

Senator Joseph C. Perry, Senate Chair
Representative John F. Piotti, House Chair
Members of the Taxation Committee

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The logo for Barba + Wheelock is a blue, textured rectangular shape with the company name "BARBĀ+WHEELOCK" in white, uppercase, sans-serif font centered within it.

BARBĀ+WHEELOCK

Testimony for LD 262, April 9, 2007

Senator Perry, Representative Piotti, and Members of the Taxation Committee:

I am Nancy Barba, Principal of Barba + Wheelock Architecture, Preservation and Design, Portland, Maine. I am here to testify in favor of DL 262. I am an architect, historic preservationist, and for those of you familiar with environmental sustainable design: a LEED accredited professional.

For the past 25 years, I have worked on historic preservation projects throughout the state. As the principal Architect for the 1867 Rackleff Block in Portland and Waterville's Hathaway Mill, I've seen the impact historic preservation tax credits can have on revitalizing historic buildings to high standards that mean better projects and more viable projects for the long haul; both inside and outside.

As the lead designer for the Main Street Maine Program over the past three years I traveled to Norway, Saco, Eastport, Waterville, Bath and Gardiner. In each of these towns I've seen firsthand the need for effective programs for small projects. In Eastport, they are struggling to restore their beautiful red brick buildings. In Waterville (and I understand Augusta and other towns throughout Maine are struggling with the same) building owners want to rent their second and third floors, and have tenants, but can't afford the fire safety upgrades or elevators for ADA. So, the upper floors of these beautiful historic buildings remain partially vacant and therefore their downtowns only partially thrive.

Across the river at the former Cony High School, I'm learning from our development team that historic preservation tax credits can spell the difference between a job well done and a job just half-baked. Our majestic historic buildings, like Cony, deserve better.

Historic Preservation projects are challenging at best. The historic preservation tax credit is a crucial link to closing the financial gap. And historic preservation projects are complex. It's a lot easier for a developer to build a box, a big box, out on a greenfield and to tear up more of Maine's beautiful landscapes, than it is to build downtown where our building stock is already well-established, and the return on investment (ROI) is much slower.

Developers are creative at piecing the finance all together: their own money, private sources, banks, sometimes Federal programs such as HUD, CBDG. But, to make it an investment and not just do it from the *heart*, they need the crucial input of the historic preservation tax credit to close the gap in a project that is intrinsically more expensive.

You've heard a lot about the recent Brookings Institute Study for GrowSmart Maine. In a previous study that came out a couple of years ago, Brookings noted that investing in

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downtown projects and historic preservation projects is a 20-year payback, not the five year return a developer is likely to see in suburban developments. This is a much slower return on investment (ROI) but much more sustainable approach and the results exponentially affect the local economy in revitalization. It takes not only a developer who is willing to work with the complexities of the myriad of codes, regulations and reviews, but one who is looking at long term investment. This is just the kind of investor we should be encouraging in Maine's development.

Many of these projects are in downtown settings where codes are more stringent or along rivers where flood plain and DEP considerations are costly, yet essential to address, or brownfields or asbestos-laden buildings where clean-up is critical to inviting new users in. In terms of infrastructure, many buildings haven't had upgrades in well over 50 years, and have never seen passenger elevators, Internet, fuel-efficient systems or technology.

One more note on local economy- An investment like the Hathaway Mill project affects the lives of many Maine families. Our project team includes 8 different companies of architects, engineers and specialized consultants - staffs totaling over 50 employees from dozens of towns throughout central and southern Maine. The contractor in turn employs teams of subcontractors. On a job this size there are upwards of 30 subcontractors and suppliers with their own subcontractors. On any given day there could be 100 workers on site, all with good paying, skilled construction jobs.

As a person who derives her livelihood from this type of work, I may sound like I'm "singing for my supper," but the stakes are much higher. What's most important is by supporting this legislation you are supporting a type of development that is better for the Maine economy and better for the health, vitality, and continuity of our towns, cities and our valuable historic building stock.

LD 262 and the tax credit for historic preservation is a short term investment in Maine's downtowns and history that has an astonishing payback- both in terms of preserving our resources and in building Maine's sustainable economy.

I'll just leave you with one thought- the one I use with my staff and consultants when the going gets tough on the Hathaway project: "Remember: you are saving Waterville with your work" and I would add to the Taxation Committee: "Remember, you are saving Maine."

Respectfully submitted,



Nancy L. Barba, AIA, LEED AP