



# MITCHELL-LAMA RESIDENTS COALITION

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WEBSITE: [www.mitchell-lama.org](http://www.mitchell-lama.org)

## *Solving the housing crisis without Albany*

**By Seth Miller**

*Partner, Collins, Dobkin & Miller LLP*

New York City just elected the most progressive Mayor and City Council in many generations, largely on a platform of preserving the ability of ordinary New Yorkers to continue to live and work here. The mayor has issued a broadly worded proposal to build and preserve affordable housing, and the City Council is beginning to discuss housing proposals. Although the debate over affordable housing has up to now largely focused on Albany, there are signs that the City is finally getting ready to assert its own power to make housing policy.

Like any municipality, New York City has the power to make local laws, so long as those laws do not conflict with state law. Under the Urstadt law, New York City is prohibited from expanding rent control and rent stabilization. There are other areas that are so closely regulated by the state – mortgage banking, for example – that it would be difficult for the

City to pass laws that are not in conflict.

Those restrictions, however, do not prevent the City from enacting housing, zoning, environmental, construction and human rights standards. Municipalities have traditionally been able to legislate in these areas. There is plenty that the City has the power to do, on its own, to address the housing crisis.

The affordability crisis has many causes. The fact that landlords have the right to deregulate rent stabilized, rent controlled and Mitchell Lama units, something the City cannot do anything about, is the most significant cause, but it is not the only cause. The City subsidizes developers to the tune of over one and a quarter billion dollars a year. Mostly, as the mayor’s plan points out, this money is given away without getting truly affordable housing in return. It permits buildings and individual apartments to be demolished, no strings attached. It has, as the mayor has pointed

out, generously expanded, through rezoning, the areas where developers can create luxury housing, and has not mandated that the public get anything in return. It largely permits landlords to run their buildings without any significant regulatory supervision, despite rampant tenant harassment throughout the City.

One of the main things the City has unquestionable power to do is restrict the use of the tax breaks – presently well over a billion dollars a year – that are now given to developers without requiring that the public get affordable housing in return.

According to the Department of Finance’s annual Tax Expenditure Report for the year 2014 ([http://www.nyc.gov/html/dof/html/forms\\_reports/reports\\_tax\\_expenditure.shtml](http://www.nyc.gov/html/dof/html/forms_reports/reports_tax_expenditure.shtml)) the 421-a tax

*(Continued on page 7)*

**Strengthen MLRC  
Join today (use form on page 2)**

**City Council expands  
SCRIE program: Page 2.**

**Rent Guidelines Board  
sets final vote for year:  
Page 4.**

**GENERAL MEMBERSHIP MEETING  
SATURDAY, JUNE 21**

**Time: 10:00 a.m. - 12:00 p.m.**

*Members are urged to voice concerns regarding their developments*

*Refreshments at 10:00 a.m.*

**CONTACT: [Information@mitchell-lama.org](mailto:Information@mitchell-lama.org)**

**PLACE: Musicians Union Local 802**

**322 West 48<sup>th</sup> Street (near 8<sup>th</sup> Avenue) Ground Floor, “Club Room”**

**TRAINS: No. 1, train to 50<sup>th</sup> St. and 7<sup>th</sup> Ave.; Q, W trains to 49<sup>th</sup> St. and Broadway; E train to 50<sup>th</sup> St. and 8<sup>th</sup> Ave.**

**Mitchell-Lama Residents Coalition  
P.O. Box 20414  
Park West Station  
New York, New York 10025**

# More NYC building workers accuse Stellar Management of mistreatment

Laurence Gluck, the principal of Stellar Management who fought a four-year battle with former Mitchell-Lama complex Independence Plaza North, is in the news again, this time for allegedly mistreating workers in an upper west side building.

Union employees at the Windermere, an apartment building on West End avenue, maintain that Stellar is pressuring them to leave by harrasing them, in order to replace them with lower-paid non-union workers. The same argument was leveled against Stellar several years ago by union employees at IPN.

Gluck bought IPN--removing it from the Mitchell Lama program--from the former owner, almost immediately as the tenants had received support from a coalition of banks for turning the complex into a perpetually affordable coop. The buyout was

approved by Daniel Doctoroff, a key official in the previous Bloomberg administration.

Following the purchase, which was modified by an agreement that called for, among other things, securing Section 8 subsidies for lower income tenants and a contractual agreement for were not eligible for Section 8 subsidy. New tenants were charged market rents, ranging from around \$4,000 for a one-bedroom unit to around \$8,000 for a two-bedroom unit.

Stellar has also been accused by non-free market tenants, at both IPN and the Windemere, of discrimination in access to a building's amenities. IPN Tenants accused him of 'source of income' discrimination, a violation of NYC's human rights law. Stellar then agreed to allow all tenants access to the amenities under the same terms.

## SCRIE program expands to include thousands more seniors

Thousands of additional senior citizens in New York City will be granted a rent freeze, under a City Council-passed resolution in May. The resolution freezes rents for seniors above 62 who live in rent regulated units, and whose rent is beyond a third of their household income.

Introduced by Councilmember Margaret Chin, the resolution expands the Senior Citizen Rent Increase Exemption

(SCRIE) program. At present, SCRIE only applies to seniors if their income is \$29,000 or under. The expanded program, raising the level to \$50,000, will take effect in July.

The expanded program, which required NYS approval, will have to be renewed for 2016. Ms. Chin introduced another resolution, which the Council also supported, calling on the state legislature to eliminate this requirement.

### UPCOMING EVENTS

#### GENERAL MEMBERSHIP MEETING

Saturday, June 21, 2014

*Members are urged to voice concerns regarding their developments, especially long- and short-term standing issues*

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**Musicians Union, 322 West 48th Street, between 8th and 9th Avenues**

For more information, e-mail: [info@mitchell-lama.org](mailto:info@mitchell-lama.org)

#### Mitchell-Lama Residents Coalition, Inc.

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Donations *in addition to dues* are welcome.

NOTE: Checks are deposited once a month.

Mail to: MLRC, PO Box 20414, Park West Finance Station, New York, N.Y. 10025

*MLRC fights for you and your right to affordable housing!*

# Pols show up for MLRC's 'Meet & Greet' event

**E**lected officials turned out in force at the MLRC's May 2014 "Meet & Greet" event. Known as "Lobbying in our Neighborhoods," the event afforded residents an opportunity to discuss concerns regarding their own buildings and housing issues in general with those in a position to do something about it.



Members of the MLRC attending the May 2014 "Meet & Greet" event.



**Congressman Charles B. Rangel, standing next to MLRC co-chairs Jackie Peters and Margot Tunstall, handing a plaque to Manhattan Borough President Gale Brewer in appreciation of her support for affordable housing.**



**State Senator Brad Hoylman**



**Assemblymember Walter Mosley**



**Assemblymember Herman D. Farrell, Jr.**



**NYC Controller Scott Stringer**



**City Councilmember Margaret Chin**



**City Councilmember Helen Rosenthal**



**City Councilmember Ben Kallos**

## Trinity House tenants continue effort to buy their M-L building

By Sue Sussman

Tenants in Trinity House, one of the two Mitchell-Lama rentals left on the Upper West Side, are trying to get the Trinity School back to the negotiating table to keep their homes permanently affordable.

The two sides had been negotiating so the tenants could buy their building and keep it as a limited equity co-op. Many in the housing field saw the plan as a model that others could follow.

But Trinity School suddenly walked away from the table and the city failed to put the deal back on track. Instead, Trinity School is focusing on building a two-story addition on top of the Mitchell-Lama park-

ing garage, which will obstruct part of the open area now available to tenants.

Equipment rooms for the new building would also take over space in the garage and reduce potential income which helped to keep Trinity House rents affordable.

It would be great if the local electeds and the Community Board could hold some hearings on the issue and make a serious effort to support affordability at Trinity House for the long term. The private school's expansion should not be at the expense of the tenants and of affordability in any of our neighborhoods.

## Julian Castro to head HUD; Donovan moves to OMB

Julían Castro, the mayor of San Antonio, was appointed as the new secretary of HUD, succeeding Shaun Donovan, who will serve as the new director of the White House Office of Management and Budget (OMB).

In appointing Castro, President Obama said in May that the mayor "has made significant progress in San Antonio and put the city and its citizens on a new trajectory," according to a White House statement.

"He has been a leader among mayors in implementing housing and economic development programs that have tremendously benefitted the people of San Antonio. He has also built good relationships with other mayors and key partners in the Administration's Promise Zones initiative, which spotlights San Antonio as a shining example of a city that has been revitalized over the past few years due in large part to Mayor Castro's leadership."

Obama added that Castro has "lived the American dream,"

noting that his grandmother, after arriving here from Mexico, had worked "as a maid, worked as a cook, worked as a babysitter -- whatever she had to do to keep a roof over her family's head."

He added that for people like his grandmother, "a home is more than just a house. A home is a source of pride and security. It's a place to raise a family and put down roots and build up savings for college or a business or retirement, or write a lifetime of memories. And maybe one day the kid grows up in that home and is able to go on to get a great education and become the Mayor of San Antonio, and become a member of the President's Cabinet."

Referring to the outgoing secretary, the President said that Donovan, among other accomplishments, had chaired the Hurricane Sandy Rebuilding Task Force, which "developed a comprehensive regional plan, based on local vision for redevelopment, to guide long-term disaster recovery efforts."

## Rent Guidelines Board sets final vote for year

The NYC Rent Guidelines Board will hold its final vote, affecting the rents of millions of New Yorkers, on Monday, June 23, at 6:00 p.m., at Cooper Union's Great Hall, 7 East 7th Street, Manhattan.

The Board's decision will set lease renewal increases for rent stabilized tenants whose leases expire between October 1, 2014 and September 30, 2015.

Although Mayor Bill

de Blasio advocated a rent freeze while running for Mayor, his deputy, Alicia Glen, supports raising rents.

"I don't think that anybody's view is that putting a rent freeze is good for the rental stock, any portion of the rental stock," she said at the Harvard Club in May.

Perhaps she hasn't heard, or listened to, the views of the city's many tenant advocates.

### MLRC Developments

These developments are members of the Mitchell-Lama Residents Coalition

**Individual Membership: \$15 per year**  
**Development: 25 cents per apt. (\$30 minimum; \$125 maximum)**

*Donations above the membership dues are welcome.*

|                                   |                                    |
|-----------------------------------|------------------------------------|
| Bethune Towers                    | 158th St. & Riverside Dr. Housing  |
| Castleton Park                    | Parkside Development               |
| Central Park Gardens              | Pratt Towers                       |
| Clayton Apartments                | Promenade Apartments               |
| Coalition to Save Affordable      | RNA House                          |
| Housing of Co-op City             | Riverbend Housing                  |
| Concourse Village                 | River Terrace                      |
| Dennis Lane Apartments            | River View Towers                  |
| 1199 Housing                      | Ryerson Towers                     |
| Esplanade Gardens                 | Concerned Tenants of Sea Park East |
| Independence Plaza North          | Starrett City Tenants Association  |
| Jefferson Towers                  | St. James Towers                   |
| Lindville Housing                 | Strykers Bay Co-op                 |
| Lincoln Amsterdam House           | Tivoli Towers                      |
| Manhattan Plaza                   | Tower West                         |
| Marcus Garvey Village             | Village East Towers                |
| Masaryk Towers Tenant Association | Washington Park SE Apartments      |
| Meadow Manor                      | Washington Square SE Apartments    |
| Michelangelo Apartments           | West View Neighbors Association    |
| 109th St. Senior Citizen Plaza    | West Village Houses                |

If your development has not received an invoice, please call the MLRC Voice Mail: (212) 465-2619. Leave the name and address of the president of your Tenants Association, board of directors, or treasurer and an invoice will be mailed.

# MLRC 2014 lobbying agenda: rent protection and affordability

*Following is the lobbying agenda for the MLRC*

## Protecting former Mitchell-Lama & project-based Section 8 tenants

This bill would bring all former Mitchell-Lama and project-based Section 8 buildings into rent stabilization, and make rent stabilization the default position for any future transitions out of these programs. The bill also prevents landlords from obtaining special rent increases based on so-called “unique or peculiar circumstances.” The bill is especially important to tenants in buildings constructed after 1973 that have already left their affordability programs and have not become rent regulated. In the Senate, the bill is S1169 (Stewart-Cousins). In the Assembly the bill is A1128 (Rosenthal).\*

(R)

Passing a law which allows Mitchell-Lama developments which have left the program to be brought back in to Article II of the Public Housing Finance Law (PHFL). (C & R)

## Permanent affordability: against privatization

Enacting legislation to prohibit the dissolution of these housing companies. (C)

Rescind Section 3-14 (i) (15) of the HPD rules that allow ML cooperatives to withdraw from the program.

Strengthen city and state regulations that protect shareholders and waiting list members from loss of affordability, and strengthen agency power to enforce said rules.

Require HPD and HCR to implement section 31-b of Article II of the PHFL which would allow purchasers of ML coops to get low interest mortgages to buy their apartments.

Provide low-interest loans to ML cooperatives and other affordable housing developments for infrastructure maintenance and capital repairs

Construct more affordable housing using the successful ML model.

## Vacancy decontrol

Strengthening the rent stabilization laws by repealing high rent vacancy destabilization: [S1167 (Stewart-Cousins)/ A1585 (Rosenthal)].

This bill would repeal vacancy decontrol, the process by which, upon vacancy, landlords can remove apartments from rent regulation when rents rise over \$2,500. The bill also re-regulates most of

the apartments that were deregulated in the last 15 years. (R)

## Income re SCRIE and DRIE

Excluding Social Security from SCRIE eligibility [S1930 (Addabbo)/ A8608-2011] (Title one--to be reintroduced)]

This bill would allow the city to exclude Social Security payment and supplemental security income from the definition of “income” when determining eligibility for the Senior Citizen Rent Increase Exemption (SCRIE) program. MLRC supports an amendment to make the same change to the DRIE program. (C & R)

Senior Citizen Rent Increase Exemption (SCRIE) Program: We support the recent increase of the income threshold for the program from \$29,000 to \$50,000. We request that DRIE be similarly increased and that both exemptions be indexed to COLA going forward. (C & R)

## Rent cap

Fully enacting the 30 percent rent cap for all HIV/AIDS Services Administration [HASA] recipients. (R)

## Preventing privatization

Preventing the privatization of Mitchell-Lama Co-ops until their eligibility for municipal tax exemptions have expired. This expiration will occur fifty years from now. (C)

## Pension fund financing

The prohibition of the use of New York City or New York State pension funds for the financing of Mitchell-Lama buy-outs. (R)

## Source-of-income discrimination

End source of income discrimination: [S187 (Squadron)/ A2095 (Espinal)]. This bill would end source of income discrimination throughout New York State, making it illegal for landlords to deny tenancy to people who pay their rent using Section 8 vouchers or any other forms of rental assistance. Such discrimination is already illegal in New York City. (C & R) (I)

## Urstadt Law repeal

The repeal of the Urstadt Law and the reestablishment of Home Rule for New York City.

## Human rights

The speedy enactment of an amend-

residents in NYC, whether they be market rate, LAP, voucher, rent stabilized, rent controlled tenants, or belong to any other group of affordable housing tenants. Moreover, that paid amenities be available on a sliding scale to all residents. (R)

## Illegal hotel activity

Legislation to end all illegal hotel activity in New York State. (C & R)

## How NYC can build more affordable housing

*The following suggestion was made by Steven Wishnia, editor of Met Council's Tenant/Inquilino, in an article for Gothamist:*

The money is out there. If we assume that building new housing costs \$100,000 per unit, levying a \$15 billion tax on the city's two richest residents, David Koch and Michael Bloomberg, would pay for 300,000 apartments, enough to house all 53,000 homeless people, everyone on the NYCHA waiting list, and then some—and still leave the two multibillionaires among the nation's 25 richest people, ahead of Michael Dell, Paul Allen, and Rupert Murdoch.

“That kind of expropriation is unlikely to happen short of a socialist revolution, but a 10-percentage point tax increase on New Yorkers who make more than \$10 million a year would bring in a similar sum over the next decade.”

# Components of Mayor de Blasio's housing plan for the next ten years

**F**ollowing are the key policies and programs of Mayor de Blasio's recently released ten-year housing plan. The full plan can be read at <http://www.nyc.gov/html/housing/pages/home/index.shtml>

## Identify opportunities for affordable housing in all boroughs

The City will work with communities to identify areas that can support new development or provide opportunities for preservation. These developments will leverage investments to meet the neighborhood's infrastructure and service needs.

## Implement a Mandatory Inclusionary Housing Program

In rezonings that substantially increase potential housing capacity in strong markets, the City will require a portion of the new housing developed to be permanently affordable to low- or moderate-income households in order to ensure diverse and inclusive communities. To ensure the effectiveness of mandatory inclusionary zoning in transitioning neighborhoods, the City will provide flexible options for meeting the requirements.

## Harness affordable housing investments to generate quality jobs

The construction and preservation of 200,000 units of housing is projected to create 194,000 construction jobs and nearly 7,100 permanent jobs. The City will work with communities and local stakeholders to ensure that these are quality jobs, targeted toward local hiring and integrated with the City's broader workforce development initiatives.

## Protect tenants and stem the tide of deregulation

The City will coordinate across all agencies and use every tool at its disposal to protect tenants in rent-regulated housing from landlord harassment. In addition, we will work with the State as rent regulation comes up for renewal in 2015 to prevent abuses of the vacancy and luxury decontrol provisions and capital improvement rules.

## Adopt a more strategic approach to preservation

Working with community groups, the City will identify neighborhoods and portfolios that are at risk of becoming unaffordable and proactively work with owners, lenders and investors to assure that City resources are appropriately targeted.

## Implement simple and flexible

## incentives to preserve long-term affordability

The City will standardize and simplify its preservation programs to make the pathway to preservation more certain for building owners and Community Development Corporations. In addition, we will work with the State to develop easy to use tax incentives for buildings that do not have extensive capital needs but are at risk of leaving rent regulation or being converted to condominiums.

## Preserve the affordability of unregulated housing where rents may rise because of changing neighborhood conditions

The City will develop new incentive programs to encourage landlords in transitioning areas to restrict incomes and rents, in order to lock in the affordability of housing before the neighborhoods in which that housing is located become more expensive.

## Pilot a new program to encourage energy efficiency retrofits for small and mid-size buildings, creating energy savings and long-term affordability

To help mitigate rising utility costs and preserve affordability, the City will launch a new program to target mid-size and small buildings—in concert with local utilities and existing subsidy programs—to incentivize energy retrofits in exchange for affordability commitments from building owners.

## Significantly increase the number of units serving the lowest income New Yorkers

The City will allocate additional resources to its housing programs to ensure that a higher percentage of units in affordable housing reach the neediest people. As a result of this commitment, the City will serve more than four times as many of the lowest income New Yorkers (those earning below 30 percent of AMI) over the 10 years of this plan as were served over the previous 12 years.

## Develop affordable housing on underused public and private sites

We will perform a comprehensive survey of all vacant sites in the City. We will use this tool to encourage affordable housing and mixed-use development on underused sites within our own portfolio, as well as in partnership with the State, public authorities, not-for-profit institutions,

faith-based organizations, and private owners who have land that could be deployed for affordable housing.

## Create two new programs to develop small, vacant sites

The City will launch two new programs, the Neighborhood Construction Program (NCP) and the New Infill Homeownership Opportunities Program (NIHOP). These programs will aggregate sites to develop affordable housing, including one- to four-family homeownership opportunities and up to 20 unit rental buildings. These programs will focus on developing capacity among smaller developers with a particular focus on local not-forprofits and CDCs.

## Introduce new mixed-income programs

The affordable units in traditional "80/20" are targeted to a narrow band of households. To promote long-term community revitalization and economic diversity, we will pilot a new mixed income program that targets 20 percent of a project's units to low-income households, 30 percent for moderate income households, and 50 percent for middle-income households. Middle-income housing is essential to support our economy and workforce, which increasingly cannot afford to live in our city.

## Engage New York City HA residents and the surrounding communities to identify local needs and opportunities

Over the coming months, the City will engage the residents and neighbors of NYCHA developments in a respectful conversation about local needs and opportunities. This collaborative process will focus on the preservation of NYCHA units and assess the potential for underused NYCHA land and development rights to benefit existing residents, increase affordable housing, produce local retail, and community facilities, and serve other shared goals. The City will produce a series of recommendations that will create the framework for future planning.

## Reform various zoning and housing codes, and other regulations to lower costs

Some regulations have become outdated or have created impediments to new housing. We will re-examine parking

*(Continued on page 8)*

# Solving the housing crisis without Albany

(Continued from page 1)

exemption, given to developers of new housing, amounted to \$1,073,300,000 (one BILLION, seventy three million, three hundred thousand dollars) in 2014 alone (page 10), of which roughly forty percent (p. 17) was allocated to condos and co-ops, which, depending on where they are constructed, are usually not required to be affordable.

The current law is a complicated one, essentially dividing the City into areas (such as all of Manhattan, but certain neighborhoods elsewhere as well) where 20% of any newly-constructed housing units have to be affordable in order to receive a 35-year subsidy, and areas where developers can be subsidized for 15 years for constructing only market rate housing.

The 421-a law says, in so many words, that the City has the power to restrict the 421-a tax exemptions “in any manner.” Currently, there’s a proposal by Councilman Brad Lander and five cosponsors (Intro 0333-2014), for example, to apply the requirement of 20% affordable units to the whole City. Reasonable people

**‘Thousands of families could be restored to rent stabilization, if the City actually enforces the law’**

can differ as to whether that 80/20 mix is the right mix. However, because of this proposal there will at long last be a debate as to how much affordable housing, at what rents and income levels, and for how long, that the City should require developers to provide in exchange for over a billion dollars a year that the City spends on subsidies.

The J-51 law also says, in so many words, that the City has the power to restrict J-51 benefits “in any manner.” As we know from the examples of Stuyvesant Town and Independence Plaza North, for decades the City has essentially neglected to enforce the affordable housing requirements of the J-51 law.

The J-51 program provides landlords with tax abatements and exemptions in exchange for making improvements to existing housing. In exchange, every apartment is required to be subject to rent regulation for a fixed period of time (except in co-ops and condos, where there is no affordability requirement). In 2014, according to the Department of Finance, J-51 abatements and exemptions made up a tax expenditure of \$259,000,000 (two hundred and fifty-nine million dollars) of which

roughly one third was allocated to condos and co-ops.

In exchange for spending hundreds of millions a year on subsidies for buildings that are supposed to remain rent regulated, the public is entitled to expect that anyone getting subsidies actually adhere to the rent laws. This cannot be difficult. The identities of the properties getting J-51 benefits are on a computer database. The identities of apartments registered as rent regulated are also on a computer database.

**The City can ‘forbid anyone guilty of harassing tenants from running any rental buildings in the City. . .’**

A list of buildings that are out of compliance can be generated with no more than a push of a button. Thousands of families could be restored to rent stabilization, if the City actually enforces the law instead of requiring tenants to hire private lawyers.

The mayor’s housing plan rightfully focuses on the benefits given by the City, that can be conditioned on the production or maintenance of affordable housing. It proposes mandatory inclusionary zoning, for example, for properties benefitting from changes to current restrictions on construction.

The City has the power to go further than this, though. Every time apartments are combined or reconfigured, every time a new building is built, and every time a building is demolished or altered, the owner has to obtain a building permit.

Currently, permits are issued unconditionally, as though owners have an inalienable right to destroy otherwise-affordable apartments or buildings and to build luxury buildings. The simple fact is that the City can place conditions on the issuance of building permits for building new buildings, or for the alteration or demolition of rental housing. The City can require that an equivalent number of units be offered in place of any demolished apartments, for example, and can forbid the conversion of apartment buildings into single family mansions.

This would not violate state law in any way, since it would not impose rent regulation on any class of unregulated housing. In fact, it is an open question whether the City can require all developers, not just those getting subsidies, to participate in affordable housing programs in exchange for getting a permit for new con-

struction, since the housing that would thereby be regulated is not in existence, and would not exist unless the developer agrees to the City’s conditions.

The City has the power to license any business that is in a position to harm the public. New York City requires a license to peddle on the street, or to cut hair, or to run a bingo game. The difficult business of managing an apartment building, which includes the need to know how to comply with some of the most complex laws on the books (rent stabilization, rent control, Section 8, to name a few), doesn’t require any license at all. The City requires every building to have a managing agent, but the managing agent doesn’t need to know how to run a building.

Every tenant in rent regulated housing has a visceral and immediate familiarity with the pervasive harassment that passes for common industry-wide business practices in New York real estate.

The most effective way to put a stop to this is for the City to regulate the business practices of the rental housing industry directly, by requiring managing agents to get a license, and to forbid anyone guilty of harassing tenants from running any rental buildings in the City. Now that we finally have progressive government in New York City, it is time for the City to once again use its power to protect the affordable housing we have, and to require developers to create affordable housing in exchange for the benefits they get from the City.

## Waldo Gardens cannot evict ML shareholder for running day care center

A cooperator in Waldo Gardens, a Mitchell-Lama co-op in Riverdale, has successfully resisted eviction and will be allowed to continue operating her day care center in her apartment, even though the development’s proprietary lease restricts apartments to residential use.

Judge Timmie Erin Elsner ruled in June that although the courts usually enforce such covenants, an exception can be made in this case because the government has “a strong public policy” in favor of such facilities as family day care centers and facilities that aid people with mental disabilities.

Elsner said that restrictive provisions do not supersede the state’s Social Services Law or Mental Hygiene law, because those laws were passed by the legislature in efforts to remedy a shortage of such facilities.

# Study shows housing costs cut into life necessities

During the past three years, over half of all U.S. adults (52 percent) have had to make at least one sacrifice in order to cover their rent or mortgage, according to a new survey of housing attitudes released by MacArthur. Such sacrifices included getting an additional job, deferring saving for retirement, cutting back on health care and healthy foods, running up credit card debt, or moving to a less safe neighborhood or one with worse schools.

The How Housing Matters Survey, the second annual national survey conducted by Hart Research Associates, found that while there are some indicators that the American public's views about the housing crisis are shifting toward the positive, large proportions of the public are not feeling the relief: seven in ten (70 percent) believe we are still in the middle of the crisis or that the worst is yet to come.

Concerns about the lack of affordable quality housing in their community are one reason why six in ten (58 percent) believe government should be doing more to ensure there is both sufficient affordable quality rental housing, and housing to buy.

Reinforcing survey findings from 2013, attitudes about homeownership have shifted, with 43 percent indicating it is no longer the case that owning a home is "an excellent long-term investment and one of the best ways for people to build wealth and assets," and more than half (54 percent) believing that buying a home has become less appealing than it once was.

Even as seven in ten renters (70 percent) aspire to owning a home, high proportions (58 percent) believe that "renters can be just as successful as owners at achieving the American Dream."

Survey highlights include:

***The concerns and challenges related to affordable quality housing are real for many Americans.***

Majorities of Americans believe that in their community, it is challenging to find affordable quality housing – whether renting (58 percent very/somewhat challenging) or buying (59 percent very/somewhat challenging.) Respondents overwhelmingly agree that it is challenging for families that live at or below the poverty level to find affordable quality housing (72 percent think this is very challenging), but the concern goes well beyond those living in poverty.

The How Housing Matters Survey finds broad recognition among the public that accessing affordable quality housing is difficult for many families within their communities, including families with average income (58 percent very/somewhat challenging), young people just getting started in the labor force (75 percent very/somewhat challenging), and a family with children trying to find housing near quality schools (60 percent very/somewhat challenging).

Greater than six in ten adults believe it is at least fairly likely for a family that is struggling to keep their housing to have to

take on an additional job or hours at work (82 percent very/fairly likely), stop saving for retirement (73 percent), accumulate credit card debt (72 percent), or cut back on health care (62 percent).

***A majority of adults (55 percent) believe it is at least fairly likely that such a family will have to cut back on healthy, nutritious food, and just fewer than 2 in 5 believe such a family will likely move to a neighborhood that is less safe or has worse schools.***

While half of all whites (49 percent) indicate they have made a sacrifice, nearly two-thirds of African Americans (63 percent) and Hispanics (64 percent) indicate they have done so. Among all adults, 47 percent report that either now or at some point in the past their housing situation was not "stable and secure," and among current renters, that figure is 56 percent.

***Among those indicating distress in paying their rent or mortgage, 27 percent have stopped saving for retirement, 23 percent have cut back on health care, and 23 percent have accumulated credit card debt.***

A majority of Americans believe that government can do much to solve the problem of housing affordability, yet do not favor either homeownership or rental housing over the other. Six in ten (61%) believe that "a great deal" or "a fair amount" can be done to solve the problem of housing affordability, including 70% of renters and 57% of owners.

But the public does not wish government policy to tilt in favor of either owning or renting. A solid majority (58%) wants the federal government to invest in both equally.

## Components of Mayor deBlasio's housing plan for the next ten years

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requirements, zoning envelope constraints, and restrictions on the transferability of development rights, among other regulations. Similarly, regulations governing affordable housing programs will be re-examined to identify inefficiencies and to streamline the development review process.

### **Stretch the City's housing subsidy dollars further**

We will revise the terms of our existing subsidy programs, and better align tax exemptions and other incentive programs to ensure that City resources are leveraged the maximum amount possible from other sources, are no greater than absolutely necessary to incentivize the produc-

tion of housing, and promote production of units for New York's neediest families.

### **Ensure sustainable affordable housing tailored to the City's demographics**

The City will commit to being a leader in developing new technologies and building standards that ensure the City's affordable housing stock is both sustainable and appropriate for the needs of the City's changing demographics.

### **Shift funding from high-cost homeless shelters to lower-cost permanent housing**

The City will pilot programs to reallocate a portion of shelter funding to

finance lower-cost permanent housing for homeless individuals and families.

### **Develop more supportive housing to improve health outcomes and save public dollars**

Investment in housing that is accompanied by supportive services can improve outcomes for people with mental health and substance abuse issues, while yielding significant taxpayer savings by reducing demand for high-cost shelters, hospitals, and other emergency resources. The City will seek to renew its partnership with the State to expand the supply of supportive housing and to broaden the target populations it serves.