



THE ADVOCATE FOR NEW YORK CITY'S HISTORIC NEIGHBORHOODS

## Financial Incentives for Historic Buildings



*Crown Heights North, Brooklyn*

There are a number of financial incentives and support available to help purchase, maintain and restore historic properties. City, state and national preservation offices and commissions as well as non-profit organizations offer grants, low-interest loans and tax incentives to property owners to restore or rehabilitate their buildings. Generally, to qualify buildings must be listed as individual landmarks, as part of an historic district of New York City, or on the New York State or National Register of Historic Places. This brochure provides an overview of the variety and sources of this assistance. To learn more about the application process and eligibility criteria, contact information for each administering organization is provided.

*On the cover: Bayard Condict Building, NoHo, Manhattan*

## The New York City Landmarks Preservation Commission

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### • *Funding for Restoration and Repair in Low-Income Households*

The New York City Landmarks Preservation Commission administers the **Historic Preservation Grant Program**, which provides \$10,000 to \$15,000 to help owners restore their homes. This grant covers exterior repairs, primarily of the street façade including masonry rebuilding and mortar repointing, replacement of windows and front doors and cornice restoration. In order to qualify the home must be a designated or proposed New York City landmark, part of a designated historic district, or listed or eligible for listing on the National Register of Historic Places. Additionally, owners or their tenants must meet federal guidelines for low- and moderate-income households. If you receive a grant you must occupy the home for at least five years after the work is completed; if you sell or move out of the building before that time you will be required to return the grant funds on a pro-rated basis.

### • *Resources for Nonprofits*

The **Historic Preservation Grant Program for Nonprofits** offers grants of up to \$25,000 for nonprofits that own or occupy designated individual or interior New York City landmarks, buildings that are part of an historic district, or listed or eligible for listing on the National Register of Historic Places. Funds can be used for repairs of the exterior of the building, primarily of the street façade and landmark designated interiors. To qualify the organization must be a charitable, scientific, literary, educational or other entity under Section 501 (c)(3) of the Internal Revenue Code.

For further information about these grant programs please visit [www.nyc.gov/landmarks](http://www.nyc.gov/landmarks) or contact The New York City Landmarks Preservation Commission, Historic Preservation Grant Program Director at (212) 669-7944 or at the Municipal Building.

## New York State Historic Preservation Office

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### • *Rehab Initiatives for Businesses*

The New York State Historic Preservation Office administers the **Federal Investment Tax Credit Program for Income Producing Properties** for the rehabilitation of historic properties. Owners of income producing properties – commercial, industrial, or residential rental – may be eligible for a 20% federal income tax credit for substantial rehabilitation work.

### • *New York State Historic Tax Credit Program for Income Producing Properties*

This tax credit must be used with the **Federal Investment Tax Credit Program for Income Producing Properties**. Owners of income producing properties that have been approved to receive the 20% federal rehabilitation tax credit may qualify for an additional state tax credit. Owners can receive 30% of the federal credit value up to \$100,000.

### • *Help for Low-Income Property Owners*

Rehabilitation of owner-occupied residential buildings may qualify for **New York State Historic Homeownership Rehabilitation Tax Credit**, of up to 20% of the cost of the work, not to exceed \$25,000. Homes must be located in a “distressed” census tract defined as “targeted areas” under Section 143 (J) of the Internal Revenue Code.

For more information about the New York State historic preservation tax credit programs please visit [www.nysparks.state.ny.us/shpo](http://www.nysparks.state.ny.us/shpo) or contact the New York State Office of Parks, Recreation and Historic Preservation office at (518) 237-8643, ext. 3252.

## The New York Landmarks Conservancy

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### • *Low-Interest Loans for Property Owners*

The **Historic Properties Fund** offers low-interest loans and project management assistance to owners of historic residential, nonprofit, religious and commercial properties, mostly in low- to moderate-income communities. Loans generally apply to exterior work or structural repairs and range from \$20,000 to \$300,000.

### • *Help for Nonprofit Owners of Unprotected Historic Buildings*

The **City Ventures Fund** helps nonprofit developers retain and restore the historic details of architecturally significant buildings that are being converted to affordable housing or will serve as a space for other services of benefit to lower income communities. This fund is specifically for buildings that are not designated as landmarks. Grants range from \$5,000 to \$30,000 and in addition to funding, nonprofit developers receive project management support.

### • *Resources for Religious Institutions*

The **Sacred Sites Program** provides financial and technical assistance for the maintenance, repair, and restoration of historic religious properties of all denominations throughout New York State. Sacred Sites Grants provide grants of up to \$10,000 for exterior restoration projects with a focus on essential repairs to the primary worship building, such as roofing and drainage system repairs; masonry repointing and restoration; structural repairs; and stained glass window repair and restoration. Additional challenge and consulting services grants may be available.

For further information about the programs administered by The New York Landmarks Conservancy please visit [www.nylandmarks.org/assistance.php](http://www.nylandmarks.org/assistance.php) or contact the Conservancy at (212) 995-5260.



*Ambassador Apartments, Staten Island*

## Federal Historic Preservation Tax Incentive Program

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### • *Charitable Donation of Property*

The **Federal Historic Preservation Tax Incentive Program** allows an owner of an historic property to donate an historic preservation easement on the exterior of the property to a qualified easement-holding organization, and as a result of this donation, claim a tax deduction for the appraised value of the easement.

An historic preservation easement is a

legal agreement to protect in perpetuity a building's historic exterior. Internal Revenue Tax Code Section 170(h) outlines the specific requirements for a donor to be eligible for a tax deduction for an historic preservation easement donation. Property owners should consult their legal and/or tax advisors to understand the benefits and implications of an easement donation.

More information about easement donations can be found here

[www.preservationnation.org/resources/legal-resources/easements](http://www.preservationnation.org/resources/legal-resources/easements).

To find qualified organizations that are accepting easements, contact the National Trust for Historic Preservation Northeast Regional Office at (617) 523-0885 or, [info@nthp.org](mailto:info@nthp.org). Or, you may contact the New York State Historic Preservation Office at (518) 474-0443.



*Grand Concourse, The Bronx*



*Broadway-Flushing, Queens*

## The New York City Department of Housing Preservation and Development

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### • *Tax Relief for Rehabilitation*

The **J-51 Program** provides tax benefits in the form of a tax exemption and/or a tax abatement to owners for the significant renovation of residential buildings or the conversion of a property into a residential building. To qualify the work must include significant repairs to the street facing façade and be approved by the Landmarks Preservation Commission. The tax exemption benefit relieves owners from paying increases on the assessed value of the property as a result of the completed work. A tax abatement reduces the current tax liability by a percentage of the cost of the repairs. For more information please visit [www.nyc.gov/hpd](http://www.nyc.gov/hpd) and see the section for developers. Click on the tax incentives link to find out more about the J-51 Program.

The New York City Department of Housing Preservation and Development also offers other types of financial assistance including low-interest loans to help renovate and restore residential buildings, whether or not the building is designated as historic. Visit [www.nyc.gov/hpd](http://www.nyc.gov/hpd) and see the section for homeowners for more information.

## About the Historic Districts Council

The Historic Districts Council is the citywide advocate for New York's historic neighborhoods. We work to ensure the preservation of significant historic neighborhoods, buildings and public spaces in New York City, uphold the integrity of the New York City Landmarks Law and further the preservation ethic. This mission is accomplished through ongoing programs of assistance to more than 500 community and neighborhood groups and through public-policy initiatives, publications, educational outreach and sponsorship of community events.

Originally founded in 1971 as a coalition of community groups from New York City's designated historic districts, HDC has grown to become one of the foremost citywide voices for historic preservation. Following its mandate of community-based preservation advocacy, HDC works continuously to broaden and educate the preservation constituency — from producing zoning and architectural surveys of unprotected historic neighborhoods, to meeting with legislators and government officials, to creating educational programs on the techniques and strategies of neighborhood preservation.

The core belief of the Historic Districts Council is that preservation and enhancement of New York City's historic resources — its neighborhoods, buildings, parks and public spaces — are central to the continued success of the city. The creation of the New York City Landmarks Law in 1965 acknowledged this and empowered the government to act to preserve buildings and sites that “possess special character or special historical or aesthetic interest or value as part of the development, heritage or cultural characteristics of city, state or nation.” This preservation goal benefits not only ourselves but future generations of New Yorkers, and it guides the Historic Districts Council in all its actions.

More information is available in HDC's signature publication, *Creating an Historic District: A Guide for Neighborhoods*, available on HDC's Web site, [www.hdc.org](http://www.hdc.org) or by calling (212) 614-9107.

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