



Legislation Text

File #: Res 0652-2024, **Version:** *

Res. No. 652

Resolution calling on the New York State Legislature to pass, and the Governor to sign, A.1814, to impose an additional tax on certain non-primary residence class one and class two properties in New York City.

By Council Members Williams, Ossé, Avilés, Brooks-Powers, Ayala, Nurse, Brewer and Hudson

Whereas, The availability of affordable housing is a necessary factor for a thriving New York City and critical to providing essential shelter, financial stability, and economic mobility for New Yorkers; and

Whereas, According to the Furman Center, the number of residential units authorized by new building permits fell to 16,348 in 2023, a 76.2 percent decline and the lowest amount since 2016; and

Whereas, According to reporting by the New York Times, the number of City residents under 20 years of age dropped by 186,000 in 2023 as families cite leaving due to inaccessibility of affordable housing; and

Whereas, These statistics suggest that new affordable housing supply is not keeping up with demand; and

Whereas, According to the 2023 New York City Housing and Vacancy Survey (“HVS”), which is sponsored by the Department of Housing Preservation and Development and conducted every three years, the City’s vacancy rate is 1.41 percent, well below the five percent that the City and State’s rent regulation laws define as a housing emergency and one of the lowest on record in six decades of conducting the survey; and

Whereas, According to the 2023 HVS, 58,810 units of housing were not available for rent or sale because they were held for “seasonal, recreational, or occasional use” such as pied-à-terres; and

Whereas, This number represents 26 percent of all units not available for rent or sale in the 2023 HVS; and

Whereas, Encouraging units that are vacant but not available for rent or sale to become available is one

way to use the City’s housing stock more efficiently and thereby increase the effective housing stock; and

Whereas, High volumes of pied-à-terres can also decrease neighborhood livability, leading to a “ghost town” effect where streets lose vibrancy and retail businesses lose out on potential customers; and

Whereas, Assembly Member Deborah Glick has introduced A.1814 in the New York State Assembly (“Assembly Bill A.1814”), which would authorize New York City to impose a graduated, additional property tax on certain non-primary residences with a five-year average market value of \$5 million or more or on condominium and co-operative dwelling units with an assessed value or assessed value attributable to a tenant-stockholder, respectively, of \$300,000 or more; and

Whereas, Such a tax would increase the availability and affordability of housing by providing a disincentive for keeping housing units vacant for use as pied-à-terres; and

Whereas, Assembly Bill A.1814 would authorize the City to impose, administer, collect, and enforce such a tax in the same manner as other property taxes which fund the City annual budget; and

Whereas, Such revenue could be used to directly increase the City’s affordable housing programs; and
Whereas, According to 2023 estimates by the New York City Comptroller’s Office, imposing an additional property tax on high-value residences whose owners are not using the property as their primary residence could generate an average of \$258 million per fiscal year in additional tax revenue from Fiscal Year 2025 through Fiscal Year 2027; and

Whereas, Taxing pied-a-terres has become increasingly common in major cities around the world, including in Paris, Vancouver, and Singapore; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to pass, and the Governor to sign, A.1814, to impose an additional tax on certain non-primary residence class one and class two properties in New York City.

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