



# MITCHELL-LAMA RESIDENTS COALITION

Vol.28  
Summer 2024

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

## Harvard housing report shows growing unaffordability nationwide

Perhaps to no one's surprise, securing an affordable place to live in the United States today is becoming less and less of a likelihood, at least for millions of working, low-income or middle-class citizens who are either looking to rent or desiring to buy. In fact, this growing unaffordability affects even those who are already tenants or who are currently residing in their homes.

For tenants, rents almost universally keep rising. For homeowners, mortgage rates are soaring.

These are some of the key findings in the recently released [State of the Nation's Housing](#), the most comprehensive annual analysis of this country's shelter, published by a unit of Harvard University. (Other reports show huge increases in [home insurance](#) rates as well.)

Here are some of the Harvard report's highlights:

- **Cost-burdened homeowners**, i.e. those who spend more than thirty percent of their household income on housing and utilities, grew by three million to almost twenty million between 2019 and 2022, the last year for which data on this issue is available.

In addition, almost a quarter of homeowner households "are now stretched worryingly thin." The picture is even more frightening for those aged

65 or older.

- **But tenants are still worse off than homeowners.** "Although rents have been rising faster than incomes for decades, the pandemic-era rent surge produced an unprecedented affordability crisis. Half of all renter households—22.4 million—were cost burdened at last measure in 2022, up two million since 2019 and the highest number on record." [Emphasis added]

And that's including tenants who are "severely cost-burdened," those who spend more than half of their income on rents and utilities. Tenants in that circumstance "also hit a new high of 12.1 million in 2022, up 1.5 million from pre-pandemic levels."

Not surprisingly, "renters with the lowest incomes have the highest cost-burden rates."

- **Black, Hispanic, and multi-racial American tenants have it worse than whites**, by about four or five percent. "More than half of Black (57 percent), Hispanic (54 percent), and multiracial (50 percent) renter households were cost burdened at last measure in 2022," whereas cost burdened rates were around 44-45 percent

*(Continued on page 8)*

## Minority districts here produce almost all affordable housing units

The production of affordable housing in New York City is largely concentrated in ten districts—all of which are populated largely by people of color.

This is a key finding of the 2024 edition of [NYC Housing Tracking Report](#), an annual survey by the New York Housing Conference.

Last year, the report noted, the top ten communities *each* produced around six hundred units of affordable housing, for a total of more than six thousand for the city.

"In the top 10 producing districts, 31 percent of residents are Black," the report states, "whereas in the bottom producing districts, less than 8 percent of residents are Black on average."

"The top 10 districts also have an average median income of just over \$67,000 —\$20,000 less than the 10 districts with the least affordable housing production. Further, a quarter of residents in top-producing districts live in poverty, more than double the poverty rate" of the districts producing no or almost no affordable units.

Compare that with the bottom ten districts, that is, those producing the least amount of affordability.

"The bottom producing districts, including low-density neighborhoods and  
*(Continued on Page 3)*

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

## MLRC

**General Membership Meeting  
will be held on October 19, 2024  
10 a.m. - Noon**

**Agenda will include Annual Election to the Executive Board.**

*Any member interested in running please send an email to  
[info@mitchell-lama.org](mailto:info@mitchell-lama.org)*

**The meeting will be held via Zoom. Members  
will be informed by regular mail and by email.**

Contact: [Info@mitchell-lama.org](mailto:Info@mitchell-lama.org)

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

## NYS housing package: new tax incentives, funding for affordable & related programs

A far reaching housing package was passed by the New York State legislature in April, providing significant funding and tax abatements for new affordable housing and returning vacant apartments to the market, rent-increase capping, and incentives to facilitate the creation of accessory dwelling units such as basement apartments.

Following are the key housing provisions in the new budget. They are derived from a [statement](#) from Gov. Kathy Hochul's office.

- A **485-x tax incentive** for ten years to encourage both new building and affordability;
- **Extension of the old 421-a tax incentive** through 2031 to insure that previously at-risk units will be built;
- New tax incentive to **convert vacant office buildings** into residential dwellings, also to include affordable units;
- New state authority to **override NYC zoning restrictions** on residential density in select neighborhoods;
- New incentives for the creation of **accessory dwelling units**, such as basement apartments, in localities outside New York City;
- An **opt-in tax incentive** program for mixed-income and **100 percent affordable new construction or conversion** to multifamily rental projects
- A \$500 million **capital fund** to develop up to 15,000 units of housing on state sites across New York.
- Raising the cap on individual apartment improvements to **bring rent stabilized vacant units** back onto the market;
- New requirements to **allow owners to recoup** a reasonable portion of renovation costs;

- In addition, the package:
- Declares certain **rent increases "presumptively illegal"** if they are above ten percent or above five percent plus the consumer price index, whichever is lower;
  - Strengthens **legal protections** for covered renters in eviction proceedings, where applicable;
  - Strengthens protections for homeowners **against deed theft** by creating a clear definition of the crime of deed theft in the larceny statute, and by limiting the ability of predatory investors to acquire interests in inherited property and to pressure homeowners into selling their family homes;
  - **Prohibits insurance carriers** from inquiring about or considering tenants' source of income, the existence of affordable dwelling units, or the receipt of governmental housing assistance in the decision to issue or continue to provide insurance for residential real property;
  - Announces plans to establish a **new enforcement unit** dedicated to swift resolution of complaints about **housing discrimination** related to Section 8 Housing Choice Vouchers;
  - Allocates funds for a variety of other housing programs, such as constructing 100% affordable rental and cooperative housing; capital improvements of **NYCHA and Mitchell-Lamas**; land banks to redevelop blighted or abandoned properties; upgrading vacant units; and capital improvements for some rural housing.
- In an separate action, the legislature passed a **Good Cause eviction law**, which limits the right of landlords to evict tenants for any reason other than non-payment of rent, criminal or destructive behavior, and the like. **See story page 6.**

### UPCOMING EVENTS

#### MLRC

**General Membership Meeting will be held October 19, 2024 10 a.m. - noon**

**Agenda will include Annual Election to the Executive Board.**  
Any member interested in running please send an email to [info@mitchell-lama.org](mailto:info@mitchell-lama.org)

**Note:**  
the next meeting will be held via Zoom.

**Members will be informed by regular mail and by email.**

Contact: [Info@mitchell-lama.org](mailto:Info@mitchell-lama.org)

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

##### Officers

Co-chairs: Jackie Peters  
Ed Rosner  
Sonja Maxwell

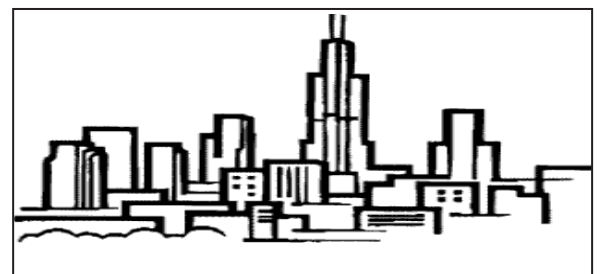
Treasurer: Carmen Ithier  
Corresponding Sec'y: Katy Bordonaro

##### 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 2024

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.

NOTE: Checks are deposited once a month.

Mail to: MLRC, PO Box 20414, Park West Finance Station, New York, NY 10025

## New owners of Knickerbocker Village promise all units will remain affordable

**K**nickerbocker Village, one of New York City's earliest housing complexes built for working class families, will retain all its affordable apartments under an agreement with the new owner—L&M Development Partners—who purchased the complex in May for \$84.6 million from Stellar Management.

The new owner will also spend around \$50 million to renovate the units.

Constructed in 1934, the development spans 1.4 million square feet at 10-20 Monroe Street, in the city's Two Bridges area.

Media [reports](#) noted that all the 1,500+ units will stay affordable under the state's Article IV program, and through Section 8 federal housing

vouchers provided by the NYC Housing Authority.

Negotiations regarding the sale had been upended for the past year by tenants who feared the sale would result, as is so often the case, with them being pressured out in favor of new higher-paying residents, a scenario pervasive in the city.

As [reported](#), under a deal with the previous owners, all rents at the site "are frozen until 2025. After that, increases for existing tenants are capped at 2.5 percent annually."

Under the new ownership, rents will be adjusted to tenants based on their income status.

## Residents near Brooklyn Botanic Garden protest new, smaller, housing complex

**T**hree years after a coalition of residents, along with the Brooklyn Botanic Garden, prevented a developer from constructing a 34-story apartment building that would have cast overwhelming shadows across the green expanse, thereby blocking the sun from nurturing some thousands of plants, the same coalition announced its opposition to a smaller complex. Their arguments are also the same.

The new proposal is a fourteen-story building that would provide 475 apartments, of which 119 (25 percent) would be below market rate.

As reported by [The Gothamist](#), the developer, Continuum, released the required environmental impact statement that indicated the building would still negatively affect the Garden, in part by blocking the sun for up to ninety minutes a day from most of the green area.

On its website, Continuum claims to have "developed more than 15 million square feet totaling over \$7.5 billion" in New York and Florida.

Adrian Benepe, the Garden's president, said the plan would "impact the plant health, the plant diversity, our ability to grow plants from around the world."

Although Mayor Adams has not explicitly endorsed the project, his office has said that "every neighborhood has to play a role in solving the city's housing crisis." He added, however, that this par-

ticular project does require the community process, which includes opposition, to work itself out.

Full support for the construction has come from the Building and Construction Trade Council of New York, which argues that the proposed affordable housing is needed by the city's workers, and that the construction would provide needed jobs.

## Minority districts here produce almost all of affordable housing

*(Continued from page 1)*

high-cost, high density districts with few available vacant sites, produced 100 units or less in total last year."

Not only do the wealthiest areas produce less affordability, some of them produce none at all. "One district, Council District 6 on the Upper West Side of Manhattan, actually saw negative housing production," the report noted, "losing more housing than it added as a result of consolidating existing housing, like merging two neighboring apartments into one unit."

The full report offers several policy recommendations. Among them is removing parking minimums for new developments. "Parking . . . makes housing more expensive and can impact how much housing is built."

## Stellar gets OK for Park Slope towers after agreeing to increase affordable units

**S**tellar Management, a developer whose website boasts of offering one-bedroom apartments for well upwards of \$5,000 per month, and who has a history of engaging in fierce battles with former Mitchell-Lama developments (such as Independence Plaza North), has been given a green light to construct two eighteen-story residential towers in Brooklyn's Park Slope area, on Tenth Street between Fourth and Fifth Avenues.

To secure the required rezoning approval from the City Council, Stellar agreed to set aside 162 of the proposed 305 apartments, or about fifty-three percent, as affordable, or "income-restricted."

That is more than required under the City's mandatory inclusionary housing requirement for new buildings, which ranges from twenty to forty percent, depending on income.

As reported in [The Real Deal](#), about 154 apartments already located on the site will retain their current affordability status.

Support for the project, based on Stellar's agreement regarding affordability, came from Council members Alexa Avilés and Shahana Hanif, as well as two community groups.

## City's rezoning plan for LIC promises 4000 affordable apts plus commercial space

**R**esidents of Long Island City, the fastest growing locality in New York, heard proposals for a rezoning plan in June that planners say would generate 14,000 new homes, of which some 4,000 would be below market rate, or "income restricted."

The rezoning would also generate more than three million square feet of commercial space, according to the Department of City Planning director Dan Garodnick.

Access to the waterfront would also be expanded under the plan.

Notwithstanding the promise of more affordable housing, the plan, presented at CUNY Law School, received at best a mixed reaction. According to [Bisnow](#), an online real estate reporting service, "the plan to allow high-density multifamily and commercial development received boos from some community members."

As reported in [The Gothamist](#), one resident argued that it's nothing more than "another plan to build more luxury housing."

The next steps for the plan entail environmental and public reviews.

## Real estate groups now focusing more on lobbying Washington

As more and more municipalities and states start to address the shortfall of affordable housing and tenant protections (such as "good cause" eviction laws; see page 6), lobbying groups primarily representing owners and developers are increasingly focusing their attention on Washington, according to [Bisnow](#), an online real estate reporting service.

Some tenant advocacy groups are also increasing their lobbying efforts on the Capitol, but at a much lower level.

"While the [real estate] industry's focus on the federal level used to be around strictly tax issues, housing policy now spans many more parts of the federal bureaucracy," noted Bisnow. "The Biden administration's Renter's Bill of Rights proposal from January 2023 included more than 24 commitments from eight different agencies."

### Lobbying expenditures allocated to federal agencies

Examples of increased real estate lobbying allocations directed towards the federal government between 2019 and 2023 include:

- The National Apartment Association, from \$1.5 M to \$2.2M;
- The National Multifamily Housing Council, from \$4.8M to

\$8.1M;

- The National Rental Home Council, from \$20K to \$310K.

### Seek federal overturn of local zoning and housing laws

Some of the national groups are also urging the federal government to overrule localities that have enacted zoning restrictions, and to deregulate housing laws that protect tenants such as the YIMBY Act, which currently requires Community Development Block Grant recipients to adopt anti-discriminatory land use policies, or to submit proposals towards meeting anti-discrimination goals.

In a joint letter, more than twenty real estate groups who seek federal overruling of local zoning laws warned that the 2023 Tenant Bill of Rights "will create potentially duplicative and confusing federal regulations that interfere with state and local laws meant to govern the housing provider and resident relationship."

Regarding advocates for more tenant protections, such groups have also become more focused on the federal government for desired policies, such as "advocating for a 10% cap on rental rate increases" for housing constructed by developers benefiting from the Low Income Housing Tax Credit.

## Brooklyn's Greenpoint Landing sports new affordable housing complex

An affordable housing complex along Brooklyn's waterfront opened in April, as part of the City's effort to redevelop the borough's Greenpoint Landing area.

A [statement](#) from the Department of Housing Preservation and Development noted that the building, located at 35 Commercial Street, "offers 374 permanently affordable apartments," of which 57 will be targeted to formerly homeless people.

Those tenants will be further served by receiving social services provided by Breaking Ground, a group offering benefit assistance, medical care, therapy for mental health and substance abuse, social skills building, and some connection

to employment services.

At the opening ceremony, HPD Commissioner Adolfo Carrión Jr. said the "lush tree-covered Greenpoint Landing will eventually open its doors to 5,500 families."

The new structure, designed by Handel Architects, is an all-electric building featuring apartments with oversized windows and electric appliances. It covers around 344,463 square feet, which includes retail space, nearly 11,000 square feet of outdoor space, an indoor and outdoor children's play area, fitness center, communal lounge, and WiFi for all residents, among other amenities.

## Tenants, brokers, owners battle proposed broker fee changes

The battle over who should pay a broker's fee reached high intensity in June, as the City Council considers legislation to prevent landlords and brokers from charging tenants a broker's fee unless the broker was hired by the tenants. Currently, brokers get their fees from tenants even if the brokers are hired by the landlord, and even if tenants find apartments by themselves.

At a hearing tenants reported paying fees to brokers who did "little more than open a door to an apartment or direct them to a lockbox," according to the [Consumer Law Group](#). Brokers warned that proposed changes would "sow chaos in the rental market and decimate the livelihoods of the city's roughly 25,000 real estate agents."



## 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 Plaza	109th St. Senior Citizens
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 Tenants Assn	St. Martins Towers
Independence Plaza North	Strykers Bay Co-op
Inwood Towers	Tivoli Towers
Jefferson Towers	Tower West
Knickerbocker Plaza	Trinity House
Linden Plaza	Village East Towers
Lindsay Park	Washington Park SE Apts
Lindville Housing	Washington Square SE Apts
Lincoln Amsterdam House	Westgate Tenants Assn
Manhattan Plaza	Westgate
Marcus Garvey Village	Westview Apartments
Masaryk Towers Tenants Assn	West View Neighbors Assn
	West Village Houses

## NYC rents highest ever, but landlords fret over a drop in rent payments

As rents in New York City (and some other areas of the state) soar and the availability of affordable apartments plummets, some landlords are bemoaning a reported drop in rent payments from tenants living in the remaining affordable units, many of which are rent-stabilized.

According to a [report](#) in Bisnow, an online real estate monitoring service, at the end of 2023 slightly more than a third of tenants in affordable units "had at least two months of unpaid rent bills," and that such households owed almost \$130 million in back rent, or more than \$7,000 per apartment.

"Despite nearly \$3.5B in rental assistance being doled out in the last four years and an economy that has more than recovered all of the lost jobs from the pandemic, tenants in New York City's affordable housing units are still not paying their rent at nearly the same levels as they once did," Bisnow reported.

### And the cause is . . .

Assuming the data is statistically accurate, and applicable to the state as a whole, some landlords argue that the reason for the withholding is merely tenants' "culture."

At least that is the view of Andrew Cohen, the managing director of BRP Cos., a real estate development firm with an active portfolio of \$6.8 billion.

At Bisnow's New York State Association for Affordable Housing conference in May, Cohen blamed the shortfall in rent payments on nothing more than "a culture of nonpayment."

Lots of tenants just don't want to pay, he said.

To be sure, not all owners subscribe to that explanation. Bisnow also reported that "Many operators . . . believe that plenty of tenants are still experiencing severe enough financial difficulties from inflation and job losses that they simply can't make rent."

### Soaring rents, disappearing units

Over the fiscal 2023 year, the average rent in New York City leaped 11.1 percent for a one-bedroom apartment, according to the latest national rent survey by [Zumper](#), a nationwide real estate firm.

That compares with a 1.2 percent rise nationwide.

In the same report, Zumper found that the vacancy rate—the availability of apartments—in New York City is 1.4 percent. That compares with a national rate of 6.6 percent.

Among the causes for New York's extremely tight affordability market are the growing tendency among owners to gut-renovate apartments, which allows them to evict rent stabilized tenants; the landlord practice of creating so-called "Frankenstein" units, combining two apartments, which also allows them to remove the tenants; and the expiration of a huge tax benefit for the creation of new units, known as 421-a. (That benefit, however, has recently been extended.)

Regarding renovations, [The City](#) reported that the Rent Guidelines Board, which determines the size of annual rent increases, found that "554 units had been removed last year because landlords cleared buildings and renovated apartments, a rare remaining legal path to exiting regulation — the highest number in nearly 20 years."

## The Eliza in Inwood, with 174 affordable units opens atop a library and learning center

The Children's Village, a nonprofit social services agency which dates back to 1851, in April opened The Eliza, a 100 percent affordable building with 174 apartments in Manhattan's Inwood section.

The building is unique in that it is structured atop a 20,000-square-foot public library, designed by architect Andrew Berman.

The state-of-the-art apartments, complete with all modern amenities, will also have pre-kindergarten facilities oper-

ated by the city's education department, a learning center focusing on science, technology, engineering, and mathematics, and a teaching kitchen center.

As reported by [NYN Media](#), over its 170-year history, the Children's Village "has helped shape the city's foster care landscape, helping children and teens find support systems suited to their needs. Today, the nonprofit remains an advocate for unaccompanied minors making their way into the foster system."

## Amalgamated co-op residents facing charge hike of forty-five percent

Shareholders of Amalgamated housing, the nation's oldest limited equity cooperative designed for the city's working class, is facing its second hike in carrying charges within the past two years—a whopping forty-five percent increase, or an additional \$148.05 per room. (That will render the per-room rate a total of around \$475, which includes utilities.)

The increase is being ordered by the state's division of Homes and Community Renewal.

A report in [The Riverdale Press](#) (since modified by a [letter](#) to the editor from the Amalgamated board's president) quoted a shareholder leader, Judy Gonzales, as saying that the 97-year old complex near Van Cortlandt Park, spanning from Bailey Avenue to Mosholu Parkway, can no longer be considered affordable.

The complex, financed by the Amalgamated Clothing Workers union, was constructed in 1927.

Among her suggestions for alternative financing is selling one of the buildings that is in considerable disrepair.

She was also quoted as saying that more than 150 units in the complex are unoccupied because the board does not have the funds to repair them, rendering them unattractive to potential new, higher income, occupants.

The effort to locate new sources of funding, she said, is a never-ending dilemma.

## Rent-stabilized tenants see their bills leap yet again

Rent-stabilized tenants in the city can expect to see their monthly rent bills hike 2.75 percent starting in October, if they chose to renew their leases on a one-year basis. For those who have chosen a two-year renewal, their bills will jump 5.25 percent.

An analysis by Emma Whitford in [City Limits](#) found that for one-year signers, "this latest vote [by the Rent Guidelines Board] portends a more than 9 percent rent increase over the three years since Adams took office. By contrast, rent on one-year leases increased 2.26 percent during former Mayor Bill de Blasio's first term, and 3.8 percent during his second."

Under Mayor Bloomberg, rents leapt over 12.5 percent on one-year leases from 2010 to 2013.

## NY State passes 'Good Cause' eviction law; here are the specifics

In a significant win for tenant protections, New York State enacted in April a "good cause" eviction law, which prohibits owners from evicting tenants at will, and imposes various caps on rent increases.

Following are the key items in the law, as presented by the [Legal Aid Society](#):

### Who is covered?

- You are covered by the new law if:
- You do not live in a condo or co-op building
  - Your building was built before 2009 and was not substantially rehabbed after 2009
  - You live in a building with eleven or more apartments
  - Your landlord does not live in your building
  - Your rent is under 245% of the Fair Market Rate. (Studio: \$5,846; 1 BR: \$6,005; 2 BR: \$6,742; 3 BR: \$8,413; 4 BR: \$9,065.

### Allowable evictions

- Tenants in private (that is, non-co-op) housing can be evicted only for:
- Non-payment of rent
  - Operating a business out of your apartment
  - Making alterations to your apartment without permission
  - Using appliances such as washing machines that are prohibited in your lease
  - Failure to provide reasonable access to your apartment for repairs or for your landlord to show the apartment for rent or sale
  - Being a nuisance or engaging

in illegal activity, such as selling drugs, allowing constant noise, causing violent behavior, cluttering your apartment to the point that it is a hazard, paying your rent late on a chronic basis, or failing to sign a lease renewal.

### Landlord privileges

Tenants may also be evicted if the landlord wants the apartment for personal use or for that of a family member; if the owner is taking the apartment off the market; or if the entire building is being torn down.

### Rent-increase requirements

Landlords must provide information to tenants explaining who is covered under the law. Such information must be included in your leases and in any court notices or papers.

New rent increases can only be between 5% and 10% based on a formula that takes into account inflation. This is called the reasonable rent increase. The state housing agency will have to publish each year's reasonable rent increase by August.

However, as explained by the law firm of [Nixon Peabody](#), "the law allows landlords the right to challenge in court arguments that their increases are "unreasonable."

In such cases, the court must "consider property tax expenses and any increases thereto;" and must "consider increases based on completed 'significant repairs,' where such repairs were not due to a landlord's failure to maintain."

A Q & A on the new law is available at [Brick Underground](#).

## CBC Report: Shortage of affordable housing in City damages economy and adversely affects quality of life

The scarcity of affordable housing, and indeed of all housing, is costing New York City residents a worsening quality of life, because it "drives away people, jobs, and commerce. It makes it harder for New Yorkers to find housing, harms the City's tax base, and dampens its economy."

So argues the Citizens Budget Commission in a [report](#) issued on June 27. The report argues that "New Yorkers in the lowest income brackets bear the

brunt of the housing crisis, though the impact is also felt more broadly—by New Yorkers who pay too large of a share of their income on housing, by those who pay higher taxes due to depressed economic activity, by those who leave the city to find more affordable housing, and by those who want to move here but do not because it is simply too expensive."

Among the reports findings:

- "New York City's rate of severe  
(Continued on page 8)

## Larry Gluck, realtor who often battled M-L and other tenants, dies

Laurence Gluck, a real estate baron and founder of Stellar Management whose tenants in various Mitchell-Lama developments and other buildings often fought his efforts to oust them or dramatically raise their rents, died in June after long suffering from ALS, or Lou Gehrig's disease. He was 71 years old.

A native of the Bronx, Gluck eventually joined the real estate-oriented law firm of Dryer & Traub, where he encountered some of the city's realtor moguls such as Peter Kalikow, Donald Zucker, and Donald Trump, according to an account in [The Real Deal](#).

He co-founded Stellar Management with another real estate attorney, Steve Witkoff.

While considered a star within the industry, he was often reviled among residential tenants, especially Mitchell-Lama residents, for attempting to oust them after around twenty or twenty-five years, when the law allowed M-Ls to be transformed into traditional private residences.

Among his most notorious battles was one with the tenants of Independence Plaza North, located in the Tribeca community of Manhattan. He had purchased the now former M-L from the original owner for \$215 million.

At an early meeting with the tenants in 2004, Gluck said his aim was to bequeath the buildings to his grandson as a "legacy."

That didn't earn him much favor with the audience.

A years-long ensuing battle between Gluck and the tenants during the Bloomberg Administration, involving City officials and Councilmembers, resulted in a deal under which lower- and moderate-income tenants would receive Section 8 subsidies, which enable them to pay only a third of their income for rent (with the government paying the difference up to a formulaic Fair Market Rent); other current tenants would have their rent indexed to the city's Rent Guidelines Board rulings plus one percent in perpetuity; and incoming tenants would pay market rate, which currently runs to around \$5,000 to \$7,000 per month, depending on number of bedrooms.

Elsewhere, on the Upper West Side, tenants had accused him of illegally deregulating their apartments, and "routinely failing to register apartments with the Department of Homes and Community Renewal," *The Real Deal* wrote.

## Affordable Housing News from Around the Nation

### National: HUD offers \$5 million to Black schools for housing solutions

Historically Black colleges and universities can now apply for federal financing amounting to \$5 million to do research yielding "evidence-based solutions to housing, community development, economic development, or built environment challenges in underserved communities," according to a HUD press release issued in May.

### National: Activist groups push nation-wide goal of social housing

A coalition of tenant, environmental and racial justice organizations in urban, suburban and rural areas has issued a [call](#) for national investments in "social housing." They define the concept as housing that is:

- Publicly or collectively owned, and is under democratic or community control;
- Insulated from the market and publicly-backed. It is not a source of profit and has sufficient government backing to meet its goals;
- A system of laws, policies, and institutions that helps make housing affordable and accessible for everyone.

### National: Escalating home insurance costs endanger new affordable units

Soaring costs of home insurance threaten to hamper not only those seeking to purchase private homes, but to developers of affordable rental housing.

As reported by David Chen in [The New York Times](#), "From Rhode Island to Louisiana, and Texas to Washington, developers of affordable housing have been reeling from exponential surges in property insurance premiums."

Since those developers tend to receive significant tax deductions and other subsidies, they are often barred from raising rents, as part of the deals they have signed with city agencies. As a result, many are abandoning efforts to construct affordable developments.

### Berkeley: University plans to use Peoples Park as housing site

The University of California at Berkeley has announced plans to convert the famous, or infamous, Peoples Park into student housing. The AP [reported](#) that the 3.2-acre park, which has been the site of student demonstrations since

the 1960s anti-Vietnam war protests, is on track to sport a \$312 million housing complex for around 1100 students. Opposition to the plan has occasionally erupted into confrontations between activists and police, as when protesters attempted to stop crews from cutting down trees for the project.

### Poughkeepsie, NY: First city outside NYC to pass rent stabilization

The City Council in June unanimously passed an Emergency Tenant Protection Act, thereby becoming the first city outside NYC to establish rent stabilization in buildings constructed before 1974. The next step will entail appointing members to a rent guidelines board which, as in NYC, will include representatives of tenants, landlords, and the public.

### Chapel Hill, NC: Town secures financing through RAD for 54 affordable units

As a Rental Assistance Demonstration (RAD) [project](#) with Chapel Hill reached its conclusion in June, the town has been able to obtain financing for fifty-four affordable units through a partnership with Community Housing Partners of Richmond, Virginia. RAD works by enabling public housing authorities to switch to Section 8 housing, which in turn allows the development to secure additional funding for repairs and replacements of dilapidated units. RAD units also remain affordable in perpetuity.

### Summit, NJ: Council nixes rezoning area for affordable homes

The town's Common Council voted against rezoning a site presently housing a firehouse to render the area fit for below-market rate housing. Supporters of the rezoning had proposed constructing a development with 100 percent (forty-two units) affordability by June of next year. As a result of the Council's action, the land will now be available to the highest bidder for market-rate housing.

The average home in Summit is worth around \$1.2 million, according to [The Gothamist](#).

### Westchester: Board hikes rents

The city's Rents Guidelines Board hiked rents on rent-stabilized units by 2.5% for one-year leases and 3.5% for two-year leases.

## Local Housing Briefs

### NYCHA flooded with applications after it reopens voucher program

After a fifteen year hiatus, the New York City Housing Authority reopened its Section 8 voucher program in May, only to be swamped with hundreds of thousands of applications. NYCHA will accept only 200,000 of them for its waitlist. Around one thousand of those will then be selected to enter the Section 8 lottery. Section 8 vouchers enable holders to pay only thirty percent of their income for rent, with the government paying the rest.

In another recent development regarding NYCHA, the city's Comptroller's office [found](#) that shelter residents here have significantly stopped moving into the Authority's units. According to the report, the number of such individuals "is at its lowest level in a decade, an 80% drop in monthly exits since FY 2015."

### New seven-story apt building opens at Penn South corner

A new apartment building, to provide 188 units of which thirty percent will be affordable, opened in June at the corner of Eighth Avenue and West 27th Street, part of the Penn South complex. The building replaced a deteriorating structure that over time had housed a Gristedes supermarket, a Taco Bandito, a McDonald's and a medical supply center. The new structure was designed by COOKFOX, an architectural firm that defines its mission as "more responsive to social, cultural and ecological needs." Penn South, a limited equity co-op, opened in 1962.

### 64 Manhattan office buildings may start converting to residences

A surge in the effort to turn office buildings in the city into residences as a way of slightly easing New York's housing shortage was reported in June by several urban-oriented and mainstream media. The reports noted that 64 commercial building owners in Manhattan have contacted the City's relatively new Office Conversion Accelerator program, which provides owners with a single point of contact in dealing with the myriad agencies involved in conversions.

Although the production of more housing should theoretically lower rents, none of the four former office buildings that have converted so far appear prepared to offer rents at below-market rates. At 100 John Street, which is one of four buildings that have previously completed conversions, studios rent for \$3,700; 1-bedrooms for \$3,600-\$5,415; and 2-bedrooms for \$4,650, according to [Street Easy](#).

## New book describes Upper West Side life in a Mitchell-Lama during the 1960s

**A** new book by filmmaker Jennifer Baum, *JUST CITY: GROWING UP ON THE UPPER WEST SIDE WHEN HOUSING WAS A HUMAN RIGHT*, was published in April by Fordham University Press. Following are selected comments from several online reviews. (272 pages, \$29.95)

### [Publishers Weekly](#)

"Filmmaker Baum tracks 80 years of U.S. government subsidized housing policy and draws on memories of her own childhood, when her family benefited from a government-built affordable home. In 1967, Baum's parents purchased an apartment in a limited-equity, racially integrated, cooperative building on Manhattan's Upper West Side. They joined a diverse community of owners that together managed the building, where everyday experiences were defined by a sense of 'collective action,' and where daily existence was characterized by diverse friendships, political talk, and spontaneous encounters."

### [Westside Rag](#)

"Baum's book is part memoir, part history of public housing programs, and part advocacy appeal for a renewed commitment to programs such as Mitchell-Lama, which enabled her middle class family to buy a three-bedroom apartment with terrace for \$3,800, at a time when many other families were fleeing the city for suburbs."

### [Jewish Telegraph Agency](#)

"It celebrated the idea of the common good," Baum told me in an interview. "It was a very comprehensive, unusual experiment that enabled the

Upper West Side to retain a feeling of diversity — economically, culturally — at a time when government really believed in trying to make the city a livable place for all."

### [Fordham Press](#)

"Q: One of the great things about having your grounded narrative of neighborhood life is the personal perspective on sweeping changes as they unfold at an intimate scale. The arrival of the Upper West Side's first McDonald's is a wonderful example. Tell me about that."

"In the book, I was able to connect the opening of McDonald's with the first new luxury building to go up in decades, The Columbia, just a block away on Broadway and 96th Street, and then to John Lennon's death and Ronald Reagan's election victory, both occurring in 1980. In my mind, these events were all related. My dad's sudden death while visiting the private school I'd transferred to from public school, which also happened in the '70s, and my loss of innocence as a result, somehow mirrors the loss of innocence, even despair and cynicism, which resulted from the movement away from the common good."

### [Amazon](#)

"Just City goes beyond the physicality of housing; it unveils the emotional tapestry of housing for an entire generation. As you immerse yourself in the stories of rallies, grassroots efforts, and the sense of kinship that defined this era, you'll witness a generation that stood united for justice and fairness. The book captures not just moments, but the ethos of a time when the city was a testament to the power of community."

## CBC Report: Shortage of affordable housing in City damages economy and adversely affects quality of life

(Continued from page 6)

overcrowding is more than twice the national rate: more than 170,000 households have more than 1.5 people per room. Many households double up to afford the rent or stay put even if their housing needs change because they cannot afford a larger home."

"In 2022, New York City had a net loss of 160,000 residents from domestic outmigration, driven in part by

the need for housing that meets households' needs at a price they can afford. Based on the average household incomes of in- and outmovers, net outmigration cost the City, conservatively, over \$300 million in personal income and sales tax revenue in 2022."

• Building enough housing to close the gap could boost City tax revenue by \$1.4 billion to \$1.9 billion annually.

## Harvard report shows housing unaffordability growing nationwide

(Continued from page 1)

each for white, Asian, and Native American households.

• **Ethnic/racial discrimination regarding home ownership still pervasive.** "The higher costs of homebuying have hampered efforts to reduce the wide racial homeownership rate gaps. As of the first quarter of 2024, the Hispanic (49.9 percent) and Black (46.6 percent) homeownership rates are significantly lower than that of white households (74.0 percent)." In spite of some progress, "these gaps have remained largely unchanged over the past 30 years."

As a consequence of this disparity, Black and Hispanic households most often lack access to the generational wealth transfers that help pay for children's own down payments and college fees.

• **Wealth gap between tenants and homeowners remains enormous.** "In 2019, median renter household wealth was \$7,300, compared to \$295,500 for homeowners. That gulf widened dramatically between 2019 and 2022."

• **Climate change a growing threat.** The nation's housing stock "is increasingly at risk of damage from severe hazards. The number of billion-dollar disasters related to climate change has grown from an annual average of three in the 1980s to twenty-eight in 2023 alone."

• **Homelessness at record high.** Homelessness is rapidly increasing, along with the rising prices of homes and apartments, "reaching a record-high 653,100 people in 2023." Some of the increase is due to increased immigration, although much of it "reflects the end of pandemic protections, high rents, and the already meager housing safety net. Another significant challenge is to the housing stock itself, which "is increasingly at risk of damage from severe hazards."

• **Nationwide, rents have actually softened.** As new multi-family units have come online, "they have outnumbered even sizeable increases in new renter households, and so the rental market has cooled slightly."

The report, however, does not explore state and local variations on this issue: for example, vacant apartments in New York City are often deliberately held off the market by owners hoping to transfer them out of rent regulations. Such vacancies have clearly not led to rent reductions.