

Funding a Lincoln Preservation Project

The following chart provides high level information regarding several funding programs available to projects undergoing renovations. Not all programs are applicable to all projects, and all will need further discussion with the appropriate agency to determine whether the project meets the applicable criteria. This chart is meant to provide options to consider helping reduce costs for renovating older and/or historic buildings.

Program	Description	Financial Considerations	Requirements
Federal Historic Tax Credit hn.hp@nebraska.gov https://history.nebraska.gov/historic-preservation/historic-tax-incentive-programs/	<p>Provides a federal income tax credit of 20% on qualifying rehabilitation projects.</p> <p>Reviewed by SHPO, NPS, & IRS.</p>	<p>Minimum expenditures must be at least \$5,000 or the adjusted basis of the property, whichever is greater.</p>	<p>Building must be individually listed in the National Register of Historic Places or contribute to a National Register District.</p> <p>Must be income producing.</p>
State Historic Tax Credit hn.hp@nebraska.gov https://history.nebraska.gov/historic-preservation/historic-tax-incentive-programs/	<p>Provides a state tax credit for qualified rehabilitation expenditures of up to 25% in counties with cities in the metropolitan or primary class (includes Lincoln) classification and 30% for all other counties.</p> <p>Reviewed by SHPO (State Historic Preservation Office) and NE Department of Revenue</p>	<p>Per project cap of \$2 million in credits.</p> <p>Project expenditures must be at least \$5,000.</p> <p>Credits can be utilized by a non-profit or local government entity.</p>	<p>Building must be individually listed in the National Register of Historic Places, contribute to a National Register District; or a locally designated landmark or contributing building to a local landmark district.</p> <p>Must be income producing.</p>
Valuation Incentive Program hn.hp@nebraska.gov https://history.nebraska.gov/historic-preservation/historic-tax-incentive-programs/	<p>Freezes the assessed value of an approved property at the prehab value for 8 years. After 8 years, the assessed value gradually increases over 4 years until the current assessed value is reached.</p> <p>Reviewed by SHPO (State Historic Preservation Office)</p>	<p>Rehabilitation cost must be at least 25% of real property's total assessed value of base year.</p> <p>Can not be used with TIF</p>	<p>Building must be individually listed in the National Register of Historic Places, contribute to a National Register District; or a locally designated landmark or contributing building to a local landmark district. Income producing property or owner-occupied homes can qualify.</p>
Tax Increment Financing urbandev@lincoln.ne.gov https://www.lincoln.ne.gov/City/Departments/Urban-Development/Redevelopment	<p>Utilizes increased property valuations to capture the value of the higher tax increment for 15 or 20 years depending on the property designation.</p>	<p>TIF money can only be used on statutorily defined public benefits.</p>	<p>Project must be located in a blighted or extremely blighted area. Contact staff to determine if property is in a blighted area.</p>
PACE KCMorrow@lincoln.ne.gov	<p>PACE programs allow a property owner to finance the up-front cost of energy or other eligible improvements on a property and then pay the costs back over time through a voluntary assessment. The unique characteristic of PACE assessments is that the assessment is attached to the property rather than an individual.</p>	<p>Applicants must work with a third-party lender to secure financing at market rates. Cannot be a self-financed project.</p>	<p>Projects must increase energy efficiency in the building.</p>