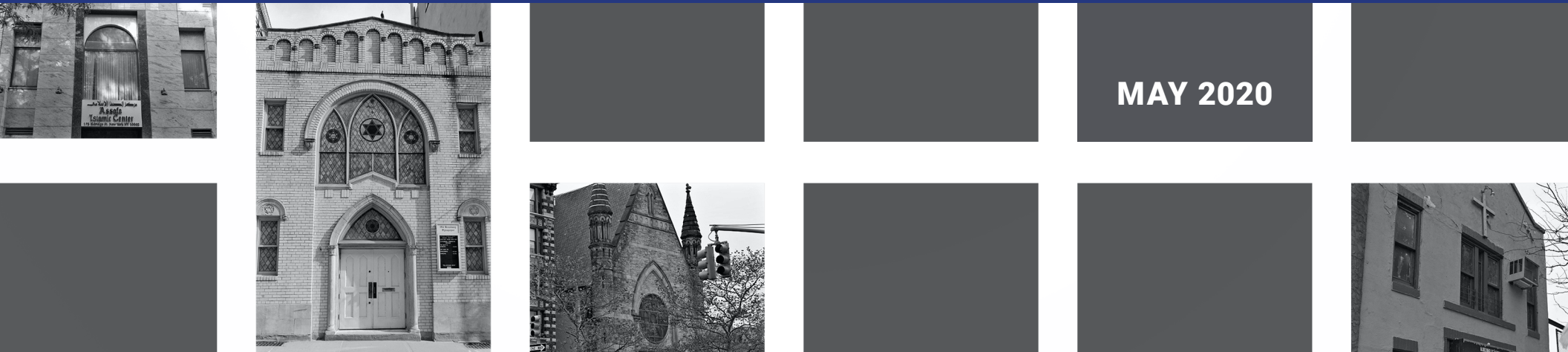


# Religious Congregations in Manhattan:

## An Action Book for Religious Organizations



MAY 2020

# How to Use this Action Book

This Action Book is divided into sections to better serve different readers. Depending on your specific needs, you may skip around to find information relevant to your situation. Each chapter has its own main subject and sub-topics. Throughout the book there are specific resources that direct users to external tools and organizations. If you are viewing a digital copy, you may use the hyperlinks used throughout the document, especially as applied to various resources the book offers. If you are reading a printed version of this Action Book you can use the shortened URLs that will appear to navigate to a given organization's website. This book describes religious institutions as organizations or congregations. While the word community appears many times, it will refer to the broader community, i.e. the neighborhood, and not the religious congregation itself.



Office of the Manhattan  
Borough President

**Gale A. Brewer**  
Manhattan Borough President

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## CHAPTER 1

# Introduction

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## Note from Manhattan Borough President Gale Brewer

Walking in our neighborhoods I often pass a familiar church, synagogue, mosque or temple. Sometimes I do not see activity, even on the day of worship, or there is a small congregation and I notice that there is a leak coming from the roof. I get that feeling: I hope that the congregation is not in such financial straits that they are considering demolition and selling to a developer for luxury housing. There are so many beautiful houses of worship in Manhattan, but I know some are facing the dilemma of ... how do I maintain and grow my mission and at the same time retain the building?

Religious institutions are a bedrock of neighborhood life and identity, and serve as a spiritual, social and cultural resource for millions of New Yorkers. When religious congregations are faced with real estate challenges and must move or close, the impacts on its surrounding community can be significant. Since 2014, my office has worked to assist them in meeting their challenges—which have been particularly serious in Central and East Harlem, Washington Heights and the Lower East Side.

Throughout our city's history, religious institutions have provided social services where the government could not. They feed and clothe the most in need, they provide locations to vote, locations for community boards to assemble and places for community-based organizations to meet.

So, when religious institutions make the decision to close their doors or sell to the highest bidder, important social welfare work disappears and a significant thread in the neighborhood

fabric unravels. In response, we commissioned a research project by a New York University graduate student Capstone team to understand the issues faced by religious institutions, and to develop strategies to address the often differing agendas for both the faith-based and the surrounding community.

That effort arose from a Religious Facilities Task Force (RFTF) I formed in 2019. We invited scores of stakeholders to meet and discuss strategies around the issues. These meetings aimed to establish working connections between representative stakeholders from Manhattan congregations, nonprofit developers, preservation groups and government agencies. Together, we explored how buildings that are consecrated and designed for religious purposes can be repurposed, shared, preserved or redeveloped for affordable housing or nonprofit use. Notes and presentations from the RFTF can be found on my website: <https://www.manhattanbp.nyc.gov/rftf/>

The strategies formed by the RFTF through numerous stakeholder conversations and presentations have been collected in this Action Book. I hope that this Action Book can be a useful resource for all religious institutions seeking land use guidance at this time and in the future.

**Gale A. Brewer**  
Manhattan Borough President



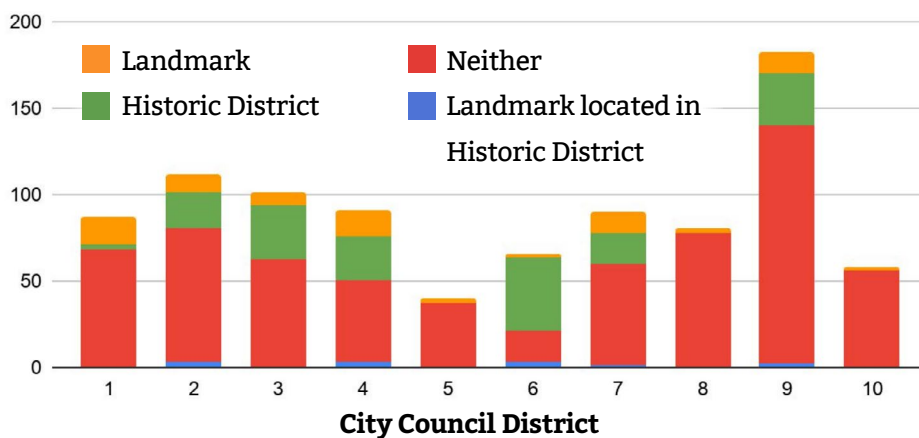
## What's happening and why does it matter?

According to New York City's publicly available PLUTO database, over 900 parcels of land in Manhattan are designated for religious use, but that number has been gradually declining, from 976 in 2010 to 907 in 2020. These religious congregations vary in many ways including: age of organization and/or building, neighborhood context, landmarking status (around 10% of the 907 are landmarked), adjacency to developable lots, membership status, affiliation with hierarchical denominations and more. All these variables affect congregations as they face rising real estate challenges in New York City. The aforementioned decline of parcels indicates changes of uses of the building—from a religious use to other uses like residential or educational. This means that religious organizations across Manhattan are making dramatic modifications regarding their own congregations while affecting the wider community.

A variety of changes—from demographic shifts and aging communities, to out-migration due to increasing residential rents—can bring about declining memberships in long standing congregations. At the same time that financial contributions from congregants dwindle, maintenance costs increase as buildings age, and can include unanticipated expenses to meet modern regulatory standards. This phenomenon is felt more acutely in historic buildings, many of which in Manhattan are. While exempt from most property taxes, rising property values can drastically impact a religious organization's neighborhood context, appraisal prospects or future development options by creating pressures and financial incentives for struggling congregations. These pressures on religious congregations based in the City make selling and relocating to a rented or distant property a viable choice for some groups.



## RELIGIOUS FACILITIES BY COUNCIL DISTRICT



The number of religious facilities, as well as their status as historic landmarks, vary greatly across community districts. (Source: BetaNYC)

The loss of local religious congregations often negatively impacts both congregants and other parties in the neighborhood. Faith-based organizations across the United States are “anchor institutions”, traditionally functioning as hubs of community building, volunteering, organizing and social services delivery. The “halo effect”, i.e. the positive spillover of these community benefits extends to the economic impact of staffing, local purchasing and maintaining a space that often provides multiple functions to neighborhood institutions (“[The Economic Halo Effect of Historic Sacred Places](#)” **1**). Houses of worship can also have positive effects on the built environment, like beautifying streets with unique architecture, enabling light in dense neighborhoods, and by functioning as visual landmarks. This Action Book was written to help prevent detrimental losses of these religious congregations while enhancing the substantial benefits they provide to both congregants and the broader community.

While working on this capstone project, the COVID-19 outbreak in New York City has and will continue to alter everyday life for the City’s residents and religious organizations. As COVID-19 creates new and increases old hardships for New Yorkers, the importance of these local religious congregations grows clearer. Many of these organizations are responding to the crisis by expanding their social services, like pantries and shelters, or by creating new services to assist congregants and other residents of their neighborhoods. The current reality highlights the need for strong local organizations that can deploy their networks to assist the most vulnerable residents who live in every Manhattan neighborhood.

Religious organizations will likely be impacted financially as their members might not have as much to offer a tithe or make charitable contributions. One avenue to explore in the immediate future is support from the Federal Stimulus bills ([Nonprofit Quarterly](#) **2**).



## About this Action Book

This book was authored by Daphna Ezrachi, Luis Hernandez, Miles Martin and Noelle Meyers-Powell, a team of graduate students from NYU’s Robert F. Wagner School of Public Service in conjunction with the Manhattan Borough President’s Office. Manhattan Borough President, Gale Brewer convened a Religious Facilities Task Force (RFTF) in the fall of 2019, building upon years of engagement with religious congregations on the unique challenges they are facing. The task force held meetings throughout the year that brought together congregations, nonprofit developers, preservation groups and government agencies to explore how buildings that are consecrated and designed for religious purposes can be repurposed, shared, preserved or redeveloped for affordable housing or nonprofit use. In addition to these task force meetings, the Capstone team conducted stakeholder outreach to Christian, Jewish and Muslim congregations from the entire borough. The content produced for this Action Book is the culmination of learnings from the Religious Facilities Task Force, independent research of the graduate student team, interviews with over 20 subject matter experts and religious leaders, BetaNYC research and the guidance of the Manhattan Borough President’s Land Use division.

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## RESOURCES IN THIS CHAPTER

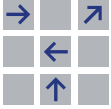
1 [“The Economic Halo Effect of Historic Sacred Places”](#) from *Sacred Places*, the magazine of Partners for Sacred Places.

[sacredplaces.org](http://sacredplaces.org)

2 [“How Nonprofits Can Utilize the New Federal Laws Dealing with COVID-19”](#) from *Nonprofit Quarterly*

[nonprofitquarterly.org](http://nonprofitquarterly.org)





## CHAPTER 2

# Rights, Restrictions and Responsibilities

- 8 Nonprofit Status of Religious Organizations
- 8 The Attorney General's Role
- 9 Hierarchical Considerations
- 9 Zoning and Land Use
- 11 Transfer of Development Rights



## Nonprofit Status of Religious Organizations

Religious organizations are granted 501(C)(3) status by the IRS which allows them certain tax exemptions. As congregations incorporate multiple uses inside their properties, it is important for religious communities to consult their legal counsel before approving major change of use so as to not jeopardize their 501(c)(3) status. It is possible that some of the revenues from the new uses would not be tax-exempt.

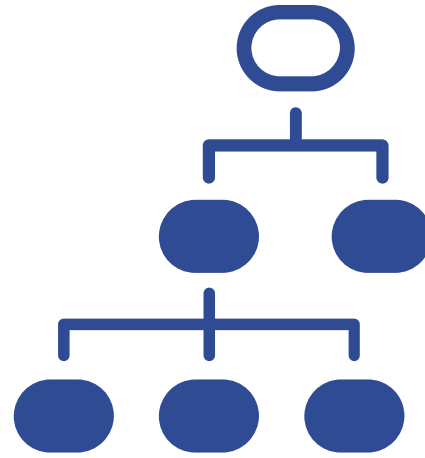
## The Attorney General's Role

Sales of religious properties are subject to approval from the Attorney General's (AG) Office pursuant to Religious Corporation Law §12 and New York State Not-for-Profit Corporation Law §511/ §511-a. The AG asks whether there is "fair and reasonable consideration" for the following aspects when approving a sale of a Religious Facility:

- Is the asset being transferred?
- Will the mission of the nonprofit and its members be promoted?
- How will the nonprofit use the proceeds to advance its mission?
- Was the transaction duly authorized by trustees/ members?

Some resources provided by the Attorney General's Office include:

- [Religious Corporations: Sales and other Disposition of Assets](#) **3**
- [A Guide to Sales and Other Disposition of Assets by Not-for-profit Corporations](#) **4**
- [Faith-Based Real Estate Development Transactions \(Presentation\)](#) **5**



## Zoning and Land Use

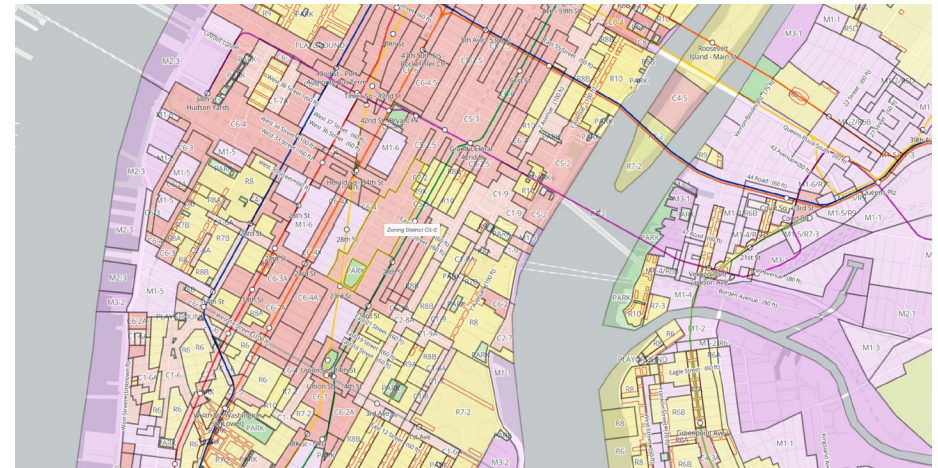
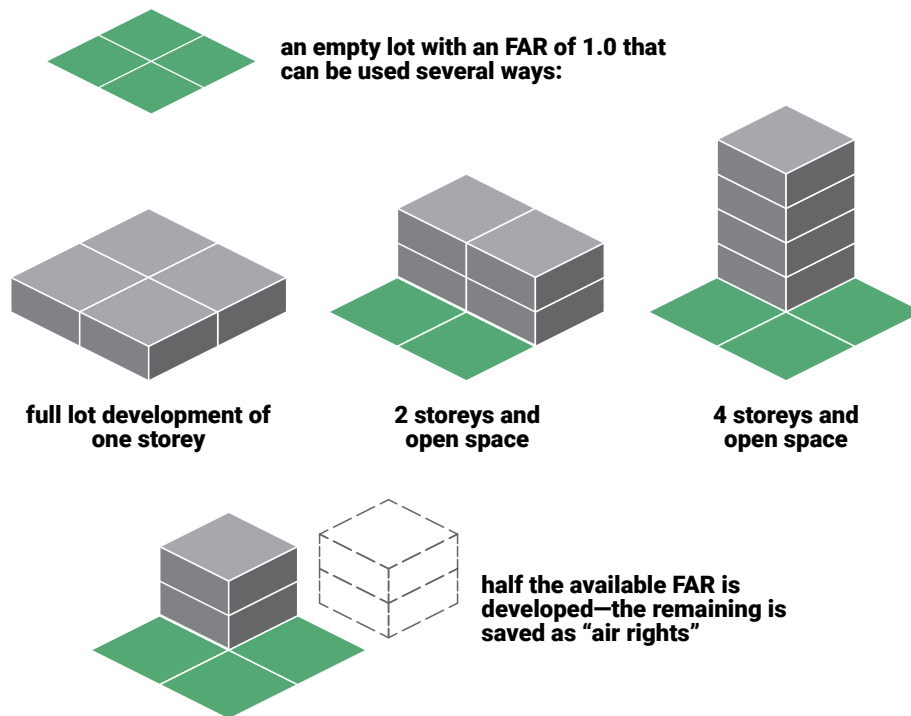
Zoning regulations govern use, height, density and other characteristics of the built environment to guide land use development. Evolving with changing goals and court rulings, zoning began in 1916 in New York City, followed by the rest of the nation, with the Zoning Ordinance that laid the groundwork for a 1961 reorganization of zoning regulations still governing land use and development across the City today. Although the 1961 regulations are still in effect, numerous additions, changes and amendments have been added over time. On the federal level, the Religious Land Use and Institutionalized Persons Act (RLUIPA) seeks to afford additional protection by constraining local land use regulation of religious facilities.

Sections 22-13 and 22-14 of Article II of the New York City Zoning Resolution allow certain community facilities to be built as-of-right, i.e. no special permits required, including houses of worship, in residential areas. Specifically, there are two “community facility” **Use Groups**: 3 and 4. Use Group 3 comprises most educational uses, and Use Group 4 includes nonprofits, medical centers, houses of worship and more. Use Group 4 is permitted in any residential zoning, R1-R10, as well as any commercial zoning except C7, which is reserved for large facilities like golf courses and amusement parks.

## Hierarchical Considerations

The act of secularizing a building is called “deconsecrating.” Certain faiths have rules that govern deconsecration of religious buildings. These rules might be internal, by a congregation’s commitment to certain religious laws, or a combination in which the religious law supersedes the civil laws when deconsecration and selling are taking place. Congregations should be aware of their denomination’s rules, regulations and processes on deconsecration before taking action to make a space secular. For example, the Roman Catholic Church is governed by Canon Law and the local Archbishop.

One of the most important tools regulating density or bulk in New York City is **Floor Area Ratio (FAR)**. FAR describes how a building occupies the area of a lot. Each use zoning district has a distinct FAR number associated with it, which when multiplied by lot size shows the permissible building floor area. If a lot is 1,000 square feet, and the two-story building that occupies the lot has 2,000 square feet of usable floor area, then the built FAR is 2.0 (the ratio of floor area to lot size). Different areas are zoned for different maximum values, as low as 0.5 FAR and as high as 10.0 FAR. Developers have some flexibility in how the allowable FAR is used: for example, each building in the diagram below uses the same amount of floor area as long as the open space remains unbuilt.



The interactive ZoLa map color codes city zoning districts. (Source: NYC DCP)

Online resources like the [Zoning and Land Use Map \(ZoLa\)](#) <sup>6</sup> maintained by the Department of City Planning can show how much FAR has been built compared to the maximum allowed. While this is a good way to get a sense of development potential, owners should consult an architect for exact square footage. Sometimes the built FAR may exceed allowable FAR because the parcel was rezoned after the building was constructed. Such buildings are considered to be nonconforming buildings; if the property were to be re-developed, it would have to comply with existing zoning restrictions (i.e., the lower FAR). Religious institutions should note that in parcels that are zoned for different uses, the maximum FAR can vary depending on how the building is used. Zoning may also specify an overall maximum height or requirements that a structure be set back at a certain distance from the edge of the property. These restrictions are common in historic districts, which often include religious facilities.



# Transfer of Development Rights

The **Transfer of Development Rights (TDR)**, also known as air right transfers, is an important land use tool employed in New York State. This mechanism enables, in certain circumstances, the selling of unused development space (if a building is five floors but could have been ten floors, for example) to an owner of a separate lot or to the same owner of the granting parcel who owns additional property. Air rights are usually transferred to adjacent lots thus through a zoning lot merger. This action does not require special approval from the City. However, TDRs also occur in non-contiguous sites. Landmarked sites, for example, have access to specific TDR programs that enable greater flexibility in utilizing this tool (see **Landmarked Properties on Page 18**). TDRs and air rights may be relevant to religious institutions if they are located in high density districts or where Special Area Rules apply, as governed by the City's Zoning regulation, and have an under-built site.

## RESOURCES IN THIS CHAPTER

- 3 [“Religious Corporations: Sales and other Disposition of Assets”](#) from the Office of the New York State Attorney General Charities Bureau (NYS Charities Bureau)  
charitiesnys.com
- 4 [“A Guide to Sales and Other Disposition of Assets by Not-for-profit Corporations”](#) from the NYS Charities Bureau  
charitiesnys.com
- 5 [“Faith-Based Real Estate Development Transactions”](#), a presentation from the New York State Attorney General, archived by the Manhattan Borough President  
manhattanbp.nyc.gov
- 6 [ZoLa, NYC’s Zoning & Land Use Map](#) developed by the City of New York  
zola.planning.nyc.gov



## CHAPTER 3

# Let's Take Stock

13 The Commandments of Planning the Future of Your Religious Institution



# The Commandments of Planning the Future of Your Religious Institution

This chapter was informed by the many stakeholder interviews conducted for this Action Book. It compiles best practices and guidance from subject matter experts and religious leaders who have gone through planning processes. If you only read one part of the Action Book, **this would be the chapter to focus on**. The suggestions below are relevant to congregations both large and small, those who have begun planning and those who have just begun the process, and for congregations who want to stay in place or redevelop their site.

## 1 What do we own and how do we own it? Gathering your **documents**.

The first step is to gather all the necessary legal documents and records to confirm a clear **title** to the property. This is helpful to understand how you own your property and if there are any deed restrictions, **easements**, zoning or building code obligations, and if your property is a landmarked space or located within a historic district. This is also an opportunity to ensure that there are no tax **liens**, debt obligations, restrictions on your assets or other title problems on your property.

## 2 What are we working with? Assessing your **value**.

Once you understand what you own, it is vital to know what it is worth. The second step is to obtain an **appraisal** which can show your property's current value, explore what it would be worth with certain uses and investment, and map your assets. This step is especially crucial when considering a sale, as the New York Attorney General's office will focus its attention on the appraisal.

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### KEY TERMS

**title**: establishes the legal owner(s) of a property

**easements**: rights held by an interested person to use property, despite not owning it (utility access is common)

**liens**: unpaid taxes, water bills and other charges against a property become liens that may be sold by the city

**appraisal**: a valuation of an identified real estate undertaken by a third-party (usually a State-certified professional) for purposes such as tax assessment, sales or credit

### 3 What do we need and want? Connecting our goals to our **mission**.

Now that you know what you own and what it's worth, the third step is to assess your congregation's needs and wants. Congregations should ask themselves: Do we want to stay in our neighborhood? Would it be beneficial for us to relocate? Review your organization's mission statement and sources of income. Determine what is "mission-critical" for your congregation and where you can be flexible. This step is helpful to set goals and understand your internal capacity for whichever step you take in planning your congregation's future.

### 4 What approvals do we need? Engaging with **denomination guidelines and other regulations**.

Next, you will need to identify what your decision-making process for missional and property matters will be, and who are the bodies that approve these decisions. Will you need approval from members of your congregation or from organizational leadership? Does your site include other buildings or is it located in a special district? Ensure that key leadership and all relevant parties are informed along the way. Present your ideas and plans to these stakeholders for consultation and approval.



### 5 Who will lead our goals? Identifying and empowering the congregation's **decision makers**.

The fifth step is to designate a steering committee that can lead the congregation as it navigates the question of what to do with their building. Transparency should be a priority for this committee as it considers the various options a congregation may choose. The congregation's support is important for plans that consider building maintenance or redevelopment. For some religious organizations it will be necessary to check whether the decision makers must be organized in a certain way to satisfy denominational requirements. Make sure these decision makers are properly authorized according to a congregation's bylaws.





## 6 Who else do we need? Assembling your team of **professionals**.

Before crafting a plan, be sure to speak with experts to inform you of what's possible and to advocate for your needs. Secure an experienced architect and attorney to complete a **preliminary zoning analysis** and **project test-fit** to evaluate your space and to help you understand the zoning regulations, the New York State Attorney General's Office's requirements, and the design possibilities for your property. Ensure that your team of experts have experience with projects that align with your goals and have worked with faith-based organizations in the past. Be wary of upfront payments. Many architects, attorneys and property appraisers will even be willing to provide preliminary analysis for free or a low-cost fee.

## 7 What financial support will we need? Exploring **internal and external opportunities**.

Once you start to envision what is possible, you will want to consider what resources exist to finance your goals moving forward. For this step, you will need to obtain internal information about your budget, savings, congregational giving and **endowments**. Externally, you should explore various funding approaches through private and public resources. These will depend on your course of action, for example, there are funding opportunities for landmarking projects and for affordable housing development. See **Chapter 8** for a collection of resources.

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### KEY TERMS

**preliminary zoning analysis:** an early assessment of municipal codes specific to a property, including zoning and more

**project test-fit:** drafting plans (like floor plans) to estimate how well a property will fit an intended use

**endowments:** funds set aside by or donated to an institution to produce regular income



## 8 How can we be transparent? Communicating with your **congregation**.

The eighth step is all about communication and inclusion. Make sure to keep the congregation's leadership and the members informed of the mission, goals and steps moving forward with regards to any major decisions for the building and the space. This is especially important if the congregation has a role in the decision-making process.

## 9 Who else are we responsible for? Understanding our **neighborhood impact**.

As you are planning for your congregation's future, remember that you are part of a neighborhood and your decisions can affect the surrounding community. From spiritual guidance and community building, to providing the necessary social services for those in need, religious organizations often serve as a community anchor and provide a public value for the larger community. It is important to build relationships in your local neighborhood with residents and institutions and inform the community of your goals. It is helpful to also keep your local elected officials and Community Board updated. Getting support from community partners can help move your organization's plan forward.

## 10 What's next? Creating your **plan**.

Now that you have created a solid foundation of leadership, decision making, engagement, knowledge and mission-driven goals, it is time to start crafting a work plan that engages with all these steps. No matter which path you choose, it will likely take time, often years, which is why religious organizations should start this process with a long-term work plan.



For readers interested in resources and information on building maintenance and generating additional income streams, continue on to **Chapter 4**. For readers interested in selling or redeveloping a property, skip to **Chapter 5**. For readers who do not currently have their own space, jump to **Chapter 6**.



## CHAPTER 4

# So, you want to stay in place?

- 18 Landmarked Properties
- 20 Renovating Non-Landmarked Properties
- 21 Generating Income
- 21 Leasing and Sharing Space
- 25 Using Unused Air Rights



If you opened the Action Book here, please review **Chapter 3**, which includes a basic work plan that all religious congregations should adopt when planning for their future. After taking stock (**Chapter 3**), your religious organization may decide that staying in place makes the most sense for the congregation and the overall mission of your organization. To assist with maintenance costs, many religious organizations consider pursuing landmark status, applying for grants, establishing partnerships, leasing and renting available space, or even selling portions of their property. This chapter lists different scenarios your organization might want to consider to help “stay in place.”

## Landmarked Properties

Many of Manhattan’s religious organizations have property with landmark designations. The New York City **Landmarks Preservation Commission (LPC)** governs all properties that are designated as individual **landmarks** or are located within a historic district. In either case, any alteration to the exterior of the building must be approved by the LPC. It is also important to note that some buildings within a historic district are known as “contributing buildings.”

While the City maintains and administers historic designations at the city level, some buildings can be on the National or State historic preservation programs. The **National Register of Historic Places** is a list of buildings and sites of local, state or national importance. This program is administered by the National Park Service through the New York State Office of Parks, Recreation and Historic Preservation. The National Register is separate from the Landmarks Preservation Commission, although many of New York City’s individual landmarks and historic districts are also listed on the National Register.

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### KEY TERMS

**Landmarks Preservation Commission (LPC):** the agency responsible for protecting New York City’s architecturally, historically and culturally significant buildings and sites by granting them landmark or historic district status, and regulating them after designation

**landmark:** Properties designated with landmark status by the LPC have special historical, cultural or aesthetic value to the City of New York. The LPC must approve in advance any alteration, reconstruction, demolition or new construction affecting the designated building.



If you are unsure about your property you can look it up on the New York City Landmarks Preservation [mapping tool](#) **7**.

One of the most common challenges for all religious organizations, but especially for ones whose properties are landmarked, is the costs associated with repairs and upkeep. Most repairs made to the exterior of the building require approval by the LPC.

There are a few scenarios in which permits for maintenance work that meets the LPC Rules can be issued by staff. An example of this is the **Permit for Minor Work, Certificate of No Effect, Authorization to Proceed**. In addition, the LPC has an expedited review process called **Fast Track Service** which can approve completed applications in 10 days. Work that does not satisfy the LPC Rules must be reviewed by the LPC Commissioners at a public hearing.

The LPC has produced a guidebook to help permit applicants navigate the process and expedite staff-level approvals, as well as to help applicants submitting a complete application. Check out the [LPC Permit Guidebook](#) for a full overview of permitting **8**.

The New York Landmarks Conservancy, a New York City based nonprofit, maintains a hotline that can be a good first step for any landmarked property to inquire about repairs and restorations to a landmarked facility. Their staff can provide referrals to building professionals, contractors, realty professionals and technical services that can help navigate religious organizations through a restoration project. Call the hotline at [212.995.5260](#) **9**.

The New York Landmarks Conservancy also administers a [Sacred Sites Fund](#) **10**. This program provides religious organizations with matching grants for planning and implementing exterior restoration projects, technical assistance and workshops. Grants are awarded to assist with projects such as conditions surveys, architectural and engineering fees, roof replacements, masonry restoration, stained-glass restoration and structural repairs. Priority is given to essential repairs to the primary worship building.

For landmarked properties, **unused air rights** are one way to generate revenue for building repairs and renovations. See **Pages 10–11** for an introduction to air rights and TDRs. Obtaining a Special Permit pursuant to **Section 74-49 of the Zoning Resolution** through the City Planning Commission will allow a property to sell their air rights to a receiving parcel that is across the street or down the block from the granting parcel.



This Special Permit allows greater flexibility in finding a receiving site than the standard rule, which requires the receiving site to be adjacent to the granting parcel. This action would be subject to the City’s **Uniform Land Use Review Process (ULURP)** and the **City Environmental Quality Review (CEQR)** process (see **Page 37** for more about these regulations).

Additional resources and funding opportunities can be found in **Chapter 8**.

### **SEEKING LANDMARK STATUS**

A religious organization can petition the LPC to receive landmark status for their property. The LPC evaluates individual parcels and districts for their architectural, historical or cultural significance when granting landmark status. Potential landmarks and historic districts are identified by the LPC through surveys and other Commission-initiated research. Commission surveys and research may include properties suggested by members of the public. The LPC maintains a list of the [types and criteria](#) **11** of landmark properties and district online.

If you are considering pursuing landmark status, or the LPC is considering your building for the designation, consider the possible outcomes carefully:

### **OPPORTUNITIES**

- **Historical and cultural buildings in the City are protected for future generations**
- **Greater flexibility in selling air rights**
- **Financial grants and tax credit opportunities**

### **CHALLENGES**

- **Can restrict ability for property to maximize its monetary value**
- **Repair and maintenance costs can become cumbersome**
- **Landmarking may help solve the challenges of the building but will not assist membership decline**

## **Renovating Non-Landmarked Properties**

Any alterations or changes of use are subject to the standard rules and regulations of the New York City zoning and building codes. Proper permits from the Department of Buildings (DOB) are required for most renovation work. Learn more about how to obtain a permit [from the DOB](#) **12**.



# Generating Income

Religious organizations across the Borough have implemented programs that produce income streams to stabilize finances and fund ongoing maintenance or rehabilitation projects. Religious organizations can lease unused space to other organizations or provide programming that generates income. The sale of air rights is also an opportunity to generate revenue for building maintenance.

## NEW YORK HISTORIC TAX CREDIT PROGRAM

If your organization has an income producing property that is listed on the National Register of Historic Places you may be eligible for Federal and State tax credits to help pay for rehabilitation projects. The New York State tax credit must be used with the Federal Investment Tax Credit Program. Owners of income producing properties that have been approved to receive the 20% federal rehabilitation tax credit automatically qualify for the additional state tax credit if the property is located in an eligible census tract. Learn more [from the Department of Parks, Recreation and Historic Preservation](#) **13**.

## LEASING AND SHARING SPACE

Renting or leasing space presents new opportunities to generate income and expand community impact. In this situation, the religious organization serves as a landlord and is tasked with understanding what the building has to offer, what types of tenants it wants, and how it will meet its obligations as a landlord. Many religious organizations share their space for one-time events, performance and art groups, nonprofit organizations, community social services and more. However, moving to a longer-term tenancy model may be more financially sound. Long-term tenants can be helpful for investing in the building, helping to make repairs and contributing to long-term **capital improvement**.

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## KEY TERMS

**capital improvement:** any addition or alteration to real property that meets all three of the following conditions:

- It substantially adds to the value of the real property, or appreciably prolongs the useful life of the real property.
- It becomes part of the real property or is permanently affixed to the real property so that removal would cause material damage to the property or article itself.
- It is intended to become a permanent installation.



The Brooklyn Metro Chamber Orchestra performing at St. Ann & the Holy Trinity. (Source: PIANYC)

Religious facilities can be great spaces for events and often provide a unique atmosphere for event production. For example, in Brooklyn, **St. Ann & the Holy Trinity Episcopal Church** frequently rents out its space for concerts (pictured), art exhibitions and other cultural events. The church also leases out, on a long-term basis, an attached parish house to Saint Ann's School which provides a more stable income. The school renovated the space to better suit its needs, and in exchange for taking on the renovation costs, the church withheld charging rent for a period of time.

Another example is **St. Paul and St. Andrew United Methodist Church** in Manhattan which shares its space in ways that align with its core mission. Through space sharing, the church hosts an emergency food program that serves over a million meals a year, as well as service providers that administer food stamps application assistance and attorneys who help with immigration processes, housing issues, domestic violence issues and a job placement program. St. Paul and St. Andrew United Methodist Church also established a partnership with neighboring synagogue, **B'nai Jeshurun**, that houses a women's shelter onsite. All of these activities are managed by a shared calendar and the space is provided on a contribution basis. Proceeds are directed towards the maintenance of the space.





## BEST PRACTICES FOR LEASING AND SHARING SPACE

- **Staff Capacity and Operations:** Determine who will manage daily operations and maintenance of the building. When there are a large number of tenants, religious organizations may consider hiring a full-time building manager or an outside cleaning service. Additionally, security needs may vary from tenant to tenant.
- **Mission Alignment and Tenant Compatibility:** Ensure that the tenants and their activities align with the core fundamental beliefs of your congregation. It is also important to screen potential tenants for their organizational stability. Religious organizations should meet their tenants' executive staff and research their turnover rate and constituents to determine if a stable partnership can be formed.
- **Tenant Agreements and Approval:** Identify which parts of the property will be released, how, and for how long. Religious organizations should work with an attorney to draft a lease that specifically outlines the agreement timeline, what the landlord will provide, and what the tenant is responsible for paying (the agreed upon rent, maintenance, utilities, repair cost, any tax liabilities that arise from space use, etc.). The landlord may also want to create a **conflict of interest policy** to determine how intertwined the landlord's constituents and the tenant's constituents are permitted to be.



Dancers preparing to rehearse at St. Mark's Church in-the-Bowery (Source: St. Mark's Church in-the-Bowery)

- **Complying with Code:** Religious organizations will need to ensure that they are in compliance with building, fire and accessibility codes. The number of entrances and exits may change (as they are affected by occupancy numbers), fire plans should be updated, and an Accessibility Audit should be conducted to determine ways to provide accessible entry, egress and overall use of the building's facilities. This audit is especially important for communities considering renting out space for an early childhood center, which has more stringent building safety requirements.

Consult New York City's [Accessibility Toolkit and Resource Guide](#) **14** to review key requirements for accessibility.



- **Creating a Schedule:** Create a shared calendar of space usage to communicate when space is available.
- **Insurance:** Liability varies from tenant to tenant, and the changing building usage may affect insurance premiums.
- **Unrelated Business Income Tax:** The **Unrelated Business Income** Tax is meant to tax business income rather than passive investment income. Religious organizations should consult a tax attorney to review the lease and assess the tax consequences of the lease transaction.

**Passive rents can be taxable if:** **1** There are services performed by the landlord that are primarily for the benefit of the tenant, **2** more than 10% of the rent, under a lease, is attributable to personal property and has been provided by the landlord in connection with the use of space, or **3** the property is subject to certain mortgage debt.

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## KEY TERMS

**Unrelated Business Income:** Even though an organization is recognized as tax exempt, it still may be liable for tax on its unrelated business income. For most organizations, unrelated business income is income from a trade or business, regularly carried on, that is not substantially related to the charitable, educational or other purpose that is the basis of the organization's exemption.

## DEVELOPING PARTNERSHIPS

Developing partnerships with like-minded organizations can be a powerful tool to both further your mission and also find new avenues for income for facility maintenance.

A great example of a church that forged such a partnership is **Judson Memorial Church**. Parallel to its mission to be an inclusive, uncensored space to the community and a beacon for free speech, Judson Memorial Church rents out its space to organizations that push the boundaries of justice, art and worship. Judson Memorial Church has a Sunday service but is also regularly programmed by a variety of these groups. The space is rented for a fee, and those who align with Judson Memorial Church's mission are eligible for subsidized rent. The church's [space rental form](#) **15** offers a good template for gathering relevant information and identifying events that reflect an organization's mission and values.

**Partners for Sacred Places** is a national organization that helps religious organizations build capacity to better serve their neighborhoods as anchor institutions, while nurturing transformation and shaping vibrant, creative communities. They have published studies and guides on fundraising, sharing space and building repair and maintenance. Discover all they have to offer and read more about [their tools](#) **16**.



## Using Unused Air rights

Religious organizations who own their property might have unused air rights. In Manhattan, unused air rights can be quite valuable, and selling these rights could generate funds to help maintain or redevelop a property. Additionally, air rights can potentially provide these religious institutions with a financial asset base to fuel outreach and community development initiatives in their various neighborhoods, thereby expanding their various levels of influence and effectiveness. See **Pages 10–11** for an introduction to air rights and TDRs.

For example, **Bethel Gospel Assembly 17** in Harlem faced the need to build a larger sanctuary to accommodate a growing multi-cultural congregation and increased weekly gatherings of visiting international guests. This plan would also free the worship space in their existing building to accommodate a second congregation comprised of French speaking West Africans and Haitians who settled in Harlem. Bethel Gospel Assembly was approached by a developer who desired to build on what was originally the church's parking lot. To mutually accomplish both projects of building condominiums/rental space and a new adjoining worship center, the selling of unused air rights became the agreed upon option, and the church maintained its land ownership. Bethel Gospel received \$12 million up front and the developer agreed to build a state-of-the-art worship facility at the base of the tower. In addition, Bethel Gospel Assembly acquired ownership and management of the rental units in the tower, which provides ongoing revenue.

This transaction has equipped Bethel Gospel Assembly to maintain ownership during gentrification, while the church continues to remain a supportive pillar in the community and the City for years to come under an emerging leadership of millennials.

Founded in 1917, Bethel Gospel Assembly has gone through three major developmental stages amid corresponding socio-economic and quality of life shifts in the Harlem Community. In 1985 the Church moved into the former James Fennimore Cooper JHS, after purchasing the abandoned property at auction from the City for \$300,000 in 1982. With a down payment of one third the purchase price, New York City provided Bethel Gospel Assembly with a mortgage for the balance, which was paid off in the following decade, rendering the property debt-free.

The 150-member congregation integrated their sweat equity in renovation efforts along with a direct payment agreement with the contractor. The visionary membership, inspired by the potential benefit to the community, continued to invest through giving that remains the financial mainstay. This has enabled community initiatives such as an in-house shelter for men, prison outreach, food pantry and counseling center, as well as other service models. Bethel has also hosted Gun Buy Back, Operation Clean Slate, Youth Opportunity HUB, Emergency Response and other initiatives. The church currently occupies two buildings on their square block complex: the BGA Connection Center and the Destiny Worship Pavilion.



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## RESOURCES IN THIS CHAPTER

**7** [Discover New York City Landmarks](#), official map of the New York City Landmarks Preservation Commission  
nyclpc.maps.arcgis.com

**8** [LPC Permit Guidebook: How to Get Staff-Level Approvals, 2019 Edition](#) from the New York City Landmarks Preservation Commission  
nyc.gov/landmarks

**9** [212.995.5260](tel:212.995.5260) The New York Landmarks Conservancy Hotline  
nylandmarks.org

**10** [Sacred Sites Fund Grant Criteria](#), The New York Landmarks Conservancy  
nylandmarks.org

**11** [Landmark Types and Criteria](#), the New York City Landmarks Preservation Commission  
nyc.gov/landmarks

**12** [How to Obtain a Permit](#), the New York City Department of Buildings  
nyc.gov/dob

**13** [Tax Credit Programs](#), New York State Department of Parks, Recreation and Historic Preservation  
parks.ny.gov

**14** [“Accessibility Toolkit and Resource Guide for NYC Disability Service Facilitators”](#), the NYC Mayor’s Office for People with Disabilities  
nyc.gov/accessibilitytoolkit

**15** [Space Rental Form](#), Judson Memorial Church  
judson.org

**16** [Publications and Guides](#), Partners for Sacred Spaces  
sacredplaces.org

**17** [Bethel Gospel Assembly](#)  
bethelga.org



## CHAPTER 5

# So, you're going to redevelop?

- 28 Attorney General Approval
- 29 Community Facilities
- 30 Market Rate Housing
- 32 Affordable Housing
- 35 Basic Process and Timeline of Real Estate Development
- 36 Common Development Processes
- 38 Best Practices for Real Estate Development



If you opened the Action Book here, please review Chapter 3 before continuing with this chapter. **Chapter 3** includes a basic work plan that all religious congregations should adopt when planning for their future. After reading Chapter 3, this chapter will help guide religious congregations that wish to redevelop their sites. Many religious organizations, especially historic ones, own their building as well as a larger lot surrounding the main sanctuary structure. This additional space may already include a building, a parking lot, or perhaps sits vacant. When religious organizations begin considering redevelopment, the options can vary greatly according to their site, its constraints, ownership structures and location in Manhattan.

A religious organization must also consider which uses—residential, community, commercial or mixed-use—it would like to redevelop on its site. This variety of options can seem daunting, but at the same time it offers a unique opportunity to strengthen the congregation and surrounding neighborhoods by changing the built landscape. Whether you are redeveloping the entirety of your site or just a part of it, the following sections outline the main redevelopment tracks, considerations and challenges that religious organizations face in real estate redevelopment, and a best practices section.

## SELLING AND DISPOSITION

### Attorney General Approval

The first consideration religious organizations should be aware of is the role of New York State Attorney General's Office's (AG) Charities Bureau. The sale, mortgaging or leasing of a religious property, for a term exceeding five years, is subject to approval from the AG's Office pursuant to **Religious Corporation Law §12** and **New York State Not-for-Profit Corporation Law §511/ §511-a**. See **Page 8** for more about this requirement.

This oversight is meant to protect religious congregations and to ensure that the sale and redevelopment process is fair, mission enhancing, done correctly and lastly, is financially worthwhile for the religious organization. If you and your congregation are considering redevelopment, the AG's Charities Bureau will be one of your first stops. This is applicable to religious organizations that are not members of a hierarchical church like the Roman Catholic Church. The exempted, hierarchical denominations have legal authority to internally review the disposition process but will also require New York Supreme Court approval.



## 5 STEPS FOR AG APPROVAL



Contact the AG's Office and start working on your petition



Appraisal: the AG's Office views this as the foundational step religious organizations should take that informs the religious facility and the AG's process of approval



Review of what the deal offers, and when (timeline of project)



Review of development partners and stakeholders



Approval of petition or conditioned approval

## Community Facilities

Some religious organizations may want to develop their property into a new community space, which may or may not include space for the actual religious congregation. A potential advantage of this type of development is that it may not require the demolition of the entire site or building, which can reduce the costs of the project. Partial renovation might help with bringing in a new partner to share the property while using the renovated space for a new use, like St. Paul St. Andrew United Methodist Church, discussed on **Page 22**.

It is important to note that public funding for this type of project is harder to come by, which makes it more difficult when congregations retain ownership of the building or are looking to partner with developers or potential buyers. Funds for new community spaces are scarcer than those for affordable housing partly because there are restrictions for the separation between religious and secular uses in a shared building or within one organizational structure. Religious organizations may need additional funds for this sort of development (see **Chapter 8**). Religious organizations should pursue this path only if it truly reflects the congregation's needs and support, and if the project is financially feasible.

Alternatively, the redevelopment can include demolition of the entire interior and the creation of a completely new community facility, not for the use of the congregation (this would include sale of the property).



# Housing

## MARKET RATE

A more common and often more financially feasible development path is for residential uses. A residential project could be built as a market-rate development, with rents based on real estate market trends, or be designated as an affordable housing project. Additionally, a development could include some market rate and some affordable units. Religious organizations that choose to redevelop their properties into a mixed residential-community facility building allocate space for the congregation within the new building. This decision enables the religious organization to remain in their neighborhood, potentially receive a new, accessible worship space, and at times, receive additional cash or in-kind benefits from the developer.

Many variables impact the feasibility of a residential development on a site with a house of worship. These factors can help congregations as they think through this process and debate whether a market-rate or affordable housing project is right for them. A few important and initial development variables to consider include zoning restrictions that apply to the site and surrounding blocks, environmental conditions of the land and whether **remediation** is needed, real-estate market trends and the size of the site.

**Just as important are the internal considerations of a congregation: what are our financial and communal needs? What type of development would further our mission? What do members want to see if we partner with a developer? And what would our neighborhood want to see developed?**

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## KEY TERMS

**environmental remediation:** the removal of pollution or contaminants from water (both ground water and surface water) and soil, for the protection of human health, as well as to restore the natural environment

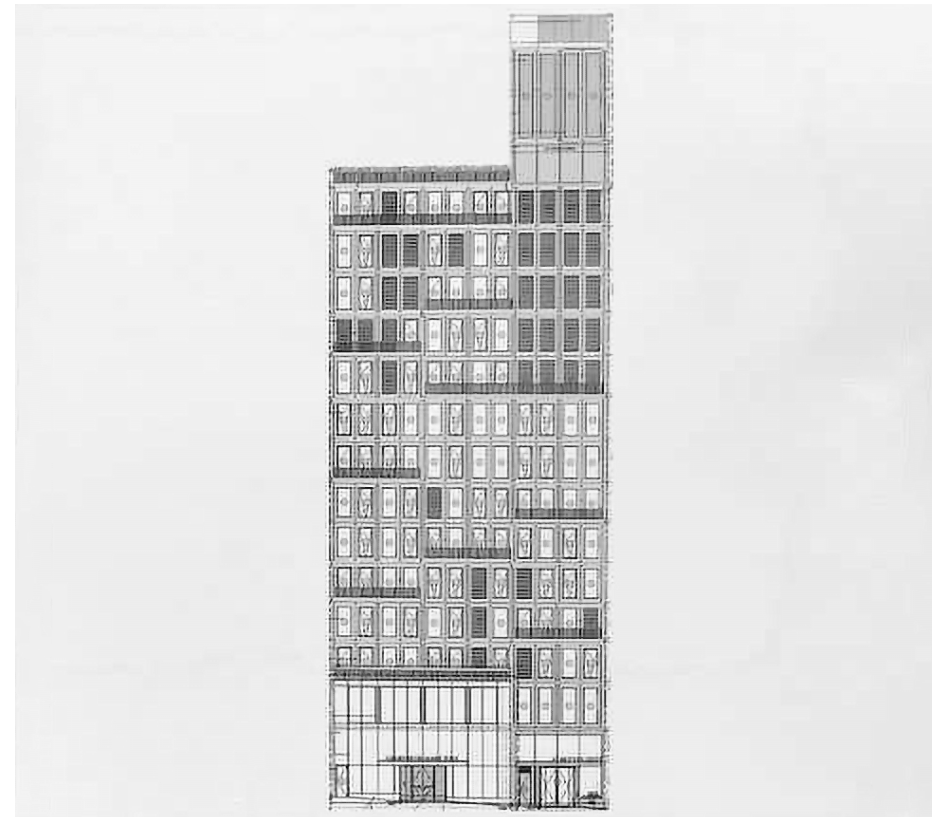
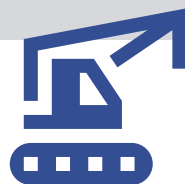




A recent example of a market-rate partnership between a developer and a religious organization is the **Shaare Zedek Synagogue**, the third oldest Jewish community in Manhattan, located in the Upper West Side. The synagogue building was demolished, and the site is currently in construction of a new 13-floor market-rate residential condominium building. The synagogue will own the basement and the first and second floors where it will house its main sanctuary, offices, community rooms and a long-term nonprofit tenant. Above the synagogue floors will be residential floors sold to private owners.

### TIPS FROM SHAARE ZEDEK LAY LEADERS

- Lead the process with open communication with the congregation because buy-in and support are crucial.
- Assemble a professional team of consultants, starting with an owner's representative. Development is complex and risky, and any successful project will require a solid team of professionals.



A rendering of the in-progress new development at 212 West 93rd Street  
(Source: CityRealty)



## Affordable Housing

A housing unit is considered affordable for the tenant if they do not pay more than 30% of their gross income on rent or mortgage. As housing prices continue to increase in New York City, finding affordable housing has become a difficult challenge for many individuals and families. Developing a religious facility into an affordable housing project plays a much-needed positive role in alleviating the need for affordable housing across New York City and offers those communities an opportunity to fulfill their mission in a new, responsive way.

For religious organizations interested in developing their site into an affordable housing project, a good way to proceed is to form a **Private-Public Partnership (PPP)** between the development team (usually the religious organization and developer) and a public agency. A PPP has the benefit of access to government resources. The involvement of City, State and/or Federal agencies reduces the risks associated with a real estate transaction and enhances the economic viability of a development project.

In New York City, [The New York City Department of Housing Preservation and Development \(HPD\)](#) **18** is one of several government agencies that religious organizations should engage with when preserving housing or developing new construction projects.

HPD is the largest municipal housing preservation and development agency in the country. HPD's mission is to "promote housing equality and create and sustain viable neighborhoods for New Yorkers through housing education, outreach, loan and development programs and enforcement of housing standards."

Congregations should engage the agency's Planning & Predevelopment and New Construction Divisions during the initial stages of project conception to understand financing options and development potential. Although having HPD as a partner is crucial, religious organizations should be aware that the City's regulations are complex and require patience and a high level of expertise when conducting real estate development transactions. HPD provides financing for real estate projects through low interest rate loans and subsidies. Several divisions of HPD provide technical support to the development partners throughout the project.



## TIPS FOR GETTING STARTED

- Religious institutions should seek to hire attorneys, architects and underwriters who are experienced in working with the City on affordable housing projects. Professional construction monitors and Owner's Representatives are key consultants who can provide invaluable assistance to faith-based institutions and comprise the development team, which functions as consultants and advocates for the faith-based institution throughout the real estate development process.
- Religious organizations should partner with experienced developers who have successfully completed transactions with the City. Ideally, these partners should have recent experience with affordable housing and mixed-use (residential, commercial, community facility) developments.
- Zoning and land use expertise are important when developing on city-owned land. Faith-based institutions should know how to navigate the Uniform Land Use Review Procedure (ULURP).
- Prior to the closing process, developers should clear all violations related to their properties or projects.
- Post financial closing, owners and developers should hire professional construction monitors to confirm that the project is closing on time and within budget. need to have cleared any violations related to their projects or properties. This can take time, so religious congregations should account for these steps in the project's timeline.

HPD maintains a list of firms that have already been evaluated for working with New York City on HPD/HDC-financed projects: the [Pre-Qualified List \(PQL\) of Owner's Representatives](#) **19**.

In addition to public resources, there are private nonprofits that can offer substantial support for religious organizations that choose to develop affordable housing on their sites. Some prominent organizations to consider are: [Enterprise Community Partners](#) **20**, [LISC NYC](#) **21**, the [New York State Council of Churches](#) **22**, [Bricks and Mortals](#) **23** and [Kingdom Faith Developers](#) **24**. All offer technical and professional services and some offer financial support as well. Read more about these organizations in **Chapter 8**.



A recent example of an affordable housing redevelopment of a church in Manhattan is the **Rocky Mountain Baptist Church in Washington Heights**. The new building, which is slated to close on financing in the coming year, will include a new, state-of-the-art space for the church, that will have a sanctuary, community rooms and offices. The building's upper floors will be dedicated to providing 100% affordable senior housing. The project is on a site that posed several physical challenges which, coupled with previous zoning regulations, made redevelopment difficult. Recent City programs and zoning exemptions that reflect the City's commitment to develop affordable housing, like the **Zoning for Quality and Affordability (ZQA)** amendment, made the project viable. The development team includes Rocky Mountain Baptist Church, a private for-profit developer and [RiseBoro 25](#), a large nonprofit affordable housing developer.



Above and at left: Renderings of the new, mixed-use site under development (Source: Rocky Mountain Baptist Church)



### TIP FROM ADAM ZEIDEL OF COCONUT PROPERTIES

“It took many months to create trust between members of the church and our team. The process required patience and motivation from both sides. Make sure to provide the time and resources to foster these partnerships.”



# Basic Process and Timeline of Real Estate Development

## 1 Predevelopment

- Includes assemblage of development team, due diligence as related to site conditions, architectural design, permits and approvals, public review process.

## 2 Construction financing closing

- Financing of a real-estate transaction includes two main stages: during construction and post-construction/permanent financing.
- After all predevelopment requirements and permits are achieved, closing on construction finance may take place.
- For affordable housing this usually takes place in December or June.

## 3 Construction

- Depending on scope of work, can take up to two years.
- Construction monitoring and management are active the whole time.
- Relocation during construction might affect religious organizations.

## 4 Conversion to permanent financing

- Planning for this commences as construction is wrapping up.
- This is a complex process that involves many of the project's stakeholders.

## 5 Lease up and operations

- Towards the end of construction, the development team needs to prepare for occupancy and lease-up. This stage requires many approvals from government agencies to confirm habitability of a building, and it can take multiple months.
- For affordable housing, this includes marketing for, conducting, and selecting tenants from a housing lottery via HPD's Housing Connect Website. It is important to note that congregations cannot designate affordable housing specifically for their membership or anyone in particular. To assist your congregants looking to enter the Housing Connect lottery connect them with HPD's [Housing Ambassador Program](#) **26**.
- As a building opens up, a management company or division within the developer's company or organization manages building operations.

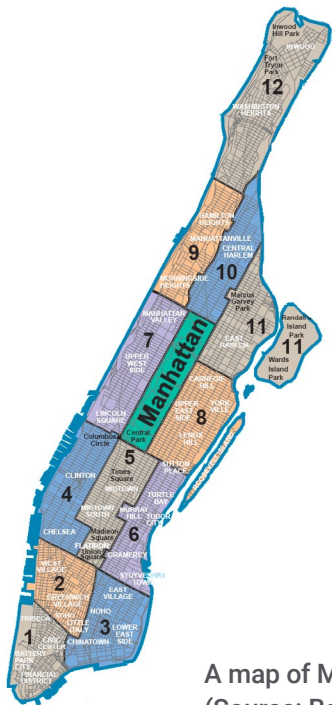


# Common Development Processes

Pursuing real estate development in New York City often requires interactions with various community-based or government-required systems and processes. Some of these are mandatory—like environmental review or the Uniform Land Use Review Procedure (ULURP) process—while others are advisory, albeit often beneficial for a developer seeking community or political support for a given project. Below are descriptions of the common developmental processes religious congregations may encounter in their development process. Awareness of, and effective engagement with, the many potential stakeholders affected by a given project will help move a project forward.

New York City is divided into, among other legislative jurisdictions, Community Board districts (CB). Community Boards are made up of local residents and stakeholders who volunteer their time to focus on a variety of issues that concern the community. These Boards offer meaningful ways for residents to get involved with local issues, organize themselves and advocate for relevant changes or projects with City agencies and/or elected officials. It is common for developers, both non- and for-profit, to attend a CB meeting to present a project. Attending such a meeting can help religious institutions get a sense of community needs and garner support from the Board. Although CBs do not hold any legislative authority, they are integral in the ULURP process (if a rezoning or other land use action were required) and working in good faith with them can help improve and promote a development project.

[Look up your community district](#) **27** to find your CB's contact information, meetings and local updates. In general, building a relationship with your CB is important because of the importance of religious facilities to the neighborhood landscape.



A map of Manhattan's 12 Community Districts (Source: Baruch College NYCdata)



## REZONING IN NEW YORK CITY

New York City's zoning regulations that determine what can be built, where, what size and for which uses. Although most development projects occur **as-of-right**, some require a change in zoning that triggers a public process called the **Uniform Land Use Review Procedure (ULURP)** that typically can take about seven months. Rezoning applications can be pursued by an individual applicant, a local community or a City agency. If a project requires going through ULURP, religious organizations should be mindful of the time, cost and energy implications of the ULURP process. It is strongly advised that you hire a consultant who has experience working with ULURP applications to help shepherd the project through the process.

The Center for Urban Pedagogy (CUP) offers a number of illustrated guides to introduce city planning topics like ULURP, including "[Zoning It In](#)," <sup>23</sup> an exploration of neighborhood rezoning.

The Department of City Planning maintains a public portal of ongoing rezonings—the interactive [Zoning Application Portal \(ZAP\)](#). <sup>29</sup>



The ULURP process can have several phases of review. (Source: the New York City Charter Revision Commission 2019.)



The ULURP review process has several phases of review:

## ENVIRONMENTAL REVIEW

Environmental reviews of a real estate development project are highly technical processes that take place for various reasons related to a specific project. ULURP, for example, triggers the requirement for the City's mechanism known as **City Environmental Quality Review (CEQR)**. Environmental reviews can be executed by Federal, State or local agencies, depending on the specific project. For most reviews triggered by land use changes in New York City, the Department of City Planning (DCP) is the lead agency of the process, although the actual document is prepared by the applicant (i.e. the developer). Environmental reviews can dictate changes to a real estate development project to mitigate the potential project-generated negative impacts. Development teams can get technical support from DCP as to whether they need to produce an environmental review and, if so, how they should get started.

The DCP has more [resources on its website](#) **30** that breakdown the complicated process of environmental review.

## Best Practices for Real Estate Development

- **Do your due diligence:** start the process with as much information as possible. Know your assets and their financial worth (which can be determined through an appraisal), legal constraints (title on the property, affiliation with a hierarchical church, requirements for attorney general involvement, etc.) and needs. Speak with public and private organizations that can offer support and resources. See **Chapter 3** for more tips.
- **Consider your congregation's needs as well as needs of the broader community in which the congregation is located.** Ask yourself: what are the biggest land use or social justice issues facing your congregants and the neighborhood at large? Is there a community plan that your organization can reference as part of this due diligence? Review, discuss and consider those needs with your own members to craft a plan that works for you.
- **Put out a Request for Proposals (RFP) and don't wait for developers to approach you.** Once you know what you want, be proactive in soliciting proposals. It is better to review multiple proposals than from one developer only, and you should interview candidate developers and conduct reference checks. If a detailed RFP is too difficult or costly then craft an open letter or non-binding term sheet to get the process started.





- **Further protect the congregation and offer more control by considering a **ground lease** or a contract for the delivery of the space that is recorded on the property.** This is beneficial to the developers or tenants because ground leases provide access to well-located land that otherwise may be difficult to buy. For the congregation, a ground lease provides a payment to the faith based organization, while allowing them to retain ownership of land. If a developer could not finish a project, a ground lease, which is recorded on the property, protects the congregation from being left without their land.
- **Have a professional development team (not members of the congregation) and make sure to vet them properly before bringing them on board.** Even if congregants are professionally involved with real estate it is also recommended to work with external consultants who can fill gaps in expertise. This team should include an attorney, architect, owner's representative and environmental consultant. If the project involves affordable housing development, the congregation should consider assembling a team from HPD's list of pre-qualified Owner's Representatives.
- **Recognize the delicacy and complexity of the process in terms of the loss of the original building, how these changes might impact congregants, and the development process itself.** Development projects may take numerous years to complete and the congregation must be in agreement and in continuous communication.
- **Religious organizations should not overspend upfront.** Some nonprofit entities offer initial grants (see **Chapter 8**) and many consulting firms are often willing to have initial conversations and preliminary analysis completed for free or a low cost upfront.

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## KEY TERMS

**ground lease:** Ground leases or land leases are a lease of the land only. A ground lease separates ownership of the land from ownership of the building and improvements constructed on the land.



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## RESOURCES IN THIS CHAPTER

**18** [The New York City Department of Housing Preservation and Development \(HPD\)](#)

[nyc.gov/hpd](http://nyc.gov/hpd)

**19** [Pre-Qualified List \(PQL\) of Owner's Representatives](#), the New York City Department of Housing Preservation and Development

[nyc.gov/hpd](http://nyc.gov/hpd)

**20** [Enterprise Community Partners](#)

[enterprisecommunity.org](http://enterprisecommunity.org)

**21** [Local Initiatives Support Corporation New York City \(LISC NYC\)](#)

[lisc.org](http://lisc.org)

**22** [New York State Council of Churches](#)

[nyscoc.org](http://nyscoc.org)

**23** [Bricks and Mortals](#), a project of Judson Memorial Church

[judson.org/bricksandmortals](http://judson.org/bricksandmortals)

**24** [Kingdom Faith Developers](#)

[kingdomfaithdevelopers.org](http://kingdomfaithdevelopers.org)

**25** [RiseBoro Community Partnership](#)

[riseboro.org](http://riseboro.org)

**26** [Housing Ambassador Program](#), the New York City Department of Housing Preservation and Development

[nyc.gov](http://nyc.gov)

**27** [Community Boards](#), portal from the Mayor's Community Affairs Unit

[nyc.gov](http://nyc.gov)

**28** [Zoning It In](#), a 2017 guide from the Center for Urban Pedagogy (CUP)

[welcometocup.org](http://welcometocup.org)

**29** [Zoning Application Portal \(ZAP\)](#), New York City Department of City Planning

[zap.planning.nyc.gov](http://zap.planning.nyc.gov)

**30** [Environmental Review Process](#), New York City Department of City Planning

[nyc.gov](http://nyc.gov)



## CHAPTER 6

# What if you don't have or are seeking property?

42 Needs of Religious Organizations Without Spaces

43 Partnerships and Unconventional Spaces



## Needs of Religious Organizations Without Spaces

There are some religious organizations in New York City that do not have a permanent space to worship. These are often newer, non-denominational or non-affiliated organizations. While these religious organizations have shown great creativity in finding solutions for their respective communities—leasing space from other religious organizations, private schools, movie theaters or offices—they also face several financial and organizational challenges. These organizations struggle to find adequate space that includes a large prayer room, community rooms and storage space for their equipment. While not having a permanent space can have advantages, these organizations struggle with anchoring themselves in a given community. Engagement with the broader community is inherent to many religious organizations' mission. Inability to secure a permanent space hinders these types of religious organizations to develop networks and relationships that strengthen both the religious congregation and the broader neighborhood.



### NEWER CONGREGATIONS

[Liberty Church](#) <sup>31</sup> is one of the newer churches in New York City with several locations that have each been operating without a permanent location. As a non-denominational church, they have utilized various spaces across the City, including ballrooms, music schools and movie theaters (pictured). Although the congregations each number below 250 in weekend attendance, Liberty Church is growing and would prefer to have a stable home in their respective neighborhoods. According to its Upper West Side Pastor, Danny Best: Church planting is growing, especially in New York City, and we need space resources. The future is bright but it is also challenging.” Pastor Best is hopeful that creative thinking and partnerships among neighborhood institutions will help both established and new religious organizations to thrive in the City.



# Partnerships and Unconventional Spaces

Not having a permanent space can create opportunities to foster partnerships among organizations in a similar situation and with other religious and neighborhood institutions.

First, religious organizations that lack space should know that there are other similar organizations in the City they could potentially partner with, such as [Redeemer City to City](#) <sup>32</sup>, a nonprofit that trains and coaches Christian leaders in cities on [church planting](#). For the Jewish community, the [Emergent Jewish Network](#) <sup>33</sup> also serves to connect unaffiliated Jewish people to a meaningful practice through networking and resources.

In addition to other organizations with similar needs for space, there are more established religious organizations that are open to sharing spaces. Creating a network or working group among these religious organizations can foster information sharing, advocacy opportunities and mutual support. As many older religious organizations struggle to maintain their own buildings, opportunities for space sharing with newer communities increase.

An example of a successful partnership between a church and synagogue can be found in a partnership between two Manhattanville congregations: [Romemu Synagogue and West End Presbyterian Church](#) <sup>34</sup>. For many years Romemu, a renewal synagogue founded in 2006, rented space from a neighboring YMCA, as they did not own property until recently. As their congregation grew, they realized they needed a larger space and noticed the church across the street, West End Presbyterian Church, which has a large sanctuary and was established in 1888. A relationship was formed, and a long-term partnership began to develop. The congregations quickly utilized the distinct services schedule to figure out how to share spaces.

According to Jeff Cahn, the Executive Director of Romemu: “It works beautifully. When we have scheduling issues we work together as partners to accommodate the various needs. We recently bought that YMCA building, but it is not as big as the sanctuary of the church. We consider the area as a whole campus. Between these two buildings we are able to answer the needs of both congregations. We view this as a deep partnership. We do not only share spaces—we do classes and events together. We have relationships between congregants. This takes time but is very important.”

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## KEY TERMS

**church planting:** The act of establishing a new church.



### TIPS FROM JEFF CAHN, ED OF ROMEMU

- Have an open mind and don't be afraid of working with people of a different faith traditions. Recognize synergy opportunities when it is available and can work for both partners.
- View the relationship as a long-term partnership, which takes time and dedication to nurture.
- There should be a written understanding that outlines the official aspects of the relationship.



Partnering with private or public schools can also yield a potential collaboration for religious organizations without space. Fostering a relationship with a public school is more complicated and perhaps might be improved by future policy changes or, for now, by gaining support from a local City Council member. Religious organizations can also think creatively about their actual needs and which unexpected spaces could work, such as offices of a large nonprofit, event spaces or even pop-up opportunities in areas with substantial retail vacancy. Organizations should be proactive in their partnership building and look for opportunities in their neighborhoods.

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### RESOURCES IN THIS CHAPTER

**31** [Liberty Church](#)

libertychurch.com

**32** [Redeemer City to City](#)

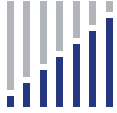
redeemercitytocity.com

**33** [Emergent Jewish Network](#)

jewishemergentnetwork.org

**34** [“The Romemu Campus: A Body to House Romemu’s Soul”](#), poster advertising an online town hall (2018)

romemu.org



## CHAPTER 7

# Policy Recommendations

- 46 **Community-Generated Resource Network**
- 46 **Resourcing Congregations for Development or Sale**
- 47 **Access to Capital Funding**
- 50 **Sole Sourcing of City-Owned Property for Development**
- 50 **Air Rights**



In our discussions with the MBPO RFTF stakeholder group, we have collected the below key points as possible policy initiatives to assist religious facilities protect and develop their properties. While the below subjects illustrate some of the action steps that may be taken thus far in our research, this chapter broadly lists topics that will be further discussed, revised and adjusted in the future.

## **Community-Generated Resource Network**

An online platform for community-generated data for religious facilities is much needed. While it is agreed upon that many religious facilities welcome the opportunities of space-sharing and leasing space for additional income, there is a lack of infrastructure to support knowledge sharing about existing properties. This platform could be administered either by a City agency or nonprofit and could assist in connecting property owners to the many artists, small businesses, nonprofits or congregations seeking new spaces, and could list unused or underused space within buildings, the design specifications of these spaces, the available social services that currently exist within the property, and contact information. The community-generated data of spatial needs and existing property assets would be beneficial for both the social and land use needs of congregations.

## **Resourcing Congregations for Development or Sale**

It has become clear that religious communities require additional support in navigating the complex systems and structures that surround property ownership and development so as to protect against fraud and abuse. **The New York Land Opportunity Program (NYLOP)** connected religious facility property owners to legal assistance, nonprofit developers, local Community Boards, City agencies and more to assist in the development of their properties for the purpose of affordable housing. Having access to and sufficient resources for key stakeholders and players involved in land use processes and/or pre-development assistance would be beneficial for faith institutions in connecting with experienced and unbiased professionals. The City should expand upon the successes and adjust based on lessons learned to provide support for professionals to assist faith-based institutions develop their properties when appropriate.

These increased resources should be provided through the NYC Department of Housing Preservation and Development to those organizations and further build out and support the pre-qualified list of Owner's Representatives. This would ensure experts who are able to assist faith-based communities in the extensive pre-development work necessary to build affordable housing are ensured reimbursement of a portion of their expenses should a project not be fully completed.





Furthermore, the Charities Bureau of the Attorney General’s Office should be equipped and authorized to provide additional guidance and support to faith-based institutions to ensure they are not taken advantage of during a sale. Too many religious facilities have changed hands under the cloud of fraud, abuse or unfair dealings and result in major financial or structural issues for the nonprofit organization as a result. Empowering the Office of the Attorney General with greater authority in overseeing such transactions would both provide a greater deterrent against bad actors and provide a stronger foundation for the at-risk facilities and communities seeking a fair transaction.

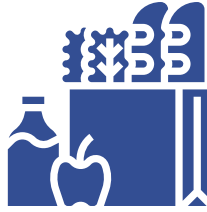
The forms submitted to the Attorney General should be updated to include questions identifying whether or not any parties involved are insiders to the congregation or institution and thereby may have a conflict of interest or relational complication. The forms should also include timelines and narratives describing the dates and circumstances of how the deal was commenced (i.e. a short timeline initiated by the purchaser or patient timeline established through response and selection from a formal RFP). Insider relationships, shortened timelines and deals initiated by the purchaser could all be red flags that initiate a “closer look” level of scrutiny by the Charities Bureau to ensure the deal is free of fraud, abuse or unfair practices.

## **Access to Capital Funding**

Access to public program, discretionary and capital funding is practically impossible for most religious facilities, no matter how much they are utilized for secular and/or public purposes. These processes are arduous and have very specific, changing guidelines, which are often impossible to tackle with a very small number of paid staff—even if the institutions are supporting important public work.

Current interpretations of established law concerning the separation of church and state make funding opportunities difficult to navigate when a “religious facility” is involved. However, recent federal stimulus funding programs have provided support to houses of worship and faith-based communities, so there is recent justification for funding restrictions to be reviewed and updated to current circumstances.

Clarification and guidance as to definitions, sources, uses, restrictions and regulatory oversight post-funding is needed. This could include the opportunity for religious facilities to receive a qualifying designation if their properties fall under historical landmark designation, cultural site designation, or adhere to a particular percentage of public/social use. This designation could require and incorporate a regulatory agreement to ensure long-term compliance.



## PUBLIC GOOD

Many religious facilities provide significant secular social programs, resources and space usage and have portions of their facilities that rarely, if ever, are used for religious purposes. Allowing for these facilities that act as significant public and social resources to access capital funding to maintain the facilities used primarily for secular public benefit would aid public officials and agencies to support valuable cultural and publicly accessed spaces for the common good.

Additionally, new climate change mitigation laws requiring the retrofitting of buildings to reduce the City's carbon footprint or be made ADA accessible do not exempt religious institutions. And while it is in fact necessary for all buildings to undertake design conscious and energy efficiency upgrades for the benefit of the environment and broader public, these alterations are very costly—especially for buildings that may be centuries old. It is in the public interest to allow access to public funding for religious communities that otherwise will not be able to fulfill these new building standards.

## HISTORICAL LANDMARKS

Religious facilities that have been landmarked or are located in a historic district have external requirements placed upon their facilities beyond their internal control and disconnected

from their current use. They are also limited in opportunities to increase revenues through building alterations or development because of the value their buildings are collectively perceived to have for the larger public experience, neighborhood character and historical significance.

However, restrictions on public funds being used for maintenance of these publicly restricted properties create an unfunded mandate that many sites are unable to meet. Restrictions for historically landmarked religious properties should be eased to ensure these publicly significant buildings could access the public resources needed to fulfill their publicly required maintenance and upkeep mandate.

Should a new development occur in a designated historic district, it should be made mandatory that the developer pays into a **historic district fund** that could be accessed by nonprofit organizations that support preservation in the area. For example, while this fund may not be used for religious-affiliated purposes, it may be used by neighborhood religious facilities in historic buildings to fund its upkeep and preservation as well as any development to retrofit buildings to be ADA accessible or environmentally sustainable.

Significant tax credits and financial assistance should be provided for religious facilities in historic districts and non-historic districts to maintain and restore their buildings. This would include historic properties not in historic districts and non-designated historic properties.



## CULTURAL SITES

There are many religious facilities throughout the borough and city with significant cultural meaning and history, but may not meet the criteria for or been designated as a historical landmark. Yet it is still important for these sites with deep and rich cultural significance—often located in low-income communities of color less likely to receive such landmark designation—to maintain their properties for the good of the community. Without such support, these future historic landmarks are at risk of falling into such disrepair due to lack of resources. **Establishing a mechanism for these important religious facilities to pursue a “cultural site” designation with approval from local community and elected officials could provide opportunities for early intervention for religious facilities at risk of predatory development and cultural displacement.**

Properties that fall outside these three criteria may need to consider **condo-ization** to separate out areas within an existing structure for strictly secular use. Funding then becomes available for the non-religious portion, as demonstrated in the case study of St. Paul & St. Andrew United Methodist Church (see **Page 22**). Yet even when qualified for the City’s capital funding, the installation of an ADA ramp leading into the food pantry in the church’s condo-ized basement required years of conversation between representatives from the church and the pantry, the local Council Member and the NYC Office of Management and Budget (OMB) to navigate through a then-uncharted funding process. This example highlights the need for codification and publication of processes by agencies such as the OMB so that condo-ized facilities can apply for and secure public funding.

Codification and publication of processes for condo-ization of facilities should be established should these definitions or guidance not be clarified and made accessible on a much greater scale.

Additionally, new climate change mitigation laws requiring the retrofitting of buildings to reduce the City’s carbon footprint, do not exempt religious institutions. And while it is in fact necessary for all buildings to undertake environmentally conscious and energy efficiency upgrades, these alterations are very costly—especially for buildings that may be centuries old. It is in the public interest to allow access to public funding for religious communities that otherwise will not be able to fulfill these new building standards.

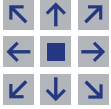


## **Sole Sourcing of City-Owned Property for Development**

Should a City sell property or its air rights, it should give a right of first offer or refusal to any faith institution or nonprofit that is next to or adjacent to such property.

## **Air Rights**

Potential receiving sites for air rights transfers by houses of worship and nonprofits should be expanded, however, these transfers must be aligned with mission-consistent development, more specifically for affordable housing. Air rights from religious facilities should be allowed greater flexibility for transfer to an appropriate receiving site within a defined district for the purpose of affordable housing development.



## CHAPTER 8

# Resources and Further Reading

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- 57 **Funding and Grants for Landmarked or Historic Sites**
- 59 **Lending and Finance**
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- 63 **Acknowledgments and Thanks**
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## Government Entities

### Manhattan Borough President's Office (MBPO)

The Manhattan Borough President Office initiated a Religious Facilities Task Force that has brought together stakeholders to meet and discuss strategies around issues congregations are facing as it relates to development pressures and the impact it is having on communities. Presentations from the NYC HPD, LPC, the NY State Attorney General and others—along with meeting agendas and minutes—can found at the MBPO site: <https://www.manhattanbp.nyc.gov/rftf/>

### New York City Community Boards

Community Boards facilitate the participation of citizens with City government agencies and their communities. Community boards are made of appointed members and hold monthly public meetings. Community boards are an important step in many land use processes like ULURP. Many boards have land use sub-committees that discuss land use action proposals within the community board district. Find your Community Board: <https://www1.nyc.gov/site/cau/community-boards/community-boards.page>

There are numerous resources that religious organizations can use to gain technical and financial assistance through governmental and nongovernmental agencies. The following is a list of entities and programs that can be consulted as you think through and execute your plan.



### **New York City Housing and Preservation Department (HPD)**

HPD is responsible for implementing Mayor Bill de Blasio's Housing New York 2.0, a plan to create or preserve 300,000 units by 2026. Religious organizations that are considering adding housing to their site as part of an adaptive reuse or rehabilitation project should engage HPD early in the process to discuss financing options and understand their development potential. More info: <http://www.nyc.gov/hpd>

### **Department of City Planning (DCP)**

DCP administers New York City zoning regulations. Religious organizations that are seeking to alter the use or make building alterations that are not "as of right" will be required to go through New York City's Uniform Land Use Review Procedure (ULURP). More info: <http://www.nyc.gov/planning>

### **New York City Landmarks Preservation Commission (LPC)**

The Landmarks Preservation Commission (LPC) is responsible for protecting New York City's architecturally, historically and culturally significant buildings and sites by granting them landmark or historic district status, and regulating them after designation. There are more than 37,000 landmark properties in New York City, most of which are located in 149 historic districts and historic district extensions in all five boroughs. More info: <http://www.nyc.gov/landmarks>

### **State Historic Preservation Office (SHPO)**

New York's State Historic Preservation Office (SHPO) helps communities identify, evaluate, preserve and revitalize their historic, archaeological and cultural resources. The SHPO administers programs authorized by both the National Historic Preservation Act of 1966 and the New York State Historic Preservation Act of 1980. These programs—including the Statewide Historic Resources Survey, the New York State and National Registers of Historic Places, the federal historic rehabilitation tax credit, the Certified Local Government program, the state historic preservation grants program, state and federal environmental review and a wide range of technical assistance—are provided through a network of teams assigned to territories across the state. More info: <https://parks.ny.gov/shpo/>

### **New York State Attorney General (AG)**

Sales of religious properties are subject to approval from the Attorney General's office. Nonprofit organizations should start at: <https://www.charitiesnys.com/>

### **Department of Buildings (DOB)**

Religious facilities are classified (M) in DOB building type codes. Landmark designated properties that are seeking to do work to the exterior of their building beyond "standard maintenance" will need to obtain a Department of Buildings permit as part of their application to the Landmarks Preservation Commission. More info: <http://www.nyc.gov/buildings>



### **New York City Mayor’s Community Affairs Unit (CAU)**

Under the current mayoral administration, the New York City Mayor’s Community Affairs Unit (CAU) has a Center for Faith and Community Partnerships. The purpose of this Center is to serve as a direct line to City Hall, connecting local and citywide coalitions of leaders to services that increase equity and inspire civic engagement throughout our neighborhoods.

More about the CAU: <https://www1.nyc.gov/site/cau/index.page>

More about the Center for Faith and Community Partnerships: <https://www1.nyc.gov/office-of-the-mayor/news/015-17/mayor-de-blasio-new-center-faith-community-partnerships/>

### **New York City Mayor’s Office of Environmental Remediation (OER)**

Under the current mayoral administration, The New York City Mayor’s Office of Environmental Remediation (OER) is a team of scientists and engineers that design and operate municipal programs to promote cleanup and redevelopment of vacant contaminated land in NYC. More info: <https://www1.nyc.gov/site/oer/index.page>

### **National Park Service**

The National Park Service develops national standards and guidelines for preserving, rehabilitating, restoring and reconstructing historic properties. They also provide the tools and information that historic property owners, preservation professionals and organizations, and government agencies at all levels need to care for the nation’s historic properties. The National Park Service administers the Historic Tax Credit program which religious organizations are eligible to apply. More info about the Historic Tax Credit program: <https://www.nps.gov/tps/tax-incentives.htm>





# General Funding and Grants

## **New York City Council: Capital Funding Requests for Nonprofit Organizations**

Religious organizations are eligible to apply for Capital Grants through New York City. These grants will only fund secular uses within a religious organization. This means that a religious organization usually needs to set up a separate nonprofit entity which will manage the grants and uses.

The CapGrants program: <https://www1.nyc.gov/site/capitalgrants/index.page>

Guidelines for Applicants: <https://www1.nyc.gov/site/capitalgrants/guidelines/guidelines.page>

## **Manhattan Borough President: Manhattan Community Award Program**

The Manhattan Community Award Program (MCAP) provides small reimbursement based funding awards (for secular uses) of up to \$3,500 to nonprofit organizations and public schools. Each award is contracted through one of four City agencies selected by the applicant: Department for the Aging (DFTA), Department of Correction (DOC), Department of Education (DOE) and the Department of Health and Mental Hygiene (DOHMH). Proposals must relate to the selected agency's overall mission and goals. More info: <https://www.manhattanbp.nyc.gov/funding/community-grants/>

## **New York City Council Discretionary Funds**

The New York City Council awards discretionary funding every year to nonprofit organizations providing community-based services. Organizations receiving awards are required to have an approved NYC Health and Human Services (HHS) Accelerator Prequalification Application, among other eligibility criteria. The HHS Accelerator Prequalification Application: <https://www1.nyc.gov/site/mocs/partners/complete-the-clearance-process.page>

## **State of New York: The Governor's Office of Faith Based Community Development Services**

The Governor's Office of Faith Based Community Development Services helps build capacity by working with the State Nonprofit Coordinating Unit to connect faith-based community organizations with grant opportunities, as well as an aid in completing grant applications. More info: <https://www.ny.gov/programs/governors-office-faith-based-community-development-services>

## **State of New York: Historic Tax Credit Program**

This credit must be used with the Federal Investment Tax Credit Program for Income Producing Properties. Owners of income producing properties that have been approved to receive the 20% federal rehabilitation tax credit automatically qualify for the additional state tax credit if the property is located in an eligible census tract and the Part 2 and Part 3 state fees have been paid. Owners can receive an additional 20% of the qualified rehabilitation expenditures, up to \$5,000,000. More info: <https://parks.ny.gov/shpo/tax-credit-programs/>



### **State of New York: The Nonprofit Infrastructure Capital Investment Program**

The Nonprofit Infrastructure Capital Investment Program (NICIP) makes targeted investments in capital projects that improve the quality, efficiency and accessibility of nonprofit human services organizations that provide direct services to New Yorkers. Targeted investments include renovations or expansions of existing space used for direct program services; modifications to provide for sustainable, efficient spaces that would result in overall energy and cost savings; accessibility renovations; and technology upgrades to improve electronic records, data analysis, and/or confidentiality. More info: <https://www.budget.ny.gov/pubs/archive/fy20/exec/agencies/appropData/NonprofitInfrastructureCapitalInvestmentProgram.html>

### **U.S. Department of Health & Human Services: Community Service Block Grant Funds**

The Community Services Block Grant (CSBG) provides funds to alleviate the causes and conditions of poverty in communities. Funds projects that address the needs of low-income individuals including the homeless, migrants and the elderly and/or provide services and activities addressing employment, education, better use of available income, housing, nutrition, emergency services and/or health. Many religious organizations serve these populations and could benefit from additional CSBG funds to their neighborhood. More info: <https://www.acf.hhs.gov/ocs/programs/csbgr/about>

### **City Ventures Fund (New York Landmarks Conservancy)**

The City Ventures Fund works with nonprofit organizations to retain the period details of non-landmark, but architecturally significant buildings being converted to affordable housing and other services that benefit lower income communities. Eligible organizations include nonprofit housing corporations, community development organizations, social service agencies, homesteading groups and mutual housing associations that are restoring historic buildings. The property does not need to be officially landmarked, only architecturally interesting. Some religious organizations might fit the eligibility requirements through the programming they offer. More info: [http://www.nylandmarks.org/programs\\_services/grants/city\\_ventures\\_fund/](http://www.nylandmarks.org/programs_services/grants/city_ventures_fund/)

### **Enterprise Community Partners: Faith Based Development Initiative**

The Faith Based Development Initiative (FBDI) seeks to engage and assist the faith-based community in helping to ensure that people of all incomes have access to fit and affordable housing and community resources. More info: <https://www.enterprisecommunity.org/where-we-work/mid-atlantic/faith-based-development-initiative>

Joint Venture Guidebook: A Resource for Developing Affordable and Supportive Housing: <https://www.enterprisecommunity.org/resources/joint-venture-guidebook>



### **Local Initiatives Support Corporation (LISC NYC): Various Programs for Religious Organizations**

Local Initiatives Support Corporation (LISC NYC) provides selected faith based organizations with technical assistance and financing for new construction and preservation housing projects including predevelopment, acquisition, construction, mini-permanent, permanent lines of credit, bridge financing and construction lending.

Acquisition and pre-development financing through the NYC Acquisition Fund: <https://www.nycacquisitionfund.com/>

New York Land Opportunity Program (NYLOP): <https://www.lisc.org/nyc/what-we-do/affordable-housing/new-york-land-opportunity-program/>

Other resources from LISC: <https://www.lisc.org/nyc/what-we-do/affordable-housing/development-and-preservation-financing/>

### **The National Center to Encourage Judaism: Programming Support for Jewish Communities**

The National Center to Encourage Judaism (NCEJ) supports the efforts of synagogues and other Jewish nonprofits to reach out with special programming to those who don't identify as Jewish but want to explore becoming part of the Jewish community. Award amounts for local organizations can range from several hundred dollars to several thousand, depending on the program. More info: <https://www.ncejudaism.org/what-we-fund/>

## **Funding and Grants**

### **FOR LANDMARKED OR HISTORIC SITES**

#### **Partners for Sacred Places: Grant Opportunities for Religious Organizations**

Partners for Sacred Places is the only nonsectarian, nonprofit organization dedicated to sound stewardship and active community use of older sacred places across America. They provide capital campaign training and fundraising strategies, along with technical assistance and grants to congregations and other local organizations across the United States. Partners for Sacred Places is collaborating with Dance/NYC and the New York Landmarks Conservancy to locate available space in sacred places and provide free training for dance makers and faith-based organizations interested in learning how to share space with one another. The goal of this project is to create and foster sustainable, mutually beneficial space sharing relationships between dance makers and sacred places.

NYC Program Information: <https://sacredplaces.org/nyc/>

National Program Information: <https://sacredplaces.org/reimagine-your-sacred-place/national-fund/>

#### **National Park Service: Federal Historic Preservation Tax Incentive Program**

The Federal Historic Preservation Tax Incentives program encourages private sector investment in the rehabilitation and re-use of historic buildings. More info: <https://www.nps.gov/tps/tax-incentives.htm>



### **The New York Landmarks Conservancy**

The New York Landmarks Conservancy is a New York City-based nonprofit preservation organization that administers several funding programs, one of which is open to eligible applicants anywhere in the state.

Through the Preservation Hotline, the Conservancy fields questions about building repair, project management and contractor referrals. For issues that cannot be resolved over the phone, the staff makes site visits and meets with owners, architects and contractors. More info: <https://nylandmarks.org/what-we-do/preservation-services/>

### **The New York Landmarks Conservancy: Emergency Preservation Grant**

The New York Landmarks Conservancy's Emergency Grant Program (EGP) comes to the rescue when an immediate hazard threatens a landmark building. The program directs its resources toward immediately needed work on historic properties owned by nonprofit organizations. Its intention is to address discrete exterior building problems that have recently arisen, such as new leaks, fire damage and falling masonry. More info: [http://www.nylandmarks.org/programs\\_services/grants/emergency\\_preservation\\_grants/](http://www.nylandmarks.org/programs_services/grants/emergency_preservation_grants/)

### **The New York Landmarks Conservancy: Historic Properties Fund**

The Historic Properties Fund offers low-interest loans and project management assistance to owners of historic residential, nonprofit, religious and commercial properties throughout the City—mostly in low- to moderate-income communities. Since 1982, the Historic Properties Fund has assisted over 261 buildings. It is one of the largest, private revolving loan funds in the country used exclusively for historic preservation. More info: <https://nylandmarks.org/what-we-do/grants-loans/historic-properties-fund/>

### **New York Landmarks Conservancy: Sacred Sites Program**

The NYLC Sacred Sites Program provides congregations with matching grants for planning and implementing exterior restoration projects, technical assistance and workshops. Eligible properties include, but are not limited to, churches, synagogues, meetinghouses, mosques and temples. More info: [http://www.nylandmarks.org/programs\\_services/grants/sacred\\_sites\\_program/](http://www.nylandmarks.org/programs_services/grants/sacred_sites_program/)



### State of New York: Historic Preservation Office

New York's State Historic Preservation Office (SHPO) helps communities identify, evaluate, preserve and revitalize their historic, archaeological and cultural resources. The SHPO administers programs authorized by both the National Historic Preservation Act of 1966 and the New York State Historic Preservation Act of 1980. These programs—including the Statewide Historic Resources Survey, the New York State and National Registers of Historic Places, the federal historic rehabilitation tax credit, the Certified Local Government program, the state historic preservation grants program, state and federal environmental review and a wide range of technical assistance—are provided through a network of teams assigned to territories across the state. More info: <https://parks.ny.gov/shpo/tax-credit-programs/>

### State of New York: The New York State Historic Commercial Properties Tax Credit

The New York State Historic Commercial Properties Tax Credit (“NYSTC”) is a 20% tax credit on Qualified Rehabilitation Expenditures (QREs) available for income-producing buildings which are determined a “qualified historic structure” by the New York State Historic Preservation Office (NY SHPO) and are substantially rehabilitated. The program follows the federal Historic Tax Credit (HTC) and requires no additional application, but to receive the state credit, the project must be in an eligible census tract. More info: <https://www.macrostiehistoric.com/new-york-htc>

## Lending and Finance

### General Resources

Churches and related religious properties, such as temples, convents and religious schools are a specific type of commercial real estate. Specialty lenders offer mortgage loans for religious properties, and the loans adhere to conventional commercial terms. Some religious organizations fund their own real estate purchases, construction and improvements or have an affiliated lender. However, many churches, temples, religious schools, convents, monasteries and less known religiously affiliated properties depend upon mortgage loans to meet their goals.

**AGFinancial:** <https://www.agfinancial.org/church-loans/>

**CDF Capital:** <https://www.cdfcapital.org/church-loans/>

### Christian Community Credit Union

The Christian Community Credit Union offers commercial real estate and ministry loans to a church, mission-sending organization, school, college and para-church organizations. More info: <https://www.mycccu.com/ministryloans/>



### **Community Development Financial Institutions (CDFIs)**

Community Development Financial Institutions are private financial institutions that are 100% dedicated to delivering responsible, affordable lending to help low-income, low-wealth and other disadvantaged people and communities join the economic mainstream.

More about Community Development Financial Institutions: <https://ofn.org/what-cdfi>

The CDFI Fund: <https://www.cdfifund.gov/programs-training/Pages/default.aspx>

### **Everence**

Everence is a faith-based financial services organization that offers services and resources to help churches pursue their mission and vision with a supportive stewardship ministry that encourages and inspires generosity. More info: <https://www.everence.com/financial-services/for-churches>

### **Sterling National Bank**

Sterling assists religious organizations such as synagogues, churches, mosques, religious schools and religious organizations. Sterling uses a single point of contact model to offer and discuss a full range of banking solutions along with a unique perspective and solid guidance on how to best manage the “business” aspects of running a not-for-profit. More info: <https://www.snb.com/not-for-profit-services>

## **Support Organizations**

### **New York State Council of Churches (NYSCoC)**

The New York State Council of Churches organizes across the state on social justice issues. They also have seminars, workshops and training for faith leaders on topics like Land Use and how to engage your congregation and community in property discussions. More info: <https://nyscoc.org/about/>

### **Bricks and Mortals: Judson Memorial Church**

Bricks and Mortals plays an important role as convener, bringing together religious, professional and advocacy organizations working in New York City on these issues. Specifically, they gather, educate and advise faith-based institutions facing the challenge of staying open and mission-consistent in the context of aging buildings, declining membership and rising real estate costs. More info: <https://www.judson.org/bricksandmortals>

### **Table: Coworking & Social Impact Spaces**

The Table, Coworking & Social Impact Spaces is a national organization that connects public and sacred spaces to other users to enhance multi-generational, multi-experiential community opportunities. Based on co-working models that enhance sharing of resources, capacity building and strengthening of smaller organizations. More info: <https://tablecoworking.com/>



### Redeemer City to City

Redeemer City to City (CTC) is a nonprofit organization that prayerfully recruits, trains, coaches and resources leaders who cultivate gospel movements in global cities primarily through church planting. CTC is based in New York City and works in over 140 global cities throughout Africa, Asia, Australia, North America, Latin America, the Middle East and Europe. CTC's core competencies are urban church planting, leadership development and content creation. More info: <https://redeemercitytocity.com/about>

### Jewish Emergent Network

Serves to connect unaffiliated Jewish people to a meaningful practice through networking and resources. More info: <http://www.jewishemergentnetwork.org/>

## Further Reading

While working on this Action Book we were exposed to numerous helpful studies, reports or articles pertaining to religious organizations and their properties. Here is a list of additional readings based on our research:

A Survey of Transferable Development Rights Mechanisms in New York City. NYC Dept. of City Planning. <https://www1.nyc.gov/assets/planning/download/pdf/plans-studies/transferable-development-rights/research.pdf>

(2017). How Philadelphia's Historic Sacred Places Have Been Repurposed. Pew Charitable Trusts. <https://www.pewtrusts.org/en/research-and-analysis/articles/2017/10/18/how-philadelphias-historic-sacred-places-have-been-repurposed>

(2018). Joint Venture Guidebook, A Resource for Developing Affordable and Supportive Housing. Enterprise Community Partners. <https://www.enterprisecommunity.org/download?fid=9155&nid=6240>

The Economic Halo Effect of Historic Sacred Places. Partners for Sacred Places. <http://sacredplaces.org/uploads/files/16879092466251061-economic-halo-effect-of-historic-sacred-places.pdf>



Warner, Barbara D. & Headley Konkel, Rebecca.  
(2019) Neighborhood churches and their relationship  
to neighborhood processes important for crime  
prevention, *Journal of Urban Affairs*, 41:8, 1183-  
1204, DOI: 10.1080/07352166.2019.1581030  
[https://www.tandfonline.com/doi/  
abs/10.1080/07352166.2019.1581030?journalCode=ujua20](https://www.tandfonline.com/doi/abs/10.1080/07352166.2019.1581030?journalCode=ujua20)

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# Making This Action Book

## METHODS

The first research phase included reviewing previous internal reports compiled at the Manhattan Borough President's Office (MBPO) and studying preliminary ArcGIS work completed by BetaNYC. BetaNYC, a data research organization housed at the MBPO, analyzed Manhattan's religious organizations based upon factors such as the DOB's Use Group categories, landmark preservation status and a neighborhood's historic status.

The team also observed various public hearings and attended the MBPO's Religious Facilities Task Force meetings. These meetings aided the team to understand the issues both from the neighborhood level and from the complex realm of government and nonprofit agencies that work with religious organizations.

Next, the team conducted independent research on the various topics included in this guidebook. The team engaged numerous stakeholders to identify neighborhood and citywide trends, needs and opportunities. The stakeholders were composed of religious leaders, professionals in the field and representatives of government agencies. This research informed the guidebook's chapters, producing explanations of religious and civil law, community engagement, historic preservation, adaptive reuse, sources of funding and best practices for redevelopment.





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# **Religious Congregations in Manhattan**

An Action Book for Religious Organizations

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## **More Information**

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