

OKLAHOMA HISTORIC TAX CREDIT

IMPACT ON THE OKLAHOMA ECONOMY

*Prepared for Tulsa Foundation for Architecture
By PlaceEconomics, Washington, D.C.*

TfA

CONTENTS

Cover photo credit: Jeremy Grodhaus, Cultivate Tulsa

Downtown Tulsa Skyline

Photo credit: Rhys Martin, Cloudless Lens Photography

02 EXECUTIVE SUMMARY

04 INTRODUCTION

05 USE OF THE PROGRAM

06 PROGRAM IMPACTS

07 JOBS AND INCOME

08 REHABILITATION COMPARED
TO OTHER INDUSTRIES

10 RETURNS

12 ACTIVITY BY YEAR

13 PROJECTS BY SIZE AND USE

14 PROJECTS BY COUNTY

15 MAIN STREET OKLAHOMA

16 TRANSFERABILITY

16 WHAT ABOUT TEXAS?

17 HISTORIC TAX CREDITS
AT WORK IN TULSA
BY THE NUMBERS TULSA (2001-2015)

18 SUCCESS OF THE
TAX CREDIT

19 CONCLUSION

20 ACKNOWLEDGMENTS

21 METHODOLOGY

21 PROJECT TEAM

22 APPENDIX

EXECUTIVE SUMMARY

The Philtower Building – Tulsa, OK
Photo credit: Rhys Martin, Cloudless Lens Photography

From small towns such as Anadarko and Bristow to Oklahoma's largest cities, Oklahoma City and Tulsa, historic rehabilitation means jobs and income for Oklahoma citizens, tax revenue to the State and local governments, and life brought back to long-vacant buildings. The State of Oklahoma encourages historic rehabilitation investment through a tax credit incentive program administered by the State Historic Preservation Office at the Oklahoma Historical Society. The state tax credit mirrors the Federal Historic Preservation tax credit and together these programs have made a substantial economic impact to the State's economy and helped the economy recover through the recent recession. Unlike some incentives whose impacts may be temporary, the historic preservation tax credits encourage investment in long-term capital assets with both immediate and ongoing benefits to the state, local governments, and citizens across Oklahoma.

This study analyzed projects of the Oklahoma state historic tax credit program between 2001-2015. Here is what this study uncovered:¹

- **77 historic buildings** have been rehabilitated using the state historic tax credits.
- The tax credit has attracted over **\$415 million** in rehabilitation expenditures with total project investment reaching **\$520 million**.
- The rehabilitation of these buildings has generated **3,232 direct jobs**,² and **3,514 indirect and induced jobs**. This is an average of **450 jobs per year**.

- In total, the rehabilitation of these buildings has generated direct salaries and wages of **\$166,939,000** and indirect and induced wages of **\$142,869,000**. This is an average of **\$20,654,000** each year in paychecks.
- If the average number of historic tax credit projects each year were a single industry, it would be among the **largest five percent** of all firms in Oklahoma.
- While the average project investment was over **\$6.8 million** a third of all projects were less than **\$500,000**.
- **34 percent** of tax credit projects were developed into mixed-use buildings.
- **18 counties** benefited from historic tax credit investment.
- Every \$1 awarded in historic tax credits spurs **\$11.70** in economic activity.
- The Oklahoma treasury receives **more than 50%** of the money back before the credit is even awarded.
- In the five years prior to the adoption of the expanded Oklahoma state tax credit, Texas saw investment in historic buildings at a rate of 15 times that of the Sooner State. In the most recent five-year period, Oklahoma property owners invested **14 percent more** in historic buildings than all of Texas.

¹ Data throughout this report refers to projects that have been certified as complete by the National Park Service between 2001 through the end of 2015. Refer to Appendix 1 for list of completed projects.

² Throughout this report, a "job" means one full-time equivalent job for one year.

INTRODUCTION

In 1992, the Oklahoma legislature enacted a rehabilitation tax credit available to historic hotels and newspaper plants in the Local Development Act. In 2005, the legislature expanded the program through House Bill 3024 creating a 20% income tax credit incentive for the qualified rehabilitation of Oklahoma's certified historic buildings. The year before the tax credit was expanded beyond the hotels and newspaper plants, Oklahoma was in the bottom third of all states in the amount invested in historic buildings. In 2015, Oklahoma ranked 16th in rehabilitation investment nationwide. Of the six states that border Oklahoma, only Missouri saw more historic property investment. It is a measure of the success of the program that the recently enacted Texas historic tax credit was modeled after the Oklahoma credit.

Since 2001, the private sector has preserved and protected 77 historic Oklahoma properties through the investment of more than \$520 million. Although the major cities of Oklahoma City and Tulsa have had the most projects, tax credit projects have occurred in 18 of Oklahoma's 77 counties.

This report is based on data provided by the State Historic Preservation Office of the Oklahoma Historical Society and the National Park Service and looks at the impact the historic tax credit investment has had throughout Oklahoma from 2001 through 2015. These impacts include jobs and income for Oklahoma citizens. However, they also include revenues to the state, county, and local governments through income, sales, and property taxes. While the tax credits were enacted to preserve the Oklahoma's magnificent historic buildings, they have been remarkably successful as a fiscally responsible economic development tool for the state.

Skirvin Hotel – Oklahoma City, OK
Photo credit: David Plank, AIA, Kahler Slater Architects

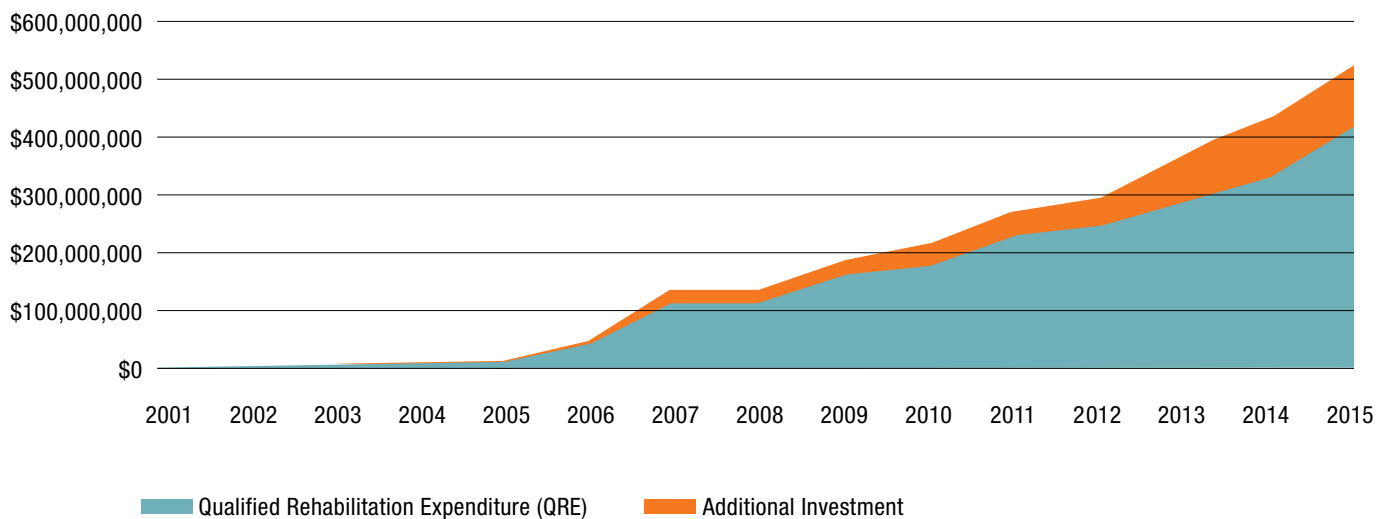
USE OF THE PROGRAM

Since 2001, in excess of a half billion dollars has been invested in Oklahoma's historic buildings. It is important to note, that not all of that investment received the credit. Over the life of the program, approximately 20% of the money invested in these projects was not eligible for the tax credit. The reasons for this are twofold: 1) some of these projects had a new construction component and new additions are not tax credit eligible; 2) Other expenditures – site improvements, landscaping, etc. – also are ineligible under the federal tax credit therefore are not eligible under the

Oklahoma tax credit. Even the \$520 million understates the total investment since it does not include acquisition costs of the buildings. Of the \$520 million, just under \$416 million qualified for the state historic tax credit. Effectively, then, the state historic tax credit has represented around 16% rather than 20% of the overall project costs. Throughout this report is the abbreviation QRE, which stands for Qualified Rehabilitation Expenditure. That is the amount eligible for the tax credit.

Cumulative Investment in Tax Credit Projects – 2001-2015

Figure 1



PROGRAM IMPACTS

Mayo Hotel – Tulsa, OK
Photo credit: Rhys Martin, Cloudless Lens Photography

JOBS AND INCOME

When evaluating the fiscal impacts of an incentive program, the number of jobs, amount of wages, and tax revenues created are important factors. Over the 15-year period that Oklahoma's historic tax credit has been used, a substantial amount of data was collected on the investments into the historic buildings. For historic preservation, measuring jobs is even more important because rehabilitation creates more jobs and wages for the same amount spent as compared to new construction. It varies by project type, but overall rehabilitation in Oklahoma is around 5% percent more labor-intensive than new construction.

This rehabilitation work impacts the local and state economy in many ways. First, more of the project budget goes toward labor instead of materials. Second, labor is usually hired locally while materials – particularly for new construction – are brought in from elsewhere. Third, once the rehabilitation work is complete the wages earned are

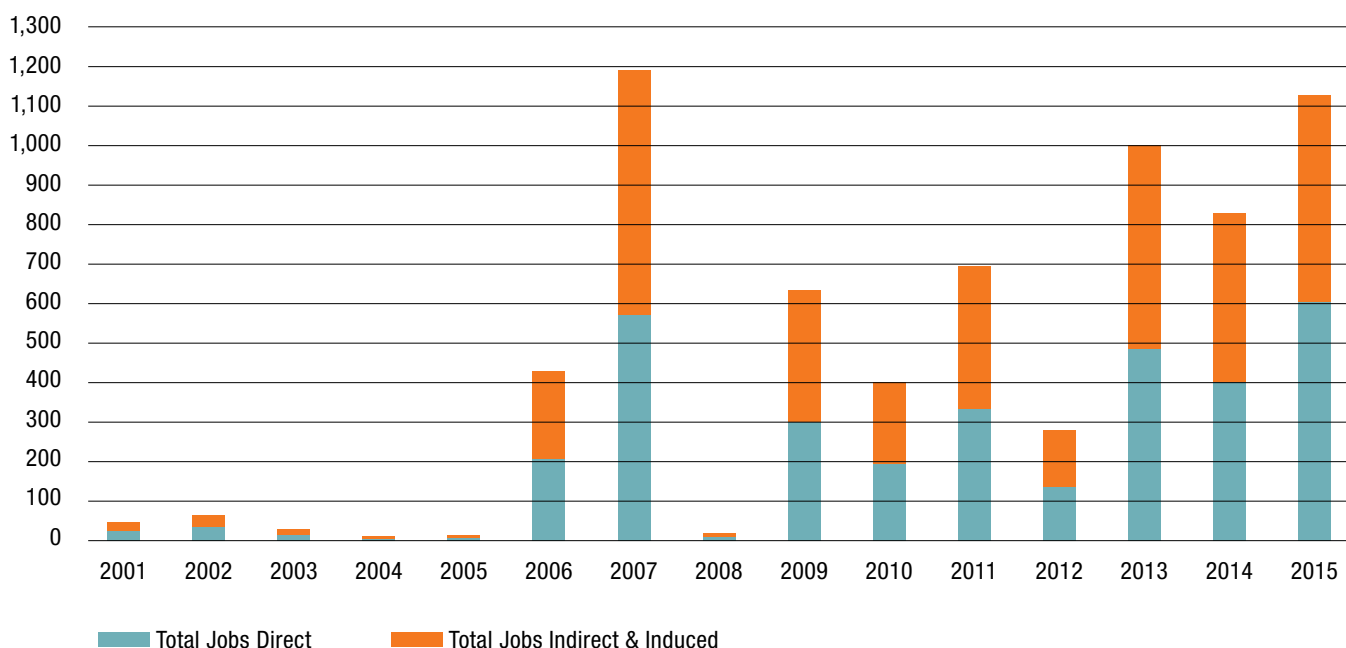
more likely to be spent locally. The local carpenter, painter, or plumber takes their paycheck, makes a car payment, buys groceries, and puts money in the offering plate at church, recirculating those wages locally.

From 2001 through 2015, there have been 3,232 direct jobs³ and 3,514 indirect and induced jobs resulting from the historic tax credit projects. That is an average of 215 direct jobs and 234 indirect and induced jobs generated each year. If historic rehabilitation were a single company in Oklahoma, it would be among the largest five percent of all businesses in the state.

More importantly, those jobs have paychecks. Since 2001, the annual wages generated from these projects total \$166,939,000 in direct salaries and wages and an additional \$142,869,000 in indirect and induced wages. That translates to an average of more than \$11,129,000 in direct wages and \$9,525,000 in indirect and induced wages each year.

Total Direct, Indirect, and Induced Jobs from Tax Credit Projects

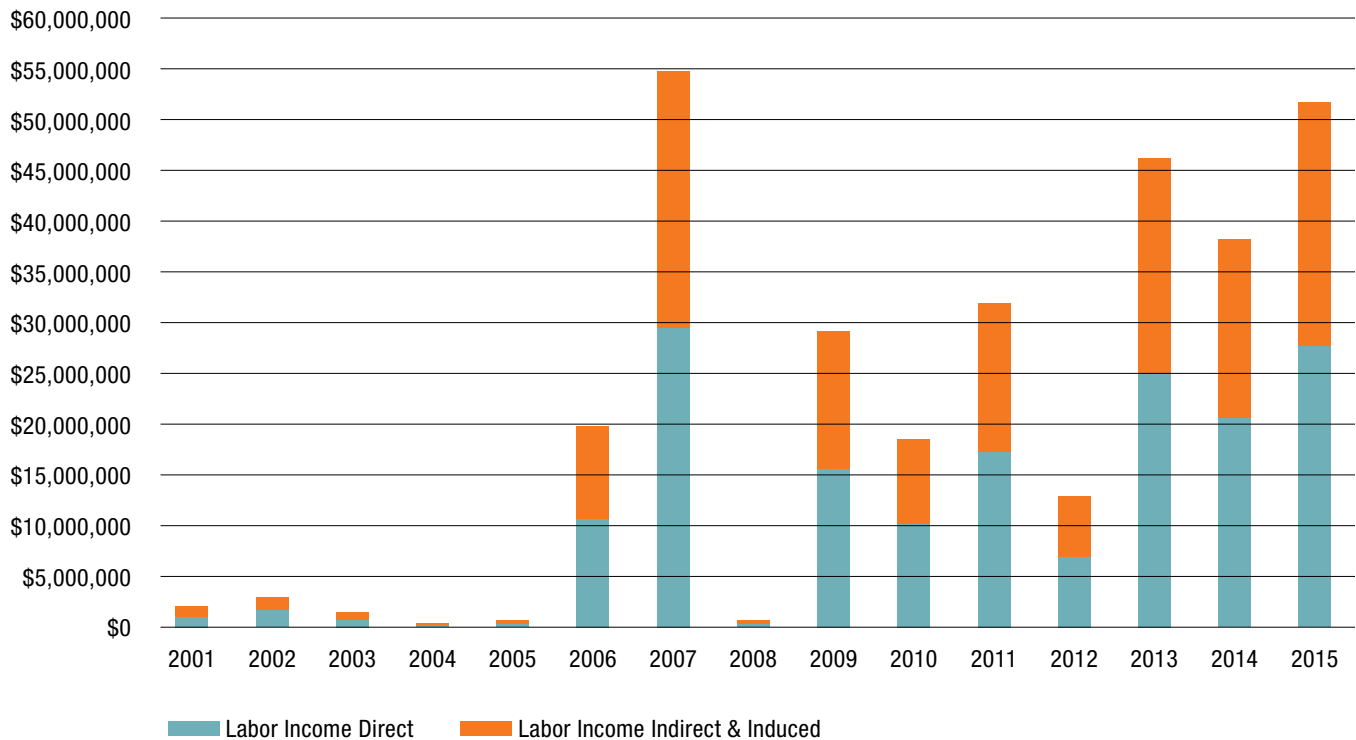
Figure 2



³ A "direct job" is a person working on the project, a plumber who installs the sink for example. An "indirect job" is generally a provider of goods or services to the project. The clerk at the plumbing supply company who sold the sink is an "indirect job." An "induced job" is one made possible because direct and indirect workers got a paycheck. The local barber owes part of his job to the fact that the plumber and the clerk got paid. This direct/indirect/induced approach is the standard means of analysis in economic development.

Salaries and Wages from Direct, Indirect, and Induced Labor Income

Figure 3



REHABILITATION COMPARED TO OTHER INDUSTRIES

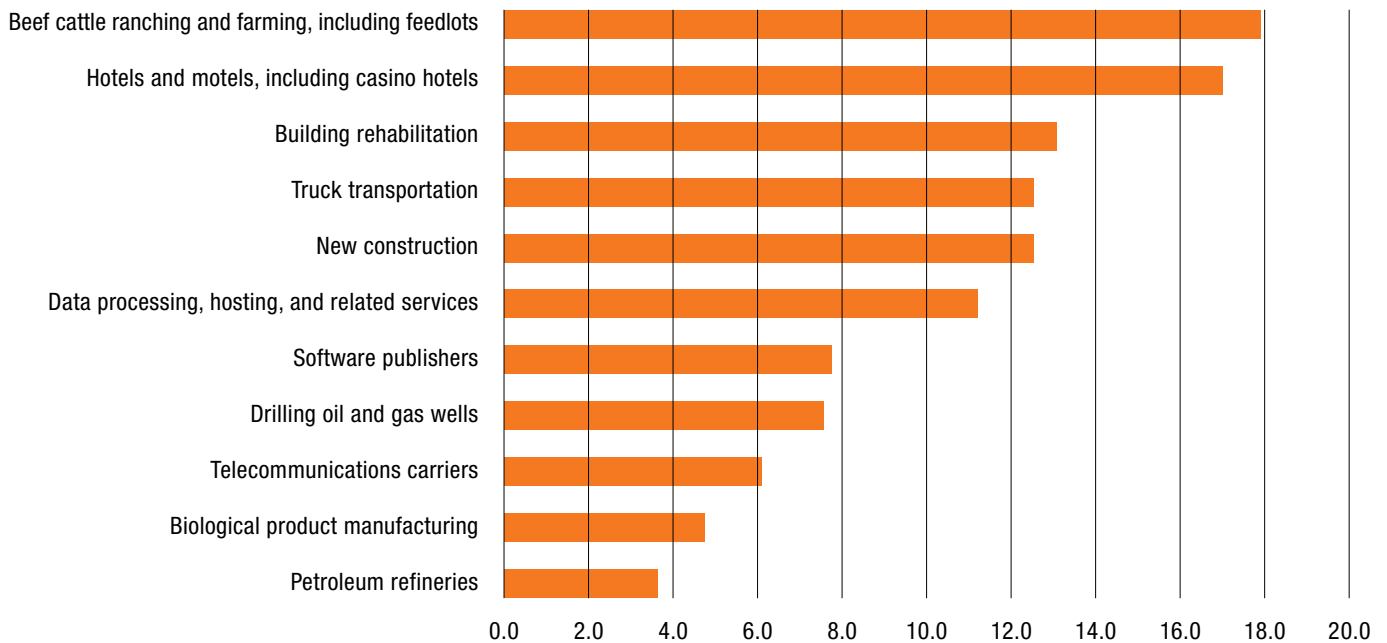
The Oklahoma historic tax credit was passed by the Legislature to encourage private sector investment in the State's built heritage. But it has been a particularly effective program not just to create numbers of jobs, but jobs with good paychecks. As an economic development strategy, historic rehabilitation has an impressive effect on a local economy. While some kinds of economic activity such as a restaurant will have a large number of jobs, those jobs do not pay high wages and thus the amount of household income will be lower. On the other end of the spectrum,

a nuclear power plant would generate a large amount of household income as most of the workers there are paid well. But the number of jobs will be limited. Very few economic activities generate the combination of jobs and household income as does historic rehabilitation.

A comparison was made of the numbers of jobs created and the income from those jobs among several of the major industries in Oklahoma. Those comparisons are included in Figures 4 and 5. Eleven industry categories in Oklahoma are compared. Each is measured for the number of direct, indirect, and induced jobs for every \$1 million of economic output from that industry. Cattle ranching tops the list in numbers of jobs with around 18 jobs per million of beef cattle production. Hotels, a labor-intensive activity, is next

Jobs Comparison Per \$1,000,000 Output⁴

Figure 4



with building rehabilitation being third of the comparative industries having just over 13 jobs per \$1 million of activity. While fewer jobs per million than ranching or hotels, the industry still creates more jobs per million than new construction, data processing, telecommunications, or various aspects of the petroleum industry.

The second comparison is the salaries and wages that those industries generate per \$1 million of economic output. At the top of this measurement is truck transportation followed by building rehabilitation at just under \$600,000 in salary and wages for every \$1,000,000 in rehabilitation activity. What happened to hotels and cattle raising? They fall much lower on the scale. While those industries employ a relatively large number of people, the paychecks are

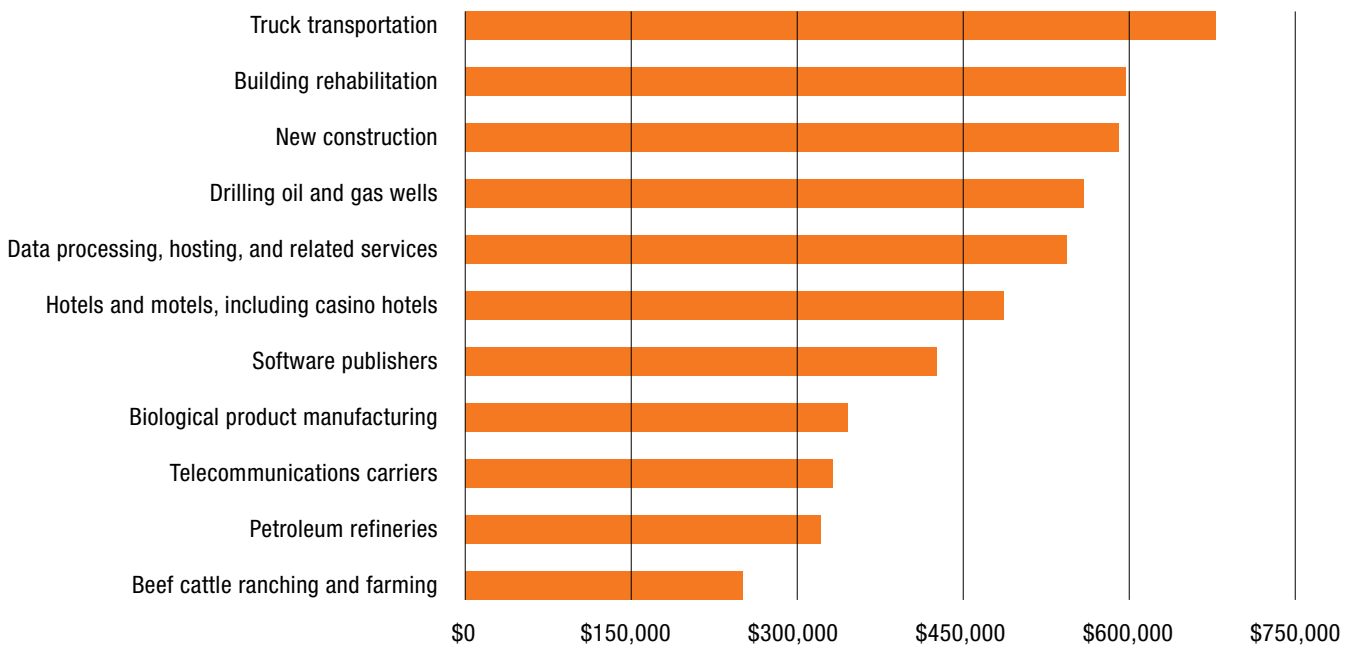
relatively low. The lesson is this: rehabilitation is relatively labor-intensive – lots of employees per \$1 million of activity, but because those are relatively well paid jobs, particularly for those without advanced formal education, the industry also ranks high in salaries and wages received.

Therefore, a state initiative created to save historic buildings has ended up generating good jobs for lots of Oklahoma workers.

⁴ The whole title of the industry is "Beef cattle ranching and farming including feedlots and dual-purpose ranching and farming."

Salary and Wages Per \$1,000,000 Output

Figure 5



RETURNS

While the historic tax credit was structured to help provide a return to investors, it is appropriate to also look at what kind of return the State of Oklahoma receives. The Oklahoma historic tax credit incentive does what it is designed to do – attract investment in historic buildings in exchange for a 20% tax credit on Oklahoma income taxes. Over the life of the program, the projects have received \$83 million in tax credits against \$520 million in tracked investment. That amount does not include money spent in property acquisition.

It makes sense to consider what the tax credit does based on the last 15 years of experience as seen in Figure 6. Say \$100,000 is provided as a tax credit for rehabilitating an Oklahoma historic building. That is essentially an outgo (in foregone revenues) from the State Treasury. But what does that outgo generate? \$500,000 in Qualified Rehabilitation

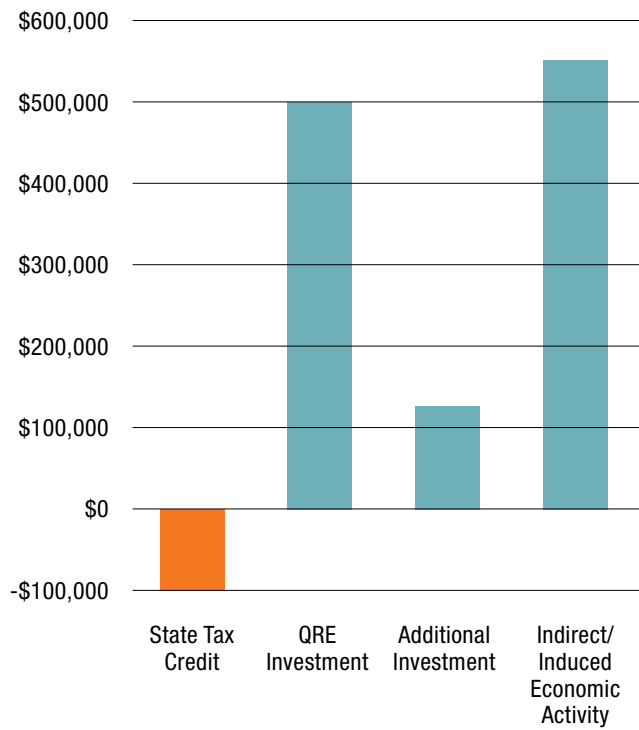
Expenditure (QRE) plus an additional \$100,000 in investment that does not qualify for the tax credit.

These private sector investments catalyze an additional \$546,000 in indirect and induced economic activity. In total, the \$100,000 tax credit investment by the State triggers \$1,146,000 in economic activity. **Thus \$1 of investment by the State through historic tax credits results in \$11.46 of economic activity.**

There is another favorable aspect of the tax credit from the State's point of view. The investment must be made (and the wages paid, materials purchased, work completed) before any tax credit is awarded. The wages, profits, and purchases involved in historic rehabilitation are all subject to state and local taxes. Yet, the taxes (sales taxes, personal and business income taxes) are sent to the State as the work is going on. Before the credit is even awarded, the State of Oklahoma gets more than half of the credit back.

Effect of \$100,000 Historic Tax Credit

Figure 6



Initial Returns to the State of Oklahoma before Credit is Rewarded (per \$100,000 in credits)

Table 1

PERSONAL INCOME TAX	\$19,537
BUSINESS INCOME TAX	\$6,556
STATE SALES TAX	\$25,560

Cities, counties and schools – are also major beneficiaries. Conservatively, counties and school districts will receive nearly \$50 million over the next decade from property taxes generated by these historic rehabilitation projects. Cities will see increased sales tax revenues.

There is another source of return to the State of Oklahoma that is often omitted when calculating the cost/benefit to Oklahoma taxpayers, the ultimate cost of transferability. As is mentioned later in this report, the Oklahoma historic tax credit is transferable. That is to say if a property owner has more need for cash equity into the project than for a reduction in state income tax liability, he/she can sell the tax credit to an individual or business in exchange for cash. However, that transfer constitutes a taxable event. Therefore, the State of Oklahoma receives an income tax payment any time the tax credit is sold.



Aldridge Lobby Before and After – Shawnee, OK
Photo credit: Preservation and Design Studio

ACTIVITY BY YEAR

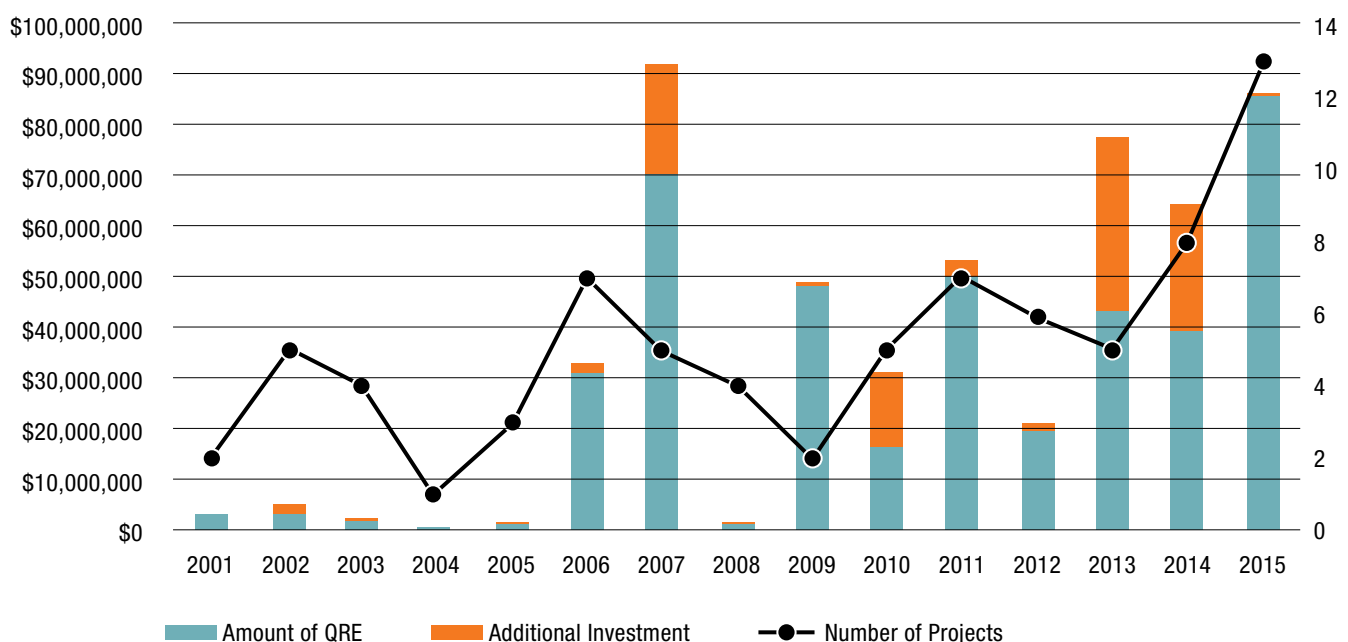
The original target of the Oklahoma state historic tax credit was to encourage rehabilitation of “certified historic hotels or historic newspaper plant buildings.” It quickly became apparent that other historic buildings were in need of rehabilitation as well. The Oklahoma legislature’s 2005 changes to the law expanded the program to income-producing historic buildings. Additionally, these 2005 amendments allowed projects that qualify for the federal 20% credit to automatically qualify for the same amount of state tax credit without additional paperwork. The number of tax credit projects soared in 2006-07 after these changes. In 2008, Oklahoma felt the major impact of the recent recession where development projects of all kinds halted due to the market instability. Historic rehabilitation tends to be less impacted by downturns in the market due to its reliance on more labor-intensive work instead of materials. As a result, 2009 saw a spike in projects. Then in 2010-2012, the legislature instituted a deferral of the tax credits, which is seen in the stalled number of projects. In 2013, the first year of the reinstated tax credits, the number of projects more than doubled.



Coliseum Apartments Before and After – Tulsa, OK
Photo credit: Brad Finch, f-stop Photography

Oklahoma Tax Credit Projects – 2001-2015

Figure 7



PROJECTS BY SIZE AND USE

The Oklahoma state historic tax credit has provided opportunities for redevelopment of buildings of all sizes and uses. From large buildings like the Tulsa Paper Company and Shawnee's Aldridge Hotel to the tiny landmarks like Oklahoma City's Milk Bottle Building, buildings all across Oklahoma have been successfully rehabilitated using the tax credit program.

Developers and property owners across Oklahoma have often chosen to start with the "white elephant" buildings in their towns. These large buildings, once grand in their day, represent important relics of Oklahoma's history and bringing them back is a huge sense of pride for Oklahoma citizens. While only 10% of projects represent investment of more than \$20 million, those projects account for over 60% of the total investment in the life of the program. Historic tax credits have made these big projects possible.

On the other end of the spectrum, 44% of projects were under \$1 million in investment. Yet those projects account for only 2% of the total investment. The average project investment in Oklahoma in 2015 was \$6,800,000 – slightly larger than the \$5,143,000 average project nationally.

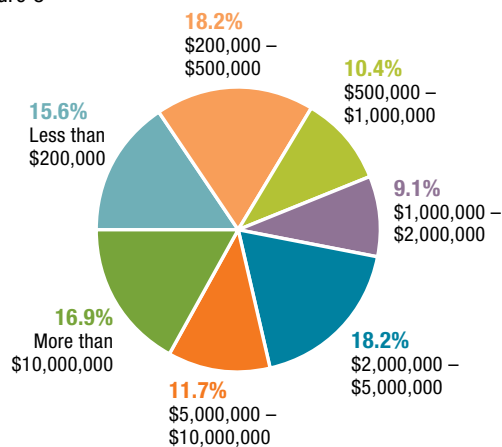
While projects like the Mayo Hotel have gained a lot of attention, hotels only make up 4% of the projects. Most projects were mixed-use redevelopments.

Around 70% of historic tax credit projects happened in Oklahoma City or Tulsa, as the highest amount of large National Register listed buildings exist in those cities. Because urban projects were typically larger in scale than projects in smaller cities, more than 90% of investment dollars went to projects in those two cities.

However, projects of varied sizes have occurred all over Oklahoma.

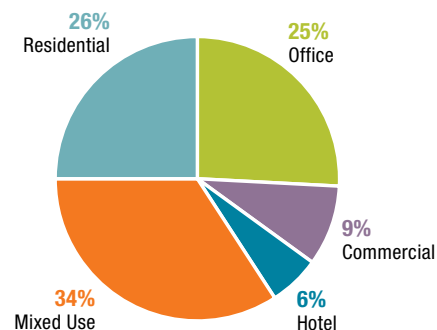
Tax Credit Projects by Investment Size

Figure 8



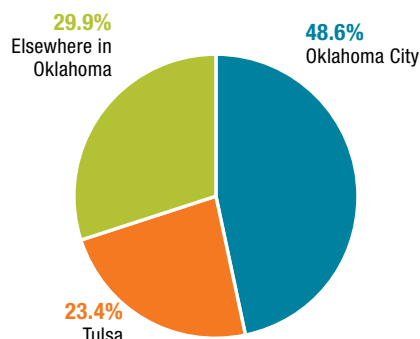
Historic Tax Credit Projects by Use

Figure 9



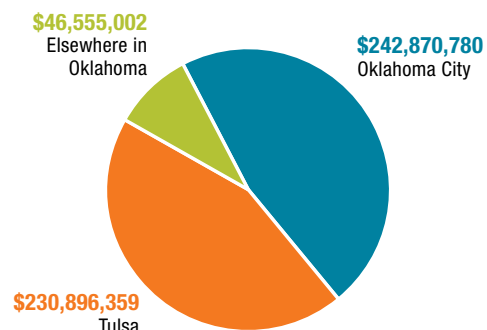
Project Numbers by Location

Figure 10



Location of Projects by Investment

Figure 11



PROJECTS BY COUNTY

Most of the large National Register listed buildings are in Oklahoma City or Tulsa, Oklahoma’s largest cities, and as a result, the majority of historic tax credit projects have occurred there totaling \$242 million and \$230 million respectively. Muskogee, Oklahoma’s eleventh largest city comes in third with over \$11 million in total investment. However, historic tax credit projects have occurred in 18 of Oklahoma’s 77 counties and made large contributions to Main Street Oklahoma as well.

Cities with Historic Tax Credit Projects by Size

Table 2.

PROJECTS UNDER \$1 MILLION

Anadarko	Edmond	Pawhuska
Ardmore	Guthrie	Perry
Bristow	Jones	Tulsa
Cordell	Oklahoma City	Watonga
Drumright		

PROJECTS BETWEEN \$1 MILLION–\$10 MILLION

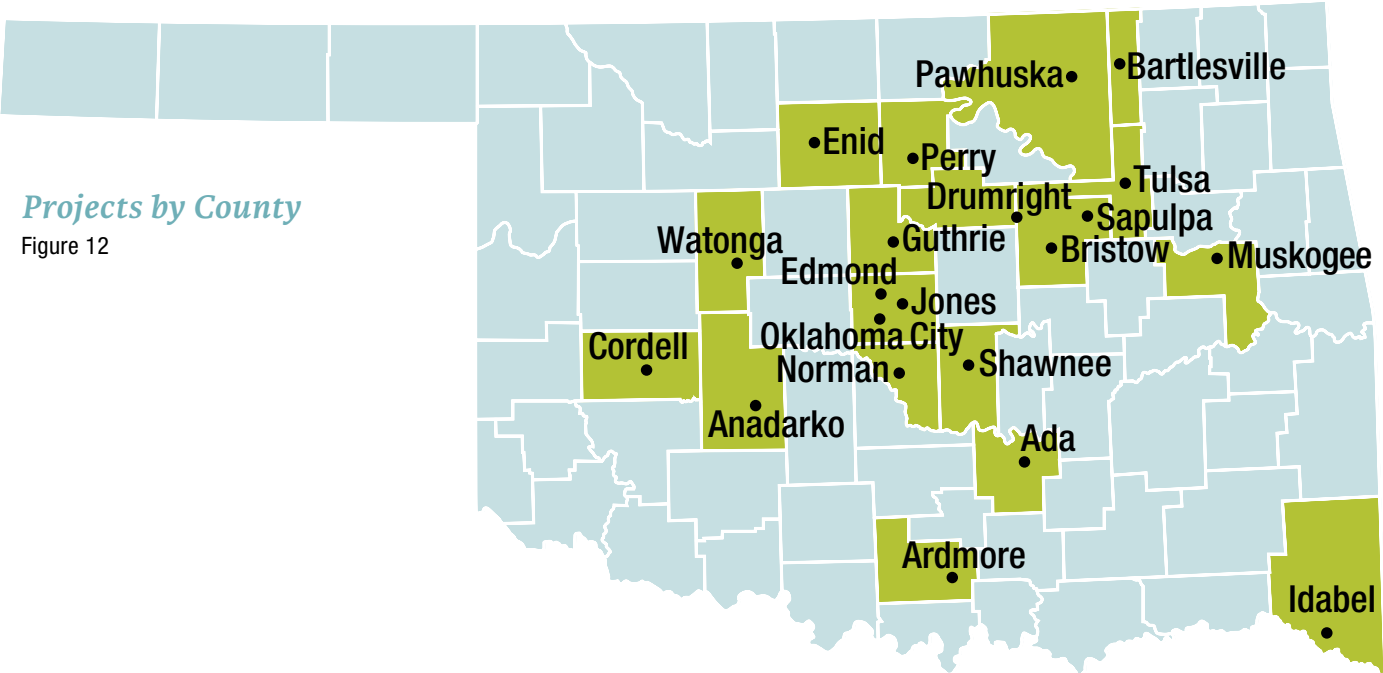
Ada	Muskogee	Sapulpa
Bartlesville	Norman	Shawnee
Enid	Oklahoma City	Tulsa
Idabel		

PROJECTS OVER \$10 MILLION

Oklahoma City	Tulsa
---------------	-------

Projects by County

Figure 12



MAIN STREET OKLAHOMA

Oklahoma's built heritage has benefited from historic tax credit projects in Main Street towns. These smaller cities and towns are economically stronger for having their historic buildings put back into productive use.

BARTLESVILLE (POPULATION 36,000)

When the Oklahoma legislature expanded the tax credits to income-producing buildings in 2005, Bartlesville saw its first tax credit projects in 2006-07. The historic Union National Bank, a 1924 red brick building, had been remodeled over the years but the owner was able to demonstrate, through removal of modern materials, that the original building retained its overall historic character underneath. The Oklahoma State Historic Preservation office revised the downtown Bartlesville National Register District to include the building as a contributing resource that made it eligible for the 20% credit. The resulting \$1.5 million rehabilitation was used as a case study in National Park Service training materials. With the precedence set for excellent historic rehabilitations, there are currently two projects under construction in 2016 and another on the way. These projects, estimated investments totaling nearly \$12 million, are happening because local developers, and developers from Oklahoma City and Tulsa, are able to use the historic tax credit incentive.

ENID (POPULATION 50,000)

Enid saw its first historic tax credit project in 2013 following the reinstatement of the tax credit after the 2010-2012 deferral. The \$6.4 million rehabilitation of Clay Hall, a long-shuttered women's dormitory at the former Phillips University was transformed into 30 units of affordable senior housing. The building had sat vacant for 30 years and through careful rehabilitation and adaptive reuse small dorm rooms were combined into functional living units with high ceilings. The Clay Hall rehabilitation is an example of historic tax credits used in tandem with other state and federal incentive programs to provide historic housing for seniors.

MUSKOGEE (POPULATION 39,000)

As Oklahoma's eleventh largest city, Muskogee has seen over \$11 million in total investment from historic tax credit projects. A local developer completed the certified rehabilitation of the Surety Building in 2007. The 1910 former office building was transformed into 37 units of affordable housing for seniors. This investment of \$3.9 million into 47,000 square feet set the standard for downtown Muskogee. In 2012, the Phoenix-Manhattan building had \$7.2 million of investment to be rehabilitated into apartments. The 8-story 1911 building was one of Oklahoma's first skyscrapers built with state-of-the-art reinforced concrete as the Phoenix Clothing Company. The Muskogee projects demonstrate how historic buildings can be adaptively reused for continued life in Main Street Oklahoma.

SAPULPA (POPULATION 20,000)

Downtown Sapulpa has seen two historic tax credit projects totaling over \$7.8 million in investment. In 2001, one of the first projects after the new tax credit program was enacted, the Berryhill office building was rehabilitated into apartments on Sapulpa's Main Street. That set the stage for the 2011 rehabilitation of 1917 Wells Building through a local partnership and combined historic tax credits and federal HOME funds for affordable housing. A 1960s metal façade screen was carefully removed to reveal the original façade underneath. The mixed-use redevelopment is a vibrant building on Sapulpa's Route 66 Main Street with first floor retail and four floors of affordable senior housing above.



*Berryhill Office Building – Sapulpa, OK
Photo credit: Preservation and Design Studio*

TRANSFERABILITY

In interviews for this project, it was clear that the Oklahoma Historic Tax Credit is a hot commodity. Due to the transferability of the tax credit during the five years following the year of rehabilitation, developers are able to transfer the amount of tax credit to an entity or person to offset tax liability. The sale of this tax credit amount is also a taxable event.

WHY WOULD SOMEONE WANT TO SELL THEIR TAX CREDIT?

There are a number of reasons:

- The developer might not have sufficient tax liability to be able to use the credits.
- The developer is a nonprofit organization who has no tax liability.
- The developer can use the cash from the sale of the credits to put as equity into the project costs rather than using the credits directly to offset taxes payable.

State tax credits are typically sold at a “discount,” meaning that one would typically receive \$65-\$75 dollars for every \$100 of tax credits. Oklahoma tax credits far outperform the national market, where developers in Oklahoma are receiving between **\$80-\$90 for every \$100 of tax credit**.

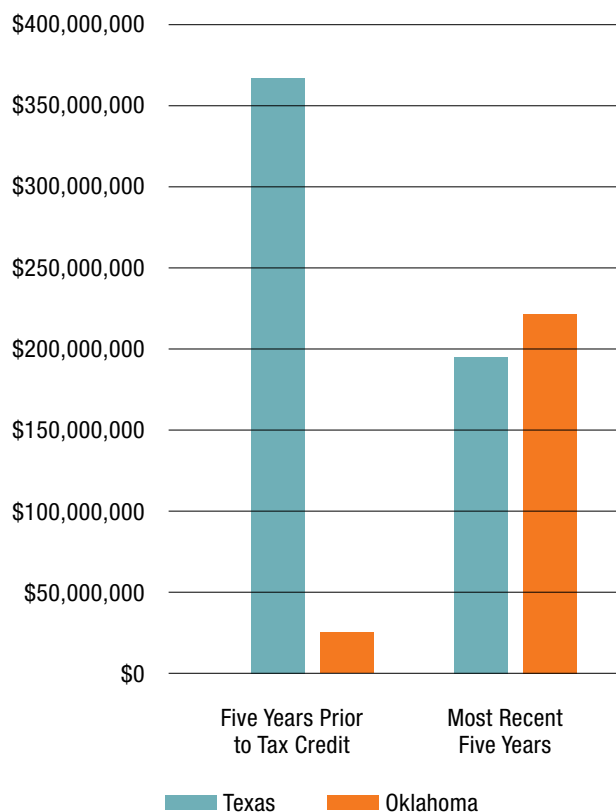
The wisdom of the Oklahoma Legislature in including a transferability provision in the law has made the State credit one of the most efficient in the country.

WHAT ABOUT TEXAS?

The competition between Oklahoma and Texas is well known. However, with a population 7 times that of Oklahoma and a land area nearly 4 times as large, sometimes that competition is a bit tough. One place where Oklahoma has won, hands down, is in the use of the historic tax credit to encourage private sector investment. In the five-year period before Oklahoma expanded the historic tax credit in 2005, property owners in Texas invested nearly 17 times the amount of money as did Oklahomans. That’s not true anymore. In the last five years, much smaller Oklahoma saw investment of 14% more than Texas. It certainly is no coincidence that last year Texas adopted their own historic tax credit – in large measure based on the Oklahoma law.

Historic Preservation Investment Oklahoma vs. Texas

Figure 13



HISTORIC TAX CREDITS AT WORK IN TULSA

Oil wealth in the early 20th century built Tulsa's magnificent examples of Gothic, Art Deco, and later Mid-Century Modern architecture. As the economy has had its ups and downs, so has the upkeep of many of Tulsa's landmark structures, many of which were vacant for decades. Today, thanks to the historic rehabilitation tax credit, many of these buildings have been redeveloped and led the rebirth of Tulsa's downtown. From 2001 to 2015, over \$230 million has been invested into Tulsa's built heritage through the rehabilitation tax credit program. From large projects such as the Tulsa Paper Company and the Mayo Hotel to small investments like the Cities Service Station Number 8 along Route 66 – the historic rehabilitation tax credits have returned these buildings to their former glory and enhanced Tulsa's sense of civic pride. By providing new modern living spaces and adding hotels rooms, these projects are keeping millennials in town, drawing baby boomers back downtown, and contributing to tourism.

BY THE NUMBERS TULSA (2001-2015)

- \$230 million: Investment in rehabilitation through tax credit program
- \$74,478,000: Direct salary and wages from tax credit projects
- \$63,927,000: Indirect salary and wages from tax credit projects
- \$179 million: Investment in rehabilitation through tax credit program in last five years
- \$12.8 million: Average project investment since 2001
- 1,439: Direct jobs from tax credit projects
- 1,583: Indirect jobs from tax credit projects
- 18: tax credit projects since 2001

*The Palace Building, Historic Tax Credit Project in Process – Tulsa, OK
Photo credit: Rhys Martin, Cloudless Lens Photography*

SUCCESS OF THE TAX CREDIT



The historic tax credit program has had a big impact on the development community in Oklahoma. Developers who utilize the historic tax credit are a different breed than most. These developers know that historic rehabilitations sometimes come with many unknowns and might make a lower return in the short run than most investors find acceptable. But for these developers it is about returning long-vacant properties to productive use and bringing iconic buildings back to life. Firms who saw the market crash in 2008 changed from green field development to rehabilitation and have not looked back. For others, it is a

multi-generational business where father and daughter teams tackle a project together and where millennials decide to stay in Oklahoma to continue the family business. In areas like Midtown Oklahoma City, developers strategically chose to start with historic rehabilitations, knowing the new construction projects planned in the future would not happen with vacant buildings down the street. The historic tax credits are bringing life back to forgotten histories in Oklahoma, from Film Row to the Durant Hotel and providing affordable housing options for teachers and seniors.

Milk Bottle Grocery – Oklahoma City, OK
Photo credit: Preservation and Design Studio

CONCLUSION

As an economic development tool, the Oklahoma state historic tax credit is an impressive program. As a fiscally responsible tax incentive, the Oklahoma state historic tax credit meets every test. In times of economic downturn, in rural towns, and long-term vacant buildings in urban settings, the tax credits have provided investment where it was needed most.

In both the data and particularly in the interviews that were part of this study, three things were abundantly clear:

1. Oklahoma's historic tax credit works.
2. The vast majority of projects that have been undertaken in the last 15 years would not have happened without the state historic tax credits.
3. As success has been demonstrated in Tulsa and Oklahoma City, developers and investors are looking to smaller towns and cities in the rest of Oklahoma for new projects.

The purpose of the Oklahoma Historic Tax Credit was to aid in the preservation and rehabilitation of the State's historic resources. In that, it has succeeded admirably. However, even if one did not care about historic buildings, the historic tax credit has been remarkably successful in creating jobs, in generating tax revenues at both the state and local levels, and in increasing the understanding of and appreciation for the wonderful history of Oklahoma as represented in its historic buildings.

*Clay Hall, Phillips University Surety Building – Enid, OK
Photo credit: Brad Finch, f-stop Photography*

THANK YOU

Thank you to the following organizations for providing data, information, and valuable insight for the report:

Oklahoma State Historic Preservation Office

The Alliance for Economic Development of Oklahoma City

Downtown OKC, Inc.

Oklahoma Main Street

Thank you to the following organizations for hosting public presentations in Oklahoma City and Tulsa:

Tulsa Preservation Commission

Tulsa Regional Chamber of Commerce

Tulsa Young Professionals

Oklahoma City Historic Preservation Commission

Urban Land Institute

Preservation Oklahoma

Thanks also to the many people who made themselves available to be interviewed for this report, including:

Tom Wallace, Brady Arts District/Wallace Engineering

Stanton Doyle, George Kaiser Family Foundation

John and Shelby Snyder, Brickhugger LLC

Bruce Bolzle and Jonathan Belzley, New Leaf Development

Warren Ross, Ross Group

Casey Stowe, Nelson+Stowe Development

David Wanzer, 308 Design

Mickey Clagg and Chris Fleming, Midtown Renaissance

Catherine Montgomery, Preservation and Design Studio

Frank Hill, McAfee & Taft

Paul Selid, Wiggin Properties

Rob Garrett, Cornerstone Development

Ron Bradshaw, Colony Partners, Inc.

Hunt Hawkins and Richard Winton, River City Development

METHODOLOGY

Data for total investment, number of rehabilitation projects, rehabilitation, and new construction expenditures, geographic location of projects, year of project, and end use of the building was provided by the Oklahoma State Historic Preservation Office and the National Park Service Technical Preservation Services.

Calculations for jobs and income created through the rehabilitation of buildings and new construction was based on data from IMPLAN®, an Input-Output econometric model created by the private-sector firm MIG. Additional data was obtained from various databases of the U.S. Department of Commerce, U.S. Department of Labor, Small Business Administration, and other government sources.

In every instance, the selection, evaluation, and application of data were conducted by the authors of this report. Any errors of fact or judgment are solely the responsibility of the authors and not the suppliers of data, the State Historic Preservation Office, or the National Park Service.

PROJECT TEAM

This report was prepared and written by Donovan Rypkema and Briana Paxton Grosicki. Rypkema is principal of PlaceEconomics, a Washington D.C.-based real estate and economic development consulting firm. He is author of *The Economics of Historic Preservation: A Community Leader's Guide* and an adjunct professor in the Historic Preservation Program at the University of Pennsylvania. Grosicki is Director of Research at PlaceEconomics. She holds a master's degree in historic preservation from the University of Pennsylvania and an undergraduate degree from the College of William and Mary. She also serves as the Chair of the Historic Preservation and Rehabilitation Commission of Muncie, Indiana and the Board of Directors of the National Alliance of Preservation Commissions.



*The Former City Hall – Now Aloft Hotel – Tulsa, OK
Photo credit: Rhys Martin, Cloudless Lens Photography*

APPENDIX

A LIST OF PROJECTS INCLUDED
IN THE ANALYSIS FROM 2001
THROUGH THE END OF 2015.

2001 RODEO THEATER
2221 Exchange Ave
Oklahoma City, OK

BERRYHILL
18 East Dewey
Sapulpa, OK

2002 JONES FARMSTEAD
12601 NE 108th
Jones, OK

ROULEAU HOTEL
20 East Main
Idabel, OK

PACKARD OK MOTOR
811 North Broadway
Oklahoma City, OK

SUGG CLINIC
100 East 13th Street
Ada, OK

**THE COLSTON
BUILDING**
10 West Main
Ardmore, OK

2003 KLEIWER/RUSS
107 N. Market
Cordell, OK

ONG CO.
624 S. Boston Ave
Tulsa, OK

CORDELL NATL. BANK
201 E. Main
Cordell, OK

FAIRVIEW COURT APT
215 W. Fairview N
Tulsa, OK

2004 VESPER
929 North Broadway
Oklahoma City, OK

2005 NOBLE HOTEL
112 N. Noble
Watonga, OK

200 NW 24TH
Oklahoma City, OK

BRENTWOOD TERRACE
2500-22 N. Robinson
Oklahoma City, OK

2006 TIDAL SCHOOL
54560 W. Highway 16
Drumright, OK

ALDRIDGE HOTEL
20 East 9th
Shawnee, OK

SCRUTCHFIELD
110 E. Harrison
Guthrie, OK

FIDELITY BANK
200 N. Harvey Ave
Oklahoma City, OK

CITIZEN'S STATE BANK
1112 NW 23rd
Oklahoma City, OK

PHILTOWER BUILDING
427 S. Boston Ave
Tulsa, OK

UNION NATIONAL BANK
400 SE Phillips Blvd
Bartlesville, OK

2007 SURETY
117 N. 3rd
Muskogee, OK

MID-CONTINENT LIFE
1400 Classen Drive
Oklahoma City, OK

SKIRVIN HOTEL
1 Park Avenue
Oklahoma City, OK

**CITIZENS BANK
TOWER**
2200 N. Classen
Oklahoma City, OK

901 N. DENVER AVE
Tulsa, OK

2008 VICKERY STATION
602 South Elgin Ave
Tulsa, OK

KIVLEHEN HOUSE
525 N. Jackson St
Edmond, OK

UNITED ARTISTS
624 W. Sheridan
Oklahoma City, OK

**OKLA. THEATRE
SUPPLY**
628 W. Sheridan
Oklahoma City, OK

2009 1015 N. BROADWAY
Oklahoma City, OK

MAYO HOTEL
115 W. Fifth St
Tulsa, OK

2010

FILM EXCHANGE

704-708 W. Sheridan
Oklahoma City, OK

1910 BUILDING

323 Seventh St
Perry, OK

1007 N BROADWAY

Oklahoma City, OK

**FILM EXCHANGE
TWO STORY**

700-702 W. Sheridan
Oklahoma City, OK

ATLAS LIFE INSURANCE

415 N. Boston Ave
Tulsa, OK

2011

CLAYTON WELLS

215 W. Dewey
Sapulpa, OK

PLAZA COURT

1100 Classen Dr
Oklahoma City, OK

HADDEN HALL

215 NW 10th St
Oklahoma City, OK

MAYO OFFICE

420 S. Main Street
Tulsa, OK

GREENLEASE-MOORE

914 N. Broadway
Oklahoma City, OK

2229 N. GATEWOOD

Oklahoma City, OK

ROB PACKER REGAL

210-220 N. Main St
Tulsa, OK

2012

DEVAUGHAN DRUG

103 W. Broadway
Anadarko, OK

STANFORD FURNITURE

1 East Sheridan
Oklahoma City, OK

PHOENIX-MANHATTAN

325 W. Broadway
Muskogee, OK

VESPER

929 N. Broadway
Oklahoma City, OK

BRISTOW FIRESTONE

321 North Main
Bristow, OK

PPG WAREHOUSE

305 East Archer
Tulsa, OK

2013

CITIES SERVICE NO. 8

1648 SW Blvd
Tulsa, OK

EISELE MOTOR CO.

201 NW 10th St
Oklahoma City, OK

TULSA PAPER CO.

124 East Brady
Tulsa, OK

**SHERMAN IRON
WORKS**

26 E. Main Street
Oklahoma City, OK

CLAY HALL

311-325 Lakeview
Enid, OK

2014

1969 CITY HALL

200 Civic Plaza
Tulsa, OK

CASA LOMA HOTEL

2626 East 11th St
Tulsa, OK

1302 EAST 6TH STREET

Tulsa, OK

OSLER MEDICAL

1200 N. Walker
Oklahoma City, OK

GUARDIAN GARAGE

1117 N. Robinson
Oklahoma City, OK

RODDY HOUSE

708 NE 21st
Oklahoma City, OK

217 W LATIMER

217 W. Latimer
Tulsa, OK

CALVARY BAPTIST

300 N. Walnut Ave
Oklahoma City, OK

2015

LOGAN BUILDING

720 W. Boyd
Norman, OK

UNITED FOUNDERS

5900 Mosteller Drive
Oklahoma City, OK

MAIN PUBLIC LIBRARY

131 D. McGee Ave
Oklahoma City, OK

PAWHUSKA DRUG

536 Osage Ave
Pawhuska, OK

CENTRAL HIGH SCHOOL

817 N. Robinson
Oklahoma City, OK

MILK BOTTLE BUILDING

2426 North Classen
Oklahoma City, OK

SIEBER APARTMENT

1305 N. Hudson Ave
Oklahoma City, OK

MARION HOTEL

110 NW 10th
Oklahoma City, OK

WESLEY HOSPITAL

300 NW 12th St
Oklahoma City, OK

WARD BUILDING

107 N. Boulder
Tulsa, OK

MAYFAIR APARTMENTS

1315 N. Broadway Pl
Oklahoma City, OK

**COLISEUM
APARTMENTS**

625 S. Elgin Ave
Tulsa, OK

RAWLINS FURNITURE

120 W. Main
Ardmore, OK



*Tulsa Foundation for Architecture Second Saturday Architecture Tours, Mayo Hotel – Tulsa, OK
Photo credit: Phil Clarkin Photography*



PSO Building (top), Atlas Life Building (bottom left) – Tulsa, OK
Photo credit: Rhys Martin, Cloudless Lens Photography



Tower Theater (bottom right) – Oklahoma City, OK
Photo credit: Pivot Project



Tulsa Foundation *for* Architecture

{918} 583-5550 | tulsaarchitecture.com

©2016 Tulsa Foundation for Architecture.

This project has been funded in part by a grant from the Mayo Fund for Historic Preservation in Oklahoma of the National Trust for Historic Preservation.