



NEW YORK STATE SENATOR

Chris Jacobs

Jacobs, Ortt Lead Fight To Restore Brownfield, Historic Tax Credits in State Budget

SENATOR JACOBS February 9, 2018

| ISSUE: **NEW YORK STATE BUDGET, BROWNFIELD TAX CREDITS, HISTORIC TAX CREDITS**



(North Tonawanda, NY) – State Senators Chris Jacobs (R,C,I) and Robert Ortt (R,C,I) are leading an effort in the Senate to stop the Governor's efforts to damage the State's Brownfield and Historic Tax Credit Programs. Western New York has utilized these credits more than any region in the state, spurring the region's economic comeback.

The Senators made the announcement at the Remington Lofts, located along the Erie Canal, which is a successful brownfield project that has been key to revitalization of the City of North Tonawanda. The long vacant Remington Rand typewriter factory has been converted into a mixed-use development project that now houses a popular restaurant, loft style apartments and business suites which was made possible because of the Brownfield and Historic Tax Credit programs.

“The New York State Brownfield Tax Credit and Historic Tax Credit programs have done more to spur the billions in private sector development in Buffalo and Western New York than any other program,” said Senator Jacobs. “Over the last decade each of these programs have stimulated close to \$1 billion dollars each in private sector investment, creating jobs, new housing stock and bringing vibrancy back to our region,” the Senator added.

“Quite simply, without the Brownfield Tax Credit, the Remington Lofts project would not have materialized,” said Senator Ortt. “Across Niagara County and Western New York, heavily industrialized properties fell into disrepair. These credits however, are adding these vacant properties back on our tax rolls, and bringing them – as well as our communities – back to life. It’s important for the state to keep its promises, continue this sensible investment, and revitalize once vibrant industrial and commercial sites.”

In the Governor’s current executive budget proposal, all but three of the state’s business tax credits would be deferred for the next three years. Some refundable credits would be deferred for as long as five years. Both Senators expressed concerns that deferring payment of these credits would pose an undue burden on companies that were investing in Western New York and creating jobs here. They also cited the chilling effect they believed the deferrals would have on the state’s economic development efforts, particularly those aimed at revitalizing the Western New York and upstate economies.

Rosaline Seege is Vice President of Operations and Finance at Kissling Interests, LLC, the developer of the Remington Lofts. She said that the availability of the Brownfield and Historic Tax Credits was critical to the success of the Remington Lofts project and agreed that deferring payment of tax credits for three to five years would send the wrong message to investors and the business community.

“A project like this can’t be done without brownfield and historic tax credits,” said Seege. “It is no secret that New York is a high tax state, and that for decades, Western New York has lagged behind. In order to continue to attract investment and jump start the local economy, the Governor and the state legislature must ensure the survival of the program and rescind the proposal to delay payment of these credits,” she added.

Jon Williams is the Chief Executive Officer of Ontario Specialty Contracting performs demolition, environmental contracting and development services across Western New York. Chief Executive Officer Jon Williams said the proposal to defer payment of the brownfield and historic tax credits would be very damaging across the board, but particularly to cities across upstate and Western New York.

“Given the changes in the federal tax code, the continuity of the Brownfield and New York State Historic Tax Credit Programs is essential to the entire State, and most importantly our low income urban neighborhoods and at risk historic architectural structures,” Williams said. “The rebirth of our urban centers lies in the balance with the outcome of these efforts.”

Jacobs and Ortt are pushing for the tax credit programs to be fully preserved in the Senate version of the budget, and have already garnered support from Senators across the state. Western New York Senator’s Patrick Gallivan and Michael Ranzenhofer have agreed to lend their support.

“Communities across Western New York have benefitted from the various projects made possible by the Brownfield Tax Credit and the Historic Tax Credit programs,” Senator Gallivan said. “Deferral of these programs will jeopardize the private sector investment and job creation generated by these programs throughout the region.”