



# MITCHELL-LAMA RESIDENTS COALITION

Vol. 25, Issue 3  
February 2020

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

## MLRC 2020 agenda seeks declaration of housing emergency in New York City

Following are the key bills and measures the MLRC supports as its 2020 legislative agenda.

- Mitchell Lama Reform Bill (A1349): Authorizes the legislature to declare a housing emergency and extend protections of rent regulations to former ML rentals or HUD-subsidized housing.
- ML transfer tax [of 75%] on sale of rental project or mutual company (2018--A04441/S03184).
- ML bill on use of funds from privatization (2018--A05011): Revenue from buyouts to be used for affordable housing purposes.
- NYC Mansion Tax on luxury condos and homes worth \$2 million or more.
- New program based on SCRIE and DRIE to protect rents of former ML tenants.
- Platform of Cooperators United for Mitchell Lama.

*The proposed new legislation will make it very difficult for M-L coops to go private by increasing the approval requirement to 80% for each phase of the privatization process, by mandating the funding of privatization plans through dedicated share-*

*holder assessments and by prohibiting revisiting privatization for 5 years after any "no" vote.*

*Additional bills are being drafted that would tie coops to Shelter Rent eligibility for 50 years beyond the time mortgages are paid off, address coop voting procedures and address board corruption with provisions that mandate board transparency, adherence to democratic principles and good governance.*

- Platform of Housing Justice for All campaign.
- Excluding Social Security income from SCRIE eligibility.
- Indexing Senior Citizen Homeowners' Exemption and Disabled Homeowners' Exemption to  
*(Continued on page 8)*

### 'Meet & Greet'

Confer face to face with our representatives

**May 2, 2020**

10 a.m. to 2 p.m.

*Place to be announced*

## New M-L task force forms to resist co-op privatization

Efforts to prevent the further privatization of Mitchell-Lama cooperatives were intensified in January with the formation of the Mitchell-Lama Task Force (working name).

Comprised of members from several other M-L coalitions, the new group aims to build on the legislative successes achieved by tenants and their advocates last year, especially with the ground-breaking July 2019 passage of the Housing Stability and Tenant Protection Act, which affords tenants protection against evictions and exorbitant rent increases.

The Task Force comprises three committees: bill writing, legislative campaign, and education/media.

As its name implies, the Bill Writing committee will draft proposed legislation. Its members are working closely with State Assemblymember Linda Rosenthal and attorney Michael Grinthal of TakeRoot Justice.

The Legislative Campaign committee is devising lobbying schedules and undertaking efforts to involve more shareholders through petitions, rallies, and the like.

The Education/Media committee is preparing written materials for the campaign, including an informational booklet, letters to legislators, press releases and other items

*(Continued on page 8)*

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

## MLRC General Membership Meeting

Saturday, March 21, 2020 10:00 a.m - noon

**NOTE:** If weather is inclement, prospective attendees should call the MLRC hotline at 212-465-2619 after 6 a.m., to learn if the meeting's been canceled due to the weather.

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

**PLACE:** To be announced

Mitchell-Lama Residents Coalition  
PO Box 20414  
Park West Station  
New York, NY 10025

# Atlantic Towers landlord cancels facial recognition system

Tenants at Atlantic Plaza Towers in Brooklyn who have been fighting their landlord's plans to install a facial recognition system of entry--replacing keys--won a victory in December as the owner, Robert Nelson, agreed to cancel the project.

Critics have long argued that facial recognition technology, which is in widespread use by police in this country and by general governments elsewhere, especially in China, is often inaccurate when scanning people of color, a majority of whom are tenants at Atlantic Towers. Tenants

have also argued that the technology is a "big brother" invasion of their privacy, and can be used to intensify evictions.

In a related development, City Councilman **Mark Levine** introduced legislation in October that would prevent landlords from improperly using personal data collected by smart entry systems to harass or evict tenants, or to monitor their comings and goings. The bill would also allow tenants to demand a physical key for entry. And it would prevent landlords from collecting data for harassment or for sale to third parties.

# Brownsville slated to receive three fully-affordable developments

Three new fully-affordable housing redevelopments are slated for Brooklyn's Brownsville neighborhood by the end of 2021. Part of the Marcus Garvey Apartments, a former M-L complex, the three will provide 348 units, with more than half becoming supportive housing. The land is owned by L+M Development Partners.

Units will be allocated by lottery.

Press reports on the developments indicate that the apartments, which will contain a mix of studios and one-, two- and three-bedroom units--will be affordable to people earning between thirty and seventy-seven percent of the area median income.

The three developments-- 215 and 169 Livonia Avenue, and 449 Chester Street--will also provide around six thou-

sand square feet of retail and community facility space, and will offer bicycle areas, laundry and community rooms, energy efficient major appliances such as refrigerators and dishwashers, and high-efficiency lighting.

Support services will be offered by WIN, formerly Women in Need, which currently provides services for various family shelters in the city, and the Osborne Association, a nonprofit long involved in creating "opportunities for people affected by the criminal justice system," as noted on its website.

Funding of \$179 million is being provided by direct subsidies and tax-exempt bonds issued by the NYS Housing Finance Agency, Low Income Housing Tax Credits, and a construction loan from Wells Fargo.

## UPCOMING EVENTS

### MLRC General Membership Meeting

Saturday, March 21, 2020  
10:00 a.m. - noon

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

Place to be announced

**NOTE:** If weather is inclement, prospective attendees should call the MLRC hotline at **212-465-2619** after 6 a.m., to learn if the meeting's been canceled because of the weather.

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

### Mitchell-Lama Residents Coalition, Inc.

#### Officers

- Co-chairs: Jackie Peters  
Ed Rosner  
Sonja Maxwell
- Treasurer: Carmen Ithier
- Corresponding Sec'y: Katy Bordonaro

#### MLRC NEWSLETTER STAFF

- Editor: Ed Rosner
- Assistant editors: Katy Bordonaro  
Sonja Maxwell  
Jackie Peters
- Managing editor: Nathan Weber

Circulation: 5,000

Articles, letters and photographs are welcome. Send to MLRC, PO Box 20414, Park West, New York, NY 10025. Fax: (212) 864-8165. Voice Mail: (212) 465-2619. E-mail: [information@mitchell-lama.org](mailto:information@mitchell-lama.org)



## JOIN THE MITCHELL-LAMA RESIDENTS COALITION 2020

INDIVIDUAL: \$15 per year; DEVELOPMENT: 25 cents per apt (\$30 Minimum; \$125 Maximum)

Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip code \_\_\_\_\_  
 Evening phone \_\_\_\_\_ Day phone \_\_\_\_\_  
 Fax \_\_\_\_\_ E-mail \_\_\_\_\_  
 Current ML: Co-op \_\_\_\_\_ Rental \_\_\_\_\_  
 Former ML: Co-op \_\_\_\_\_ Rental \_\_\_\_\_  
 Development \_\_\_\_\_  
 President's name \_\_\_\_\_

Donations in addition to dues are welcome.

## City passes law to stop corruption of Mitchell-Lama waiting lists

In the face of a corruption scandal last year in which employees of a Mitchell Lama development in Coney Island accepted bribes to place tenants in apartments ahead of others on the official waiting list, the City Council passed a bill in November requiring the Department of Housing Preservation and Development to report on all M-L developments in which any legitimate applicant was passed over or removed.

Designed to promote transparency, the report must stipulate the number of applicants on the waiting list on the last day of the previous calendar year; the number of waiting list applicants who weren't selected; and any and all people who were selected even though they were behind others.

In addition, the report must indicate the number of veterans and others qualified for preferential treatment, as well as the number of complaints about the waiting lists regarding preference, among other issues. The reports will be posted on HPD's website. Public Ad-

vocate Jumaane D. Williams was the primary sponsor of the law.

The scandal that motivated the law came to light last October, when prosecutors accused three employees of Luna Park housing--Leonid Dakhe, 64, Tatyana Langman, 71, and Sabina Berkovich, 40--of using bribe money to buy Florida real estate, fur coats, handbags and jewelry.

Notwithstanding the new law, allegations of waiting list corruption continue. In December, a lawsuit filed in Brooklyn Federal Court argues that the city and HPD have been "deliberately indifferent since at least 2009, if not earlier" regarding M-L waiting lists. According to media reports, one resident, Kinetta Berry in Mount Vernon, argues that she was on the waiting list for a two-bedroom unit in Adee Tower Apartments in the Bronx for two years, but was then removed from the list "without notice on the false ground that she did not respond when contacted about an available unit."

## Curtailing services to evict tenants may soon lead owners to prison

Landlords who deliberately curtail services or otherwise create uninhabitable conditions in rent regulated apartments in an effort to force out the tenants will soon face criminal charges, even if no injury was sustained by tenants. In some cases, the owners may also face prison time.

A law that will go into effect in May 2020 replaces the current law prohibiting such behavior that is virtually ineffective, since it requires aggrieved tenants to demonstrate not only that they suffered some type of physical injury, but that the injury was intended by the owner--a bar almost impossible to meet. In fact, under the current law, in effect for two decades, no landlord has ever been convicted, according to lawmakers who supported the new law.

"Until now, it has been nearly impossible for criminal charges to be filed against even the worst offenders," said State Senator Liz Kreuger (D) of Manhattan. "As of today, the law will be updated to protect tenants and give them a fighting chance and to safeguard our dwindling stock of affordable

housing." Prosecutors will now be enabled to charge landlords with a Class E felony, if they curtail services in an effort to evict two or more rent regulated tenants, again, even if no injuries were sustained. Penalties for such felonies can include prison time for up to four years.

## Knickerbocker Village tenants may see good rents for 50 years

Residents of Knickerbocker Village in the Two Bridges section of the lower east side may see their rents stay affordable for the next fifty years, and in some cases see even a rent reduction, under a bill passed in December by the City Council. The law prevents the housing development--built under provisions that served as a model for the future Mitchell Lama program--from raising rents more than thirteen percent by providing the landlord, Cherry Green Property Corp., with a property tax abatement worth three million dollars.

Tenants at the complex, which contains 1,590 apartments, have been battling a rent hike for the past five years. The new

## Homeless population in city to be offered 1,000 units under new de Blasio plan

A new plan announced by Mayor de Blasio in December to combat homelessness in the city seeks to create one thousand new "low-barrier permanent apartments" for the homeless, plus another thousand beds in the "safe haven" program, which encourages people living on the street--estimated at roughly 3,600 people who tend to be "service-resistant"--by ending curfews and sobriety requirements, and offering more individualized living accommodations. Founded by the Bowery Residents Committee several years ago, these safe havens are usually provided by religious institutions.

The plan is expected to cost \$100 million next year.

While support for the plan came from the Coalition for the Homeless, **City Comptroller Scott Stringer**, who is likely to run for mayor in the next election, dismissed the plan as a "band-aid."

In related news, **Dr. Raul Perea-Henze**, a former Obama administration official and longtime federal and local administrator of human services programs, was named by de Blasio as the new overseer of the city's growing homeless population. His official title is deputy mayor for health and human services.

Meanwhile, officials at Advocates for Children of New York (AFC) found that the number of homeless students in the city's district and charter schools has increased every year since the 2014-15 school year. Last year, 114,085 students across the city were either living in shelters or doubling up with friends.

law will lower the property tax to \$3.4 million, down from \$400,000, and keep rent increases lower than 13 percent. Still, that amount could confront families with an average increase of about \$125 per apartment.

## Marbut new federal homeless czar

Robert Marbut, Jr., has been appointed to lead the U.S. Interagency Council on Homelessness. In San Antonio, Marbut became known for creating a shelter to provide beds only for people passing a drug test. Those who don't pass are forced to sleep in a concrete courtyard.

## Barika X. Williams named head of ANHD, following departure of Benjamin Dulchin

**B**arika X. Williams, formerly NY State's assistant secretary for housing, has been appointed the new head of the Association for Neighborhood and Housing Development, succeeding longtime director Benjamin Dulchin. A leading affordable housing advocate and training organization, ANHD comprises more than 80 community groups.

While at the state, Ms. Williams "managed the Governor's major housing priorities consisting of various agencies with a combined workforce of over 1,000 employees and an annual budget of more than \$2.5 billion dollars," according to an ANHD statement. In that position, she participated in efforts to expand tenant protections. With a master's degree from MIT's department of

urban studies and planning, Ms. Williams has published articles at the Urban Institute, and served as a project manager for a DC real estate firm.

Benjamin Dulchin has worked at ANHD for 17 years, including ten as director. In a statement, the organization noted that Dulchin helped to expand the association "in so many ways to become one of New York City's premier policy, advocacy, and capacity-building organizations." He has "tripled ANHD's budget and staff; helped to win significant city-and-state-wide housing campaigns (421a, Mandatory Inclusionary Housing, and the Tenant Protection Act); and, expanded the breadth and depth of ANHD programs, including . . . our responsible banking and equitable economic development programs."

## Twin Parks M-Ls in Bronx purchased for \$166 million; Units to remain affordable

**S**even Mitchell Lama buildings in the Bronx, containing over twelve hundred apartments, have been purchased for \$166 million dollars. The new owners, LIHC Investment Group, Belverson Partners and Camber Property Group, have promised to improve the properties while retaining the rent regulated apartments. The buildings, known as Twin Parks, were constructed in 1970, and were upgraded in 2014.

The properties include 2111 Southern Blvd, 800-820 East 180th Street, 1880-2000 Valentine Ave, 1985 Webster Ave, 2100 Tiebout Ave,

355-365 East 184th Street, and 333 East 181st street.

The new owner has invested in affordable housing elsewhere in both New York and other cities. In 2018, for example, it joined HPD and the city's Housing Development Corporation to preserve 669 Section 8 subsidy apartments in several gentrifying New York neighborhoods under a tax abatement program. As those units become vacant over the next forty years, "they will be reserved for low income families, with 20 percent set aside for homeless individuals and families," according to an owner statement.

## M-L resident fights for, and wins, traffic lights at dangerous crossings

**R**esidents of the Lower East Side, around Clinton, Henry and Cherry Streets became a lot safer recently, thanks to the efforts of M-L occupant Sallie Stroman.

For decades, the heavily trafficked area had no traffic lights, despite the presence of a public school and hospital.

Six years ago, Stroman, who resides in the local M-L, vowed to act.

"When I saw a large tractor trailer struggling to go down the narrow street at Henry and Clinton, I decided something had to be done

for the safety of the community," she said.

Rolling up her sleeves, she approached City Councilwoman Margaret Chin and her staff, the start of a long task of contacting everybody from the city's transportation department to numerous other public officials. Finally, on December 19, the traffic lights were installed.

When the victory was announced at the 7th precinct community council meeting, Stroman got a well-deserved round of applause.

## Developers in NYC must now provide 15% for homeless

**D**evelopers of new buildings who receive New York City subsidies will have to set aside at least fifteen percent of their units for homeless individuals and families, if the buildings contain at least forty apartments. Current estimates place the city's homeless population today at more than 60,000 people.

The new law, passed in December, amounted to a compromise between the mayor and the City Council, which felt an earlier version was too onerous and would curtail housing development in general, according to Politico, a major public opinion firm.

The compromise, sponsored by Council member Rafael Salamanca of the Bronx, received significant support from other councilmembers and various community advocacy groups.



### MLRC Developments

**These developments are members of the Mitchell-Lama Residents Coalition**

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

*Donations above membership dues are welcome*

Adee Towers	Assn
Amalgamated Warbasse	Meadow Manor
Arverne Apartments	Michelangelo Apartments
Bethune Towers	109th St. Senior Citizens Plaza
Castleton Park	158th St & Riverside Dr. Housing
Central Park Gardens	Parkside Development
Clayton Apartments	Pratt Towers
Coalition to save Affordable Housing of Co-op City	Promenade Apartments
Concerned Tenants of Sea Park East, Inc.	RNA House
Concourse Village	Riverbend Housing
Dennis Lane Apartments	River Terrace
1199 Housing	River View Towers
Esplanade Gardens	Rosedale Gardens Co-op
Franklin Plaza	Ryerson Towers
Independence House	Starrett City Tenants Assn
Tenants Assn	St. James Towers
Independence Plaza North	Strykers Bay Co-op
Inwood Towers	Tivoli Towers
Jefferson Towers	Tower West
Knickerbocker Plaza	Village East Towers
Linden Plaza	Washington Park SE Apts
Lindsay Park	Washington Square SE Apts
Lindville Housing	Westgate Tenants Assn
Lincoln Amsterdam House	Westgate
Manhattan Plaza	Westview Apartments
Marcus Garvey Village	West View Neighbors Assn
Masaryk Towers Tenants	West Village Houses

## New HUD rule would roll back effort to fight housing bias

Under a rule passed during the Obama administration, state and local governments and public housing agencies were required to collect patterns of segregation in their areas, as a step in developing plans to promote neighborhood integration and housing opportunity.

That requirement will likely be eliminated by the Trump administration, part of a blizzard of deregulation in areas ranging from the [environment](#) to [financial protection](#) to [voting rights](#). If, as likely, the proposed rule becomes law, it would appear to directly counter the federal Fair Housing Act, which requires that any locality getting funding from the federal department of Housing and Urban Development "affirmatively further" equal and fair housing opportunities.

Although that Act specifically includes "segregated living patterns" as an indication of unfair housing options, the proposed Trump rule does not mention the term "segregation." In its place, it notes that people should "live where they choose, within their means, without unlawful discrimination based on race, color" and other factors (not including gender or sexual orientation).

Ben Carson, the HUD secretary, argues that the Obama rule "is actually suffocating investment in some of our most distressed neighborhoods that need our investment the most."

This view mirrors the argument of real estate developers and conservative critics. As expressed by Joel Griffith of the right-leaning Heritage Foundation, "Too often, government mandates, restrictions and subsidies fuel rising costs.

On the state level, onerous restrictions on zoning — and on environmental regulations — can add dramatically to the costs of housing."

In a counter statement, Peggy Bailey, an official of the liberal-oriented Center on Budget and Policy Priorities, said that under the new rule, "ongoing housing discrimination and segregation will likely continue to be swept under the rug and HUD resources will do far less to reduce segregation and expand housing opportunities for protected groups."

Under the Obama rule, local government recipients of HUD funding had to work with HUD to create fair housing goals. But under the new rule, regardless of how long their communities have been segregated, local agencies would be allowed to devise their own goals and procedures to deal with discrimination, without federal oversight.

The proposal states that the new rule will enable "jurisdictions to measure their progress, understand their successes or failures, and continue to improve their efforts, *without a mandate from HUD* on exactly what steps to take." (Emphasis added.)

The new rule appears to be of a piece with HUD's other forays in the area of housing discrimination. For example, HUD eliminated the old rule that allowed tenants to sue for discrimination by demonstrating that a housing agency's policy had a discriminatory effect, even if it did not purposefully discriminate against each individual tenant. Proving intent is often an impossible legal standard.

### **Applicants for ML units paid \$ thousands, but most have no chance of securing an apartment**

Hundreds of applicants for Mitchell Lama housing collectively paid thousands of dollars in application fees over the years, but most have no likely chance of ever getting an apartment.

An audit by Thomas DiNapoli, the New York State's comptroller, released in December 2019, found that the city's department of Housing Preservation and Development, which administers many of the developments, has failed to establish criteria about which applicants for lotteries should be placed on waiting lists.

In addition, the audit found that the waiting lists "contained numerous inaccuracies" and "weak controls" regarding both eligible and ineligible applicants.

In addition, some property managers failed to return application fees, and some mislead hopeful applicants about their chances of securing an apartment.

The fees paid by applicants were as high as \$200 each; fees were reduced to \$50 in August of last year.

### **Downtown NYC tenants and owners in legal battles over back rents, leases**

Dueling lawsuits regarding back rents and stabilized leases are heating up the atmosphere in Manhattan's downtown neighborhoods, including Tribeca and the Wall Street area.

A New York State court ruling in June 2019 found that owners who benefited from a tax break known as 421-g, which applies to downtown properties only, must provide rent-stabilized leases to their tenants, as well as legally mandated back rents.

Spurred by the ruling, thousands of tenants in the Wall Street area, including those in dozens of luxury buildings, have filed class action lawsuits, demanding back rent and stabilized leases.

But attorneys for Clipper Equity, the owner of 50 Murray St., are hoping that the US Supreme Court, with its current conservative majority, will agree with its claim that the state court's ruling is unconstitutional, contending that it violates the U.S. Constitution's Fifth Amendment, which prohibits private property from being taken for public use, unless there is just compensation.

In response, attorneys for the building's tenants have filed papers arguing that the Court "lacks jurisdiction to review" the landlord's interpretation of a state law.

The owner's contention may be difficult to uphold. According to Richard Leland, a member of the Real Estate Board of New York, a landmark 1978 Supreme Court case regarding development at Grand Central Terminal found that "depriving a property owner of the highest and best use of his or her property is not a regulatory taking."

### **NYC program financed 34,000 affordable units**

The de Blasio administration announced in January that it has financed 34,160 affordable units of housing in 2019, setting a record both for new construction and renovation.

A statement released by the Mayor's office said that the total number of homes financed to date reached almost 122,000 apartments. More than four-fifths will be affordable to low-income New Yorkers, of which more than forty percent will go to families earning less than \$46,950.

## Mayor rejects Bushwick community's anti-gentrification & displacement plan

Residents of Brooklyn's Bushwick section lost a long-running battle against growing gentrification and displacement in January, as Mayor de Blasio rejected a plan prepared by the local community board, Make the Road New York, Churches United for Fair Housing, and Brooklyn Legal Services, among others.

The community's plan countered a plan put forth earlier by the de Blasio administration, which called for upzoning 300 blocks, creating around 5,600 additional units of residential housing, of which thirty percent would be affordable. That plan was rejected by the NYS Supreme Court on the grounds that it did not sufficiently consider the environmental concerns expressed by residents.

In the community's counter plan, the number of new housing units would be 2,000 (less than half in the Mayor's plan) with all of them being deeply affordable.

It also limited large-scale development on side streets, although allowing for such structures on large boulevards such as Broadway. The plan also demanded the preservation of affordable housing and the creation of new historical districts, which have effectively limit-



Example of street art adorning numerous blocks in Brooklyn's Bushwick community

ed luxury development in other areas.

In rejecting the community's plan, Deputy Mayor Vicki Been said that it runs "counter to the City's goals of the rezoning, which would be to encourage new mixed-income housing to prevent displacement spurred by current market forces while promoting a diverse, healthy and inclusive neighborhood and city."

Bushwick is a rapidly gentrifying neighborhood. According to NYU's Furman Center, the average monthly rent for a one-bedroom apartment there had soared to \$2,323 in 2019.

Notwithstanding the gentrification, Bushwick remains widely known for its dramatic street art, prepared years ago by residents, which adorn numerous buildings.

## Low transit costs here make New York City more affordable than seven other major cities

Given its ever-soaring cost of housing, New York City is the fifth most expensive in the nation, when compared with so-called "competitor cities."

However, when transportation costs, which are also central to the overall notion of affordability, are added in, New York is only the eighth most expensive. That is because transportation costs here are the least expensive among the twenty cities; the median household here spends only 14.4 percent of its income on transit.

These are among the findings of a new [report](#) released in January by the Citizens Budget Commission. "A location's affordability is best understood as the portion of a family's income devoted to housing and transportation," the report, which uses data from the US Department of Housing and Urban Development, says.

Regarding New York, the CBC notes that "New York City is relatively



NYC bus

more affordable for lower income households among peer cities, but costs for these households are still unaffordable."

Among all twenty cities, fifteen of them "are considered unaffordable for the 'median household,' which spends more than 45 percent of its pre-tax and pre-transfer income on housing and transportation."

The seven most expensive, or unaffordable, cities, according to the CBC, are, in order: Washington, DC; San Jose; San Francisco; Boston; Minneapolis-St. Paul; Seattle-Tacoma; and Baltimore.

## Candidates for city offices reject \$ donations from real estate industry

Two contestants for the office of Manhattan Borough President, and one for the Mayor's office, have been rejecting or returning donations from the city's real estate industry.

City Councilmen **Mark Levine** and **Ben Kallos** and Council Speaker **Corey Johnson** have all made public statements that they will not be influenced by one of the city's most powerful political forces.

The statements come amid a growing political emphasis on affordable housing and tenant protections, which the real estate lobby has often stymied. Lately, the tenant position has gained considerable political support.

Last June, for example, after Democrats took control of both the senate and assembly, and with a Democrat in the governor's mansion, the state passed historic pro-tenant legislation, offering tenants more protection against evictions, soaring rents, and perpetual payouts for apartment renovations long after the cost of the renovations had been fully recouped.

Councilman Levine, whose district includes parts of the Upper West Side and Northern Harlem, returned \$175 from Eric Rudin of the mogul real estate family, and \$250 from Harold Fetner, who had been in a battle over his proposed tower on NYCHA property on the upper east side. The proposal was scrapped after a lawsuit. Another donation of \$1,000 from Marian Klein of the Brooklyn-based Park Tower Group will be returned.

Councilman Kallos whose district spans the Mid- and Upper East Sides along with Roosevelt Island and East Harlem, has returned donations amounting to \$425, and has announced his intention to giveback another \$100 from a Sotheby's agent.

Earlier, he returned \$2,150 from various real estate agents. However, he will keep a donation from realtor Edward Mermelstein, who also chairs the Council of Jewish Emigré Community Organizations. Accepting that contribution, Kallos said, reflects his stand against a growing antisemitism in the city.

Johnson, whose district covers much of the lower- and mid-west side and parts of the upper west side, had formerly worked for two real estate developers.

## ***Affordable housing news from around the nation***

### **National: More cities support legal counsel for tenants**

Following the lead of New York, several cities have passed laws guaranteeing legal representation to low income tenants facing eviction. They include Cleveland, Philadelphia, and Newark, NJ. Also, voters in San Francisco approved a right to counsel in a 2018 referendum. (Kansas City, Mo., recently passed a tenants bill of rights, although it does not include access to counsel.) In addition to helping to right an imbalance in access to legal aid in housing disputes, the new laws aim to confront a leading cause of poverty. According to Princeton University's Eviction Lab, eviction "is not just a condition of poverty, it is a cause of it."

### **National: Owning a home often more affordable than renting**

Owning a median-priced, three-bedroom home in many places throughout the United States is more affordable than renting a three-bedroom apartment. This is the case in 455, or 53 percent, of 855 U.S. counties analyzed in a [report](#) by Attom Data Solutions, a real estate research firm. The increased affordability of homes is evident in the nation's more populous suburban and urban areas. Although the report notes that both owning and renting amount to "a financial stretch" for many residents, "with interest rates falling, owning a home can still be the more affordable option, even as prices keep rising."

### **New Jersey: Hospitals to start providing low-cost housing**

Six hospitals in New Jersey have begun projects to construct affordable housing, under a program that sees such dwellings as central to physical and emotional well being.

Under the program, the state's housing and mortgage finance agency offers up to \$4 million to construct an affordable housing development. The agency will provide a mortgage and assist in additional financing. The hospitals will match that amount, and provide either land or a building for the housing, to be affordable to families earning less than 80 percent of the area's median income, with some units open to even poorer families.

### **Colorado: Community college to open homeless shelter**

Red Rocks Community College is partnering with a nonprofit group, The Action Center, to open a shelter for degree-seeking students. Nearly one in five students at four Denver schools said that they have been homeless at least part of the 2018 year, according to a report by a unit at Pennsylvania's Temple University.

### **Los Angeles: Housing for homeless finally opens**

The first housing project for homeless residents funded under a 2016 bond sale opened its doors in January. Twenty more projects are reported to be under construction. The mayor, Eric Garcetti, said that he expects a new project to be opening around every three weeks. Last year the homeless population in the city reached 36,000, a sixteen percent annual increase.

### **Seattle: State to invest \$110 million for homeless units**

Seattle will invest \$110 million to construct almost two thousand affordable apartments for the homeless across the city in 2020. The funds derive mainly from the sale of the Mercer Megablock, a string of properties in the South Lake Union district, very close to mega-corporation Amazon's headquarters. The area has recently become "hot" according to real estate circles.

### **Columbus, Ohio: Authority to spend \$250m for new units**

The Columbus housing authority plans to spend nearly \$250 million this year to acquire and renovate new units, including 500 additional units of mixed-income and "workforce" housing, and to renovate 928 units at properties it currently owns. It has also expanded its overall portfolio by 1,590 units while shrinking the number of units in traditional public-housing projects through programs like the federal Rental Assistance Demonstration.

The agency provides housing that's affordable for people earning up to 80 percent of the Area Median Income, which in Columbus is \$62,400 for a family of four.

## **Local Housing Briefs**

### **Evictions in city drop notably since passage of new law**

Evictions of residential tenants in New York City have plunged since the state legislature passed blockbuster tenant protections in June, according to an analysis by the Wall Street Journal. For example, nonpayment-of-rent evictions dropped by more than 35,000, or 46 percent, following the law's enactment, compared with the same period in 2018. Analysts suggest several reasons: landlords have to wait longer (14 days rather than three) before filing an eviction notice; rent-regulated tenants can now dispute rent overcharges going back six years instead of four (making owners more fearful of countersuits); and much more tenant access to attorneys granted by a separate law.

### **Goodwill Terrace Mitchell Lama purchased by Rose scion**

Goodwill Terrace Apartments, a Mitchell Lama development at 4-21 27th Ave. in Queens, was purchased by a scion of the Rose real estate empire. Jonathan Rose, who acquired the property through a \$28.5 million loan from the City's Housing Development Corporation, has said that the development will remain affordable for current tenants.

Rose said he plans to invest \$18 million in the project, which will go towards upgrading the lobby and hallways, and installing energy efficiency and modernization, including renovation of a community room and additional social services spaces. Rose reportedly owns around 15,000 affordable units around the country.

### **Two tenant groups sue NYCHA for overcharges and conditions**

Two groups of NYCHA tenants are suing the agency, which has been under pressure for years of neglect, especially regarding lead paint problems. In one suit, nine residents of Forest Houses in the Bronx are suing for allegedly overcharging them over a decade. The suit alleges that the agency neglected to adjust their rents to 30 percent of their incomes, a federal legal requirement, when their incomes declined.

The tenants also argue that the agency utilized incorrect calculations, and even attempted to evict some of them for nonpayment. In the other suit, residents of the Stanley M. Isaacs Houses and Holmes Towers in Manhattan claim that NYCHA has consistently failed to provide legally required safe and decent housing.

## Homeless deaths here increased by 39%

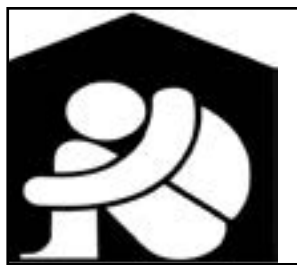
**M**ore than four hundred homeless people died in New York City last fiscal year (July 2018 - June 2019), according to a review in The Gothamist, an online news site reporting on city issues.

The review was based on a report issued by the city's Department of Human Services.

The deaths reflected a 39 percent increase over the previous year, the largest increase in a decade.

Causes of deaths included drugs, heart disease, alcoholism, various accidents, cancer, suicides and homicides.

Not all the deaths occurred on the street. Hospitals, shelters, subway cars



and abandoned buildings were also sites.

Homeless adults and teens were not the only victims. Seventeen homeless infants also died,

from such factors as sudden infant death syndrome, flu, and congenital malformations, among other causes.

## Bill to close mortgage tax loophole would generate funds for public housing

**I**n an effort to level the playing field in the area of real estate taxes, two New York State lawmakers have introduced a bill to close a loophole that allows investors who purchase properties for speculation to avoid paying a mortgage tax--the same tax that individual homeowners pay.

Under current law, investors who buy homes with bonds and certificates of deposit, as opposed to cash, are allowed to ignore the mortgage recording tax.

Sen. Julia Salazar (D-Brooklyn) and Assemblyman Harvey Epstein (D-Manhattan), sponsors of the bill, said that closing that loophole will generate millions of dollars, which can be used for desperately needed improvements to public housing developments.

"Our state needs to stop encouraging the use of limited housing stock as an investment vehicle instead of as a place for people to live," Salazar said.

## M-L groups form new task force to resist cooperative privatization

*Continued from page 1*  
designed to galvanize shareholders.

New legislation the Task Force is developing will make it more difficult for M-L co-ops to go private by increasing the approval requirement to 80 percent for each phase of the privatization process, as well as by mandating the funding of privatization plans through dedicated shareholder assessments, and prohibiting revisiting privatization for five years after any "no" vote.

In addition, the Task Force is

drafting bills to tie co-ops to Shelter Rent eligibility for 50 years beyond the time mortgages are paid off, address coop voting procedures, and address board corruption with provisions that mandate board transparency, adherence to democratic principles and good governance.

The task force is comprised of members of the Mitchell-Lama Residents Coalition, the Brooklyn Mitchell-Lama Task Force, and Cooperators United for Mitchell-Lama.

## MLRC 2020 agenda seeks declaration of housing emergency in New York City

*(Continued from page 1)*  
cost of living (or CPI) index (2016--S1074/A5416).

- Prohibiting use of NYC or NYS pension funds for financing ML buyouts.
- Ending source of income discrimination statewide (2018--S149/A06764). This would protect tenants using Section 8 or any other form of rental assistance.
- Repeal of Urstadt law and establishment of home rule for NYC.
- Speedy enactment of NYC human rights law requiring all building amenities equally available to all residents whether

market rate or any other group of tenants. Paid amenities to be available on a sliding scale of income.

- Ending all illegal hotel activity in New York State.
- Banning use of facial recognition technology to enter residential buildings and schools. (NYS A6787B/S5140A) (Residential Buildings NYS A7790) (US HR 4008 to ban facial recognition technology in federally funded buildings)

*Note: Some bill numbers will be revised after reintroduction in 2020.*

## Wells Fargo and nonprofit offering \$12 million in grants for affordable housing proposals

**S**ix two-million-dollar grants will be awarded to organizations who come up with innovative ways to deal with construction costs, mortgage financing, and resident services in a push to develop more affordable housing.

Offering the grants, in a competition, is Wells Fargo, which is partnering with Enterprise Community Partners, a nonprofit coordinating financial, business and other resources in developing affordable housing.

For the competition, the bank proposals, which must address either or both single-family and multiple dwellings are due by February 14. The six grant recipients will be announced in the summer.

The nationwide competition offered by Wells Fargo may reflect the bank's efforts to counter the negative publicity it has received with actions that

benefit the public.

For example, the bank has been fined tens of millions of dollars after being found guilty of opening millions of fraudulent accounts on behalf of unwitting customers--and then charging them fees.

In January of this year, the Office of the Comptroller of the Currency (OCC) filed charges against five former senior Wells Fargo executives for their actions in scandals dating to the early 2000s. The OCC is hoping to fine them \$37.5 million.

## Frederic Berman, 92, key in creating Rent Stabilization Law, dies

Berman, appointed by Mayor John Lindsay, was instrumental in establishing the Rent Stabilization Law, which extended regulation to about 325,000 apartments built since 1947 and another 75,000 that were no longer covered by rent control.