

Checking Back in With Patrick Robertson on the New Congress, President and the HTC



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Last November, we conducted the first in an interview series with Patrick Robertson of Confluence Government Relations, who leads the Historic Tax Credit Coalition (HTCC) government relations effort. Patrick discussed how legislation and advocacy for historic tax credits (HTCs) had developed in the months leading up to the presidential election and what to look for in the months following.

Now with a new Biden administration and a Congress controlled by Democrats, we sat down with Patrick again to continue our discussion, analyze what has transpired in the past few months and explore the potential future of HTC legislation under the new administration and Congress.

Last year set an important benchmark for HTC legislation with the passage of H.R. 2, also known as the Moving Forward Act, in the House of Representatives, which included most of the priorities set forth by the HTCC. The provisions included in the bill represented the most significant improvements to HTCs since it was made permanent with the passing of the Tax Reform Act of 1986. Unfortunately, the Senate did not take up H.R. 2, and the bill was not passed into law. With the Biden administration in place and the success of last years' efforts, the HTCC is optimistic that Congress will remain supportive and pass legislation to improve the HTC.

The following is a continuation of our interview:

Q: While 2020 had its challenges, the HTCC made significant strides in seeking legislative improvements for the HTC and there was strong bipartisan support for H.R. 2. What is your sense of the support in the new Congress and who do you anticipate will become our champions?

A: Last year saw the high-water mark for HTC advocacy since the program started in 1986. In large part because of the work of our dedicated advocates and our strong supporters on Capitol Hill, all of the provisions of the Historic Tax Credit Growth and Opportunity (HTC-GO) Act, as well as a bump up in the credit to 30% for five years to help counteract the effects of COVID-19, were included in a bill that passed the House.

This year, we expect Sens. Ben Cardin, D-Maryland, and Bill Cassidy, R-Louisiana, and Reps. Earl Blumenauer, D-Oregon, and Darin LaHood, R-Illinois, to reprise their roles as leaders of the HTC legislation. They are working now on the contours of a new bill and

I expect it will soon be introduced. As soon as there is agreement, we will need the help of all of our supporters across the country to ask their representatives and senators to co-sponsor the new bill in the hopes it can be included in an infrastructure package in the spring/summer timeframe.

With Washington all in Democratic hands many wonder if Democrats can totally control the agenda. They cannot. Their margin in the House is narrower than it was last Congress and the Senate is 50-50 with the vice president breaking the tie. They can do some partisan things where all Democrats agree, but many issues will need to be bipartisan, which HTC has always been.

There will be new leadership of the Senate Finance Committee, both because of the switch in Senate control to Democrats and because of the term limits on the Republican side. Chairman Ron Wyden, D-Oregon, and Ranking Member Mike Crapo, R-Idaho, will be important gatekeepers. This tax-writing committee, along with its counterpart in the House, the Ways and Means Committee, will also have a handful of new members who will need to learn more about the HTC.

Q: Have you approached the new administration and, if so, have you been able to gauge their level of support for HTC improvements?

A: The HTCC has shared a detailed memo with the Biden transition team and has spoken with a couple of high-ranking officials in the new administration, both before and since the inauguration. The Coalition also shared a number of projects that have happened in Delaware over the past 13 or so years.

Almost every event president-elect, now President Biden, held during the transition period was held at the Queen Theater in Wilmington, Delaware—an HTC project. The Queen Theater was originally a five-story, Second Empire style building constructed in 1873 by the Baltimore firm of Dixon & Carson. Originally known as the Clayton House Hotel, it was the second-largest building in Wilmington and the largest and

most luxurious hotel at the time. In 1915, the building was converted into a theater and renamed The Queen. The fifth floor and the mansard roof were removed and the North Market Street elevation was re-clad in pressed white terra cotta tiles. The building was a popular theater and community gathering place for more than 40 years until it closed in 1959. Largely abandoned for nearly 50 years, The Queen was reborn by a \$25 million renovation using both federal and state HTCs into a combination restaurant, bar and concert space. And now in a rebirth in the pandemic, it served as Biden transition headquarters.

Q: There are various legislative vehicles that may be used to advance the industry's priorities. Can you highlight the options and provide a sense of timing?

A: Congress and the new Biden administration are out of the gate trying to come to an agreement on COVID relief, including checks for all Americans, money for vaccines and distribution, money for schools, money for state and local governments, and a few other priorities. From here, they will need to tackle a number of other issues such as the debt ceiling suspension expiration July 31 and the end of the fiscal year on Sept. 30, necessitating a new government spending bill.

Both of these deadlines and others that will pop up throughout the year usually force Congressional action. But this year, the Biden administration and the Congress are looking toward an infrastructure bill to help fund road, bridge, port and airport work as well as to fund green jobs and other priorities. The Moving Forward Act, H.R. 2 in the last Congress, was the first step in this process. That bill included all of our HTC priorities and we hope it will serve as the basis for the infrastructure discussion this Congress. This is the likeliest place to include the HTC asks and I expect action on it in the spring/summer timeframe.

Q: What do you think is the likelihood for making progress on our priorities?

A: Last year was very successful for HTC advocacy and we got major changes more than a third of the way through the process. This year we need to get a bill passed by both houses of Congress and signed into law by the president. Our chances for success are as good as they have ever been.

Q: How can the industry stakeholders participate in these efforts?

A: Advocate. Advocate. Advocate. We need voices in every Congressional district across the country to tell their members of Congress and senators how important the HTC is to their community, how meaningful the changes in HTC-GO and the bump up would be and just how devastating the pandemic has been to financing and operations on existing HTC projects.

The HTCC can help connect people with all the resources they need. Preservation Action and the National Conference of State Historic Preservation Officers will have their annual Lobby Day virtually March 8-10 and the HTCC can help set up other meetings as needed for people who want to weigh in with their legislators. Advocacy is the only way we can make sure this happens.

For regular updates on progress and more help with Washington the HTCC is also always welcoming of new members.



Image: Courtesy of Historic Tax Credit Coalition, Patrick Robertson
Patrick Robertson of Confluence Government Relations

Patrick Robertson

Patrick Robertson is the principal of Confluence Government Relations, a full-service government affairs and business advisory firm based in Washington, D.C. Since 2009, Mr. Robertson has served as the government relations consultant for the HTCC, engaging with members of Congress and the presidential administration on the importance of the historic tax credit as a job creator and economic development tool. Mr. Robertson oversees the day-to-day operations of the HTCC and assists in strategic planning and the development of legislation to continue to improve upon and expand the HTC. ❖

Cindy Hamilton is president of Heritage Consulting Group.

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