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FOR IMMEDIATE RELEASE

Governor Paterson Vetoes Enhanced Historic Rehabilitation Tax Credits
Municipal, preservation leaders urged Governor Paterson to sign bill

ALBANY, NY – 9/30/2008 – Despite extensive outreach from elected officials, business groups, housing advocates and preservationists, Governor David A. Paterson recently vetoed legislation that would have improved **New York State’s Historic Rehabilitation Tax Credit** programs.

The measure (**S.5425/A.30000**) was approved by the Senate and Assembly in June, and would have extended program benefits to a larger number of municipalities and a wider range of historic residential neighborhoods throughout New York, encouraging higher levels of reinvestment in both commercial and residential historic properties.

“New York State and the rest of the nation will continue to face tough choices in a time of revenue shortfalls and budget deficits,” said Jay DiLorenzo, President of the Preservation League of New York State. “Rehabilitation tax credits have proven to be indispensable in encouraging significant new private reinvestment in historic buildings, neighborhoods and Main Streets. The Legislature had put forward a program that would have helped many more New York families and business owners than ever before. This program would be an important component of a broader strategy to revitalize communities throughout New York State, and we are disappointed that the current fiscal climate has prevented Governor Paterson from making it available.”

The Preservation League engaged a diverse coalition of business and municipal leaders, preservation organizations and environmental groups in advocacy to enhance the tax credit programs first established in 2006.

“As the Legislature clearly acknowledged, the 2006 program set incentive levels too low and too narrowly restricted program availability,” said Daniel Mackay, the Preservation League’s Director of Public Policy. “Until this program is fixed, it will not see significant use or

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stimulate significant levels of redevelopment. Mayors and municipal leaders have made it known that an enhanced rehabilitation tax credit is a tool they need in the Empire State's redevelopment toolbox."

According to DiLorenzo, "This is a significant setback, not only for preservationists, but for all of us who are interested in the economic health and sustainability of our cities and towns. As other states have demonstrated, preservation tax credits provide the greatest economic development and community renewal benefits where they are needed the most – the downtowns and older neighborhoods that are the core of our cities. We are already seeking discussions with the Paterson administration to ask that this program be included in the 2009-10 Executive Budget proposal."

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