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**MAYOR DE BLASIO AND SPEAKER JOHNSON ANNOUNCE ADVISORY
COMMISSION TO RECOMMEND REFORMS TO NEW YORK CITY'S PROPERTY
TAX SYSTEM**

Commission, to be co-chaired by Vicki Been and Marc Shaw, will develop proposals to make property taxes more fair, straightforward, and transparent

NEW YORK—Today, Mayor de Blasio and Council Speaker Johnson announced the formation of a new advisory commission, co-chaired by Vicki Been and Marc Shaw, to develop recommendations to reform New York City's property tax system to make it simpler, clearer, and fairer, while ensuring that there is no reduction in revenue used to fund essential City services. The commission will solicit input from the public by holding at least 10 public hearings. The last in-depth review of the system by a government-appointed commission was in 1993.

The Commissioner of the Department of Finance Jacques Jiha, Director of the Office of Management and Budget Melanie Hartzog, Director of the City Council Finance Division Latonia McKinney, and Deputy Director and Chief Economist Council Finance Division Raymond Majewski will serve as non-voting ex-officio members.

"To be the fairest big city, you need a fair tax system. For too long, New York City taxpayers have had to grapple with a property tax system that is too opaque, too complex, and just feels unfair," said **Mayor Bill de Blasio**. "New Yorkers need property tax reform, and this advisory commission will put us on the road to achieve it."

"This is an important first step towards addressing inequities in this city's broken property tax system. It is crucial that we work to bring clarity and fairness to this process, which has long perplexed the public and left many feeling hoodwinked by the city government tasked with representing them. The Council looks forward to rolling up our sleeves and addressing this long-standing problem," said **Council Speaker Corey Johnson**.

Vicki Been is the Boxer Family Professor of Law at NYU School of Law, an Affiliated Professor of Public Policy of the NYU Wagner Graduate School of Public Service and Faculty Director of NYU's Furman Center for Real Estate and Urban Policy. Previously Been served for three years as Commissioner of Housing Preservation and Development for the City of New York, where she

led the 2400-person agency in: designing and implementing Housing New York, a comprehensive strategy for addressing the City's need for affordable housing. Been has written extensively about New York City's property tax system and its primary abatement and exemption programs.

Marc V. Shaw is the Interim Chief Operating Officer for CUNY. Shaw also serves as the Senior Advisor to the Chancellor for Budget, Finance, and Fiscal Policy, as well as Chair of the CUNY Institute for State and Local Governance. Previously, he served as a Senior Advisor to Governor David Paterson, Executive Vice President for Strategic Planning at Extell Development Company and First Deputy Mayor to Michael Bloomberg.

Also announced today, advisory commission members include:

Carol O'Cleireacain is an Adjunct Professor at the Milano Graduate School for Management & Urban Policy at the New School, a Senior Consultant to the Brookings Institution's Task Force on the State Budget Crisis, and Of Counsel to the LIATI Group, a boutique merchant bank, which focuses on public infrastructure investments. O'Cleireacain has a long history in public service, with appointments as Deputy Mayor for Economic Policy Planning and Strategy (Detroit), Deputy State Treasurer (NJ), Director of the NYC Mayor's Office of Management & Budget, and Commissioner of the NYC Department of Finance.

Felice Michetti is Chairperson and CEO of Grenadier Realty Corp, one of the largest affordable housing owner and operators in New York State. Michetti also serves on the board of the Community Preservation Corporation. Previously, she served as Commissioner of the Department of Housing Preservation under Mayors Dinkins and Giuliani. Michetti served as First Deputy Commissioner of the Department of Housing Preservation under Mayor Koch.

James Parrott is Director of Economic and Fiscal Policies at The Center for New York City Affairs at The New School. In previous positions, Parrott worked for the Fiscal Policy Institute, the Office of the State Deputy Comptroller for New York City, the City of New York (as chief economist for economic development), and for the International Ladies' Garment Workers' Union.

Gary Rodney is Chairman of City Real Estate Advisors (CREA LLC), a low-income housing tax credit syndicator. As Chairman, Rodney works with the senior management team of CREA and its partners to help finance quality affordable housing in cities across the country. Prior to assuming this role, Rodney served as the President of the New York City Housing Development Corporation.

Elizabeth Velez is President and Chief Contract Administrator of the Velez Organization and is on a number of construction-related boards, including the New York Building Congress, the National Hispanic Business Group, the Association of Minority Enterprises of New York (AMENY), the Mayor's Commission on Construction Opportunity, the Board of ACE Mentor of New York and the NYC Department of Business Services Advisory Board.

The advisory commission will evaluate all aspects of the current property tax system with an eye to transparency, efficiency and fairness. Its comprehensive review will include, but not be limited to:

- The tax classification system;
- The methods of determining property market values and assessments;
- Treatment of property value increases;
- Relief for low-income and senior homeowners; and
- Method of calculating tax rates.

The advisory commission’s recommendations may include changes that could be made at the City level, as well as those that would require state legislation. The commission will also review comparable property tax systems across the nation, including different methods for property valuation and homeowner protections.

Property taxes are an important component of a local government’s tax base – in New York City, they make up 45 percent of the local tax base – and are essential to quality service delivery. New York City’s current property tax system is set forth in state law and has been in existence for nearly four decades. Its complex structure classifies properties into multiple categories, referred to as tax classes, and contains provisions that govern fractional assessments, market valuation restrictions, and caps on growth, among other things. Application of the various provisions of state law can result in differences in taxes paid on properties, which may become more pronounced with the passage of time.

“New York City’s property tax system has long been the subject of criticism and controversy,” said **Commission Co-Chair Vicki Been**. “I look forward to the opportunity to work with Mayor de Blasio, the City Council, Co-Chair Marc Shaw, and this smart, thoughtful, balanced, and pragmatic group of experts to propose reforms to make the system fairer for all New Yorkers.”

“Twenty five years ago, I served on a joint commission to address the city’s tax system. Much has changed since then and many issues have arisen that need to be resolved. I applaud Mayor de Blasio and City Council Speaker Corey Johnson for committing themselves to the difficult task of reforming the system together. It won’t be easy, but the cooperative nature of this joint commission indicates to me that both sides are serious about the need for change. I am honored to be a part of this commission and excited to begin the hard work necessary to enact change,” said **Commission Co-Chair Mark Shaw**.

“As the Commissioner of the City agency responsible for administering the NYC property tax, I look forward to assisting the Commission in its mission to study the property tax system and make recommendations to make the property tax system fairer, more predictable and more transparent,” said **Department of Finance Commissioner Jacques Jiha**.

“The City is taking a hard look at our property tax system to ensure that hardworking taxpayers – our fellow New Yorkers – are being treated fairly. Our goal is to provide more transparency to a system that has for decades left New Yorkers in confusion,” said **Office of Management and Budget Director Melanie Hartzog**. “This commission will provide much needed clarity for homeowners and help us take steps to create a fairer city.”

“Property tax reform is one of the most pressing issues facing New York today and has been a focus of the Council Finance Division for decades. The current system is in many ways unfair and

fails to meet the needs of everyday New Yorkers. This joint Commission will seek to answer the classic questions of tax policy; can we make the system fairer? Can we make it work better with the City's economy? Can we make it more transparent and easier for the public to understand? We look forward to finding solutions that can have a direct impact for homeowners," said **Council Finance Division Director Latonia McKinney**.

"It has been a quarter century since the City last took a systematic look at its property tax system, and there is bipartisan consensus in the Council that such a look is long overdue. And while we all agree the work is necessary, we also know it won't be easy. Our goal is to address years of inequities while remaining revenue neutral. I am honored to be part of this ambitious undertaking, and excited to begin finding solutions that help New York," said **Deputy Director and Chief Economist Council Finance Division Raymond Majewski**.

"Throughout the budget process we have heard over and over again about the financial pain caused by the unfair and overly complex property tax system currently in place. We simply must do better. This is an opportunity to make real strides on an important issue as we work to improve this system for our neighbors and the entire city," said **City Council Member Daniel Dromm, Chair of the Council's Finance Committee**.

"For years, my colleagues and I have been pushing for a commission to address the glaring inequities of this city's arcane property tax system. Today, we finally begin that process. While I expect this will be neither fast nor easy, I am hopeful that at the end of this process this advisory commission will propose some meaningful, long-term solutions to make this city's property tax system more fair and just. I am grateful for Speaker Johnson's strong support on this issue and to Mayor de Blasio for working with us to make this happen," said **Council Minority Leader Steven Matteo**.

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