



MITCHELL-LAMA RESIDENTS COALITION

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WEBSITE: www.mitchell-lama.org

Harvard report: Nationwide housing costs soar for both tenants and homeowners

The number of tenant households that are "cost burdened" across the United States grew by 1.2 million to a record high of 21.6 million last year, according to the latest [report](#) on the state of the nations housing from Harvard University. The 52-page annual report is perhaps the most authoritative review of all aspects of U.S. shelter.

Interest rate hikes and rising mortgage costs have buffeted affordability for both homeowners and tenants "at a time when large numbers of millennial households are at prime home buying ages and when homeownership disparities between white households and those of color are near historic highs."

Between 2019 and 2021, homeowners did not fare much better than renters. They spent more than thirty percent of their income on housing, an increase "more than any time since the housing boom of 2005-2007."

Of the 21.6 million cost-burdened tenants, slightly more than half were "severely" cost burdened, meaning they were forced to spend more than half their income on rent.

All this was happening as the supply of affordable dwellings dropped: during the past decade, the nation lost 3.9 million affordable dwellings with rents below \$600 per month.

As the report notes, "This leaves

the most vulnerable with few options and has fueled a 35 percent nationwide increase in unsheltered homelessness since 2015."

Throughout the country, developers of multi-family housing have been focusing on the higher end of the market, with new asking rents of \$2,050 or more between 2015 and 2022.

(Ironically, in New York City, asking rents of that amount would today be considered a steal.)

Further, since the beginning of 2020, "asking rents in the professionally managed sector are up by 24 percent while home prices are up by an astounding 37.5 percent."

On another key housing issue, the report notes that racism remains pervasive, notwithstanding fair housing laws. "Systemic racism and concentrated poverty have resulted in disinvestment in communities of color, reducing access to quality public and private services and opportunities for financial security and mobility, in turn furthering racial income inequities."

A key factor in discrimination, the report argues, is exclusionary zoning, which tends to limit multi-family construction. Equally serious is the relative lack of fair housing planning and enforcement.

Owner groups officially ask US Supreme Court to end 2019 pro-tenant law

New York's two dominant real estate associations, plus several individual landlords, have finally made good on their promise to ask the US Supreme Court, with its overwhelming conservative majority, to rule on the constitutionality of New York State's historic 2019 rent law.

Among other things, the law, passed after decades of organized tenant lobbying, ends vacancy decontrol, prohibits owners from charging for repairs in perpetuity, limits security deposits to one month, requires at least five days notice before imposing "late fees," and provides numerous protections for tenants before and during an eviction process.

The filing to SCOTUS, by the Real Estate Board of New York (REBNY) and the Community Housing Improvement Program (CHIP), plus several individual owners, comes several months after the Second Circuit Court of Appeals dismissed the same petition, holding that the law did not violate the Constitution's Fourteenth Amendment's prohibition on government "taking" private property for public use without just compensation, nor did it violate the Amendment's due process provision.

The Court also ruled that the same analysis applied to the Fifth Amendment.

(Continued on page 8)

Strengthen MLRC Join today (use form on page 2)

MLRC

General Membership Meeting

will be held in October;
date to be announced.

10 a.m. - Noon

Note: During the Covid pandemic, the next meeting will be held via Zoom. Members will be informed by regular mail and by email.

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

DiNapoli cites hazards at four Mitchell-Lama developments

Partially collapsed ceilings, inaccessible access for wheelchair bound residents, malfunctioning stairwell doors, out-of-service elevator, missing concrete. . .the list goes on, all such hazardous conditions for tenants at four Mitchell Lama developments exposed by NY State Comptroller Thomas P. DiNapoli in an [audit](#) released in June.

The audit condemns the state's Division of Homes and Community Renewal, the agency charged with overseeing "the physical and financial conditions at the sampled developments" for failing in its obligation to insure that the private firms managing the developments adhere to legal health and safety standards.

In addition to the hazards, the audit uncovered \$1.5 million misspent by the various managers, money that was "either unrelated to normal operations or inadequately supported or for which there were no approvals, competitive analysis, and/or bidding, as required. This included \$155,967 in bonuses and \$21,530 spent for parties."

As a result, the audit charged that "DHCR officials' oversight of financial conditions at these developments was weak."

The four M-Ls reviewed in the audit were Classon at 753 Classon Ave. in Brooklyn, Cathedral Parkway Towers in Manhattan, and Findlay House and Jamie Towers, both in the Bronx. The audit was conducted between 2019 and January 2023.

Ironically, the audit notes, "Despite the negative financial findings, management at all four developments have re-

cently applied for a maintenance or rent increase."

Among the recommendations in the audit were that DHCR:

- Improve monitoring the developments, including that the housing managers review all items on the Field and Office Visit Reports;
- Conduct at least one annual visit to each development;
- Ensure that corrective action is taken for hazardous or otherwise illegal conditions;
- Impose appropriate penalties on non-compliant managers;
- Review all expenditures, and insure that such expenditures meet DHCR approval and reflect competitive bidding;
- Inform the Legislature, Comptroller and Attorney General of non-compliance findings.

Lander: Audit shows City's homeless 'sweeps' a failure

The City's program of sweeping homeless encampments and placing the inhabitants in shelters or housing has failed tremendously, according to a new [audit](#) released in June by NYC Comptroller Brad Lander.

"Of the 2,308 individuals present during 'cleanups' conducted between March 21, 2022 and November 30, 2022, only 119 (or 5%) accepted temporary shelter," the audit noted. Further, "homeless activity had resumed at 31% of those sites."

UPCOMING EVENTS

MLRC

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Mitchell-Lama Residents Coalition, Inc.

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Has affordable housing become Mayor Adams' political albatross?

Barely a year after Mayor Eric Adams announced an ambitious 'blueprint' for affordable housing, he has become embroiled in a series of major clashes with both his own appointees, other government officials in both the city and state, and tenant activists, precisely on housing issues.

Regarding his own officials: in May, **Jessica Katz**, his recently appointed Chief Housing Officer—a wholly new bureaucratic position intended to coordinate the activities of the other housing agencies, including NYCHA, the department of Housing Preservation and Development, and the Housing Development Corp.—announced her impending resignation.

Her decision followed the resignations of several other Adams' appointees, precisely as the city's homeless population is soaring, a consequence of stratospherically soaring rents and a huge influx of immigrants.

Among those who have left or will soon resign are Adam's chief social services commissioner **Gary Jenkins**, Top Counsel **Brendan McGuire**, Communications Director **Maxwell Young**, and Buildings Department head **Eric Ulrich**, a former Republican City Councilman who is under investigation for illegal gambling, among others.

Elimination of 90-day rule

Katz's resignation is particularly noteworthy because she was the architect of the [housing blueprint](#) Adams' extolled. But she clashed with the mayor on at least one crucial housing issue: the City Counsel's elimination of the rule requiring shelter tenants to wait for ninety days before being allowed to apply for housing vouchers.

Adams opposed the rule, which was passed in May, while Katz supported it, although she has denied that the conflict played a role in her decision.

And although Adams signed the veto-proofed bill on June 16th, a week later he vetoed a package of four Council bills, among which was a bill that "would entirely remove employment as a prerequisite for accessing a voucher," as reported by [City Limits](#). They would also hike penalties on owners who illegally remove tenants.

As of this writing, the Council has not indicated if it would accept, or override, the veto.

Another potential reason for Katz's resignation, according to some observers, was a lack of clarity as to who was actually in overall charge of the city's myriad housing programs.

Clashes with the Council, state legislature, and upstate officials

Councilmembers are also at odds with the Mayor over the City as a haven for the homeless, including homeless immigrants. In an attempted break with the City's liberal history, the Mayor is advocating, through actual court petitions, the end to New York City's historic Right to Shelter law, which the Council supports.

And in June, as reported by [The City](#), Council members advocating a series of measures to deal with the city's tens of thousands of vacant apartments clashed with Adams' HPD officials. One measure would require HPD to inspect vacant units that pose hazards to neighbors; another would require owners to register vacant apartments with the Department of Finance, detailing the reasons for the vacancies.

But HPD Assistant Commissioner Lucy Joffe condemned the proposals as likely to "divert critical resources from HPD's enforcement." She called such measures "a bit of a distraction."

Tax breaks and immigration

Regarding the State legislature, Adams has clashed with legislators by calling for an extension of the controversial tax break for developers, known as 421a, a program that critics have argued as resulting in many more luxury buildings with an insufficient number of affordable units. The legislature nixed the extension.

Further, in attempting to deal with an unexpected influx of desperate immigrants (many bussed into the city by right wing officials in Texas and other states), Adams has reshipped some immigrants to upstate counties, including Orange, Rockland, and Onondaga.

In doing so, however, he has run smack into conflicts with the heads of those counties, who have accused him of neglecting to inform them of the busing policy, according to [Politico](#).

All of this is in addition to an increasingly sour mood among tenant activists for his cozy relations with the city's powerful real estate lobby.

Debt ceiling agreement may imperil affordability for millions of students

The agreement to raise the government's debt ceiling, reached in June between President Joe Biden and House Speaker Kevin McCarthy, may well have the unintended effect of worsening housing affordability for millions of college students.

An article in [The Hill](#), a Washington online political news source, noted that the agreement included a provision to end the pandemic-related pause on students repaying tens of thousands of dollars they had to borrow for their education.



No more 'wobble room'

The repayment pause, widely supported by Democrats but condemned by Republicans, had provided breathing space for students who were having a rough time finding living quarters. As [The Hill](#) noted, the pause "added wiggle room to the budgets of house-hunters and renters alike while prices on both sides of the housing market soared."

Some 43.8 million borrowers have federal student loan debt, according to [Education Data Initiative](#). The debt totals \$1.757 trillion.

On average, a student using the federal loan system owes \$37,338; when factoring in non-federal debt, the loan balance is around \$40,114. (For medical students, the average debt soars to more than \$300,000, according to [Bankrate](#), a consumer financial services company.)

No possibility of extension

Natalia Abrams, who heads the Student Debt Crisis Center, noted that students had been using the pause "to help pay for their rent and mortgage. They've been paying for basic necessities: rent, mortgage, food, health care."

A clause in the Biden/McCarthy agreement requires students to start repaying their loans sixty days after June 30, with no possibility of an extension.

Prior to the agreement, students and their advocates had been organizing an effort to persuade the White House to extend the repayments.

That effort has now been squashed.

Note: This article was written before the US Supreme Court ruled, 6 to 3, that the debt forgiveness program itself was unconstitutional.

City to allocate \$10 million to repair vacant stabilized apartments

In an effort to place four hundred of the more than 30,000 vacant but rent-stabilized apartments back on the market, the city announced in April it will invest ten million dollars in rehab funding. Participating owners will receive \$25,000 per apartment, and resulting rents will be limited to around \$1200 per month, as reported by [City Limits](#).

Tenant advocates have charged owners with deliberately holding the units off the market, in the hope that they will eventually shed stabilized status and thus command currently soaring free-market rents.

Owners counter that they keep

the units vacant because stabilized rents are insufficient to pay for quality repairs. Under a 2019 law, owners can raise rents to cover repairs, but once their costs have been retrieved, rents have to return to stabilization status. Owners want the increased rents to remain in perpetuity, thereby requiring the tenants to pay again and again for the same set of repairs, or "capital improvements."

Under the new program known as Unlocking Doors, owners who accept the City's proposal will be paid once a tenant produces a validated rent voucher from CityFHEPS, the primary rental assistance program.

Battery Park City, IPN residents now included in senior and disabled rent increase exemption

Lower income elderly and disabled residents of Battery Park City, an enclave on the lower west side of Manhattan, and Independence Plaza North, a former M-L, will no longer be excluded from the rent exemptions offered to both current and former Mitchell-Lama developments in the state, by programs known as SCRIE and DRIE [Senior Citizens Rent Exemption and Disabled Residents Rent Exemptions].

Until now, BPC and IPN residents had been excluded from a law passed last December that extended SCRIE and DRIE protection to former M-L developments bought out of the program.

But for the benefits to apply to city-governed developments, the state legislation required the City Council to pass a law extending the benefits locally. In June, the Council did just that.

Land Trust: City-owned vacant lots should be used for affordable housing

An ongoing effort to convince the city to use some of the 145 lots it owns for affordable housing was reinforced recently in June with the publication of a map showing the lots throughout the city.

Many of the lots are either empty or filled with abandoned vehicles and other types of refuse. Nevertheless, they are also used as parking areas for police officers' personal cars.

The publisher of the map, the East New York Community Land Trust, has long argued that the lots are a wasted asset that can be employed to help mitigate the extreme shortage of non-market-rate housing.

In publishing the map, the group's intention was to provide com-

munity organizers with a tool to pressure the city to reevaluate the uses to which the land owned by its agencies are put.

A report on the map by [Shelterforce](#), a publication advocating affordable housing and tenants rights, noted that the lots "are clustered in certain neighborhoods: Bushwick has the most, with 27 NYPD lots. East New York has 21 lots; 30,000 square feet of that is zoned for residential use and 70,000 square feet is zoned for manufacturing. The residential lot space in East New York could hold 45 two-bedroom apartments with commercial ground floor space. . . ."

Other lots depicted are in Brooklyn and the Bronx.

Giant financial firm acquires thousands of affordable units

Nuveen, the asset manager of investment giant TIAA (Teachers Annuity Investment Association), has acquired thousands of affordable housing units in New York from Omni Holding Company, a leading owner and operator of such housing nationwide.

Some 10,000 of those units are in the Bronx, Brooklyn, Queens, Manhattan, Long Island and Newark, NJ. [Nuveen](#) has promised to keep the housing affordable, available to those earning sixty percent of the area median income.



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	Meadow Manor
Albany Executiver House Apartments	Michangelo Apartments
Amalgamated Warbasse	109th St. Senior Citizens Plaza
Arverne Apartments	158th St & Riverside Dr. Housing
Bethune Towers	Parkside Development
Castleton Park	Pratt Towers
Central Park Gardens	Promenade Apartments
Clayton Apartments	RNA House
Coalition to save Affordable Housing of Co-op City	Riverbend Housing
Concerned Tenants of Sea Park East, Inc.	River Terrace
Concourse Village	River View Towers
Dennis Lane Apartments	Rosedale Gardens Co-op
1199 Housing	Ryerson Towers
Esplanade Gardens	Starrett City Tenants Assn
Franklin Plaza	St. James Towers
Independence House	St. Martins Towers
Tenants Assn	Strykers Bay Co-op
Independence Plaza North	Tivoli Towers
Inwood Towers	Tower West
Jefferson Towers	Trinity House
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 Assn	West Village Houses

NYS legislature ends with no housing plan; Governor, lawmakers blame each other

Irreconcilable differences between state Democratic lawmakers and the Democratic governor regarding tenant protections and tax breaks for developers resulted in the absence of any housing policy to emerge from this year's legislative session, which ended June 8.

The bones of contention between the progressive lawmakers and the moderate governor were a "good cause" eviction policy and reviving a tax write-off for developers.

Evictions and tax breaks

"Good Cause" eviction, promoted by the lawmakers, would have limited landlords' ability to evict tenants for any reason except a good cause—such as failure to pay rent, criminal behavior such as selling dope, or creating hazards.

The Good Cause bill developed by the legislators also sought to prevent owners from raising rents more than three percent or one-and-a-half percent higher than inflation.

Landlord groups strenuously opposed such a policy, as did Gov. Kathy Hochul and New York City Mayor Eric Adams, who has been hailed as "A favored candidate of the real estate industry" by *Real Estate Weekly*, a leading industry journal.

(Commenting on the failure of the Good Cause bill, *The Gothamist* noted that housing advocates "found three landlord groups had spent \$7.7 million lobbying against housing reforms since 2018.")

The other controversial issue pitting the governor and lawmakers against each other was Hochul's push to reinstate

a tax break, known as 421a, as an encouragement for developers to construct new affordable housing.

Legislators argued that when the tax break was available through June of last year, developers had used it overwhelmingly to build market rate housing that contained an insufficient number of affordable units.

Mutual accusations

Legislators and the Governor furiously blamed each other for the failure to enact a housing bill.

In a joint statement, Andrea Stewart-Cousins, the Senate's Democratic majority leader, and Carl E. Heastie, the Assembly Speaker, said that the two houses of the legislature had reached an agreement containing "historic rent protections as well as a massive and transformational housing program," but that "Unfortunately, it was clear that we could not come to an agreement with the governor on this plan."

Hochul fought back by saying the legislators never presented her with any bill or package of bills to sign.

The failure to pass any housing package reflected the second defeat for the governor on the crucial issue of housing.

Her initial plan to build 800,000 affordable housing units entailed mandatory rezoning in suburban areas to construct multi-family buildings, and requiring municipalities in the state to prepare their own affordable housing plans. But last April, the Legislature passed a budget which excluded any such program.

Harlem tenants stand to win big in class action lawsuit against owners

A class action lawsuit against a Harlem landlord accused of increasing rents based on false claims of physical improvements to individual apartments, and of withholding stabilized leases even after receiving tax breaks, may result in hundreds of tenants getting stabilized rents and receiving financial compensation.

The landlord is actually a group of individual companies—limited liability corporations—all tied to Big City Properties and Magnolia Holdings, according to a report in *City Limits*. The buildings are north of West 129th Street.

Initially filed by the advocacy group Housing Rights Initiative in 2016, the lawsuit was allowed to proceed, after numerous court challenges, by Manhattan Supreme Court Justice Sabrina Kraus.

One attorney for the tenants said the class "could include around 2,000 past and present residents of the 11 buildings who may be entitled to damages as well as new stabilized leases."

Rents raises were imposed prior to passage of the 2019 strong tenant protection law, when vacant apartments lost their stabilization protection.

Lander: Freeze evictions for tenants lacking lawyer

Notwithstanding the City's right-to-counsel law, which guarantees low income tenants access to a lawyer during an eviction proceeding, close to three-quarters, or 73 percent, of those tenants were without such counsel, at least as of last February.

To deal with this situation, Brad Lander, the city's Comptroller, is recommending an immediate stop to all current eviction cases where tenants must face their landlord's attorney on their own.

The presence of an attorney for tenants facing evictions has been highly successful, Lander wrote in a letter to the City's Office of Civil Justice.

"As your office showed in your 2022 report on the five-year implementation of universal access to legal services, evictions executed by marshals have declined 41% since the City began investment in such programs and 84% of represented residents were able to stay in their homes," he wrote.

He asked the OCJ "to urge the state's Office of Court Administration to place all such eviction cases on hold."

A report on Lander's request by *The Gothamist* noted that "More than 100,000 eviction cases are clogging the courts, leaving nonprofit attorneys stretched thin and thousands of New Yorkers facing the prospect of losing their homes."

Richard Ravitch, rescuer of NYC during 1970s, was key developer of two M-Ls

Richard Ravitch, the recently deceased real estate developer and reputed savior of New York City during one of its most severe financial crises in the 1970s, was also a key figure in the history of Mitchell-Lama.

During the 1960s, while other developers were focusing almost exclusively on luxury apartment buildings, Ravitch "oversaw the development of residential housing projects, like Waterside Plaza on Manhattan's East Side and Manhattan Plaza on the West Side," as reported in *The Gothamist*.

Beyond his expertise in housing developments and fiscal policies, Ravitch also oversaw an end to the crisis faced by the Metropolitan Transportation Authority.

Thomas DiNapoli, the NYS Comptroller, was quoted as saying "He was never elected to anything, yet he had arguably the most impactful and consequential role in state and city government over the past 50 years."

NYCHA moves ahead on plan to demolish Chelsea Elliott and Fulton Houses

Two of NYCHA's developments in Manhattan's Chelsea community are a step closer to demolition; they will be replaced by new buildings with apartments replete with dishwashers, washer-dryers, internal cooling and warming, and other amenities.

In a June [announcement](#), NYCHA said the new units will house tenants already living there, as well as new residents with a variety of incomes. The structures will



Chelsea Elliott Houses

also provide commercial and community spaces.

Developers, selected by tenants in cooperation with NYCHA, are Essence Development and Related Companies.

Months ago, tenants approved the plan to demolish and rebuild after a renovation that began years ago proved worthless, leaving the same types of problems as before the rehab. In effect,

the structures had become far too deteriorated to be successfully rehabilitated.

In the new buildings, some 2,000 units will be set aside for existing NYCHA tenants. Another 3,500 will be for mixed-income tenants. Of these, close to 900 will be deemed affordable.

In its statement, NYCHA said that "Onsite community resources will be enhanced with healthcare facilities, community centers, grocery stores, retail stores, and additional outdoor recreational spaces."

Following revised zoning restrictions, which are required for taller buildings, construction is expected to be completed in about six years.

To allay fears that the new units will lack the protections that residents have traditionally had, NYCHA said that "all resident rights and protections will be preserved. Rent will continue to be calculated at 30 percent of adjusted gross household income, heads of households will be able to add relatives to their household composition, and lease renewals will occur automatically, among other important protections."

State passes revived J51 tax break for owners who renovate affordable units

Landlords who already receive significant government assistance, or who are in the Mitchell-Lama program, will now be able to receive an additional subsidy in the form of a tax break if they keep seventy percent of their renovated units affordable.

The new benefit, passed by the state legislature, is actually a revival of an old tax break that expired last year, known as J51. It was initially established in 1955 but, like the former 421a tax break, had been widely criticized as a giveaway that was misused to subsidize market rate housing.

As noted by [Rent Own Sell New York](#), a real estate advisory service, landlords who received the old benefit were "able to charge higher rents, often pricing out lower-income tenants. In addition, the program has been marred by fraud and abuse, with some landlords claiming ineligible expenses in order to reduce their tax bills."

The updated version, known as

the "Affordable Housing Rehabilitation Program," will last for up to twenty years and will apply only to rental buildings that are already at least fifty percent affordable, as well as to condos and coops.

Income requirements for the renovated units will be decided by the City's Department of Housing Preservation and Development

For condos and co-ops to receive the break, they must have an "assessed valuation"—the value assessed by the government for tax purposes, which is invariably far below the actual market value—of less than \$45,000.

A report in [Bisnow](#), a real estate news service, noted that the break would be granted only to landlords found not to have harassed tenants in the last five years. It would also require landlords to keep the units stabilized for a minimum of fifteen years. The owners will also face restrictions designed to keeping units off the free market.

First five members named to NYCHA's trust fund board: one has already resigned

No sooner had NYCHA's new fund-raising arm, the NYC Public Housing Trust Fund, welcomed its first five board of directors, than one of them, Mayor Eric Adams's housing chief, **Jessica Katz**, announced her resignation from city employment. (See story page 3.)

The aim of the Trust is to raise enough money, through issuing bonds—i.e., borrowing—to refurbish some 25,000 NYCHA apartments. The Fund has also been enabled to hire its own vendors, separate from those of the Authority.

The other appointees, named by Adams and interim NYCHA CEO Lisa Bova-Hiatt, include:

Lisa Bova-Hiatt herself, as the Chair;
Karen Blondel, Resident Advisory Board Nominee, and President, Red Hook West Houses Tenant Association;
Baaba Halm, Member At-Large, and Vice President and New York Market Leader, Enterprise Community Partners;
Annika Lescott-Martinez, Chief Financial Officer, NYCHA;
Barbara McFadden, Resident At-Large, and President, Nostrand Houses Tenant Association; and Vice Chair, NYCHA Citywide Council of Presidents.

Maria Torres-Springer named new NYC housing chief

Maria Torres-Springer, formerly deputy mayor for economic and workforce development, was named new housing chief by Mayor Adams to succeed Jessica Katz, who resigned in July.

HUD: No rent hike for 'over-income' NYCHA tenants

Nearly three hundred NYCHA households, comprising more than seven hundred tenants, will not be charged a rent increase even though they earn more than regulations require.

Months ago, they had been notified by the agency that because their salaries have been more than \$118,000 for a single tenant household, or \$160,000 for a household of four for the past two years, their rents would rise to HUD's fair market standards, and they would be charged for utilities. Refusal to pay would cost them their apartments.

At the end of June, however, HUD put a hold on that threat.

Affordable housing news from around the nation

National: HUD allocates \$688k for foster youths

The Department of Housing and Urban Renewal has announced funding of \$688 thousand to public housing authorities in nine states to develop programs for youths between the ages of 18 and 24 who are aging out of the foster care system, and who are either homeless or in danger of becoming homeless. Three states received more than one allocation; New York State was not included.

In a related development, HUD announced in June it was awarding \$45 million to 135 public housing authorities that partner with health and housing agencies to "address homelessness among people in unsheltered settings and in rural communities." The funds will be used for Section 8 vouchers.

National: Are upscale areas rethinking affordable housing?

Historically, residential areas catering to the wealthy have successfully resisted zoning and other changes designed to foster affordable housing. But that policy and practice may be changing, at least in a few areas, according to [Bisnow](#), an online real estate journal. Residents in Nantucket voted in May for a \$6.5 million affordable housing plan, a year after they passed a \$40 million plan. The Myrtle Beach, South Carolina council passed a plan to increase affordable units to house workers. And in the prohibitively expensive Hamptons of New York, residents voted for a tax increase for much the same purpose.

California: Governor promises tiny houses for homeless

Gavin Newsom, the governor of California, has announced a plan to provide 1,200 new tiny homes, the largest of which typically measure around 400 square feet, to deal with the state's burgeoning homeless crisis. Recipient municipalities will include Los Angeles, Sacramento, San Diego, and San Jose. Although many tiny homes have bathrooms, those slated for California, from Pallet, a public benefit corporation, do not. But all such homes will likely have access to communal bathrooms.



Michigan: State offers \$50m for 75,000 affordable units

The Michigan State Housing Development Authority is offering \$50 million to developers to construct, rehab or invest in affordable housing. The goal is to rehab or building 75,000 units over the next five years.

Jersey City, NJ: City passes right to counsel for tenants

In the face of rapid gentrification, Jersey City passed its own right to counsel law for tenants in June, following the path set by New York City and other municipalities. Among members of the public who supported the bill at a hearing in June was Nicole Waknine, who said "Adequate representation will keep people in their homes. Many landlords have the financial resources to defend their rights. The average renter doesn't. A right to counsel program is crucial for Jersey City to remain affordable."

In a related move, the City passed a law imposing fees on new residential developments; the fees will go into a fund for affordable housing.

Kansas City, Mo.: Renters view KC as most appealing

Kansas City, Mo, was the most sought-after city by U.S. renters in June, according to [RentCafe](#), an online apartment service. Overland Park, Kansas, was the runner-up. Manhattan, often a popular destination in spite of soaring rents, fell from the top 30 for the first time. The Bronx and Queens, however, remain favorites.

Massachusetts: State establishes first 'green' bank focusing on affordability

The nation's first green, or environmentally oriented bank, geared to "environmental justice populations," was launched in June by Gov. Maura Healy.

Seeded with \$50 million in state funds, the bank will focus initially on affordable housing, "where residents bear a disproportionate burden in energy costs and climate impacts, to promote an equitable energy transition and to meet the needs of environmental justice populations," a government [statement](#) noted. It added that the pathbreaking bank "is designed to maximize investment in the reduction of greenhouse gas emissions from the building sector."

Local Housing Briefs

Rent Guidelines Board again hikes rents on one- and two-year leases

Rent-stabilized tenants who sign a one-year renewal lease will pay an increase of 3 percent; those who sign a two-year renewal lease will pay 2.75 percent for the first year, and 3.2 percent for the second year, as a result of a five-to-four vote by the Rent Guidelines Board in June. The hikes follow similar raises the year before.

City opens 'respite centers' for homeless immigrants

The Adams administration has utilized various buildings, including an old gym, houses of worship, former schools and an office building—all formerly empty—as temporary housing for an influx of immigrants. Outside the traditional shelter system, the newly established 'respite centers' provide little more than cots and a roof. Located in Manhattan, the Bronx, Queens and Staten Island, some have no showers, according to a report in [The City](#).

At one such center, in a Queens church, asylum seekers "were given the option of remaining in the city or voluntarily boarding a bus for a chance at more comfortable lodgings at the Ramada Inn on Albany's Watervliet Avenue. More than 60 people chose to leave," as reported by [City Limits](#). However, a second effort will appeal to houses of worship that have showers and other facilities.

Rents soar, but owners argue not by enough

In spite of ever-escalating rents in New York City, landlords continue to argue that they are losing money from residential tenancy because of rent regulations. Although the median NYC rent in May reached over \$4,000 (the *average* in Manhattan was \$5,186) per month according to [Douglass Ellman](#), owners say that even that level, which a few years ago would have been unthinkable, hasn't compensated them for a pandemic-related loss of net operating income over the past five years, a loss they say was exacerbated by stabilization and other regulations.

Citing data from the [Rent Guidelines Board](#), landlord groups say owners' net operating income (NOI) had dropped by around 14 percent, between 2016 and 2021.

But according to an analysis by the [Community Service Society](#), using the same data, "the highest [income] losses [occurred] in buildings with the least stabilized apartments." In other words, the owners' losses were due overwhelmingly to wealthier, non-rent regulated tenants who fled the city during the pandemic.

'Meet and Greet' confab explored the concept of Social Housing

By Katy Bordonaro

Social housing, a term encompassing a wide range of housing models, including ownership, subsidized, and rent regulated, was the theme of this year's 'Meet and Greet' forum with local political representatives. Conducted each May by the MLRC, this year's meeting was attended by approximately 100 people.

The concept of social housing, as practiced in various European and South American countries, goes far beyond what we term "affordability." It entails not only *permanent* affordability, but democratic resident control, social equality, and housing as a human right, among others.

At the May 16 meeting, activities began with a Social Housing panel, moderated by long-time affordable housing advocate Sue Susman.

Panelists included NYC Comptroller Brad Lander, Prof. John Krinsky of CCNY and a founding board member of the New York City Community Land Initiative, and Cea Weaver, campaign coordinator at Housing Justice for All.

Housing as a human right

A key component of social housing, as expressed by the panelists, is that, because housing should be a human right, it should not be a source of profit.

It was also noted that in the United States, the Mitchell-Lama program is a strong example of social housing, even though, in M-L tenant developments, landlords are guaranteed a basic profit, and are afforded considerable tax abatements.

But Mitchell-Lama cooperatives do embody the idea. In his remarks, Comptroller Lander called Mitchell-Lama residents and activists "housing heroes" for our efforts to preserve the program, which is "at the heart" of what we need for social housing.

Prof. Krinsky emphasized the importance of funding M-L developments to maintain this valuable affordable housing resource.

Ms. Weaver spoke about her organization's advocacy of legislation for a [Social Housing Initiative](#) at the state level. The initiative would create a Social Housing Development Authority (SHDA), a statewide agency charged

with building and preserving high-quality, affordable housing across New York State.

Presentations by officials

After a lively panel, Yolande Cadore, President of the Tenants & Neighbors Board and a Mitchell-Lama resident, moderated the presentation of remarks by officials.

In order of appearance, officials included Assemblymembers Chantel Jackson, Harvey Epstein, Grace Lee, and Maritza Davila.

They were followed by Manhattan Borough President Mark Levine, and Assemblymembers Latrice Walker, Linda Rosenthal, and Nikki Lucas.

Following them were Congressman Jerry Nadler, and Assemblymember Monique Chandler-Waterman.

Staff members of Assemblymember Yudelka Tapia and Congressman Dan Goldman shared remarks on behalf of the officials.

MLRC is very pleased with the impact of the 2023 Meet & Greet. Please join us for the 2024 program next spring!

Elizabeth St. garden battle nears end, as court rules in favor of senior housing

The ten-year-old Nolita [North of Little Italy] battle between advocates of a community garden to serve both residents and outsiders, and advocates of affordable housing, appears to be nearing an end, as a New York Appellate court ruled in June that the City could proceed with its plan to construct an apartment building for lower income seniors and their families.

A new building at the garden, located at the juncture among Elizabeth, Mott, Prince and Spring Streets, will contain 123 apartments for seniors earning under \$60,000.

Advocates of both affordable housing and of more green or environmental spaces, usually allies in the face of relentless luxury housing and office skyscrapers, were pitted against each other over the Elizabeth Street garden issue.

Garden supporters as well as Community Board 2 had pointed to other nearby city-owned empty lots as an alternative. But the City said at least one of those lots would also have housing.

Discord continues over affordability % for units at proposed WTC 5 tower

Plans to construct a new apartment building with thirty percent affordable units at 5 World Trade Center moved a step forward, as two government agencies, Port Authority and Empire State Development, announced their go-ahead approval in May.

Area residents, however, are continuing their efforts to secure 100 percent affordability.

As reported in [The City](#), the original plan called for 25 percent affordability; after protests, the percentage increased to 30 percent, but that entailed more units for people earning somewhat higher salaries, and less for those earning much lower.

Under the original plan, the units would be set aside for people earning between \$48,040 to \$96,080 for a family of three. The new plan would allocate lower rent units to those earning between \$72,060 and \$132,110 for a family of three.

As expressed by Mariama James, an activist fighting for 100 percent affordability, "By making it more affordable — a larger percentage — they made it less affordable by removing the deepest AMI [area median income]."

Ms. James and her co-activists are seeking to have the affordable units available initially for those who lost homes following the 2001 attacks on the former World Trade Center.

Owner groups officially ask US Supreme Court to end 2019 pro-tenant law

(Continued from Page 1)

In addition, the Court ruled that "The legislature has determined that the [rent law] is necessary to prevent "serious threats to the public health, safety and general welfare. No one can seriously contend that these are not important public interests and courts are not in the business of second-guessing legislative determinations."

There is no guarantee that the Supreme Court will agree to hear the case, since it only accepts a very small number of the seven thousand cases submitted yearly.