

S.6021-A (Baskin)/A.10366 (Hunter)

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BILL S.6021-A (Baskin)/A.10366 (Hunter)
SUBJECT Establishes the Large Projects Historic Rehabilitation Tax Credit and the "White Elephant" Housing Historic Rehabilitation Projects Tax Credit Program
DATE March 20, 2026
SUPPORT

The Business Council of New York State strongly supports targeted, forward-looking policies that unlock economic development, expand housing opportunity, and restore underutilized assets to productive use. In that spirit, The Business Council vehemently supports S.6021A (Baskin)/A.10366 (Hunter) which establishes the large projects historic rehabilitation tax credit and the "white elephant" housing historic rehabilitation projects tax credit program.

This legislation directly addresses a persistent and statewide challenge: the presence of large, long-vacant buildings that have remained dormant for years due to the extraordinary costs and risks associated with redevelopment. These "white elephant" properties, often prominent, historic, and centrally located, represent both a burden on communities and a significant untapped opportunity. Without meaningful incentives, these structures are unlikely to be rehabilitated. This bill provides the financial framework necessary to transform these liabilities into engines of growth.

A central strength of this proposal is its strong alignment with housing affordability goals. Many of these vacant structures are uniquely suited for residential conversion, including the development of mixed-income and affordable housing. By pairing historic rehabilitation incentives with affordability requirements, the legislation ensures that redevelopment delivers lasting public benefit. Projects that include affordable housing components can be tied to regulatory agreements requiring affordability for no less than thirty years, guaranteeing long-term access to quality housing for low- and moderate-income New Yorkers. This approach not only increases supply but ensures that affordability is sustained over time. Expanding housing supply through adaptive reuse is both efficient and impactful. By utilizing existing buildings and infrastructure, these projects avoid many of the costs and delays associated with new construction. This enables faster delivery of housing units to the market, helping to ease supply constraints that drive up costs. At the same time, rehabilitating historic properties preserves community character and supports smart growth principles across New York State.

The economic benefits of this legislation are equally significant. Large-scale rehabilitation projects, by definition, involving at least \$50 million in investment, will generate substantial job creation. These projects require a broad range of skilled workers, including construction crews, engineers, architects, and specialized trades. Each project can support hundreds of direct jobs, while also boosting demand for local suppliers and small businesses. This kind of activity strengthens local economies and supports long-term growth. Beyond construction, these projects continue to create value once completed. Rehabilitated buildings support permanent jobs in property management, retail, and other commercial uses. They also attract additional investments to surrounding areas, helping neighborhoods grow and thrive over time.

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Additionally, provisions such as credit transferability make these projects more financially viable by allowing developers to attract investors and produce the necessary capital to complete complex projects. This is particularly important for complex rehabilitations, where financing gaps can often derail otherwise promising developments. From a fiscal standpoint, the long-term benefits to the state are compelling. Revitalized properties contribute increased property tax revenues, reduce public safety risks associated with abandoned buildings, and decrease the financial burden on local governments responsible for maintaining or securing these sites. Over time, these benefits help offset the initial cost of the tax credits while delivering lasting economic and social value.

Simply put, this legislation (S.6021A (Baskin/A.10366 Hunter) aligns with the state’s goals of expanding housing affordability, promoting job creation, and revitalizing communities that have long been overlooked. By focusing on large, vacant “white elephant” properties, particularly in the state’s major municipalities, this bill offers a practical and impactful strategy for turning longstanding liabilities into engines of growth.

For these reasons, The Business Council urges the swift passage of this legislation, because it promotes affordability, preserves historic character, stimulates job creation, and revitalizes communities with deliberate and strategic investment in New York’s future.