

Russell Squire
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**The City of New York
Community Board 8 Manhattan**

December 20, 2023

Hon. Kathy Hochul
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

Andrea Stewart-Cousins
Majority Leader
The New York State Senate
250 Broadway, Room 1930
New York, NY 10007

Carl E. Heastie
Speaker
The New York State Assembly
LOB 932
Albany, NY 12248

RE: Dis-incentivizing developers and owners from holding affordable units off the market

Dear Governor Hochul, Majority Leader Stewart-Cousins, and Speaker Heastie,

At the Full Board meeting of Community Board 8 Manhattan held on December 13, 2023, the board approved the following resolution by a vote of 31 in favor, 5 opposed, 0 abstentions and 0 not voting for cause:

WHEREAS, New York City and New York State have a housing crisis; and

WHEREAS, the Governor introduced legislation in 2023 that would have created as many as 800,000 new units of housing in New York State; and

WHEREAS, there is an insatiable appetite for more affordable units in New York City; and

WHEREAS, New York State has created a provision of the state tax code identified as 421-a that incentivizes real estate developers to build units of market rate and affordable housing in exchange for tax benefits; and

WHEREAS, the latest version of 421-a has expired; and

WHEREAS, the upcoming session of the New York State legislature is likely to consider a new version of the 421-a tax provision;

THEREFORE, BE IT RESOLVED THAT, Community Board 8 Manhattan urges the adoption of a provision – within any new version of the 421-a tax program – that, prohibits any unit of affordable housing which is built utilizing tax benefits under the new version of 421-a, from being underutilized (i.e., not rented or sold) for over a year without a legitimate exception; otherwise the owner/developer would incur a financial penalty that is not less than the tax benefit(s) they received for that affordable unit.

Please advise us of any action taken on this matter.

Sincerely,

Russell Squire

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Ed Hartzog and Rebecca Lamorte

Edward Hartzog and Rebecca Lamorte
Co-Chairs, Housing Committee

cc: Honorable Eric Adams, Mayor of the City of New York
Honorable Mark Levine, Manhattan Borough President
Honorable Jerry Nadler, 12th Congressional District Representative
Honorable Liz Krueger, NYS Senator, 28th Senatorial District
Honorable José M. Serrano, NYS Senator, 29th Senatorial District
Honorable Edward Gibbs, NYS Assembly Member 68th Assembly District
Honorable Alex Bores, NYS Assembly Member, 73rd Assembly District
Honorable Rebecca Seawright, NYS Assembly Member 76th Assembly District
Honorable Keith Powers, NYC Council Member, 4th Council District
Honorable Julie Menin, NYC Council Member, 5th Council District