



The Honorable Kathy Hochul  
Governor of New York State  
New York State Capitol Building  
Albany, NY 12224

Re.: New York State Historic Preservation Tax Credit

Dear Governor Hochul,

On behalf of the undersigned, a coalition of advocates and practitioners in the fields of historic preservation and affordable housing, thank you for your commitment to historic preservation, affordable housing, and community development projects throughout the state.

Together, we are advocating for an important enhancement to the New York State Historic Preservation Tax Credit program that will advance the development of affordable housing and community development projects in New York State, while saving the state money.

The New York State Historic Preservation Tax Credit (NYS HTC) has been an indispensable tool for revitalization in New York State. By incentivizing the reuse of our existing historic buildings, it has encouraged sustainable, environmentally friendly development that has kept valuable building materials out of landfills, strengthened existing walkable communities, reduced greenfield development, and protected our historic buildings and downtowns. Communities throughout New York have used the NYS HTC to transform their Main Streets and downtowns. In Buffalo alone, projects that would not have succeeded without the NYS HTC include the Richardson Complex, Larkinville, Lafayette Hotel, Artspace Buffalo, and the Evergreen Lofts, among many others. It is also a highly effective tool for housing creation: since 2010, the state tax credits have been responsible for the creation of 21,929 housing units, 8,542 of which are low/moderate income units.

Current New York State law requires the NYS HTC to be allocated in the same manner, and to the same parties, as the Federal Historic Preservation Tax Credit. This required allocation depresses the pricing of both tax credits by limiting the pool of tax credit users. This means less money flowing to important community revitalization and housing projects. As development costs rise, and buildings become more challenging to develop, we need to enhance this important tool now to keep our momentum going. Allowing the allocation of the NYS HTC to investors other than those who are allocated the Federal Historic Credit would open up and broaden the investor market, increasing the value of the credit and injecting more equity into these projects.

Enhancing the NYS HTC in this small way would have some big benefits.

1. **More affordable housing.** A more flexible program would increase the appetite for tax credits amongst new investors who would want to invest in New York State projects.
2. **Less cost to New York State.** The amount of credit received by an investor is the same, no matter what they pay for it. If they pay less than face value, New York State is often obligated to add additional grant funds to get these projects done. This change will increase the value of the credit.

3. **More money for projects.** Credits have reduced value to an investor if they can't take full advantage of them. We are leaving money on the table if credits are used at a reduced cost or not all.
4. **We will be helping the climate.** Building demolition and new construction is a major source of greenhouse gas emissions, and it pours tons of materials into our landfills each year. If we incentivize building reuse, we are helping the environment.

Let's make this small enhancement to the NYS HTC now and build a better New York one building at a time.

Sincerely,

Adirondack Architectural Heritage, Erin Tobin Executive Director  
Beacon Communities, LLC, Dara Kovel, CEO  
CREA LLC, Tony Bertoldi, Co-President  
Historic Albany Foundation, Pamela Howard, Executive Director  
Historic Districts Council, Frampton Tolbert, Executive Director  
Home Leasing, Bret Garwood, CEO  
Landmark Society of Western New York, Wayne Goodman, Executive Director  
Lettire Construction Corporation, Nicholas Lettire, President  
LISC NY | Local Initiatives Support Corporation, Valerie White, Senior Executive Director  
New York State Association for Affordable Housing, Jolie Milstein, President and CEO  
Preservation Association of the Southern Tier, Andrew Roblee, President  
Preservation Buffalo Niagara, Bernice Radle, Executive Director  
Preservation League of New York State, Jay DiLorenzo, President  
Preservation Long Island, Alexandra Parsons Wolfe, Executive Director  
Rockabill, Niall J. Murray, Managing Principal & CEO  
RUPCO, Kevin O'Connor, CEO  
Saratoga Springs Preservation Foundation, Samantha Bosshart, Executive Director  
Urban Builders Collaborative, Matthew Gross, Partner  
Xenolith Partners LLC, Andrea Kretchmer, Principal

cc:

(VIA EMAIL)

Tania Dissanayake, Deputy Secretary for Housing  
Ashley Dougherty, Assistant Secretary for Environment  
Amanda Hiller, Acting Commissioner, Taxation and Finance  
Roger Maldonado, Assistant Counsel  
Karen Persichilli Keogh, Secretary to the Governor  
Erik Kulleseid, Commissioner, Office of Parks, Recreation, and Historic Preservation  
RuthAnne Visnauskas, Commissioner/CEO, Division of Homes and Community Renewal  
Blake G. Washington, Director, Division of Budget