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Projects in Downtown Development Districts to receive DDD Grant Funding

\$3.6 million in grant funding for 16 projects to leverage \$38.6 million in private investment

MILFORD – Building on progress in Delaware’s downtowns, Governor Jack Markell and the Delaware State Housing Authority announced on Tuesday that sixteen new downtown revitalization projects in Harrington, Milford, Dover, Smyrna and Wilmington will receive \$3.56 million in grant funding through Delaware’s Downtown Development Districts program.

Since the first grant awards in April 2015, the DDD program has been a catalyst for private investment in Delaware’s downtowns. With these new awards, \$17.7 million in grants through the program has leveraged \$329 million in private investment in designated downtown districts in all three counties.

“The DDD program has been a central part of our efforts to revitalize Delaware’s downtown business districts and drive private investment in our towns and cities. In just two years, the DDD program has leveraged dramatic private investment in a wide variety of projects.” said **Governor Jack Markell**. “Encouraging private investment that also revitalizes our downtown business districts and surrounding neighborhoods is the goal of the DDD program, and we’re thrilled that it has been so successful.”

DDD Background

The DDD program, administered by the Delaware State Housing Authority, [was created by legislation](#) proposed by Governor Markell and passed unanimously in May 2014 by the General Assembly.

In January 2015, Governor Markell designated the downtown areas of Seaford, Dover, and Wilmington as Delaware’s first three Downtown Development Districts. To incentivize development, applicants receiving DDD grants are eligible for up to 20 percent of their construction costs in the form of a rebate. Grants are awarded only when projects are complete. [Local incentives](#) are also available. In August 2016, Governor Markell [officially designated](#) five new Downtown Development Districts - in Smyrna, Harrington, Milford, Georgetown and Laurel.

“The DDD program is doing exactly what we intended – attracting significant private investment to our downtowns,” said **Anas Ben Addi, Director of the Delaware State Housing Authority**. “We’re excited to support new projects that are bringing businesses and jobs downtown, renovating vacant buildings, supporting historic preservation, and creating homes in Delaware’s towns and cities. It is great to see the success we’ve seen in Wilmington, Dover and Seaford already taking hold in the newly designated districts.”

Milford Mayor Bryan Shupe said “We were excited to be designated as a Downtown Development District and it is wonderful to see transformative projects like these funded in Milford already taking shape just a few months later. Projects like these are returning historic and vacant buildings to active use, and bringing new private investment, workers and jobs to downtown - exactly what we need to continue our efforts in strengthening our local economy.”

Funded Projects

The announcement was made at the former M&T Bank building on Front Street in Milford. Getting this historic building back to active use was a priority in the City of Milford’s DDD Plan. With the DDD Grant program, it is now being renovating to bring a new Touch of Italy location to downtown Milford. Project sponsor and Co-owner **Joseph Curzi** said “This project is the first time we’ve worked with a program like this and it has been a great experience. We’re thrilled to be expanding to Milford, putting this historic building back into active use at the heart of downtown and expanding Touch of Italy. Downtown in unique settings like this is where people want to be.”

Funding for sixteen projects in Harrington, Milford, Dover, Smyrna and Wilmington was announced. Another project in Smyrna, also one of the newly designated districts, will demolish the outdated Dairy Sweet restaurant at the entrance to downtown and replace it with a new mixed-use brick building designed to complement the downtown area. Dairy Sweet, the town’s ice cream shop since 1953, will take a new home on the first floor. Project investor and local business owner **Bob Johnson** said, “I hadn’t planned to move forward with the construction for a couple of years, but Smyrna’s DDD designation and availability of the DDD Grant program made me reconsider and move up the schedule. We’ll be keeping and renovating the original Dairy Sweet sign and look forward to this becoming a new Smyrna landmark.”

A mix of residential, commercial and mixed-use as well as rehab and new construction projects are included. In Wilmington, Lacy’s Project will rehabilitate a 3-story mixed-use building to include three affordable rental units and a café on the first floor, and incorporates workforce development. **Rev. Terrance Keeling** of the Central Baptist Community Development Corporation said, “With the help of our community partner the Challenge program, who will act as construction manager for the project, we will be able to train and employ community residents in the construction field. It will also help the community by taking a building that has been an eyesore and a source for community blight and converting it into stable, affordable housing. The ground floor café will not only bring a new business with employment opportunities, but it will also provide training in entrepreneurship in a place where people can gather in community helping social capital to build.” The project supports other significant investments in neighborhood revitalization on the East Side.

Other projects include new construction of homeownership opportunities in Dover; renovations and an addition to Connections Community Support Programs' facility in Harrington; historic preservation of one of downtown Milford's oldest buildings; and several projects in Wilmington such as tenant fit-outs for new restaurants, a cider distillery, commercial space, and adaptive reuse of a vacant commercial building to an upscale Marriott branded hotel.

In March 2017, the Delaware State Housing Authority will launch a new funding round for large projects in each of the Districts. Applications to fund small projects – defined as investments of less than \$250,000 in a designed downtown district – are accepted on a rolling basis.

Full List of Awarded Large Projects:

<http://bit.ly/2iYPjwG>

<http://bit.ly/2jrCD0m>

Project Details

- The construction of four (4) affordable homes in the Restoring Central Dover area on four lots that formerly had rental housing, just one block off the Loockerman Street commercial corridor.
- The planned 3,000 square foot expansion of Connections CSP's Withdrawal Management Center in Harrington in order to meet the continuing need for service and add a commercial kitchen for job training and employment.
- The complete historic preservation of the Pikus Building in Milford (formerly home to Lou's Bootery) which was built in the 1840s and is the oldest building in downtown Milford. The building has been vacant for over a year and is in poor condition.
- The renovation of a former department store and a roller skating rink in Milford to accommodate office, meeting and storage space for an architectural/engineering firm. Few office spaces of this size exist outside of Wilmington.
- The construction of a mixed-use building in Smyrna on the site of the Dairy Sweet restaurant. The restaurant will continue to operate on the first floor of the new building, with additional space provided for other retail outlets.
- Four projects in Wilmington are fit-outs of buildings previously rehabbed with DDD awards to meet the needs of tenants opening new businesses along Market Street in Wilmington. The new businesses are two restaurants, a cider distillery, and a business incubator.
- Three projects are renovations of mixed-use buildings along the Market Street corridor that will add 11 new rental units and approximately 6,000 square feet of retail space, including a permanent location for UD Creamery in Wilmington.
- The adaptive-reuse of a vacant office building on North Market Street in Wilmington that will become an upscale hotel. The rehabilitation will feature the demolition of 100% of the interior

fit and finishes and remediation of all environmentally harmful material. In addition to hotel suites ranging from 350 sq. ft. to 700 sq. ft. per unit, there will be 10,000 sq. ft. of public space.

- The renovation of a vacant three story mixed-use property on Wilmington’s East Side that will create three rental apartments , a coffee café that will partner with a coffee manufacturer to provide training and employment opportunities for community residents. The investor is also partnering with a workforce development group that serves adjudicated youth through a construction training program. This group will also act as the general contractor for the project, providing even more employment opportunities for residents.
- The renovation of a 44-unit multifamily rental complex in Wilmington’s Quaker Hill neighborhood, completely renovating the apartments, enhancing security features, and adding a play area.
- The renovation and transformation of 28,800 square feet of the fourth floor of the historic Nemours Building in central Wilmington, from a vacant area of concrete pillars and raw space into a vibrant center for collaborative business ventures.

About the Delaware State Housing Authority

The Delaware State Housing Authority (DSHA), formed in 1968, is dedicated to providing quality, affordable housing opportunities and appropriate supportive services to low- and moderate-income Delawareans. In addition to its role as the State's Housing Finance Agency, DSHA is unique in that it also serves as a Public Housing Authority and acts as a Community Development and Planning Agency. As a Public Housing Authority, DSHA receives funding from HUD to own and operate public housing in Kent and Sussex counties, two of Delaware's three counties. For more information about the Delaware State Housing Authority, please call (302) 739-4263 or visit DeStateHousing.com.

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