Markell seeks to keep historic building tax credit

By Logan B. Anderson
Delaware State News

WILMINGTON — Gov. Jack A. Markell called for the reauthorization of the Delaware Historic Preservation Tax Credit Program Tuesday in front of the Queen Theater in Wilmington.

The program, which began in 2001, offers state tax credit to property owners restoring historic buildings, and will expire June 30.

Since its inception, the tax credit has worked to help rehabilitate 75 historic buildings in the First State.

"This is about preserving history and preserving jobs," Gov. Markell said. "Literally, hundreds of carpenters, plumbers, steelworkers, electricians, painters, and restoration experts are working in Delaware every year as a direct result of this program. Every $5 million in tax credits translates into 350-400 jobs. These are good, well-paying jobs and jobs that bring a great deal of job satisfaction as trades people work on preserving buildings built generations ago."

Sen. Margaret Rose Henry, D-Wilmington, and Rep. E. Bradford Bennett, D-Dover, will bring legislation to re-authorize the program to the 145th General Assembly when it returns from its mid-term recess March 16.

"The Historical Preservation Tax Credit is really the best of both worlds, it does two things that are important to me in my district and in Kent County, it preserves history, creates jobs," Rep. Bennett said, "Historic properties are a treasure. Rehabilitating them can prove cost prohibitive. By offering these tax credits we encourage the owners to maintain and beautify their properties and by preserving them we create jobs for carpenters and other skilled workers."

Submitted the State News/**Christopher Portante**

Gov. Jack A. Markell announces his support for reauthorization of the Delaware Historic Preservation Tax Credit Program during a press conference Tuesday in Wilmington. Listening, from left, are Wilmington Mayor James Baker, Rep. E. Bradford Bennett, D-Dover; Delaware Secretary of State Jeffrey W. Bullock and Wilmington City Councilman Stephen L. Martelli.

In the past decade about $35 million of tax credits have been issued spawning more than $166 million in private investments, according to Christopher Portante, spokesman for the Department of State which supports the tax credit program as part of its mission to preserve Delaware's history.

"The tax credit program has certainly had a very positive impact on our state over the last decade," Mr. Portante said.

Locally, owners of the Crouch House on South Governor's Avenue have availed themselves of the tax credit. The home built in 1850 is now an office building. A tax credit of about $18,000 offset the total restoration cost of almost $90,000.

In Sussex County, the tax credit helped the restoration of the Brick Hotel on The Circle in Georgetown. The landmark building served as a hotel from 1836 until the mid 1950s when it was turned into a bank. In 2008, its restoration to a hotel cost about $2.4 million, offset by the state historic tax credit of almost $500,000.

Gov. Markell made his declaration for the restoration of the tax program in front of the Queen Theater on Market Street in Wilmington.

The historic building's owners the Buccini Pollin Group plan to restore the building as a music venue in the city.

Built in 1873 as the Clayton House Hotel, it was converted to a theater in 1915. The theater closed in 1959 and remained vacant for many years.

Future tenants will include World Café Live and the University of Pennsylvania's public radio station, WXPN, which will have a studio in the building once restored.

The restoration is expected to cost about $25 million, and will be offset by the tax credit program by $4.5 million.

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Historic Preservation Tax Credit Participants

KENT COUNTY

Harry A. Richardson House, 29 N. State Street, Dover — This Queen Anne-style house was built in 1882 by Harry A. Richardson, son of a prominent Dover family. Richardson served as President of the Dover Gas Light Company, the First National Bank, and the Diamond State Telephone Company, and as a United States Senator between 1907 and 1913. During conversion for use as a Wesley College dormitory, the home's main staircase was removed and stored in a carriage house on the property. During rehabilitation, this staircase was restored to its original glory. The home was rehabilitated in 2007 at a cost of $503,000, offset by a State Historic Preservation Tax Credit of almost $101,000. The building is now used for commercial office space.

Hughes House, 46 S. State St., Dover — Built in 1857 by Richard M. Jones, the building later became the home of James Hughes who served as Delaware Secretary of State, and as a United States Senator from 1936 to 1942. Hughes also ran, unsuccessfully, for Delaware Governor in 1916. The home was rehabilitated in 2008 at a cost of $288,000, offset by a State Historic Preservation Tax Credit of almost $58,000. The building is now used for commercial office space.

Crouch House, 317 S. Governor's Ave., Dover — Built in 1850 by I.L. Crouch, this house was owned by the same family throughout the 20th century until its sale and conversion to an office in 2002. The home was rehabilitated at a cost of $90,000, offset by a State Historic Preservation Tax Credit of almost $18,000.

Spruce Acres, 110 N. Main St., Camden — This outstanding example of Greek Revival architecture was built ca. 1840 by Hunn Jenkins, a Quaker and abolitionist. The home was rehabilitated in 2007 at a cost of $224,000, offset by a State Historic Preservation Tax Credit of almost $45,000. The building is now used for commercial office space.

Tharp-Jewell House, 127-131 NW Front Street, Milford — Built in 1814, this historic property was once the home Delaware Governor William Tharp. For almost 100 years afterward, the building housed the Jewell Grocery Store until the store ceased operations in 1988. By 2002, the building had deteriorated to the point that it was scheduled for demolition. Thanks, in part, to a historic preservation tax credit of almost $183,000, the building was rehabilitated in 2006 at a cost of almost 912 thousand dollars. It now houses a local art league, a craft shop, and residential apartments.

SUSSEX COUNTY

Brick Hotel, 18 The Circle, Georgetown — Built in 1836, the building served as a hotel until the 1950s when it was converted to a bank. Vacant for several years, it was rehabilitated in 2008 at a cost of $2.4 million, offset by a state historic preservation tax credit of almost $500,000. The building is now once again serving as a focal point in Georgetown as a restaurant and hotel.

112 Broad St., Milton — After over 100 years of use as a private home, the building was partitioned into two apartments in the early 1980s. The Town of Milton condemned the former ship captain's home in the late 1990s and it remained unoccupied until rehabilitation was completed in 2005 at a cost of nearly 79 thousand dollars, offset by almost 16 thousand dollars in Delaware Historic Preservation Tax Credits. The house is now used as a rental residence.

Source: Delaware Department of State

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