



Town of Riverhead Community Development Agency

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DOWNTOWN RIVERHEAD DEVELOPMENTS

Downtown Riverhead is a walkable hamlet center that historically served as center for community life and the Town of Riverhead continues to implement projects to create a revitalized downtown emphasizing and capitalizing upon Regional Agro- and Eco-Tourism, with unique cultural attractions, a bustling Main Street, an Arts District, an Historic District with protected historic buildings, as well as an expanded and improved waterfront including a system of parks and greenways that provide abundant recreational opportunities for all ages along waterfront areas, including the Peconic River and the Great Peconic Bay (Peconic Estuary is an EPA designated Estuary of National Significance). Downtown Riverhead is seeing a wave of new development through both public and private investment targeting reuse and development opportunities to attract investment that enhances economic, environmental and social strengths by emphasizing our unique cultural attractions such as a new Hyatt Place Hotel at Atlantis Aquarium, the Suffolk County Culinary Arts School, the East End Arts Council, and improved access to the Peconic River and Great Peconic Bay including a nationally recognized migratory fish passage in Grangebél Park.

HISTORIC TAX CREDITS MAY BE AVAILABLE

Tax credits may be available for the restoration of historic downtown buildings if they are part of a National Register of Historic Places district. Information about both state and federal as well as “commercial credit” and “Homeowner credit” credits is at: <http://nysparks.com/shpo/tax-credit-programs/>

These credits can be a substantial incentive towards the restoration of some of downtown’s many historic structures. Federal tax credits of up to 20% of the cost of exterior restoration and interior restoration. State credits are also 20% for combined credits of up to 40%. To obtain the credits:

- The building must be a “contributing” building in a National Register Historic District or individually on the register (or in the case of the federal credits only, eligible for this status)
- Renovations must meet Secretary of the Interior’s Standards of Rehabilitation.
- New York State Historic Preservation office must approve plans in advance.

The New York State Senate’s Historic Rehabilitation Tax Credit (S6056) signed into law July 2010 establishes a nationally competitive rehabilitation and preservation program to benefit property owners and communities seeking to renovate run down and dilapidated properties, triggering revitalization of distressed areas by attracting new investment, businesses, and jobs.

The legislation increases the value of tax credits available to developers and investors for residential and commercial properties with funds targeted to “distressed” areas.

- Increase the cap on commercial credit value from \$100,000 to \$5 million; the residential credit value will increase from \$25,000 to \$50,000. These are over the course of the program, which is 5 years.
- Limit the availability of the residential and commercial credit of the program to “distressed” areas, which is defined as being located within a Census tract identified at or below one hundred percent of the median family income.
- Increase the percent of qualified rehabilitation costs that can be claimed for the credit from 6-percent to 20-percent, allowing for a higher percentage of qualified rehabilitation costs.
- Make the credit assignable, transferable, and conveyable within business partnerships, to allow for greater flexibility on the part of the investor, and attract out-of-state financing for in-state rehabilitation projects.
- Offer the rehabilitation tax credit as a rebate to make the program a stronger financial incentive for homeowners without significant income tax liability.

Additional information about the federal credits is at: <http://www.nps.gov/history/hps/tps/tax/index.htm>;
<http://www.irs.gov/pub/irs-utl/faqrehab.pdf>; http://www.nps.gov/history/hps/tps/tax/incentives/essentials_1.htm