

TOWN CENTER NEWS

Summer 2012

A quarterly newsletter on revitalization
and economic development in
Montgomery County's traditional towns



HISTORIC TAX CREDIT ESTABLISHED IN PENNSYLVANIA

At the end of June, with the signing of the FY 2013 Commonwealth Budget, Pennsylvania became the 30th state in the nation to have a historic tax credit. This tax credit, as established by the Historic Preservation Incentive Act, will be a companion to the very successful federal tax credit program.

This program will offer a 25% state tax credit for the rehabilitation of historic structures that are also using the federal tax credit. By leveraging the existing 20% federal tax credit with an additional 25% state credit, the program will help lure investment into the state – and hopefully Montgomery County's older towns.

To start, the program is limited to \$3 million annually with an individual project cap of \$500,000. Historic structures, in this case, are commercial buildings that qualify as a "certified historic structure" under Section 47 (c) (3) of the Internal Revenue Code of 1986.



Historical and Museum Commission, which will forward a recommendation to DCED, which is ultimately responsible for issuing the tax credit certificate.

Efforts to establish this credit in Pennsylvania have been in the works since 1996. Since this tax credit is still so new, there is still some work that needs to be done before this program is up and running. The Pennsylvania Historical and Museum Commission and the Department of Economic and Community Development still need to develop the program guidelines. And although the credit goes into effect July 1, 2012, the first tax credits will not be issued until after July 1, 2013. Just like the federal program, this credit is issued after the project is completed.



This section of the code deals with the Federal Historic Preservation Tax Incentives Program, but in short, to be eligible for this tax credit, a building must be individually listed (or contribute to a listed district) in the National Register of Historic Places, or be certified by the National Park Service. This tax credit would not apply to private homeowners – the properties that are eligible must be used for income-producing purposes.

Usually, applicants for the tax credit will be developers, builders, and owners of commercial properties. To apply for this tax credit, an application to the Pennsylvania Department of Community and Economic Development (DCED) must be filed on or before February 1st of the year that follows any qualified expenditures or in anticipation of expenses of the current year. The rehabilitation plan and application will be reviewed by the Pennsylvania



For additional information, contact the Montgomery County Planning Commission at 610-278-3723 or visit www.planning.montcopa.org



NEW CULTURAL AND CREATIVE ECONOMY MASTER PLAN

On September 13, Creative Montco will hold a Town Hall meeting at the Montgomery County Community College to release a ten-year cultural and economic development master plan. This plan, based on countless interviews, meetings, and surveys, lays the foundation for harnessing the cultural and creative assets in Montgomery County while simultaneously expanding the creative economy.

The Creative Montco cultural plan is the culmination of two years of work by a diverse group of citizens representing cultural organizations, businesses, foundations, county government, and community planners. The plan found that:

- Montgomery County has surprisingly high levels of cultural and creative activity, which is often under-recognized.
- The creative sector plays an important role in Montgomery County's economy, contributing to its competitiveness and vitality.
- Culture and creativity are important tools for placemaking that should be expanded across the county.
- There is a desire for more connectivity and sense of community through locally based cultural experiences and stronger professional networks.

Montgomery County has many hidden gems, such as the Berman Museum, Montgomery Theater, and Abington Art Center.

- Montgomery County faces challenges in resources and infrastructure that inhibit development of the creative sector.

The creative sector needs to respond to Montgomery County's changing demographics, particularly the aging and diversification of its population.

Many of the recommendations in the Creative Montco plan are targeted at economic development and placemaking, particularly in the county's older towns. The plan recommends, as high priorities, the development of cultural facilities, creation of live-work spaces for artists, establishment of small venues for performing arts, and the creation of an inventory of existing spaces for studios and galleries.

The draft plan, which will be released at the Town Hall meeting from 4 to 6 PM on September 13 at the Montgomery County Community College, can be viewed at creativemontco.org.

✓ check-out what's happening!

If you happen past the intersection of Dekalb and East Lafayette Streets in downtown Norristown, take a moment to check out the new mural that's been installed across from SEPTA's parking garage. It's a beautiful artistic view of the history of the community and a great addition to the beginning of Norristown's Arts Hill area.



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