

Have you heard about the ch-ch-changes?

Manhattan incentives have changed drastically in the last few months.

Let's take a moment to discuss how this can affect you and your clients' businesses. I've included some preliminary information below, but you can always call me.

In June 2013, a few programs ended, including REAP, CRT Special Reductions in post-1975 buildings, LMEP and ECSP, and it's almost as if the public's original understanding of these NYC programs went right out the window.

The fact is, there are still major opportunities for businesses to take advantage of economic incentives in NYC.

- The real estate tax abatement programs CRP/CEP are still alive and will be through March 2014.
- Sales tax exemptions still exist in Lower Manhattan.
- CRT Reductions in pre-1975 buildings remain in place.
- JCRP (for lower Manhattan)
- ICAP (across the City)
- IDA Benefits (across the State)
- Additionally, New York State is actively rolling out nearly \$1 Billion in incentives in NYC and Statewide, on top of what the NYC local government offers.

Lately, however, the City has been making very strict interpretations to qualify for NYC incentives. New rulings mean that many companies are being denied for incentives, or are getting tangled up in the bureaucratic maze.

Just last week, I finally spoke with a not-for-profit that I had been reaching out to for months. They "just didn't have the time to deal with this," and they ended up missing a statutory deadline to apply, resulting in missing out on more than \$500k!

Another company I had reached out to after learning about their lease signing of over 60k sf (another \$500k+ benefit), finally engaged us to pursue the program with only two days left to submit an application. Of course, we got the materials in on time, but we still needed to prove the company's eligibility to the City. Had we gotten involved earlier on, we would have flagged key issues, and guided the client through the process without a hitch.

There are still many incentive programs in NYC for companies to take advantage of, but it's not recommended for them to pursue these programs on their own UNLESS they truly have the bandwidth to see them through to the end, which can take several years. Our advice is to let companies focus on their core business, and let the experts navigate the system!



Jonathan Breshin is a Senior Associate at the New York Grant Company.