To help cover the city's budget deficit, the Bloomberg administration may increase property taxes by as much as 12 percent this year and 25 percent next year. The property tax is the only city tax that the mayor and City Council can raise without the approval of the state. Council members have reported that the administration has solicited their opinions on a potential increase.

If property taxes rise, homeowners and building owners will not be the only ones paying a bigger bill.

"It will translate directly into rent increases," says Michael McKee, associate director of New York State Tenants And Neighbors Coalition, a tenant advocacy group. "The landlord pays it out of the rents he collects. A property tax increase would result in higher rent increases for just about every category of tenant."

Even rent-regulated tenants would be affected by a property tax increase. The tax makes up about 25 percent of the operating and maintenance costs that the Rent Guidelines Board . considers when establishing annual allowable rent increases. Furthermore, due to the intricacies of the property tax law, rental properties shoulder a higher tax burden than most other residential categories (see
New York's Secret Tax
.

New York State Tenants And Neighbors will await a formal property tax proposal before announcing its position, but, said McKee, "We might very likely oppose it."

In a rare instance of agreement, landlord groups, such as the Real Estate Board of New York , which represents the real estate industry's interests to the city, state and federal government, also oppose the prospect of a large property tax increase.

"We've said that we would pay a fair share, but a vast real property tax would, in our view, be a very bad thing for the city," said Warren Wechsler, of the Real Estate Board. "Businesses would pack up and go, and residents would pack up and go, and there would be fewer people paying

the freight."

A large increase in the property tax would make New York City even less competitive in terms of its tax burdens, said Wechsler. "It would also, in one way or another, impose costs on owners of rental properties that could make it hard to maintain services and keep their buildings up," he said.

Budget watchers believe that spending cuts will come first, and the city will appeal to the state and federal governments for financial assistance. Still, New Yorkers may well end up with some form of tax increase. If the property tax gets the nod, for many, it will come disguised as a rent bill.

More Homeless on the Streets and in the Shelters

Cooler weather has arrived and with it, increasing concern about the number of homeless people on the streets of the city. Anecdotal evidence says that street homelessness is on the rise, and the Department of Homeless Services has seen a corresponding increase in the number of single adults requesting shelter.

The average daily census has been increasing by about 200 people per month over the last few months. While such increases always occur as winter approaches, current numbers are much higher than they have been in past years.

In September 1999, the city sheltered an average of 6,586 single adults each night. This September, it housed an average of 7,650. The Department of Homeless Services has plans to conduct a census of the street homeless, typically single adults who avoid the shelter system, as part of its strategic plan . The agency is overwhelmed by the ever-increasing numbers of homeless families requesting shelter.

"On the family side, the growth has been so accelerated and exceptional," said Jim Anderson of the Department of Homeless Services. "As a result, we needed to open just under 2,000 new units of family shelter since January."

Just one year ago, there were about 6,500 families in need of shelter on a typical night. Now, there are nearly 9,000.

Rebecca Webber is a journalist who has covered housing issues for Gotham Gazette since July 2000.