN DIRECT SALARIES
AND WAGES
\$358 MILLION
IN INDIRECT AND
INDUCED WAGES**

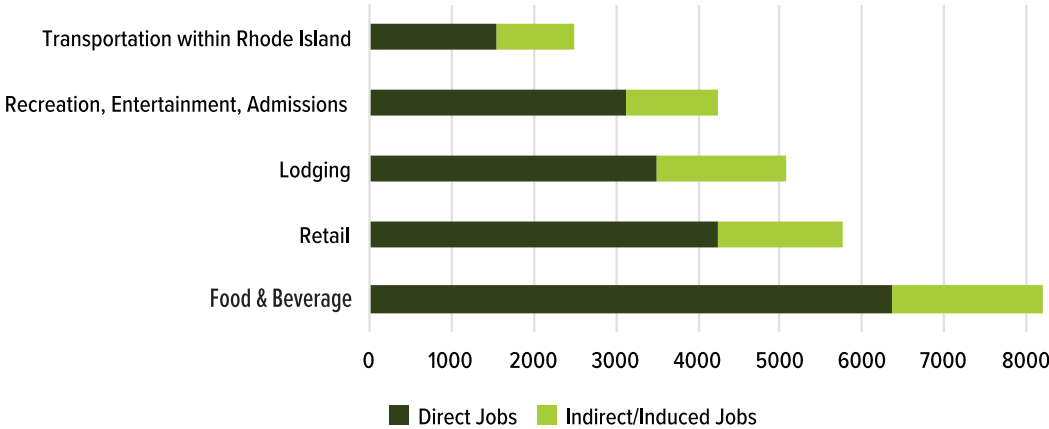
**EVERY \$1
THE STATE INVESTS IN
A TAX CREDIT PROJECT,
\$10.53
OF ECONOMIC ACTIVITY
IN RHODE ISLAND IS
GENERATED.**

**\$50 MILLION
IN DIRECT SALARIES
AND WAGES
\$35 MILLION
IN INDIRECT AND
INDUCED WAGES**

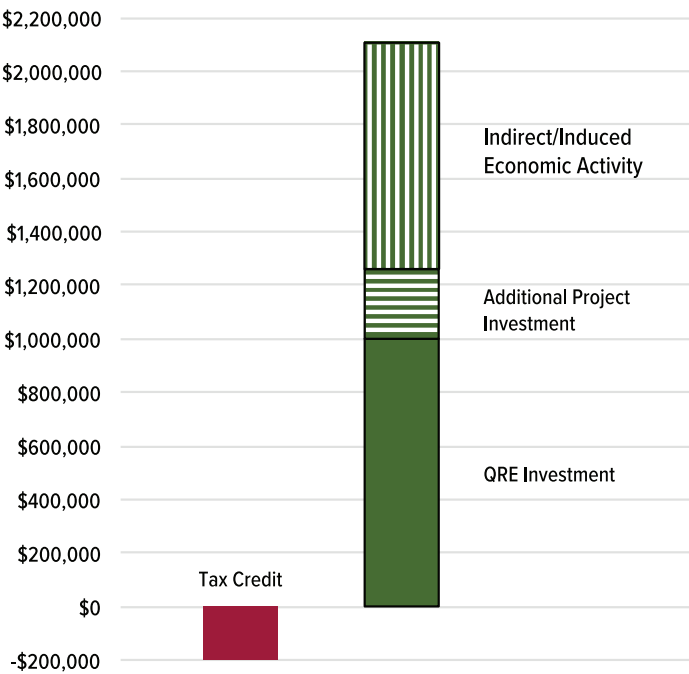


Photo by John Nickerson, courtesy of WaterFire Providence

JOBS FROM HERITAGE TOURISM IN RHODE ISLAND



LEVERAGING THE TAX CREDIT



The historic tax credit encourages investment that otherwise would not take place and makes effective use of tax payers dollars while having a major impact on jobs, income, and quality housing in Rhode Island. Since 2001, tax credits projects rehabilitated 326 buildings in 26 of Rhode Island's 39 municipalities, attracting over \$1.4 billion in investment that qualified for historic tax credits. The chart shows how a \$200,000 historic tax credit ultimately spurs more than 10 times that amount in economic activity. This sample project has \$1,000,000 in Qualified Rehabilitation Expenditures (QREs). Other non-qualifying project expenditures invest an additional \$260,000. These direct expenditures generate an additional \$845,345 in indirect and induced economic activity in Rhode Island.

The historic resources of Rhode Island attract visitors who spend significant amounts of money, and the beneficiaries of those expenditures are local workers and businesses who are hosts to that market. Rhode Island welcomes 9.8 million heritage visitors each year. Those visitors add nearly \$1.4 billion to the state's economy. The spending of heritage visitors creates jobs for 19,000 workers directly, and another 7,000 indirectly. Those jobs generate paychecks of nearly \$1 billion, including \$602 million for direct jobs and \$358 million for indirect and induced jobs.

QUALITY OF LIFE AND THE ENVIRONMENT

HISTORIC DISTRICTS
COVER **1%**
OF LAND AREA, BUT
ARE HOME TO **4%** OF
THE STATE'S JOBS,
AND **12%** OF THE
POPULATION



Photo by Nat Rea, courtesy of Cornish Associates



PRESERVATION IS GREEN.
REUSE OF THE KINSLEY
BUILDING KEPT
2,000 TONS
OF DEMOLITION DEBRIS
OUT OF THE LANDFILL.

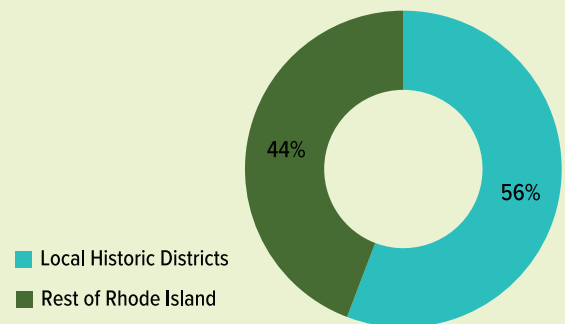


WHILE **4%** OF JOBS ARE
IN HISTORIC DISTRICTS,
THOSE AREAS ARE WHERE
8% OF THE
JOBS IN ARTS AND
ENTERTAINMENT ARE
LOCATED

THE HISTORIC
DISTRICTS IN RHODE
ISLAND ARE VIRTUAL
MIRRORS OF THE
STATE AS A WHOLE IN
INCOME, RACE AND
ETHNICITY.

Historic neighborhoods, both residential and commercial, are often the location of choice for Millennials, new residents, small businesses, new businesses, and the creative and knowledge industries. Of the population growth since 2000, more than half occurred within local historic districts. Furthermore, the rich ethnic diversity and tradition of tolerance in Rhode Island is mirrored—literally block by block—in the state's historic districts. In Rhode Island, historic preservation is at the center of the intersection of sustainable development and fiscal responsibility.

SHARE OF POPULATION GROWTH
2000-2015



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