

February 20, 2018

The Honorable Bill de Blasio
Mayor, City of New York
City Hall
New York, NY 10007

Re: Proposed Property Tax Freeze for Seniors

Dear Mayor de Blasio:

We hope this letter finds you well.

As you are aware, one of the signatories of this letter, Minority Leader Steven Matteo, has requested a property tax rebate for Class 1 and certain Class 2 homeowners. While we remain optimistic that you will eventually agree to this proposal, we would like to also present to you a suggestion to address a specific subset of Class 1 homeowners: seniors.

We are proposing a property tax “freeze” for senior citizens who are Class 1 homeowners and who meet specific qualifications. Failing to come to the assistance of these low or fixed income seniors will, we believe, force many of them out of their homes. They deserve better, and we believe we have an idea that will afford them the peace of mind they deserve.

As you know, many seniors throughout the five boroughs are barely making ends meet. Budgets are tight and incomes are fixed, but unfortunately, property taxes are not. For them, dramatically escalating real estate markets may result in a more valuable home, but ironically, the accompanying rising assessed valuation (AV) makes them less able – or unable - to afford to live in it.

Additionally, the well-intentioned caps on AV increases (6% per year or 20% over five years) constitute a ticking time bomb for low or fixed income senior homeowners, many of whom are ignorant of just how high their property tax bill will ultimately go. Since property tax calculations are so widely misunderstood, or not understood at all, they are unaware that their tax liability is unlikely to decrease – or even stabilize – in the near future.

Consequently, whatever cushion they may or may not have in their budgets is destined to shrink with every annual property tax bill they receive. We believe it is unconscionable that in order to pay the property taxes that will allow them to live in the comfort of their own communities, seniors will be forced to cut not only discretionary spending, but may also be forced to skimp on essentials like food or medicine.



What we propose is to study a way to freeze property taxes at a “base year” level for those Class 1 homeowners who meet these to-be-determined parameters:

- They must be over a specific age, perhaps 65 or 66;
- They must have incomes beneath a specified level;
- They must have lived in New York City for a specified minimum number of years, either as an owner or renter; and
- They must have owned their home for a certain minimum number of years.

Once their taxes are frozen at the base year level, and until title passes to a new owner or an heir, either:

- All subsequent tax bills will contain a deduction equal to the difference between what is owed for the current tax year and the base year, or
- Current year property taxes must be paid in full, but the homeowner will subsequently apply for and receive a reimbursement equal to the difference between what is owed for the current tax year and the base year.

There is much discussion in our city about providing sufficient affordable housing, the necessity of which cannot be ignored. However, should we not discuss making the housing of low or fixed income seniors more affordable as well? Should rising market values, assessed valuations and tax rates drive our parents and grandparents out of their community, their borough, their city and even their state of residence?

We therefore urge you to consider this option as we look forward to changing the way our property tax system works. In our opinion, it offers us the perfect opportunity to help our seniors stay in the communities in which they have contributed so much for so long.

Thank you for your kind attention.

Sincerely,



James S. Oddo
President, Borough of Staten Island



Steven Matteo
Minority Leader, New York City Council



Joseph Borelli
New York City Council Member, District 51