

Tax credits could drive Brownsville development

By Christine Haines HeraldStandard.com | Posted: Thursday, May 3, 2012 2:00 am

BROWNSVILLE — Downtown Brownsville's designation on the National Register of Historic Places could end up being its key to economic revitalization.

William Callahan, a community preservation coordinator with the Pennsylvania Historic and Museum Commission, said that designation is the first qualification needed for developers to receive a 20 percent rehabilitation investment tax credit. Callahan said the property owner can either use the tax credit or syndicate it, basically selling it to a company that needs a tax credit, raising needed capital for the building rehabilitation or for starting a business.

Callahan said the requirements that need to be met to qualify for the tax credit aren't burdensome. They include substantial rehabilitation, being an income-producing building and being on the Historic Register.

Donna Holdorf, executive director of the National Road Heritage Corridor, said that Laurel Business Institute in Uniontown was created using rehabilitation investment tax credits to convert buildings in downtown Uniontown for the school.

"If you rip it down, the historic tax credits go away," Holdorf said.

Holdorf, Callahan, Tracy Zinn of T&B Planning of Murrysville and Cathy McCollom of McCollom Development Strategies presented information Monday regarding the analysis of the commercial district currently being done for the Fayette County Redevelopment Authority. The authority has acquired more than 20 properties in downtown Brownsville through eminent domain to reduce blight and spur development. The analysis will be complete by the end of June, Holdorf said.

The analysis will include information for developers on each of the county-owned buildings, including possible demolition or rehabilitation costs.

"It's actually going to provide the redevelopment authority with a marketing prospectus, everything a developer will need to know about a building," Holdorf said.

“This is a fairly radical idea. I think this tool will help this community find investors who want to be in this community. Those of us who live in and love small towns, we have to figure out a way to do these things. The cavalry isn’t coming over the hill; the cavalry is here, probably right in this room,” Callahan said.

Brianne Mitchell, who along with her husband, has been renovating a building in the downtown area, said maintaining the historic integrity of their building has been an important part of their project. Without some official direction, future developers may not maintain that same level of historic integrity.

Zinn said one element of the project being undertaken is a design guideline for the downtown, a set of recommendations that will help the area maintain its historic character and develop its aesthetic qualities while adding new development and businesses. Unless the borough adopts an historic district ordinance, those guidelines would be voluntary, Zinn said, but most developers find that it is in their best interest to meet the guidelines and often seek out places with guidelines and ordinances governing the appearance of buildings to protect their own investments.

“The bottom line is this: community character counts,” Callahan said.



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Preservation benefits explained

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William Callahan, a community preservation coordinator for the Pennsylvania Historic and Museum Commission explains to a Brownsville audience that downtown Brownsville buildings could be eligible for a 20 percent [tax credit](#) because they are in a designated historic district.