



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
SCOTT M. STRINGER

January 2, 2019

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

Dear Mayor de Blasio:

I am writing concerning Citylights, a co-operative building in Long Island City that is home to 1,000 New Yorkers, which is facing a massive increase in taxes as the result of the expiration of a PILOT (payment in lieu of taxes) this past July and a doubling of the building's assessed value by the Department of Finance. Long-time residents now face increases of as much as 60 percent in their monthly carrying charges over the next five years, putting many of them in a position where they can no longer afford to remain in their homes.

While initial prices were low when the first units sold in 1997, residents are responsible for carrying the \$86 million mortgage as well as a \$500,000 ground lease to Empire State Development (ESD). Meanwhile, a tax exemption granted through ESD began phasing out in Fiscal Year 2019. To compound the problem, in Fiscal Year 2018, the Department of Finance nearly doubled the building's assessment, from \$51.7 million to \$96.9 million, followed by a further increase to \$101.6 million in Fiscal Year 2019. By the end of the exemption phase-out in 2023, residents will face a property tax bill of \$5.8 million at the current valuation – or an additional average monthly cost of nearly \$1,000 per unit. This will severely undermine the ability for the co-op to remain affordable for middle-class New Yorkers who helped build up Long Island City in recent years.

I urge the Administration to work with ESD and the residents of Citylights to craft a solution that will prevent the displacement of potentially hundreds of families from their homes. The City and State have numerous means at their disposal to avoid such an outcome. The Tax Commission's review of the property's assessment is wholly insufficient as a long-term solution without other interventions. Particularly in the context of the literally billions of dollars in inducements the City and State are providing to bring Amazon to Long Island City, the cost of extending tax relief to these Long Island City homeowners would be trivial.

Thank you for your attention to this matter, and I look forward to working together in the new year.

Sincerely,


Scott M. Stringer
New York City Comptroller

c: Dean Fuleihan, First Deputy Mayor
Alicia Glen, Deputy Mayor for Economic Development
Maria Torres-Springer, Commissioner, Housing Preservation and Development
Jacques Jiha, Ph.D., Commissioner, Department of Finance

DAVID N. DINKINS MUNICIPAL BUILDING • 1 CENTRE STREET, 5TH FLOOR • NEW YORK, NY 10007
PHONE: (212) 669-3500 • @NYCCOMPTROLLER
WWW.COMPTROLLER.NYC.GOV

