



CITY OF NEW YORK

**MANHATTAN COMMUNITY BOARD No. 4**

330 West 42<sup>nd</sup> Street, 26<sup>th</sup> floor New York, NY 10036  
tel: 212-736-4536 fax: 212-947-9512  
www.ManhattanCB4.org

**J. LEE COMPTON**  
Chair

**ROBERT J. BENFATTO, JR., ESQ.**  
District Manager

November 2, 2006

Mayor Michael Bloomberg  
City Hall  
New York, NY 10007

Re: Proposed changes to the 421-a Tax Abatement Program

Dear Mayor Bloomberg:

Community Board #4, while pleased that a Task Force has been convened to examine changes to the 421-a Tax Abatement Program, feels strongly that the changes proposed do not go far enough. As the 421-a Program was originally established in the 1970's to provide incentives for developers to build in a nearly bankrupt NYC, the current healthy economy and the resulting proliferation of development in and around the City necessitates a serious review of the requirements and benefits of the program.

The Board, after consideration by the Housing, Health, and Human Services Committee (HHHS) and the Housing Development Task Force (HDTF) takes the following positions regarding reform to the 421-a Tax Exemption legislation:

- That all affordable apartments created under this program be affordable and deed-restricted in perpetuity;
- That the required percentage of affordable units be increased to 30% of the total number of units;
- That all affordable units created through the 421a program be located on-site, or within the community district where the market units are being constructed, as recommended by the Task Force; and,
- That the exclusion zone be expanded beyond the recommendations of the Task Force.

The Task Force is the first in 35 years to propose changes to this program and it is unlikely that there will be a similar opportunity in the near future to propose any additional changes. Now is our opportunity to make this program work for all New Yorkers.

Sincerely,

Sarah Desmond  
Co-Chair  
HHH

Megan Watkins  
Co-Chair  
HHHS

Joseph Restuccia  
Chair  
HDTF

J. Lee Compton  
Chair  
MCB4

cc: electeds