



UNIVERSITY OF MINNESOTA EXTENSION

DEPARTMENT OF COMMUNITY DEVELOPMENT

## **Economic impact of projects leveraged by the Minnesota Historic Structure Rehabilitation Tax Credit: Fiscal year 2023 and historic school building projects**

**A report of the Economic Impact Analysis Program**

Authored by Brigid Tuck and Ashley Petel



Program sponsor: Minnesota Department of Administration, State Historic Preservation Office; Photo: Historic Duluth Central High School, credit to *Duluth News Tribune*

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January 2024

Authored by Brigid Tuck, senior economic impact analyst, and Ashley Petel, graduate student researcher

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## **Executive summary of projects leveraged by the Minnesota Historic Structure Rehabilitation Tax Credit: Fiscal year 2023 and historic school building projects**

Developers have used Minnesota's Historic Structure Rehabilitation Tax Credit to rehabilitate a wide variety of historic buildings in Minnesota. Among them are warehouses, manufacturing facilities, hotels, and even movie theaters. Historic school buildings, found throughout Minnesota, are also conducive to reuse utilizing historic rehabilitation tax credits. As school districts build new facilities to meet ever evolving educational needs, student safety concerns, and community security requirements, they often vacate existing school buildings. These buildings are usually in the heart of the community and reflect the history and character of the region.

Since the state tax credit's launch, seven historic school buildings have received approval for the historic tax credit. In turn, six have been, or are being, repurposed for housing. The seventh was rehabilitated for a community-centered space. This report dives into those projects.

In general, developers used four approaches to completing the housing-related projects.

### **Approach 1: Leveraging private investment**

For two of the projects, developers primarily leveraged private investment. Beyond the tax credit, these projects used minimal public investment, and the projects rent on the open market.

### **Approach 2: Developing private-public partnerships**

In other cases, project developers partnered with additional public entities to complete their projects. Common approaches include using low-income housing tax credits or working with organizations like the Greater Minnesota Housing Fund.

### **Approach 3: Creating community partnerships**

For one project in Greater Minnesota, the community identified the preservation of its historic school buildings as a priority. To get this done, they have come together as a community to raise funds and complete the work.

### **Approach 4: Addressing affordable housing shortages**

A final strategy related to housing is to use the historic tax credit as leverage to address critical housing needs, particularly around affordable and workforce housing.

The seventh school building project was rehabilitated for use as school facilities. The campus now includes a private academy, summer camps, and a charter school, in addition to being available for community events. This leads to a fifth strategy used by developers.

## Approach 5: Creating community-centered spaces

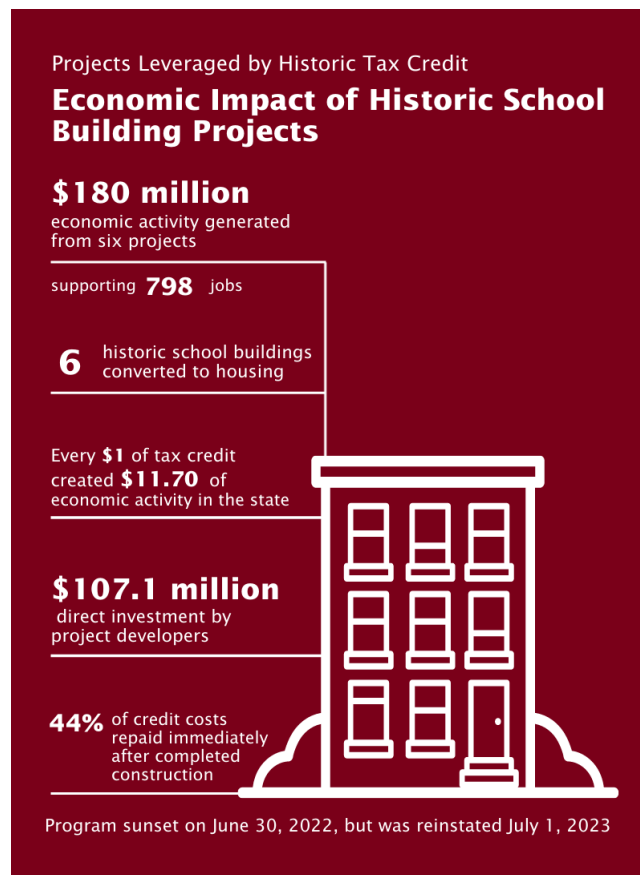
With the final project in this report, the historic rehabilitation created a community-centered space. The large common areas in school buildings lend themselves to this type of reuse.

Beyond providing critical housing and community spaces, the projects also create economic activity. Project developers directly invested \$107 million into the seven historic school building projects.<sup>1</sup> These investments spurred economic activity in Minnesota through spending for construction-related supplies and spending by workers on the projects. In total, Extension estimates the projects generated \$180 million of economic activity and supported 798 jobs.

For these seven school building reuse projects, \$18.5 million of tax credits have, or will be, awarded. State and local taxes collected as a result of the projects total an estimated \$8.2 million, meaning the projects repaid 44 percent of the tax credit upon completion.

In addition, public school buildings are classified as exempt from property taxes. Once the properties are sold to the developer and start producing income, local jurisdictions also begin to collect property taxes, contributing to the local tax base.

Extension's analysis finds that for every dollar of state tax credit invested in reusing historic school buildings, the rehabilitation work generated between \$10.70 and \$14.40 in economic activity (depending on the project).



## Introduction

Americans have long recognized the importance of preserving historic buildings and structures. In 1966, Congress passed the National Historic Preservation Act. The Act established the formal processes and structures, such as the National Register of Historic Places, to support preservation in the United States.<sup>ii</sup> By 1976, the federal government began offering a federal tax credit to support the rehabilitation of historic buildings.<sup>iii</sup>

With the historic preservation act, Congress also established State Historic Preservation Offices (SHPO) to oversee preservation efforts at the state level. Once the federal tax credit became available, individual states began to adopt a complimentary state tax credit. Minnesota adopted the Historic Structure Rehabilitation Tax Credit in 2010. While the credit sunset in 2022, it was reauthorized by the Minnesota legislature in 2023.

Minnesota's tax credit allows for a 20 percent state tax credit, with the option for a grant in lieu of the credit. It mirrors the federal tax credit and project developers pair the credits together. Projects must meet several requirements to qualify for the tax credit. The requirements include:

- The project must be a certified historic structure. To meet this criterion, it can either be listed on the National Register of Historic Places or contribute to a Registered Historic District.
- The project, when completed, must be income producing.
- The project must meet a substantial rehabilitation test (the cost of rehabilitation must exceed the pre-rehabilitation cost of the building).
- Project plans must be approved by the National Park Service (NPS) and certified as meeting the Secretary of the Interior's Standards for Rehabilitation.
- The completed work must be approved by the NPS and allowed the federal tax credit.
- To access the state credit, the developer must submit a complete application to the State Historic Preservation Office before project work begins.

### Historic Structure Rehabilitation Tax Credit and historic school buildings

Minnesota's original tax credit legislation required the SHPO to annually analyze the economic impact of the credit. To do this, SHPO partnered with University of Minnesota Extension, who has quantified the impact of the credit since fiscal year (FY) 2011.

With its sunset in 2022 and subsequent reauthorization in 2023, SHPO and Extension selected a new approach to reporting on the impact of the tax credit. This year, the report focuses on how the tax credit has been used to address community needs. In particular, it explores how the historic tax credit has been used to rehabilitate and repurpose historic school buildings. During the tax credit's existence, seven historic school buildings have been approved for the tax credit. As of December 2023, developers are bringing forward additional projects, but as they are still in the application process, they are not included in this report.

The seven projects demonstrate the breadth and depth of how the credit is paired with private and public investment in ways that both preserve the historic structure and fill a community need. Given student safety and security needs, along with funding options, when faced with substantial building upgrades, many school districts opt to construct new school buildings.



Often, and particularly in Greater Minnesota, the school district moves school operations into the new building, leaving the former building empty. These buildings are typically located within neighborhoods and reflect the history of the community. Cloquet High School, for example, was built following the fires of 1918. Central Elementary School in Winona features marble columns and a lion's head frieze that were donated by the Watkins family, owners of the Watkins brand of natural products, founded in Winona in 1868 (Figure 1).

The seven school building projects that received the credit can be broadly grouped into two categories—those used for housing and those repurposed as shared community spaces. As mentioned previously, to qualify for the historic tax credit, the project's final use must be income-producing. For housing projects, this typically translates into the development of rental units. In the repurposing example, the structures are being used for private schools and camps.



**Figure 1: Interior of Central Elementary School, Winona**

## **Housing**

Six of the seven projects with approval for the Minnesota tax credit have been, or are being, rehabilitated for housing. In general, developers used four approaches to completing the housing-related projects.

### **Approach 1: Leveraging private investment**

For two of the projects, developers primarily leveraged private investment. Beyond the tax credit, these projects used minimal public investment, and the projects rent on the open market.

### **Approach 2: Developing private-public partnerships**

In other cases, project developers partnered with additional public entities to complete the project. The most common approach is to work with low-income housing tax credits or organizations like the Greater Minnesota Housing Fund.

### **Approach 3: Creating community partnerships**

For one project in Greater Minnesota, the community identified the preservation of their historic school buildings as a priority. To get this done, they have come together as a community to raise funds and complete the work.

### **Approach 4: Addressing affordable housing shortages**

Finally, some communities are using the historic tax credit as a leverage to address critical housing needs, particularly around affordable and workforce housing.



## Leveraging private investment: Central Grade School



### Winona, Minnesota

Previous use: elementary school

Year constructed: 1930

Total project costs: \$2.6 million

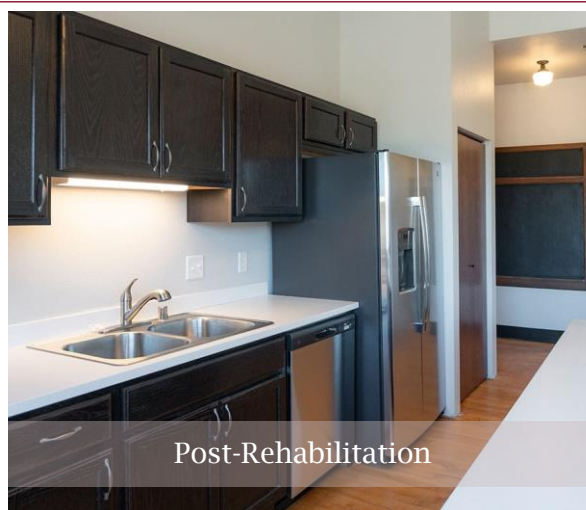
Current use: Central Square (apartments)

Years rehabilitated: 2020-2021

Status: fully rented



During Rehabilitation



Post-Rehabilitation

### Historic significance

Winona Public Schools conceptualized Central Grade School during a period of growth in the mid-1920s. Many of Winona's original schools dated to the 1880s and were overcrowded and considered unsafe. The school district launched an initiative to build five new buildings, of which Central Grade School was the second. The building reflects the educational design standards of its time.

From an architectural perspective, Central Grade School is a two-story Gothic Revival style building. It features building materials and design elements showcasing the geography and history of Winona. Building materials include Winona "travertine," a local limestone. In addition, Paul Watkins, president of J.R. Watkins Company, made donations to the building, including Italian stone plaques, columns, and a lion's head frieze.<sup>iv</sup>

Local private developers purchased the building in 2018, eventually deciding to rehabilitate it into 15 market-rate apartment units. The rehabilitation retained multiple elements of the school building, including terrazzo flooring, colorful tiling, built-in coat closets, and blackboards.

### PROJECT FINANCING AND IMPACT

Total Final Project Costs	\$2,622,473
State Historic Tax Credit Awarded	\$431,502
Economic Impact	\$5,112,480
Economic Activity Per Dollar of State Credit	\$11.85
Jobs Supported	23
State and Local Taxes Collected	\$232,450
Estimated Market Value 2023	\$989,900
Funding Sources	Primarily private



## Leveraging private investment: Madison School



### Winona, Minnesota

Previous use: elementary school

Year constructed: 1932

Total project costs: \$1.7 million

Current use: Madison Place (apartments)

Years rehabilitated: 2020-2021

Status: fully rented



Prior to Rehabilitation

Winona County - Madison School - 0007



Finished Rehabilitation

### Historic significance

Madison School was the third of the five schools developed by Winona Public Schools in the 1930s. Like Central School, the building design fits with the changing educational standards of the period.

Madison School is a two-story, Gothic Revival style building featuring bluff limestone ornamentation. Building architects shifted from the I-plan of the Central School to an H-plan with north-south classroom wings. The layout allowed east and west sunlight into all the classrooms.<sup>v</sup>

A local developer, Andrew Brenner, purchased Madison School. Under his ownership, the property has been rehabilitated into 21 apartment units.<sup>vi</sup> As of fall 2023, the units were fully rented.

With state historic tax credit projects, the tax credit awarded is based on qualifying rehabilitation expenses. Thus, the tax credit awarded for any given project can be lower than 20 percent of total project costs, as some costs do not qualify. In addition, developers report investing additional funds into projects after the project is placed into service. As an example, the developer for Madison School completed landscaping projects that are not included in the total final project costs listed here.<sup>vii</sup>

### PROJECT FINANCING AND IMPACT

Total Final Project Costs	\$1,674,402
State Historic Tax Credit Awarded	\$280,438
Economic Impact	\$3,264,230
Economic Activity Per Dollar of State Credit	\$11.60
Jobs Supported	15
State and Local Taxes Collected	\$148,420
Estimated Market Value 2023	\$1,131,100
Funding Sources	Primarily private



## Developing private-public partnerships: Cloquet High School



### Cloquet, Minnesota

Previous use: high school

Year constructed: 1921

Total project costs: \$16.1 million

Current use: Carlton Lofts (apartments)

Years rehabilitated: 2018-2020

Status: affordable units available for lease



During Rehabilitation



Finished Rehabilitation

### Historic significance

In October 1918, the combination of a dry season, high winds, and sparks from a passing train led to Minnesota's worst natural disaster—a massive fire.<sup>viii</sup> Among the most devastated communities was the City of Cloquet. Only one of Cloquet's school buildings survived the devastation.<sup>ix</sup> Within a year of the fire, ground was broken on the new Cloquet High School located on Carlton Avenue.

The architecture of the building reflects the historical changes of the time. The 1921 construction is styled in the Classical Revival style. Meanwhile, the 1950 additions are simplified and modernist with decorative brickwork. Carved into two of the entrances are the words "Cloquet High School."<sup>x</sup>

The high school building, now known as the Carlton Lofts, is located in a residential neighborhood of Cloquet. Rents in the building primarily target workforce housing, but the building also has market rate units. Of the 57 units, 45 are affordable and 12 are market rate.

This project used a mix of private and public funding sources. In addition to the developer, the Greater Minnesota Housing Fund (GMHF) provided financial support and additional resources. The GMHF also collaborated with the Federal Home Loan Bank to access flexible credit during the project.<sup>xi</sup>

### PROJECT FINANCING AND IMPACT

Total Final Project Costs	\$16,141,174
State Historic Tax Credit Awarded	\$2,939,133
Economic Impact	\$31,467,040
Economic Activity Per Dollar of State Credit	\$10.70
Jobs Supported	140
State and Local Taxes Collected	\$1,430,760
Estimated Market Value 2023	\$82,900 (land only)
Funding Sources	Private/Public

## Developing private-public partnerships: Historic Central High School



### Duluth, Minnesota

Previous use: high school

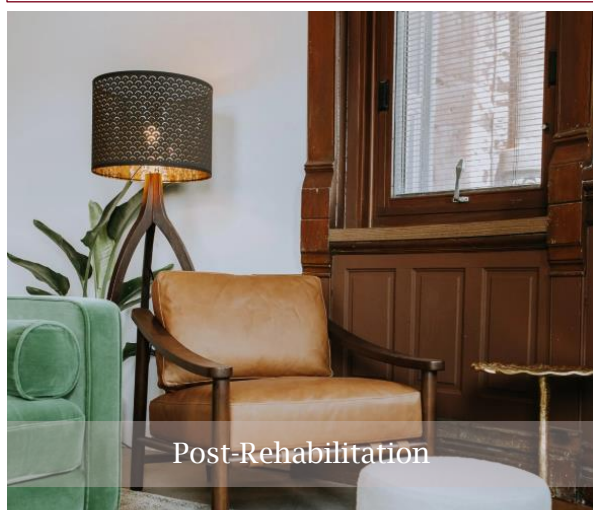
Year constructed: 1892

Total project costs: \$46.0 million (est.)

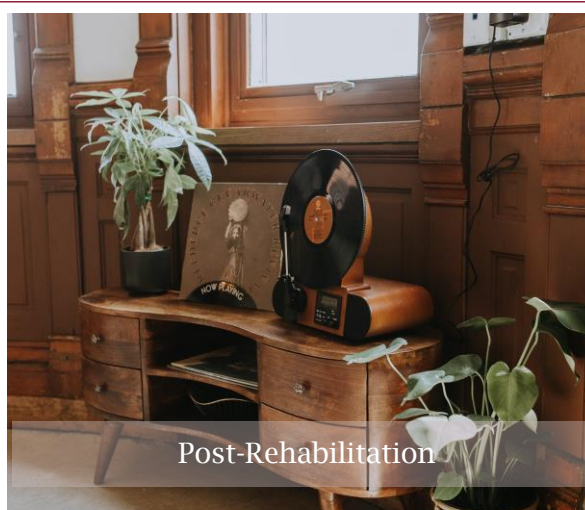
Current use: Zenith DCHS (apartments)

Years rehabilitated: in progress

Status: first rentals available 2024



Post-Rehabilitation



Post-Rehabilitation

### Historic significance

Between 1880 and 1890, the population of Duluth grew from around 3,400 to 33,000.<sup>xii</sup> With growth came the need for additional space to educate the community's youth. The Historic Central High School, with its iconic clock tower and sweeping views of the lake, was built on an entire city block in a hillside neighborhood.<sup>xiii</sup>

Architecturally, the building is considered one of the state's finest examples of the Richardsonian Romanesque style. The three-story structure is largely composed of Lake Superior brownstone quarried from Fond du Lac.<sup>xivxv</sup>

PROJECT FINANCING AND IMPACT	
Project Costs (estimated)	\$56,030,000
State Historic Tax Credit Awarded	TBD
Estimated Economic Impact (estimated)	\$109,715,500
Economic Activity Per Dollar of State Credit	TBD
Jobs Supported (estimated)	490
State and Local Taxes Collected (est.)	\$4,991,300
Estimated Market Value 2023	\$2,551,900
Funding Sources	Private/public

Under the ownership of Saturday Properties, the school is being rehabilitated for housing. The property is now known as Zenith DCHS, named after the high school yearbook. It has 122 units, of which 10 percent are reserved as affordable housing. As construction work wraps up in late 2023, units are currently available to rent starting in January of 2024. Financing included a mix of private sources, including investment from the AFL-CIO Housing Investment Trust (HIT)<sup>xvi</sup> and public sources, such as tax increment financing and federal and state historic tax credits.<sup>xvii</sup>

The 2023 estimated market value of the property was \$2.6 million. The assessment was conducted prior to project completion, so it will increase with the new assessment. Property taxes collected in Duluth will increase from \$0 as a school building to \$404,000 post-rehabilitation.<sup>xviii</sup>





## Creating community partnerships: Alexander Baker School



### International Falls, Minnesota

Previous use: K-12 school

Years constructed: 1914

Total project costs: TBD

Future use: housing

Years Rehabilitated: in progress

Status: under construction



Before Rehabilitation



Before Rehabilitation

### Historic significance

In the early 1900s, the rapidly growing population of International Falls was linked with the growth of the paper industry, necessitating construction of the Alexander Baker School in 1914. The newly built space served as a community resource for youth and adult education, agricultural extension classes, and teacher training. The neighboring Backus School building was built in 1936 with a grant from the Public Works Administration—a prime example of “Federal Relief Construction” during the economic collapse of the paper industry.<sup>xix</sup>

While the two schools were built at different times with different architectural styles—the Baker School in Classical Revival style and the Backus School in art deco—efforts were made to match their massing and brick colors to create a unified look. The school names are inscribed above their main entrances.<sup>xvii</sup>

Recently, International Falls has struggled with a lack of housing availability, with no rental housing developments in almost 40 years.<sup>xx</sup> Community members and partners have joined together to conduct housing studies and feasibility assessments, participate in design charrettes, and apply for funding to support efforts to bring affordable housing to the community.<sup>xvi</sup> Construction began in 2023 to convert the Alexander Baker School classrooms into 30 affordable housing units.<sup>xvi, xviii</sup> The adjoined E.W. Backus School will remain as the local community center.

### PROJECT FINANCING AND IMPACT

Project Costs (estimated)	\$18,302,485
State Historic Tax Credit Awarded	TBD
Economic Impact (estimated)	\$35,680,490
Economic Activity Per Dollar of State Credit	TBD
Jobs Supported (estimated)	160
State and Local Taxes Collected (est)	\$1,622,150
Estimated Market Value 2023	N/A
Funding Sources	Primarily public

## Addressing affordable housing shortages: New Ulm High School



### New Ulm, Minnesota

Previous use: junior high & high school

Year constructed: 1915

Total project costs: \$15 million

Current use: Emerson Union Apartments

Years rehabilitated: 2018

Status: some apartments available



Before Rehabilitation



Finished Rehabilitation

### Historic significance

New Ulm High School was originally built in 1915 at a time when the town's population was growing and the sentiment for educational instruction was shifting from traditional academics—mainly reading, writing, and arithmetic—to also training for manual labor and domestic industries. The school got two major additions, one in 1939 with support from the Works Progress Administration and one in 1956 in response to the baby boom.<sup>xxi</sup> The site served students in junior high and high school until 2016.

The architectural styles reflect the three distinct eras in which construction happened. The original school was built in a Classic Revival style, the 1939 addition with international style influences, and the 1956 addition in art deco style.<sup>xix</sup>

The adaptive reuse project to create affordable housing aimed to preserve historic elements, such as built-in chalkboards, cupboards, and classroom door transoms, while incorporating modern systems, such as all new electrical, plumbing, and appliances.<sup>xxii</sup> The 49 apartment units are all reserved for low-income residents, an effort that involved a partnership between the City of New Ulm, community partners, Community Housing Development Corporation, and a nonprofit developer.<sup>xxiii</sup> The project also received funding from the federal Low Income Housing Tax Credit program.<sup>xxiv</sup> In addition to housing, the former school's theater is owned and operated by a local nonprofit, which brings arts and performances to New Ulm.<sup>xxv</sup>

### PROJECT FINANCING AND IMPACT

Total Final Project Costs	\$16,383,773
State Historic Tax Credit Awarded	\$2,771,197
Economic Impact	\$31,939,980
Economic Activity Per Dollar of State Credit	\$11.50
Jobs Supported	140
State and Local Taxes Collected	\$1,452,350
Estimated Market Value 2023	\$4,982,500
Funding Sources	Primarily public

## Community spaces

The seventh historic school building project utilized the credit to create community spaces. The rehabilitated building now hosts a charter/boarding school and summer camp. Thus continues the tradition of the building, while providing educational opportunities in the community.

### Community centered spaces: Pillsbury Academy Campus Historic District



#### Owatonna, Minnesota

Previous use: academy, military school

Year constructed: 1889-1914 & 1956-1967

Total project costs: \$9.5 million

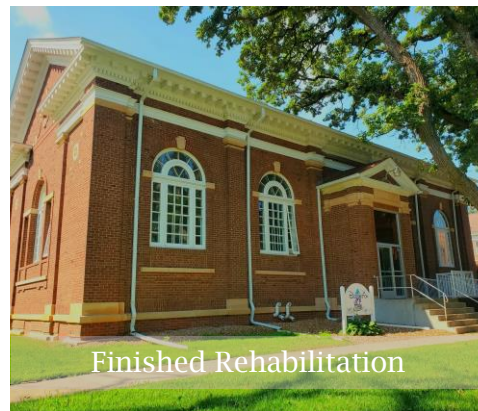
Current use: summer camp/ event space

Years rehabilitated: 2015

Status: hosting classes, camps, and events



Finished Rehabilitation



Finished Rehabilitation

## Historic significance

The oldest buildings that make up the Pillsbury Academy campus in Owatonna were built by Minnesota's first Baptist school, during a period of growth for denominational seminaries and academies. Opening in 1877, the school taught children from grammar school through high school. College courses were added in 1896. In 1920, the school became a military academy for boys. By 1957, enrollment changes led the school to convert to a co-ed Baptist Bible College<sup>xxvi</sup> With this change, new buildings, primarily dormitories, were constructed on the campus.

Built in 1889, the Academy Building (Old Main) was designed in Romanesque architectural style, while the additional original buildings represent Classical Revival designs.<sup>xxvii</sup> Several of the buildings added in the 1960s adhere to the International style of dormitories.

Pillsbury Baptist Bible College closed in 2008, with the campus sitting vacant until it was purchased by a private owner in 2014. Jenks Hall was renovated in 2014, converting the library into an open hall event space.<sup>xxviii</sup> The dormitories have also been rehabilitated. The campus currently houses Pillsbury College Prep, Camp Pillsbury, and the Choice Technical Academy.<sup>xxvii</sup> <sup>xxviii</sup>

PROJECT FINANCING AND IMPACT	
Total Final Project Costs	\$9,516,839
State Historic Tax Credit Awarded	\$1,291,674
Economic Impact	\$18,553,970
Economic Activity Per Dollar of State Credit	\$14.40
Jobs Supported	80
State and Local Taxes Collected	\$843,570
Estimated Market Value 2023	\$1,915,000
Funding Sources	Private



## Impacts of school building rehabilitation on property tax collections

In addition to tax collections spurred immediately by the rehabilitation work, the tax credit prompts annual increases in collections due to increases in property values. Higher property values translate into higher property taxes paid.

To measure this impact, Extension examined the property tax records for the school buildings rehabilitated with the historic tax credit. Since the Alexander Baker and Duluth Historic Central High Schools are still under construction, they are not included in this analysis.

On average, the value of the five studied properties grew by 440 percent, from \$1.7 million prior to rehabilitation to \$9.1 million post-rehabilitation (Table 1). By comparison, property values statewide increased 41 percent.

As a result of property value increases, annual property taxes also increased. Property tax revenues on the five properties increased by an estimated \$94,516 annually.

Other than the Pillsbury Academy campus, all of these properties were owned by school districts and therefore were exempt from property taxes. In addition to addressing community issues, the rehabilitation also brings properties onto the property tax rolls.

**Table 1: Property Value Changes, Historic School Building Properties Receiving the Minnesota Historic Rehabilitation Tax Credit**

Category	Pre-rehabilitation	Post-rehabilitation	Percent Change
Estimated market value, case study projects receiving tax credit (five properties)	\$1,676,000	\$9,054,900	440%
Estimated market value, statewide, 2018-2023	\$693,962,163,841	\$979,760,018,170	41%
Estimated annual increase in property tax collections, case study projects receiving tax credit (five properties)		\$94,516	

Sources: Minnesota Department of Revenue, individual county property tax records, and University of Minnesota Extension estimates

## Economic impact of all projects leveraged with the historic tax credit, fiscal years 2011-2023

To this point, the report has highlighted historic school building projects. This section of the report quantifies the impact of the tax credit throughout its history. Extension has measured the economic impact of the Minnesota Historic Rehabilitation Tax Credit annually since 2011. In FY23, no projects received approval due to the sunset of the program.

Between FY11 and FY23, the Minnesota Historic Rehabilitation Tax Credit generated an estimated \$6.0 billion in economic activity in the state (Table 2). The state credit has supported 29,570 jobs and \$2.2 billion in labor income.

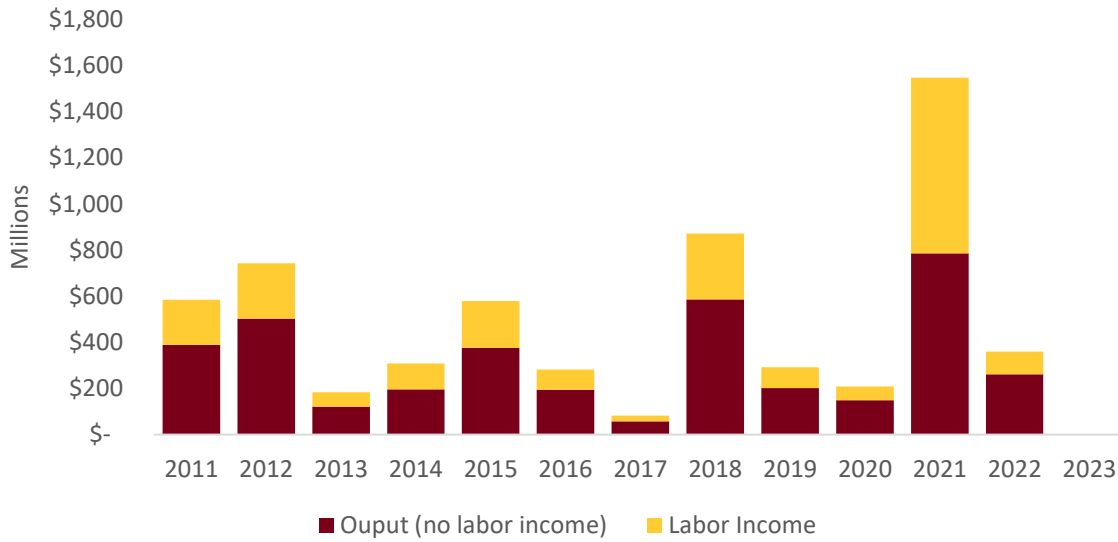
**Table 2: Total Economic Impact of Minnesota Historic Rehabilitation Tax Credit Projects Receiving National Park Service Part II Approval between FY 2011 to 2023 (Adjusted to 2023 Dollars)**

Impact Type	Output (millions)	Employment (FTEs)	Labor Income (millions)
Direct	\$3,307.8	15,880	\$1,282.3
Indirect	\$1,129.7	5,320	\$399.5
Induced	\$1,607.7	8,370	\$541.5
Total	\$6,045.2	29,570	\$2,223.3

Source: University of Minnesota Extension estimates, IMPLAN

### Total impacts by fiscal year

Economic impact has varied by year (Figure 2). The biggest determinate of economic impact is the direct impact. Direct impact, in turn, depends on the number of projects and the average project investment. Fiscal year 2021 had the highest number of planned projects (34). FY15 also had a high number of projects with 23. Most years, the number of projects is in the range of 12 to 14. Fiscal year 2017 only had seven projects.<sup>xxix</sup> With the program sunset, FY23 had no completed projects (Table 3).



**Figure 2: Total Economic Impact of Minnesota Historic Rehabilitation Tax Credit Projects Receiving National Park Service Part II Approval between FY 2011 and FY 2023**

**Table 3: Total Economic Impact of Minnesota Historic Rehabilitation Tax Credit Projects Receiving National Park Service Part II Approval between FY 2011 and FY 2023**

	Output (millions, 2023 \$)	Employment (FTEs)	Labor Income (millions, 2023 \$)
FY 2011	\$584.7	2,880	\$195.4
FY 2012	\$743.0	3,500	\$240.1
FY 2013	\$183.2	1,200	\$61.4
FY 2014	\$308.4	1,340	\$111.8
FY 2015	\$579.9	2,610	\$203.6
FY 2016	\$282.1	1,110	\$88.0
FY 2017	\$82.3	290	\$24.8
FY 2018	\$872.5	3,910	\$287.0
FY 2019	\$292.2	1,100	\$90.9
FY 2020	\$208.3	720	\$58.8
FY 2021	\$1,548.5	9,660	\$762.7
FY 2022	\$360.3	1,250	\$98.8
FY 2023	\$0	0	\$0
<b>Total</b>	<b>\$6,045.4</b>	<b>29,570</b>	<b>\$2,223.3</b>

Estimates by the University of Minnesota Extension Center for Community Vitality

Counties across Minnesota have benefited from the value generated by the historic rehabilitation tax credit. Figure 3 illustrates, by county, the location of projects awarded the credit between FY11 and FY23. While many of the projects have been in Ramsey and Hennepin Counties, 20 of Minnesota's counties have properties with historic tax credit projects. Greater Minnesota counties with the highest number of properties include St. Louis, Winona, Otter Tail, and Stearns.



## Photo credits

Cover photo: Duluth Historic Central High School, Duluth News Tribune

Pages 4 and 5: Winona's Central Elementary, Central Square Apartments (Facebook)

Page 6: Winona's Madison Elementary, Madison Place Apartments (website)

Page 7: Cloquet High School, Cloquet Community Development and Carlton Lofts (website)

Page 8: Duluth Historic Central High School, Zenith DCHS Apartments (website)

Page 9: International Fall's Alexander Baker School, AB Building (website)

Page 10: New Ulm High School, Emerson Union Apartments (website), National Register application

Page 11: Owatonna's Pillsbury Academy, Pillsbury College Prep (website)



## End notes

<sup>i</sup> Two projects (Alexander Baker School and the Historic Duluth Central High School) are still currently under construction. For these projects, the total costs are based on the developers estimates.

<sup>ii</sup> National Park Service. (n.d.) Historic Preservation Act. <https://www.nps.gov/subjects/historicpreservation/national-historic-preservation-act.htm#:~:text=The%20act%20established%20permanent%20institutions,the%20Secretary%20of%20the%20Interior.>

<sup>iii</sup> Novogradac. (2023). Historic tax credit resource center. <https://www.novoco.com/resource-centers/historic-tax-credits/about-historic-tax-credit>

<sup>iv</sup> Lucas, A.M., & Zellie, C.S. (2011a, June 30). Central grade school. National register of historic places registration form. [https://s3.amazonaws.com/NARAprdstorage/lz/electronic-records/rg-079/NPS\\_MN/12000071.pdf](https://s3.amazonaws.com/NARAprdstorage/lz/electronic-records/rg-079/NPS_MN/12000071.pdf)

<sup>v</sup> Lucas, A.M., & Zellie, C.S. (2011b, June 30). Madison School. National register of historic places registration form. [https://s3.amazonaws.com/NARAprdstorage/lz/electronic-records/rg-079/NPS\\_MN/12000073.pdf](https://s3.amazonaws.com/NARAprdstorage/lz/electronic-records/rg-079/NPS_MN/12000073.pdf)

<sup>vi</sup> Kayser, Z. (2021, August 16). A new life for Madison, Central schools. *Winona Post*. [https://www.winonapost.com/news/a-new-life-for-madison-central-schools/article\\_44ac6e1f-964a-554d-9275-2caecd547002.html](https://www.winonapost.com/news/a-new-life-for-madison-central-schools/article_44ac6e1f-964a-554d-9275-2caecd547002.html)

<sup>vii</sup> A. Bremmer, personal communication, January 2, 2024.

<sup>viii</sup> Nelson, P. (2023, February 24). Cloquet, Duluth, and Moose Lake fires, 1918. MNopedia. Minnesota Historical Society. <https://www.mnopedia.org/event/cloquet-duluth-and-moose-lake-fires-1918>

<sup>ix</sup> Carroll, F.M., & Raiter, F.R. (1983). "At the time of our misfortune: relief efforts following the 1918 Cloquet fire". *Minnesota History*, 48(7), 270-282. <http://collections.mnhs.org/MNHHistoryMagazine/articles/48/v48i07p270-282.pdf>

<sup>x</sup> Ludt, T. (2020). Cloquet High School. National register of historic places registration form.

<sup>xi</sup> Greater Minnesota Housing Fund. (2021, January 26). Cloquet Middle School apartments = Historic rebuilding. <https://gmhf.com/2021/01/cloquet-middle-school-apartments-success-story/>

<sup>xii</sup> United States Census Bureau. (1890). Cities, towns, villages, and boroughs. [https://www2.census.gov/library/publications/decennial/1890/volume-1/1890a\\_v1-12.pdf](https://www2.census.gov/library/publications/decennial/1890/volume-1/1890a_v1-12.pdf)

<sup>xiii</sup> X-Communication & Zenith City Press. (n.d.). *Duluth central high school - 1892*. Zenith City Press. <https://zenithcity.com/archive/historic-architecture/duluth-central-high-school-1892/>

<sup>xiv</sup> Cavin, B. (1972). Duluth Central High School. National register of historic places registration form. [https://npgallery.nps.gov/NRHP/GetAsset/NRHP/72001488\\_text](https://npgallery.nps.gov/NRHP/GetAsset/NRHP/72001488_text)





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<sup>xv</sup> Nickels, B. (2023, April 14). Zenith DCHS apartments: Once a place to learn, now a place to live. Kraus-Anderson. <https://www.krausanderson.com/blog/zenith-dchs-apartments-once-a-place-to-learn-now-a-place-to-live/>

<sup>xvi</sup> Good News Minnesota & McKirdy Media. (2022, May 31). Duluth's historic Central High School to become Zenith Apartments. Goodnewsminnesota.com. <https://goodnewsminnesota.com/duluths-historic-central-high-school-to-become-the-zenith-apartments>

<sup>xvii</sup> Passi, P. (2021, May 22). Duluth considers aid to help redevelop Historic Old Central High School. *Duluth News Tribune*. <https://www.duluthnewstribune.com/business/duluth-considers-aid-to-help-redevelop-historic-old-central-high-school>

<sup>xviii</sup> M. Lavery, personal communication, January 3, 2024.

<sup>xix</sup> Hoisington, D. (2003). Alexander Baker School and E.W. Backus Junior High School. National register of historic places registration form. <https://npgallery.nps.gov/GetAsset/8f4f282d-b213-4782-9db5-50ce7a2be78a>

<sup>xx</sup> Minnesota Housing Partnership. (2023). Adaptive reuse in International Falls could see first multifamily development in a generation. MHP Community Development. <https://mhponline.org/adaptive-reuse-in-international-falls-could-see-first-multifamily-development-in-a-generation/>

<sup>xxi</sup> Hoisington, D.J. (2015, February 15). New Ulm High School. National register of historic places registration form. <https://npgallery.nps.gov/GetAsset/2611d1d9-c39d-45d1-812c-272db408a888>

<sup>xxii</sup> Schuldt, C. (2019, September 13). Future apartments viewed. *The Journal*. <https://www.nujournal.com/news/local-news/2019/09/13/future-apartments-viewed/>

<sup>xxiii</sup> Schuldt, C. (2020, February 27). Emerson Union Apartments open – Former school building expected to be fully leased this year. *The Journal*. <https://www.nujournal.com/news/local-news/2020/02/27/emerson-union-apartments-open-former-school-building-expected-to-be-fully-leased-this-year/>

<sup>xxiv</sup> United States Department of Housing and Urban Development. (n.d.) Low income housing tax credits database access. <https://lihtc.huduser.gov/>

<sup>xxv</sup> State Street Theater Co. (n.d.). About us. <https://statestreetnewulm.org/about-us/>

<sup>xxvi</sup> Roberts, N. (1986). *Pillsbury Academy Campus historic district*. National register of historic places registration form. <https://npgallery.nps.gov/GetAsset/27fd292f-8c32-40c4-84cd-15fbef7b092f>

<sup>xxvii</sup> Hyatt, K. (2016, January 4). Holidays and history: Open house to celebrate Jefts Hall renovation, history with a festive twist. *Owatonna People's Press*. [https://www.southernminn.com/owatonna\\_peoples\\_press/features/article\\_52076c67-a372-5fc5-93e0-224da21b9310.html](https://www.southernminn.com/owatonna_peoples_press/features/article_52076c67-a372-5fc5-93e0-224da21b9310.html)

<sup>xxviii</sup> Camp Pillsbury. (2023). Home page. <https://camppillsbury.com/>

<sup>xxix</sup> Occasionally, a project moves fiscal years or is missed during the analysis. When this is discovered, the project is incorporated into the data for the appropriate year. Therefore, the totals here may not match the report for the individual year.

