

NEW YORK

PROFITING THROUGH
PRESERVATION



PRESERVATION LEAGUE OF NEW YORK STATE



MISSION STATEMENT

By leading a statewide preservation movement, sharing information and expertise, and raising a unified voice, the Preservation League of New York State promotes historic preservation as a tool to revitalize our neighborhoods and communities, honor our heritage, and enrich our lives.



Funding for this project was generously provided by The Chase Manhattan Bank. Printing was made possible with public funds from the New York State Council on the Arts. This report was prepared by Donovan D. Rypkema, Principal, Real Estate Services Group, Inc., Washington, DC, with assistance from the Preservation League of New York State.



VISION OF NEW YORK STATE

The Preservation League of New York State is committed to a New York where all citizens recognize the intrinsic value of historic sites and cherish them as a vital part of everyday life. We envision New Yorkers who promote careful use of our diverse historic resources and understand the economic and social benefits of historic preservation. The League aspires to create a universal preservation ethic that prevents losing our past through neglect, ignorance, or momentary expediency. We will strive to remind New Yorkers in every city, hamlet, and neighborhood of the value of the past, the ways in which it enriches our lives, and the irreplaceable legacy it provides our children.

Historic preservation is a daily part of life for nearly every New York citizen. For some, it means a visit to one of the hundreds of museums or historic sites throughout the state. An abundance of these facilities gives New Yorkers many ways to celebrate their diverse history.

But historic preservation is far more than museums and monuments. Historic preservation is also Saturday services at the 1906 Beth Joseph Synagogue in Tupper Lake, or Sunday Mass at the Gothic Revival style Cathedral of All Saints in Albany.

Historic preservation is attending a City Council meeting in Buffalo's Art Deco style City Hall, or serving on jury duty in the landmark Jefferson County Court House in Watertown.

Historic preservation is applauding a performance at Carnegie Hall in Manhattan or at the GeVa Theater, a rehabilitated 1862 armory in Rochester.

Historic preservation is living in a converted office building on Wall Street, a Greek Revival style home in Wyoming, New York, or a restored brownstone in Albany.



Historic preservation is borrowing a book from the 1911 East Hampton Free Library, cashing a check at the National Bank in Aurora, or watching a movie at the Joylan Theater in Springville.

Historic preservation is thrilling to the rides at Rye's Playland Amusement Park or enjoying the quiet of the Ouleout Valley Rural Cemetery in Franklin.

Historic preservation is dining in a former train station in Ithaca, at a brew pub in Syracuse's Armory Square, or in one of hundreds of restaurants in historic buildings throughout New York State.

Historic preservation is pursuing a degree at Columbia, Colgate, Cornell, or any one of over three dozen New York college and university campuses that are listed on the National Register of Historic Places.

Historic preservation is walking through Manhattan's newly restored Grand Central Terminal, catching a train from Utica's 1914 Union Station, driving down the landmark Bronx River Parkway, or crossing the Ausable River on the 1883 suspension footbridge in Keeseville.

Historic preservation is glancing at the sidewalk clock on Manhattan's Third Avenue or the 1883 clock tower in Corning.

Historic preservation is an overnight stay in the restored Arts and Crafts style Roycroft Inn, or at the ultimate Adirondack Great Camp, Sagamore.

Many of us appreciate the historic places in New York State that have been preserved, but historic preservation does much more than just enhance our quality of life. It also contributes hundreds of millions of dollars annually to New York's economy. Tourism, construction, housing, transportation, films, arts and culture, education, community development — they all create jobs, generate taxes, enhance property values, and add to household incomes. In New York, historic preservation is central to each of these industries.

Historic preservation in New York is no longer an end in itself. Today it is an effective vehicle for meeting important community goals. *New York: Profiting Through Preservation* is a series of stories about how New Yorkers in every corner of the state are using historic preservation as a potent tool for building New York's future.



Top: Buffalo City Hall
Left: GeVa Theatre, Rochester
Right: State Street, Albany
Bottom: Beth Joseph Synagogue, Tupper Lake
Opposite: Market Street, Corning

I. HISTORIC PRESERVATION, ECONOMIC DEVELOPMENT, AND JOBS

In New York, economic development is a major goal for public officials, unions, and business leaders. Their quest for new jobs often means building new offices, new convention centers, and a new infrastructure. But New York's most visionary leaders are taking another path that offers a significant competitive advantage. They are using historic preservation as a central component to long-term economic development, and the strategy is working.



Business is booming
in Saratoga Springs’
Broadway Historic
District, where tax
assessments increased
from \$15 million in
1973 to \$63 million
in the mid-1990s.

Powerful economic benefits flow to places that stress historic preservation. It’s a simple equation: \$1 million spent rehabilitating an historic building in New York State ultimately adds \$1.9 million to the state’s economy.

Corning and Saratoga: The Pioneers

One of the best ways to understand how historic preservation promotes lasting economic development is to take a walk down Market Street in Corning. Today, downtown Corning is the very picture of thriving Main Street America, right in New York’s Southern Tier. In the early 1970s, however, the community was in serious trouble.



Corning’s government and corporate leaders were struggling with a 40 percent vacancy rate downtown, no new investment in existing businesses, and a crumbling infrastructure.

Corning’s response to this crisis set a national standard for historic downtowns. The Market Street Restoration Agency was formed, and the group hired the nation’s first “main street manager” in 1974. The organization began promoting innovative design, marketing, and

investment strategies based on Market Street’s historic character. Their efforts halted building deterioration, inspired reinvestment in 150 properties, boosted tourism, and restored community pride.

Corning shows that a long-term commitment to historic preservation yields permanent benefits. In 1999, the city’s business vacancy rate remains below five percent, upper floors of historic commercial blocks are again in use, and

substantial rehabilitation is complete for 71 buildings. Public amenities include a shuttle bus service, a four-acre riverfront park, and a central public square. Over \$320 million in public and private funds have been invested since 1985, and

the retail mix on Market Street is strong. “Revitalization efforts have been the major factor in creating a positive investment climate in downtown Corning,” says Market Street director Elise Johnson-Schmidt. “Most telling of all, property and sales taxes generated within downtown Corning now represent over half of the city’s local tax revenues.”

The results are equally impressive in Saratoga Springs. Local preservationists remem-

ber the downtown area in the early 1970s as “dismal,” with only about half of the retail space occupied. In response, eight organizations and city commissions were formed to improve buildings, parking, and tourism efforts. One of the most important tools was a \$500,000 program of the Saratoga Springs Preservation Foundation that rehabilitated 60 storefronts on 28 buildings.

As the city’s appearance improved, new businesses arrived and more established merchants were persuaded to reinvest. Two-and-a-half decades later, retail vacancy is almost unknown in Saratoga Springs. Once-vacant upper floors are now offices, and tourism has been increasing by seven percent a year. Saratoga Springs’ unique sense of place makes the city economically stable and profitable, and a sound preservation strategy is the key to its prosperity.

Syracuse: Large-Scale Success

The ground-breaking work of Corning and Saratoga Springs proved that preservation can be the foundation for economic success. Several other New York communities soon discovered

the benefits of this strategy. In downtown Syracuse, investment by a few “intrepid pioneers” in the mid-1970s helped bring historic Armory Square back to life. By the mid-1980s this five-block area of former warehouses, commercial row buildings, a former armory, and the magnificent 1928 Landmark Theater had become a nationally recognized historic district.

Two early efforts were instrumental to the



area’s economic success: the formation of the merchants’ Armory Square Association, and listing the district on the National Register of Historic Places. The listing turned Armory Square buildings into attractive investment targets by extending federal

historic tax credits to anyone rehabilitating a building consistent with preservation guidelines. Developers were encouraged to create housing above the renovated retail spaces, and the result was Syracuse’s first mixed-use development.

Armory Square’s anchor developments include the 1892 Hogan Block with stores, offices, and 22 apartments; the Labor Temple Building, with eight apartments above offices and a restaurant; and the Crown Building, with

Syracuse’s Armory Square Association promoted the use of historic tax credits to create a thriving urban neighborhood of housing, offices, shops, and entertainment.



three stories of commercial and office space. Their rehabilitation spurred new development as well. The \$7 million Centre Armory project, completed in 1994 with a HUD loan, provides retail space, 38 condominium units, and a parking garage. The rehabilitated armory is now a Museum of Science and Technology and an IMAX theater. Armory Square has become a tourist destination, a vital shopping district, and an exciting place to call home, thanks to its landmark status and its visionary owners and investors.

Preservation-inspired development has had a big impact in Syracuse, with its metropolitan population of 750,000. But it works just as well in places like Homer, a village 30 miles south of Syracuse with a population of about 3,500, and Wyoming, a tiny village in western New York. Size doesn't determine the success of a preservation strategy. What makes the difference is imagination and persistence among people who care.

Homer and Wyoming: Building Leadership

Homer encouraged business development by securing a federal Community Development



Block Grant and using it to set up a no-interest loan program. Loan recipients follow an architect's recommendations to ensure that building repairs and storefront improvements respect the downtown's character. One loan allowed an established merchant to expand his clothing business into an adjacent building and restore the 1870s facades. Another helped repair the leaking roof of a prominent landmark. This improvement and others encouraged a restaurant and antique store to move into the building, bringing new services and jobs to Homer's 16-building downtown.

New York's most successful revitalization efforts do not depend solely on grants from government or foundations. Often a preservation success is led by highly-motivated individuals whose example inspires others in government, business, and the nonprofit sector. When Pam and Brock Yates moved to the western New York village of Wyoming in the late-1980s, says Pam, they found "a lovely little community, its streets still lit by gaslights...filled with wonderful historic buildings that, sadly, time was passing by." Wyoming had a population of just 500 and a location almost 20

**"By emphasizing our
downtown's attractive,
historic qualities, we
are able to encourage
business stability."**

*Mary Alice Bellardini,
Mayor, Village
of Homer*



In the Village of
Wyoming, rehabilitation
projects completed
by Pam and Brock
Yates sparked
additional investment
in the downtown.

miles from the nearest Interstate highway exit, but the Yates' saw an opportunity. Over the next few years they purchased and redeveloped several buildings, and these investments served as a catalyst for additional investment by others. Today, there are two inns operating in Wyoming, more than 200,000 people visit its downtown in the summer and fall, and the commercial row is full of thriving shops and restaurants.

Troy and Utica: Partners in Innovation

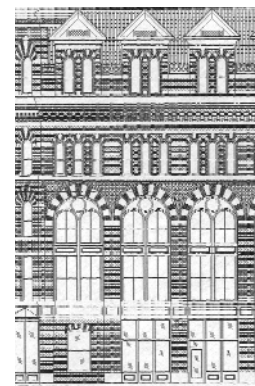
Key historic buildings are often the cornerstone of downtown redevelopment efforts. In Utica and Troy, two projects show the potential of innovative preservation partnerships.

The Troy project is uniting public and private sectors to create business incubator space in a landmark downtown building. Rensselaer Polytechnic Institute (RPI) joined with Troy Savings Bank and the Troy Architectural Program, a local nonprofit group, to redevelop the 1871 Rice Building. Some 26,000 square feet of office space will be developed, at a cost of approximately \$2.5 million. This is about as much as a similar-sized new building would cost in a suburban location. The City of Troy will provide parking, an

essential element when competing with suburban locations. The State of New York assisted by awarding the project a half-million dollar Clean Air/Clean Water Bond Act grant. The Rice Building project promises a new strength for downtown Troy throughout the next century.

In central New York, another public/private team is restoring the 1912 Hotel Utica as the anchor of Utica's downtown revitalization program. Sixty jobs will be created during the \$5 million construction project, along with 100 permanent jobs when the hotel reopens. The developer, Joseph Carucci, received financial assistance from the state, city, and Oneida County. But the first step was taken by leaders of the Mohawk Valley Chamber of Commerce, who saw both an opportunity and a threat to the city.

On the plus side, the Chamber saw a way to attract visitors with elegant downtown lodging. At the same time, they feared the threat to all of downtown posed by the deterioration of a major building, and the likelihood that taxpayers would have to pay \$3 million just to tear it down. The Chamber acquired an option to buy the hotel in 1997. Their efforts to attract a developer to the property were unsuccessful until Carucci decided



Rice Building, Troy

to step in. “We can’t let demolition happen,” he says. “This would be the most beautiful hotel in the Mohawk Valley if it were operating again.” To the Chamber of Commerce, the Hotel Utica project is an act of fiscal responsibility. The taxes, jobs, and activity resulting from the renovation are far more valuable than a \$3 million empty lot.

The Hotel Utica and Rice Building projects are a glimpse of how economic rebirth could come to downtowns all over New York. A community that forms innovative preservation partnerships among the private sector, government, and not-for-profit groups can meet almost any challenge.

Historic Districts: Primed for Investment

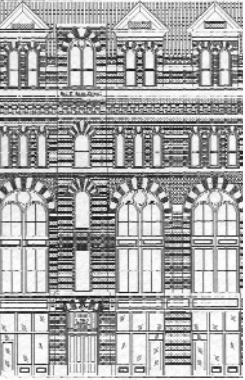
While some remain skeptical about the link between historic preservation and economic development, much of the doubt is based on misconceptions. For example, some argue that historic designation discourages investment. This is demonstrably untrue. Historic preservation has played a major role in virtually every successful urban redevelopment in the United States, from the genteel squares of Savannah, Georgia, to the thriving downtown Riverwalk in San Antonio, Texas.

Communities across New York State have successfully attracted investors to historic buildings by listing them on the National Register of Historic Places. More than 170 municipalities, ranging in size from the Village of Owego to New York City, have ordinances establishing local landmarks and historic districts. Approximately 80,000 individual properties in New York are on the National Register. These landmarks and historic districts are the pride of their communities, and their designation encourages local investors to put their money to work at home.

In New York City alone, 72 municipally designated historic districts encompass more than 21,000 properties and 1,000 individual landmarks. These historic designations have grown side-by-side with investment in neighborhoods. Between 1993 and 1997, the number of applications that were submitted to the city’s Landmarks Preservation Commission for work on designated buildings increased by one-third. The Commission now receives over 5,000 applications a year, and 90 percent are approved by staff with minimal delays.

While historic designation brings honor and recognition to a place, it also creates eli-

Approximately 80,000
properties in New York
State are on the
National Register of
Historic Places. They
inspire community
pride and provide
opportunities to
investors.



In New York City,
\$1 million invested
in preservation
construction creates
five more construction
and three more
permanent jobs than
\$1 million spent on
new construction.

gibility for tax credits and other incentives. Since 1986, federal law has provided a 20 percent tax credit toward the cost of appropriately rehabilitating an income-producing, National Register-listed building. And in 1998, the state began offering a property tax incentive to locally designated landmarks and historic districts. The incentive freezes any increase in local property taxes that otherwise could result from rehabilitation work. But in order for communities to take advantage of these incentives, historic resources must first be identified through National Register listings or local designations.

Even more financial incentives are on the horizon for historic buildings. These include federal and state income tax credits for the rehabilitation costs of historic homes that will make designation even more attractive to property owners.

Preservation Builds More Jobs

Another misconception about historic preservation is that it does not provide as many jobs as does new construction. In fact, the

rehabilitation of historic structures is an extraordinarily effective job creator because of the labor intensity of the work. This is particularly true when compared with new construction. A million dollars spent on the rehabilitation of an historic building in New York State will add \$86,000 more to local household income than will the same amount spent on new construction, according to the



Real Estate Services Group of Washington, DC. And the Lower Manhattan Task Force of the City of New York estimates that \$1 million invested in preservation construction in the city creates five more construction jobs and three

more permanent jobs than does \$1 million invested in new construction.

Not only does investment in existing construction pay a handsome return, it also accounts for a huge segment of the building sector in the national economy. Nearly \$115 billion was spent on maintenance and improvements to existing housing nationally in 1996. This was nearly two-thirds the level of expenditure on new housing.

Above: Pier A,
New York City
Opposite:
Hamlet of Essex

II. HISTORIC PRESERVATION AND HOUSING

Creating and maintaining high-quality housing is a challenge for every New York community. Leaders who take a close look at the costs and benefits of this task are increasingly choosing to renovate older homes before turning to new housing construction. Renovation works for people of all income levels, and it also creates more jobs than does new construction. But more intangible benefits are equally important. At the deepest level, preserving neighborhoods preserves a community's sense of pride. It is this "sense of place" that encourages people to put down roots in New York State.



In Harlem, historic
preservation
means promoting
homeownership
that is affordable
to local residents.

National real estate experts say that “24-hour communities” are the best markets for investment. Throughout New York State, it’s easy to see how historic preservation works toward this goal. Preserving a neighborhood’s historic character is vital to maintaining it as a good place in which to work, live, and play.

Wall Street and Harlem: Historic Housing

In 1995, the Alliance for Downtown New York was created to “promote a safe, clean, live/work, totally wired community, which showcases the nation’s most historic neighborhood and is the financial capital of the world for the 21st century.” From the beginning, the group recognized that the adaptive reuse of historic buildings is critical to creating a seven-day, 24-hour neighborhood.

More than 3,000 housing units in New York City’s financial district were converted or built between 1995 and 1998, and another 1,000 were in development. Many of these buildings have been wired with fiber-optic cable, multiple phone lines, and high-speed Internet access. The Alliance forecasts that by the year 2002, the district will have gained 7,000 housing units.

Nine out of every ten new apartments in the financial district will be in nineteenth- and early twentieth-century buildings. This trend should double the number of permanent residents of the financial district in just seven years.

Preservation is also working to improve more modest New York City dwellings. In Harlem, members of the Abyssinian Baptist Church have received national recognition for rehabilitating numerous pre-war buildings to house formerly homeless families. The group has also renovated older structures to provide day care, counseling, and education. The Abyssinian Development Corporation is now working on Renaissance Homes, a program for moderate income New York City families intended to increase the rate of owner-occupancy in Harlem. The organization acquired and is rehabilitating 33 brownstone apartment buildings, which, when completed, will include a duplex unit for owners and one to three rental apartments. The average price will be about \$375,000, which is \$1.7 million less than a typical brownstone just 20 blocks south. In Harlem, historic preservation means promoting homeownership for middle-class families.

Newburgh and Elmira: Self-Help

Preservation also creates safe and affordable housing in smaller cities. In Newburgh, along the Hudson River, the deteriorated condition of historic buildings placed the community on the National Trust for Historic Preservation's annual list of "11 Most Endangered Historic Places" in 1996. That unenviable designation was a catalyst for reinvestment. Thirty-two row houses in Newburgh's vast East End Historic District were purchased by a developer for renovation into affordable apartments. In addition to conventional financing, the developer met nearly three-quarters of the rehabilitation costs through city and state grants, and federal affordable housing and historic preservation tax credits. Nearby, St. Luke's Hospital is rehabilitating existing housing stock for employees.

Under the leadership of former Mayor Audrey Carey, historic preservation became the vehicle for spurring investment throughout Newburgh. In addition to the housing, numerous other restoration projects have been completed or are underway, including the redevelopment of the

City's historic armory for Orange County offices and the exterior restoration of the 1882 City Hall.

In the Southern Tier, the Near Westside Neighborhood Association is assisting low-income families in Elmira who want to buy and renovate older and historic homes. In 1997-98, the Association gave 25 grants of \$10,000 each to homeowners who needed help with down payments. It also gave small home-improve-



ment loans to other low-income city homeowners. The group is making a difference because it assists people who are willing to work, but are short on cash. "Nearly 90 percent of the down payment grants assisted buyers purchasing unoccupied homes," said Kay Mackay, housing program coordinator for the association. The new owners, she says, are "helping to revitalize a beautiful historic neighborhood."

The problems in Newburgh and Elmira are numerous and complex. But preservation can provide solutions for some of the issues facing these and other mid-sized cities. According to writer Eric Adams, "Historic preservation and

In Elmira, small grants to homeowners are bringing a historic neighborhood back to life.



“Creating the historic
district and fulfilling
housing needs have
spurred the renaissance
of Keeseville.”

*Ann Ruzow Holland,
Director, Friends of
the North Country*



renovation are becoming carefully wielded weapons against urban decay, unemployment, and substandard housing.”

Keeseville: Rural Heritage in Housing

Preservation is also a powerful tool for improving rural housing. In the Champlain Valley, about half of the 1,800 people in the Village of Keeseville meet the government definition of “low-income.” But Keeseville also has a 142-building historic district that reflects its past as a center of industry and commerce. After decades of decline, the district’s modest nineteenth-century homes were badly in need of repair. An ambitious rehabilitation program, begun in 1984 by Friends of the North Country, has produced 134 units of affordable housing within the district. After 15 years in operation, the rehabilitated units “have held up remarkably well,” says Friends director Ann Ruzow Holland.

Rural communities experience a triple benefit by linking preservation and housing programs, according to Robert Hammerslag, director of the Essex Community Heritage

Organization, another group helping to meet the housing needs of North Country residents. Preservation, he says, “opens up new sources of funding and helps maintain community character, in addition to creating much-needed affordable housing.”

Artists and the Elderly: Special Tenants

The housing program in Peekskill, New York, shows how preservation and creativity can turn a small city around. With a population of just 20,000, Peekskill encourages the renovation of upper floors of downtown historic buildings into housing for artists. Within two years of initiating the program, more than 100 artists had become downtown residents.

The needs of senior citizens across the state are especially well suited to preservation projects. Former school buildings are attractive choices for reuse due to their sturdy construction and central locations. For example, the landmark high school located near downtown Nichols in Tioga County was rehabilitated for apartments for the elderly in 1997. The project



In Peekskill, an innovative downtown project created attractive housing and gallery space for artists.

The landmark Acton
Civill Polytechnic
Institute, a former
school in Coeymans,
has a waiting list
for its 28 units
of low-income
senior housing.

was completed for \$1.1 million with a limited partnership owner, using New York State Division of Housing and Community Renewal funds and tax credits for low-income housing and historic preservation. Today, older Nichols residents thrive in spacious interiors enhanced by original architectural details.

A similar success story can be found in the Village of Coeymans, where the Acton Civill Polytechnic Institute, an 1874 National Register-listed building, was converted to 28 units of much-needed senior housing in 1996. A developer secured funding from the New York Housing Trust Fund and Albank to rehabilitate the school for \$3.2 million, which produced a \$640,000 federal income tax credit. The Acton Civill building now contributes to the tax base and has a waiting list for its units.

A school building in Port Washington, Long Island, was converted into senior low-income housing and a community center in

1995. The Main Street School, built in 1909, was rehabilitated to house over 60 seniors and accommodate child care and other community services. Landmark on Main Street, the non-profit group behind the project, raised a total of \$12 million for all of the expenses, \$2.5 million of which was for rehabilitation of the building.



The federal income tax credit for rehabilitation was \$500,000. The units in the Main Street School rent for \$450 to \$625 per month, in an area where most apartments rent for more than \$1,000.

In the City of Ithaca, four former schools now provide a variety of living units. Of these, the 1913

DeWitt Building stands out. It was never marketed as senior housing, but it attracts many older residents who wish to be near downtown services and enjoy living in their former high school.

*Opposite: Kykuit,
the John D. Rockefeller
Estate, Mount Pleasant*

III. HISTORIC PRESERVATION AND TOURISM

Travelers who participate in historical and cultural activities are a lucrative and growing market. Nationwide, more than 92 million people included a cultural or historic activity on a trip in 1997-98, according to the Travel Industry Association. Fully 63 million adults visited an historic building or site while traveling. Moreover, historical and cultural travelers spend much more than other travelers do. They are more likely than the average traveler to take long trips, include multiple destinations, and stay in commercial lodging instead of private homes. They also spend more, with an average of \$688 per trip for historic travelers, compared with \$367 for other travelers.





Washington's
Headquarters in
Newburgh, owned by
the state since 1850,
draws thousands
of visitors a year.

Fueled by 120 million visitors a year, New York's travel and hospitality industry is among the most vibrant parts of the state's economy. Statewide travel expenditures totaled \$30 billion in 1997, according to the Empire State Development Corporation. This spending directly supported nearly 400,000 jobs, or five percent of the private-sector workforce. By comparison, 360,000 people work for banking and securities companies.

Historic Tourism Loves New York

More than 115 million visitors from across the United States come to New York each year, including 32 million to New York City alone. And nearly six million tourists from other countries visit New York City annually. They come for a multitude of reasons, but surveys show that the most important destinations for leisure visitors to New York State are historic sites as diverse as the Statue of Liberty and Niagara Falls.

Visitors to New York City from other parts of the United States are also most likely to come for the museums, concerts, plays, and historic sites. In fact, four times as many travelers to New York City visit a historic site as attend a sporting event.

Heritage-based tourism is not limited to New York City. The Empire State Development Corporation's travel guide lists more than 300 historic visitor attractions, from Fort Ticonderoga on Lake Champlain to Hook Mill in East Hampton. In fact, New York was the first state in the nation to maintain an historic site for educational purposes, Washington's Headquarters in Newburgh. Today, the state's network of parks and historic sites draws 65 million visitors annually. In addition, the National Park Service operates eight National Historic Sites in New York, which drew nearly 800,000 visitors in 1998. Localities and private firms operate hundreds of museums, homes, battlefields, and other properties that all attract the public.

The Historic Tourism Payoff

These historic resources bring major economic benefits to their neighbors. A good example of their impact can be seen in the Hudson Valley, where between 1.5 and 2 million tourists a year visit 50 historic sites such as Lyndhurst, Boscobel, and Olana. According to researchers at Marist College, these visitors bring a total economic

Opposite:
The Roycroft Inn,
East Aurora



benefit of \$140 to \$200 million to the Hudson Valley. And because more than two-thirds of the visitors live outside the state, their dollars are a big net gain for the region's economy.

The Marist study shows that much of the economic benefit of an historic site extends beyond the site itself. Every dollar that regional visitors spend at an historic site is matched by nearly two dollars spent elsewhere. For overnight visitors, the economic leverage of the historic site is even greater.

New York's historic sites are unique assets — people visit them because they offer an experience that can't be duplicated. Even the most meticulous reproduction of an Adirondack Great Camp is no match for the experience of staying in the magnificent wilderness setting of Camp Sagamore. The same is true of restaurants such as Le Cirque in the Villard Houses in Manhattan; hotels like the newly restored Roycroft Inn in East Aurora, the Otesaga in Cooperstown, or the White Inn in Fredonia; and approximately 2,000 historic bed and breakfasts across the state.

More than 140,000 people visit the Chautauqua Institution each summer, in part to

attend lectures and concerts. But visitors also travel to this National Historic Landmark in western New York to enjoy the tranquillity of a community that looks today much as it did in 1874, when it was built as a summer retreat for Sunday school teachers. Few modern developers can afford to match the details and craftsmanship found in New York's historic settings.

Cultural Parks Spur Redevelopment

Preservation and historic tourism are a major source of jobs in Seneca Falls, a village of about 7,400 people in the Finger Lakes region. Long known as the birthplace of the women's rights movement in America, Seneca Falls received national recognition when the Women's Rights National Historical Park opened in 1982. Today, some 72 jobs depend directly on the Park. Visitors have a total economic impact of \$2.4 million a year in this small town.

Seneca Falls is part of the New York State Heritage Areas System, one of the major tools that state government uses to boost history-oriented tourism. Between 1986 and 1996,



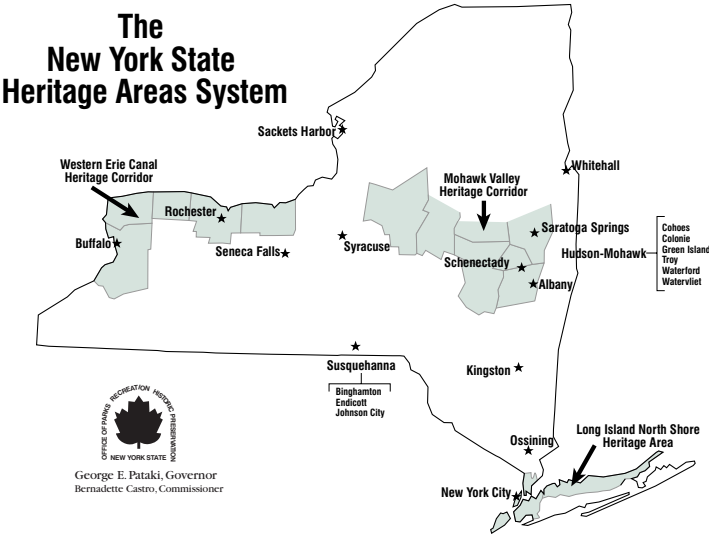
Elizabeth Cady
Stanton House,
Seneca Falls

“Preserving the historic places that reunite us with our rich and glorious past is an obligation we must fulfill... These are sacred places which tie us to our past and make us proud. We must preserve and promote them for the world to see.”

Governor George Pataki

\$24 million in grants were awarded to the state’s 12 Heritage Area Programs by the Office of Parks, Recreation, and Historic Preservation. That investment of public dollars yielded an additional \$75 million of capital from other sources. In Seneca Falls, the money helped build a new promenade, docks, streetlights, and benches along the village’s stretch of an historic and still operating canal. With assistance from the New York State Department of Transportation, the village rehabilitated a 1915 steel truss bridge that had been slated for demolition. These public investments also spurred the private renovation of numerous nearby homes and businesses.

The economic impact of a heritage-based tourism strategy is decidedly local, but the opportunity is global. The United States is the number one destination for overseas vacation travelers, who spend nearly \$80 billion a year here. In New York City alone, international visitors spend about \$2 billion per year. And the highest priority of international travelers by far is experiencing America’s historic and cultural centers. Tourism will play an even greater role in New York State’s economy in the future, and the state’s historic resources are vital to this industry.



Opposite: Carnegie Hall, New York City

IV. HISTORIC PRESERVATION, ARTS, AND CULTURE

Many people know that New York State's cultural wealth is a great asset to its quality of life.

Fewer recognize how much the arts contribute to New York's economy. According to a report commissioned by the New York State Council on the Arts and the City of New York Department of Cultural Affairs, the arts industry brought \$13.4 billion to the state's economy in 1995, including \$480 million in taxes.



“The theater community has been a strong, positive force for economic revitalization in downtown Buffalo. As a result, local businesses – from restaurants to specialty shops – benefit, and historic buildings are preserved.”

*Peter Flynn,
Flynn Battaglia,
Architects, Buffalo*

The historic theaters in which music, dance, and drama take place are an essential part of the New York cultural experience. New York’s historic museums, galleries, and studios have an intrinsic connection to the experience of their audiences. But these great buildings are also recognized as forms of artistic expression in themselves. According to Anne Van Ingen of the New York State Council on the Arts, “architecture is the most public of all the arts.”

Arts Plus History Equals Jobs

In addition to its world-class art collection, the Metropolitan Museum of Art is also a National Historic Landmark.

The American Museum of Natural History, the Cooper-Hewitt Museum, and the Brooklyn Museum all contribute to New York City’s status as the cultural capital of the world. Each of them is also nationally recognized for its architectural beauty and historic importance.

It is a great honor for any musician to perform at Carnegie Hall, which is also a National Historic Landmark. Thirty-eight theaters in mid-

town Manhattan’s Theater District are locally designated historic landmarks. The performances held in these historic spaces generate more than \$2 billion in economic activity each year. For most theater visitors, the historic setting is a major part of the show.

The link between the arts and historic preservation is strong throughout New York

State. For example, the seven institutions of the Westchester County Arts Network attract 750,000 visitors a year and generate between \$68 million and \$110 million a year in local revenues. Four of the seven member institutions conduct their cultural activities

in historic buildings.

In Buffalo, one of the goals of the city’s revitalization plan is to preserve downtown theaters and put them back into service. Over a twenty-year period, nearly \$300 million has been invested in the Buffalo theater district, with five dollars in private capital invested for every dollar of public money spent. The historic 1925 Shea’s Performing Arts Center is



the cultural anchor of this effort. Some 270,000 people attend events at the Shea each year, bringing cash flow and life to downtown Buffalo.

Preservation at the Movies

The film industry is another big-money artistic enterprise that depends on historic preservation. Since the mid-1990s, New York State has seen a steady increase in revenues from the production of movies, television shows, and commercials. Between 1993 and 1997, the film industry in New York expanded from \$4.4 billion in receipts to \$6.2 billion. A more aggressive role for the State Film Commission is one reason for the increase. And according to the Film Commission, companies that come to make movies in New York often use historic settings as a backdrop.

The historic built environment of New York is a major contributing factor to the recent growth of filming in the state. Historic New York settings are well-suited to period movies

like *The Age of Innocence*, shot in downtown Troy, or *The Road to Wellville*, filmed in the National Historic Landmark Mohonk Mountain House. New York's historic buildings also provide an effective background for contemporary scripts like *Nobody's Fool*, filmed in the Hudson Valley. Of the 102 films shot in the state excluding New York City in 1997, more than 70 percent used New York's historic resources as a stage set.



Nancy Cozean, the director of the Hudson Valley Film and Video Office, estimates that production companies have spent \$46 million in her region in recent years. She

sells the region by telling location scouts about the Hudson Valley's Revolutionary War homesteads, nineteenth-century mansions, opera houses and cultural centers, and many historic landmarks. "Those landmarks are important economic assets," she says. "We're trying to save as many as we can. The film industry is a clean industry, and we are rediscovering what we have here."

"When we destroy
historic buildings,
we destroy economic
opportunity. We are
erasing movie sets."

Nancy Cozean,
Director, Hudson Valley
Film and Video Office

C O N C L U S I O N

The preservation of New York's historic resources, the places in which New Yorkers live, work, and play, should be a central goal for all who seek a healthy economy for the state. Historic preservation means thriving Main Streets, good places to do business, and attractive housing for people in all walks of life. It is a proven way of attracting tourists, cultural visitors, and film companies. Historic preservation is a lasting form of community development, and it motivates locals to put down roots by encouraging them to appreciate local history.

The preservation and reinvestment in our existing built environment and historic resources is high on the agenda of several New York State agencies. For example, the New York State Office of Parks, Recreation, and Historic Preservation encourages reinvestment through the Environmental Protection Fund, the Clean Water/Clean Air Bond Act, and the Certified Local Government Program. These three programs alone provided nearly \$9 million in 1998 to worthy preservation programs across the state, yielding \$32 million in local matches and invest-

ment. The agency also participates in the administration of the Federal Historic Tax Incentives program, one of the nation's most successful and cost-effective community revitalization strategies. Between 1996 and 1998, over \$1 billion in tax credits were approved for projects by our state's preservation office.

The New York State Council on the Arts is a national leader in support of quality design and building use through its Architecture, Planning, and Design Program. Between 1973, when the program was founded, and 1989, it has provided \$15 million in support to historic



preservation efforts, typically at the early stages of project development. The past decade has seen \$7 million more provided as grants for project and institutional support, much of it to encourage important grassroots efforts that grow into million-dollar capital projects. The investments by these two state agencies alone are providing excellent returns by any measure.

As the momentum for historic preservation builds, more of New York's leaders understand that it is also an excellent source of jobs. That is why several groups are working in partnership with the World Monuments Fund to open a high school for the preservation arts in New York City. They estimate that graduates could earn \$20 an hour in their first year of employment, and up to \$65 an hour, including benefits, when working at union scale. Taking it even further, Rensselaer Polytechnic Institute in Troy now offers a graduate program in building conservation to prepare mid-career professionals for specialization in building repair, restoration, and adaptive re-use.

Vast changes have occurred in the movement since the Preservation League was founded in the mid-1970s. Preservationists were once perceived as elitists who wanted to save only a narrow slice of American history. Today, preservation is integrated into the very fabric of community development. It contributes to all aspects of our environment, from the urban and rural landscape to conservation, housing, jobs, transportation, and tourism. More and more, preservationists look beyond individual buildings for ways to improve entire communities.

State-of-the-art preservation efforts stand for smart growth. These efforts shatter the misperception that preservationists are reactionaries who are opposed to any kind of change. The preservation movement now encompasses efforts for open space protection, the containment of urban sprawl, saving scenic highways, and promoting economic growth. Historic preservation is a lasting form of community development that invests in the best of New York State's past for the benefit of present and future generations.



Top: Forest Home Drive, Ithaca
Left: Seaway Discovery Center (formerly Sackets Harbor Hotel)
Right: Red Hook
Bottom: The Big Duck, Flanders



Sources

architecture, September 1998.

Commercial Revitalization of Proposed Stone Street Historic District, The Praedium Group, September, 1995.

Economic Impact of Visitors to Historic Sites in the Hudson River Valley, Ann E. Davis and Peter S. Winne, Marist College, 1997.

Employment Strategies for the Restoration Arts, World Monuments Fund, 1993.

Exploring New York's Past, New York State Office of Parks, Recreation and Historic Preservation.

Land Conservation, Development and Property Taxes in New York, Deb Brighton, Ad Hoc Associates, June 1997.

New York Living, January 1998.

The New York Times, August 3 and November 30, 1997; August 30, October 2, and December 10, 1998.

New York State Multi-Season Tourism Destination Study, Marshall Macklin Monaghan Limited.

New York State Parks and Historic Sites Programs Guide, 1997, New York State Office of Parks, Recreation and Historic Preservation.

The Preservationist, Fall/Winter, 1997.

Resident Civilian Labor Force Summary, January and February, 1998.

Rome Daily Sentinel, March 19, 1998.

Stone Street Historic District Restoration Project, New York City Landmarks Preservation Commission, 1995.

Summer Travel: Report to the NYS Department of Economic Development, Penn + Schoen Associates, Inc., December 1993.

Sustainable Urban Preservation: Developing a Model Program for New York, World Monuments Fund, 1997.

Utica Observer-Dispatch, March 31, 1998.

Westchester/Fairfield County Business Journal, January 10, 1997.

You Gotta Have Art, McKinsey & Company, June 1997.

1997 Scenic Byways Conversion Study, Edward Muhl, New York State Division of Tourism.

97 Domestic Travel – New York City, New York Convention and Visitors Bureau and D.K. Shifflet & Associates, Ltd., October, 1998.

Acknowledgements

Numerous people and organizations assisted in the preparation of this report, and those below deserve particular mention:

From the New York State Office of Parks, Recreation, and Historic Preservation, we are indebted to: Julian Adams, J. Winthrop Aldrich, Paul Battaglino, Lucy Breyer, Marcia Kees, Michael Lynch, Austin O'Brien, and Ruth Pierpont.

We also thank:

Eric Allison, Historic Districts Council

Rebecca Anderson, World Monuments Fund

Robert F. Bristol, FASLA, The Saratoga Associates

Audrey Carey, former Mayor, Newburgh

Francis Caraccillo, Seneca Falls Heritage Area

Joseph R. Carucci, Prudential Carucci Real Estate

Randy Cohen, Americans for the Arts

Tom Corban, New York State Department of Labor

Nancy Cozean, Hudson Valley Film and Video Office

Elizabeth Crawford and Randall Crawford, Crawford and Stearns, Architects and Preservation Planners

Kaaren Dodge, National Park Service

Frances Eberhart

Joe Fama, Troy Architectural Program

Cecile Fu, Empire State Development Corporation

Roberta Brandes Gratz, author, *Cities Back from the Edge: New Life for Downtown*

Brook Hobson, Saratoga Springs Preservation Foundation

Ann Ruzow Holland, Friends of the North Country

Elise Johnson-Schmidt, Market Street Restoration Agency

Alexia Lalli

Carolyn Kane Levy, New York City Landmarks Preservation Commission

Kay Mackay, Near Westside Neighborhood Association

Daniel May, Metropolitan Life Insurance

Larry McAuliffe, New York State Department of Transportation

Henry McCartney, Landmark Society of Western New York

Robert McKenna, Newburgh Community Redevelopment Agency

Dorothy Marie Miner, Columbia University

Norman Mintz, 34th Street Partnership

Shane Newmark, New York Office for Motion Picture and Television Development

Kate Ottavino, Preservation Technology, New Jersey Institute of Technology

Burns Patterson, Westchester Arts Network

Karen Phillips, Abyssinian Development Corporation

Janet Reynolds, Angelholme

George Roff, U.S. Census Bureau

Loretta Simon, New York State Department of State

Tracey Simmons, National Trust for Historic Preservation

Peter Smith, Architect, Newburgh

John Stetson, Stetson-Harza Inc.

John Stubbs, World Monuments Fund

Anne Van Ingen, New York State Council on the Arts

Cynthia Wainwright, Chase Manhattan Bank

Craig Wakefield, Empire State Development Corporation

Mary Ellen Walsh, I Love NY

Gabriel Wick, Alliance for Downtown New York

Anthony C. Wood

Pamela Yates, Wyoming, New York

Illustrations courtesy of:

Frank Borkowski, Market Street Restoration Agency;

Bruce Brittain; Frederick Cawley; Jon Crispin;

George Curry; Emily Curtis; Dutchess Land Conservancy; E. Teitelman Photography; Essex Community Heritage Organization; Friends of the North Country; John Hill, Tiger Hill Studio; Landmark Society of Western New York; Vincent Lepre; New York State Office of Parks, Recreation, and Historic Preservation; Preservation League of New York State; Seth Rubin, October Films; Seneca Falls Planning Department; Troy Architectural Program (TAP); Tania Werbizky.

A special thanks to:

Emily Curtis, Christopher Eastman, Brad Edmondson, Darlene McCloud, Katherine Raub Ridley, William Stoneman, and Tania Werbizky for their additional research and editing for this report.

Officers

Anne G. Older,
Chairman Emeritus
Anthony C. Wood, *Chairman*
Constance L. Clapp,
Vice Chairman
Robert J. Kafin, *Vice Chairman*
Gregory R. Long,
Vice Chairman
Robert D. Snedeker,
Vice Chairman
Stephen A. Facey, *Treasurer*
Caroline B. Mason, *Secretary*

Board of Trustees

Kent L. Barwick
William L. Bernhard
Charles B. Buchanan
Gilbert Butler
Audrey L. Carey
Katherine Cary
Linda Gillies
John P. Grady
Roberta Brandes Gratz
Carolyn Grimstead
Christopher Holbrook
Marilynn G. Karp
Robert J. Kresse
E. Peter Krulewitch
Alexia Lalli
Richard A. Maitino
Henry A. McCartney
Richard J. Miller, Jr.

Dorothy Marie Miner
Ellen Phelan
Robert C. Quinlan
Joseph F. Reilly
Janet C. Ross
Thomas J. Schwarz
William C. Shopsin AIA
John B. Stetson
Cynthia C. Wainwright
Diana S. Waite
Arete Swartz Warren

Trustees Council

Pamela S. Banker
George H. Beane
David W. Beer FAIA
Matthew Bender IV
Adriana Scalamandre Bitter
FASID
Robert F. Bristol FASLA
Nancy N. Campbell
William Clarkson
Henry S.F. Cooper
Randall T. Crawford
Susan J. Cummings
Steven C. Engelhart
Wendy E. Feuer
Dorothy Twining Globus
Lionel Goldfrank III
Charles L. Granquist
John v.H. Halsey
Walter J. Handelman

Huyler C. Held
Anne Hubbard
James Ivory
Dudley D. Johnson
William B. Johnston
Susan Henshaw Jones
Francis R. Kowsky
Judith M. LaBelle
Edgar A. Lampert
Stephen S. Lash
Richard J. Lippes
Robert B. MacKay
Paul Malo
Anne L. Millard
Norman M. Mintz
Richard T. Nicodemus
Rev. Thomas Phelan
Karen A. Phillips
Joseph A. Pierson
Carole Rifkind
Robert A.M. Stern FAIA
Gilbert T. Vincent

Scott P. Heyl, *President*

Preservation League of New York State

44 Central Avenue
Albany, NY 12206-3002
TEL: 518-462-5658
FAX: 518-462-5684
www.preservenys.org
info@preservenys.org

