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of rules governing the use of historic preservation tax credits with a view to making the credits easier to use in cities like Detroit.

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U.S. Interior Secretary Ken Salazar said in Detroit Friday that he has ordered a review of rules governing the use of historic preservation tax credits with a view to making the credits easier to use in cities like Detroit.

He made the remarks following a tour of several historic preservation projects accompanied by U.S. Sen. Carl Levin, D-Mich., and Quicken Loans founder and chairman Dan Gilbert.

The U.S. government allows developers of historic properties to take a 20% tax credit of their project costs. The goal is to encourage more preservation of historic architecture. Salazar said that over the years the historic tax credit has been used to renovate 39,000 historic buildings in the U.S., involving \$66 billion in private investment and helping create more than 2.2 million jobs.

In Detroit, virtually every historic preservation project involves the use of historic tax credits to help pay for the project, including the remake of the Westin Book Cadillac Hotel and the renovation of the Odd Fellows Building at 8701 W. Vernor, where Salazar met with developers Friday morning.

But developers have long complained that the historic tax credit is difficult to use for a variety of reasons. Salazar acknowledged as much, saying the review he ordered would be completed by March 1.

“We’ll look at ways we can be helpful,” he said. “It’s important that we have flexibility. It’s also important that we stay true to the act” authorizing the tax credit.

About 75 people attended the town-hall style meeting with Salazar. Among the

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by IRS regulations. That wasn't clear, and Salazar promised to look into it.

—Developers told Salazar that there is too much confusion in defining the nature of a historic preservation project to qualify for the tax credit. Matt Cullen, president of Gilbert's Rock Ventures, said sometimes government regulators insist that a drop ceiling in an office building must be preserved to qualify for the tax credits even if it was added decades after the original building was built.

"Some of it is a matter of definition," said Gilbert, who with his partners has purchased 15 older buildings in downtown Detroit and has been renovating them. "There's broad discretion. There's a lot of subjectivity."

Again, it was unclear whether those types of interpretive decisions stem from statutory language or from bureaucratic interpretations of the rules. "We might have to change law to give them more flexibility. I hope not," Levin said.

What Salazar heard more than anything was how important the historic preservation tax credits have been to redeveloping a city like Detroit. Without the credits, said developer Joel Landy, owner of the Atlas Global Bistro in Midtown, much of his district would be parking lots. "The lives of thousands of people are better today because of it," he said.

Added Kristine Kidorf, a local preservation specialist, "We love the program, and Detroit would not be here without it."

"I'm confident we can do something that will improve what we do," Salazar said in closing.

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