

New York Yacht Club Foundation

Frequently Asked Questions

1. What is the New York Yacht Club Foundation? The Foundation is a nonprofit organization incorporated in 2007 under the N. Y. Not-for-Profit Corporation Law. Its Employer Identification Number is 20-8288446 and its N.Y. Charities Bureau registration number is 40-40-22.
2. What is its purpose? The Foundation's corporate purposes are to raise funds to maintain, restore and preserve the exterior (and fundamental interior supporting structures) of the historically and architecturally significant buildings and improvements owned by the New York Yacht Club located at 37 West 44th Street in New York City and at Harbour Court in Newport, RI, to support historical preservation in the areas in which these properties are located and to foster appreciation for the works of the architects.
3. Is the Foundation part of the New York Yacht Club? No. The Foundation is a completely separate organization with its own purposes, directors and officers and by-laws. Most yacht clubs, such as the New York Yacht Club, are nonprofit social and recreational organizations and are classified for Federal income tax purposes as section 501(c)(7) organizations. Donations to section 501(c)(7) organizations do not qualify for the Federal charitable tax deductions.
4. What is the Foundation's tax status? The Foundation has received a letter from the Internal Revenue Service dated July 11, 2007, in which the IRS determined that the Foundation is a section 501(c)(3) organization and that contributions and bequests to the Foundation qualify for the Federal income, gift and estate tax charitable deductions under sections 170, 2055, 2106 and 2522 of the Internal Revenue Code. In addition, the IRS letter included an advance ruling that the Foundation will be treated as a public charity during its five-year advance ruling period ending December 31, 2011.
5. Why is the NYYC's clubhouse in New York historically and architecturally significant? The 44th Street building was built in 1899-1900 under the design of Whitney Warren (1864-1943) of the firm of Warren & Wetmore, New York. It was their first commission in New York. The street side of the building is regarded as one of the most expressive examples of Beaux-Arts architecture in the country. It draws on a number of classic motifs, but its hallmark is the elaborate bay windows set into a sculpted framework depicting the sterns of fancifully carved baroque sailing vessels, with garlands of seaweed and shells hanging from wave-like consoles and dolphins spewing into the overhanging wakes of the departing ships. The exterior of the building was designated as a landmark by the Landmarks Preservation Commission of the City of New York in 1979, and was entered into the National Register of Historic Places by the U.S. Park Service in 1982.
6. What other works are Warren & Wetmore known for? Prior to the 44th Street Building, Mr. Warren designed the Newport Country Club on Harrison Avenue in Newport, RI, an outstanding Beaux-Arts building now restored and well worth a visit. The firm later

designed Grand Central Station and many other prominent buildings in New York City and elsewhere. See Pennoyer & Walker, *THE ARCHITECTURE OF WARREN & WETMORE* (W. W. Norton & Co., 2006).

7. Why is Harbour Court historically and architecturally significant? The Main House, Carriage House and related structures were designed by Ralph Adams Cram (1863-1942) of Cram, Goodhue & Ferguson, Boston, for Mrs. John Nicholas Brown and were completed in 1906. Harbour House became the residence of her son, John Nicholas Brown, Commodore of the New York Yacht Club (1952-1954), and it was the Newport residence of the Brown family until the late 1980s. Mr. Cram was quoted in the *Boston Sunday Post* of November 22, 1908, saying that he thought the Brown residence was the firm's "best work." The architectural historian Barr Ferree wrote in an August 1910 article in *American Homes and Gardens* that "Harbour Court . . . is easily entitled to rank with the best of recent Newport palaces, and more than holds its own in comparison with good houses everywhere."
8. What other work did Cram, Goodhue & Ferguson do? They designed significant buildings at the U.S. Military Academy at West Point in the early 1900s. In 1903, they designed the Emmanuel Church in Newport for Mrs. Brown; the stunning interior of the church is attributed to Mr. Goodhue. And, they designed St. Thomas Episcopal Church in New York City (1907). Mr. Cram and Bertram Goodhue (1869-1924) separated in 1914; Mr. Cram went on to design many religious buildings and college campuses, including St. John's the Devine in New York City, the core campus of Rice University and the St. George's School's Chapel in Newport, while Mr. Goodhue subsequently designed St. Bartholomew's Church in New York City, the Nebraska State Capital building and many others. See Anthony, *THE ARCHITECTURE OF RALPH ADAMS CRAM AND HIS OFFICE* (W. W. Norton, 2007); Wyllie, *BERTRAM GOODHUE; HIS LIFE AND RESIDENTIAL ARCHITECTURE* (W. W. Norton, 2007).
9. What were the contributions of the Olmsteads to Harbour Court? Frederick Law Olmstead, who designed New York City's Central Park (with Calvert Vaux), laid out Ocean Drive in Newport, adjacent to Harbour Court. The firm established by his sons, the Olmstead Brothers, designed the landscaping around the Main House in 1914-1915, and an Olmstead Brothers contractor, Harold Hill Blossom, designed the Formal Gardens at Harbour Court in the early 1920s.
10. Is Harbour Court listed in the National Register of Historic Places? No, but it has a comparable status. Harbour Court is within the U.S. Park Service's Ocean Drive Historic District, established in 1976. In 2007, the U.S. Park Service recognized Harbour Court as "contributing to the significance" of that District.
11. Are the buildings subject to restrictions? Yes. As a "landmark" building, the exterior of the 44th Street building is subject to the preservation provisions of the NYC Administrative Code, and renovations and modifications must be approved by the Landmarks Preservation Commission. The exterior of the Main House and the waterfront area at Harbour Court are subject to a preservation easement held by the Rhode Island Historical & Heritage Commission. In addition, the property is in the City of Newport's

Historic District and any alteration of the exteriors is subject to the preservation provisions of the City's zoning laws.

12. Why are the Foundation's purposes restricted to the exteriors of the buildings and improvements? The IRS requires that the Foundation's funds be applied to achieve a public benefit. In this case, the public benefits from being able to view the exteriors of these structures from the public streets and waterways and, in the case of Harbour Court, from access to the grounds provided to sailing crews and garden tours. While the interiors of the main buildings on 44th Street and at Harbour Court are very much also historically and architecturally significant, they are regularly open only to members of the NYYC.
13. Why should I contribute to the Foundation? Maintaining these buildings and improvements is a substantial financial burden. By providing the financial means for the Foundation's work, you further the preservation of these structures and their enjoyment by present and future generations, while being able to deduct your contribution from your taxable income.
14. Will all of the Foundation's funds be used for work on the NYYC's buildings? Yes, for the next five to ten years, the Foundation expects to focus on these structures. At a future time, the Foundation will revisit whether and to what extent it will support historic preservation in the areas in which these properties are located and to foster appreciation for the works of the architects.
15. Could the Foundation take on additional activities? If there was sufficient need and interest and assuming that appropriate approvals were obtained from the IRS and New York authorities, the Foundation could expand its activities. However, funds raised prior to that expansion could not be used for such additional activities.
16. Will the Foundation be making grants to other organizations and to individuals? No.
17. Who serves on the Foundation's Board of Directors? The Board of Directors presently consists of John G. Brim, President, James F. Wilson, Vice President, and Jack R. Orben, Secretary-Treasurer. All are members of the NYYC but, as required by the Foundation's By-Laws, none are officers or directors of the NYYC. The directors serve for one-year terms and they elect their successors.
18. Are there any other organizations in the country that are similar to the Foundation? Yes, there are several in New York City and in Washington, DC, and there are others elsewhere throughout the country.
19. What is the significance of the advance ruling that the Foundation will be treated as a public charity? For Federal income tax purposes, it means that contributions to the Foundation will receive the best charitable deduction treatment provided by the tax laws:
 - a. Contributions will be deductible up to 50% of the your adjusted gross income, taking into account your other contributions to public charities during the year, and any excess may be carried forward and deducted in up to five following years.

27. How do I make a bequest to the Foundation? The following language may be helpful to you in preparing your will:

“I give the sum of \$ _____ [or _____% of my residuary estate] to the New York Yacht Club Foundation to be used by it in support of its general charitable and educational purposes.”

A similar provision could be used in a living trust that is intended to take the place of a will or in a testamentary trust.

The Foundation has created the 1844 Society as a way to recognize and thank individuals who have made provisions in their estate plans for a gift to the Foundation, recognizing that the gift may be postponed until after their lifetimes. Please let us know if you have made such provision so that we may include you in Society events.

28. Can I make a tax-free gift from my IRA? The legislation permitting direct distributions from an IRA to a charitable organization with respect to IRA owners who were over age 70 sunset at the end of 2007. If it is renewed on the same terms, such gifts may be made to the Foundation.

29. Can I make a gift of a painting, model or other collectible to the Foundation? The Foundation is not presently accepting such gifts due New York State laws on collectibles.

30. Can I make a gift of a boat or other used equipment to the Foundation? The Foundation is not presently accepting such gifts.

31. What happens to the Foundation’s assets if it is dissolved? Having just been started, there is no present intent to terminate the Foundation, and we hope that it will exist for a long time. Should it be dissolved, its assets must be transferred to another section 501(c)(3) organization having similar purposes. No assets may be distributed to the Foundation’s officers and directors or to the NYYC.

32. What can I do to help the Foundation? Give us your support. Financial contributions in any amount will be greatly appreciated and acknowledged.

33. Who can I contact if I need additional information? Please contact:

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