



MITCHELL-LAMA RESIDENTS COALITION

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WEBSITE: www.mitchell-lama.org

Mayor's housing plan calls for tenant protection, affordability

Greater protection of tenants against harassment, locking in existing affordable housing, and actively promoting new affordable housing are three of the guiding principals of Mayor Bill de Blasio's [housing program](#), released in mid-November.

"Housing New York: A Five Borough, Ten Year Plan," provides a long range look at how the administration attempts to fulfill its commitment to fostering a less unequal urban environment.

Among other specifics, the plan calls for the following:

- Develop opportunities for affordable housing in all five boroughs by working with communities to "identify areas that can support new development or provide opportunities for preservation." The plan also calls for a sharper focus on identifying neighborhoods and portfolios "that are at risk of becoming unaffordable and proactively work with owners, lenders and investors to assure that City resources are appropriately targeted."

- Implement a Mandatory Inclusionary Housing Program, through rezoning that requires all new housing in rezoned areas to set aside a portion for units permanently affordable to low-, moderate- and middle-income households.

- Harness affordable housing investments to generate quality jobs. The plan estimates that construction and preservation of 200,000 housing units will generate 194,000 construction jobs and almost 7,100 permanent jobs.

- Protect tenants and stem the tide of rent deregulation. The plan aims to coordinate "across all city agencies" tools to protect tenants in rent-regulated housing from landlord harassment.

- Significantly increase the number of units serving the lowest income New Yorkers. This program aims to "serve more than four times as many of the lowest income New Yorkers (those earning below 30 percent of Area Median Income) over the ten years of this plan as were served over the previous twelve years."

- Seek to utilize "underused" NYCHA land and development rights to develop affordable housing, and produce local retail, and community facilities..."

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

Note: See story on new tenant protection laws, page 7.

NYC offers \$250m to stem outflow of ML developments

Mayor Bill de Blasio has offered to spend \$250 million to Mitchell Lama buildings in an effort to stem the hemorrhage of the affordable housing developments into the private sector.

The new effort, dubbed the Mitchell-Lama Reinvestment Program, will provide long term low cost financing for repairs and debt relief to the remaining roughly one hundred developments (of which two-thirds are coops and one-third rentals).

According to a City housing [publication](#), the funds will be used to restructure existing debt, provide long-term tax benefits, and fund critical capital repairs. These efforts should lock in affordability for at least an additional twenty years.

In a statement, the mayor said that "There are about 45,000 apartments in this city in Mitchell-Lama buildings that now are threatened with falling out of affordability and going market-rate. Our job is to stop that."

The funds will be directed to around 15,000 ML rental and cooperative apartments over the next eight years.

Strengthen MLRC
Join today (use form on page 2)

GENERAL MEMBERSHIP MEETING

Saturday, January 27, 2018 10:00 a.m - noon

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

CONTACT: Information@mitchell-lama.org

PLACE: Musicians Union, Local 802, 322 W. 48th St., near 8th Ave. in the ground floor "Club Room." Subway trains: No. 1 to 50th St. & 7th Ave.; Q,W to 49th St. & Broadway; E to 50th St. & 8th Ave.

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

West Village Houses offered plan to destroy and rebuild

Madison Equities, a developer of high end housing, has offered to destroy and then rebuild the 42 buildings of the West Village Houses (WVH) so long as the resulting complex will then include both luxury and affordable units. The firm is known for the Excelsior, a luxury apartment building on West 57th Street, the Galleria, and the W Times Square Hotel, among other developments.

Initially planned in the 1960s in cooperation with the popular urban planner Jane Jacobs under the Mitchell Lama program, WVH was completed in 1974, but was converted to cooperatives in the early 2000s. The conversion had been approved by residents who feared sharp rent increases after the owners announced their intention to exit the program.

At present, cooperators are facing the loss of a property tax break, which will spur a significant increase in maintenance

fees. They do have an option to renew the break for the next two decades, but that would reportedly entail a complex and extremely expensive legal ownership restructuring process.

Under the plan proposed by Madison Equities, the current buildings would be demolished for a new development, in which current cooperators would be provided with affordable units, while the remainder would become luxury units. If approved, residents would be relocated for the entire time it takes for the new buildings to be constructed. To offset the resulting tax increases accompanying luxury units, Madison Equities has offered to purchase WVH parking garage for upwards of \$63 million.

Opposition to the proposal has already begun among some of the cooperators, who reject any plan entailing the destruction of the existing buildings.

NYCHA head embroiled in controversy in wake of DOI lead paint allegations

In the wake of a Department of Investigations report that charged NYCHA with submitting false reports certifying lead paint testing in 55,000 apartments without having actually performed the tests, the Authority chief has found herself embroiled in controversy. Letitia James, NYC's public advocate, has called for the removal of NYCHA head Shola Olatoye.

In addition, two other NYCHA officials resigned as a result of the report (Bryan Clark, a senior vice president for operations, and Jay Krantz, director of technical

services); and the agency has announced it will create a new compliance department to oversee regulatory issues. It also said it will continue to take lead tests. In a statement, the agency said it would work with experts to prevent future problems in its buildings. State and City officials have since called for an independent monitor.

Concerning calls for Olatoye's ouster, Mayor de Blasio, City Council Speaker Melissa Marc-Viverito and several other officials have announced they remain in support of her.

UPCOMING EVENTS

MLRC General Membership Meeting

Saturday, January 27, 2018

10:00 a.m. - noon

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

**Musicians Union, Local 802,
322 W. 48th St., near 8th Ave.
in the ground floor "Club Room"**

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.

For more information, e-mail: info@mitchell-lama.org

Mitchell-Lama Residents Coalition, Inc.

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

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Fax _____ E-mail _____

Current ML: Co-op _____ Rental _____

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Development _____

President's name _____

Donations in addition to dues are welcome.

Crown Heights Armory project set to proceed after lawsuit fails

A multi-purpose redevelopment of Brooklyn's Bedford Union Armory is set to proceed, after the Brooklyn Supreme Court dismissed a lawsuit calling for a temporary restraining order on a City Council vote.

Fears of gentrification and displacement had led groups of the borough's residents and the Legal Aid Society to file a lawsuit to temporarily restrain the finalization of the plan, promoted by Mayor de Blasio, that promises affordable housing and other amenities.

Legal Aid and the Crown Heights Tenant Association, along with New York Communities for Change, fear the project will inevitably spur an influx of wealthy residents, forcing out long time tenants, including those who are rent-regulated, as is happening throughout the city's boroughs.

Specifically, opponents argue that the Council and the City failed to assess the project's impact on rent regulated tenants, by neglecting to include them from its environmental review.

In response, City Council member Laurie A. Cumbo, who represents Brooklyn's 35th district and who is a major

supporter of the project, said in a statement that she not only met with "engaged residents," she also "took lessons from other communities that had similar opportunities to transform vacant armories such as Park Slope and Kingsbridge, into communal spaces for all ages."

Cumbo, who also sits on the Council's public housing committee, added that she "pushed for a revised proposal that incorporated their ideas and brought deeper affordability for all. I worked with community stakeholders to prioritize affordable housing, promote youth and cultural development, while increasing access to healthcare."

In addition, she said, she had reached an agreement with the city and the developer, BFC Partners, to remove plans to include luxury townhouse-style condos in the project.

Notwithstanding these accomplishments, critics of the plan continued their opposition. According to Legal Aid's Jennifer Levy, "We know that in reality tenants in rent-regulated buildings are not immune from displacement or gentrification. We've seen it happen. The city's procedures should reflect what we see."

According to the Society, the Armory's zip code currently houses around 12,700 rent-regulated apartments, of which many contain low-income tenants.

Councilwoman Cumbo, who chairs the Committee on Women's Issues and co-chairs the Women's Caucus, said the project will provide affordable housing to 250 tenants, including those who had been homeless; below-market rent for local nonprofit organizations; a recreation center that will charge minimal amounts (\$8 to \$10) for classes; access to healthcare services for the uninsured; and \$1.25 million for "community engagement programming."

"Today marks the culmination of a two-year journey, she said, "which began with a project that did not integrate our most basic needs, and now reflects what we have long envisioned for the Bedford Union Armory in Crown Heights."

Commenting on the failure of the lawsuit to block a vote on the project, Councilwoman Robin Levine said "This preposterous attempt to block the vote does nothing except seek to hurt the very Crown Heights residents most in need of new affordable housing and jobs."

The Legal Aid Society reportedly will continue to push for a hold on the project until the City undertakes an environmental impact statement that includes the effect on rent regulated tenants.

For its part, New York Communities for Change noted that, in spite of the lawsuit dismissal, the fight against the project was still worthwhile. In a fund raising appeal, the group noted that "the two years of blood, sweat, and tears we collectively poured into this fight were not in vain. The project that passed yesterday by the City Council was markedly improved from the original proposal.

"While the project will still include 150 units of market rate rentals, it will also include 250 units of truly low income housing, and 25 units set aside for homeless families. A year and a half ago, Laurie and the mayor expected this plan to sail through the rezoning process with little opposition, despite the fact that only 18 of 386 units were affordable for the residents of Crown Heights."

New luxury tower plan for West 66th Street draws condemnation from area rep

Snøhetta, an international architectural firm that modestly defines its projects as "a series of contextual examinations rather than isolated masterpieces"--or, their designs are not elitist, but rather harmonious with ordinary living (except, not necessarily harmonious with the ordinary living character of surrounding communities)--has unveiled its rendering of a 25-story, 775-foot luxury tower at 55 West 66th Street in Manhattan.

The relation of the proposed tower to the community can be seen online at <http://bit.ly/2jayss2> and <http://bit.ly/2B-DHx4s>

Submitted by Extell Development, the plan was immediately attacked by Councilwoman Helen Rosenthal, who represents the area.

"I will fight Extell's current plans with every tool at my disposal," she said in a statement, "and will push for a design that is more in line with the built environment of the Upper West Side. At 775 feet, this building is far too tall for the context

of our neighborhood, overshadowing nearby buildings and Central Park. It is significantly taller (over 100 feet higher) than the egregious development at 200 Amsterdam."

Rosenthal noted that Extell initially said it planned a structure one-third the size of the current proposal. "The building's new height is over three times what the developer reported to my office, community members, and the City's Department of Buildings (DOB), in Spring 2016," she said.

She added that the new plans are a classic example of "bait-n-switch."

The architect insists that the structure is compatible with the surrounding area.

"Embracing features found in the neighborhood," Snøhetta said, "the design reveals its base, body, and crown in contemporary terms. The striking geometry expands New York City's rich legacy of tower design while embodying an identity formed by human scale at the street."

Schomburg residents face eviction as Landlord Assistance Plan ends

Residents at Schomburg Plaza, a 600-unit former M-L complex at 1295 Fifth Avenue in East Harlem, are facing soaring rent increases as a ten-year contract between the owners and the tenants, known as its Landlord Assistance Program (LAP), expired. Many of the former tenants have already been forced out, according to Faheem Abdur-Razzaq, president of the Schomburg Residents Council.

Tenants at the complex, which has since been renamed The Heritage, have few resources because LAPs are not overseen by any government housing agency. Rather, they are plans offered by owners for a variety of reasons. Some owners may secure federal Section 8 subsidies for

the apartments that will make up the difference between what a qualifying tenant pays (around one third of their income) and a fair market rent. Others may have negotiated a contract with the tenants, keeping some rents in accord with Rent Stabilization guidelines (plus a 1 percent hike each year), and other rents subsidized for tenants who qualify for Section 8.

The east Harlem complex was purchased for \$918 million by Urban American Management, according to a report in City Realty, with a \$700 million mortgage from Deutsche Bank and a large investment by the City Investment Fund, which is supported by city and state pension funds.

Bronx M-L Carol Gardens sold; apartments to remain affordable

Carol Gardens, a 314-unit Mitchell-Lama development in the Bronx, was sold for \$19 million in November to a developer and investors who have announced that the 16-story complex will remain affordable.

Camber Property Group, the developer, will receive \$25 million in debt from the NYC Housing Development Corporation, and another \$15 million from HPD. The money will reportedly go towards renovation, including facade replacement, elevator modernizing, security improvements, and sealing off an unused basement

swimming pool. Repairs in individual apartments will also be made.

Additional Section 8 funds from the City are anticipated, as a way to keep the 16-story building affordable to tenants who earn less than 80 percent of the Area Median Income.

A Camber principal, Rick Gropper, said that the purchase provides "an opportunity to use some of the tools available to preservation buyers like us to invest capital and also work with the city to restructure the affordability and extend it for the long term."

USA children in poverty today: findings by UN special rapporteur

Poor children are also significantly affected by America's affordable and adequate housing crisis."

"Around 21% of persons experiencing homelessness are children. While most are [in shelters], the lack of financial stability, high eviction rates, and high mobility rates negatively impact education, and physical and mental health."

"Contrary to the stereotypical

assumptions, 31% of poor children are White, 24% are Black, 36% are Hispanic, and 1% are indigenous."

"When looking at toddlers and infants, 42% of all Black children are poor, 32% of Hispanics, and 37% of Native American infants and toddlers are poor. The figure for Whites is 14%."

Full UN [report](http://bit.ly/2Cgro4i) is available online at <http://bit.ly/2Cgro4i>

Crown Heights factory site to host 800 affordable units

Eight hundred units of affordable housing are slated for the Crown Heights section of Brooklyn, in a deal--which still awaits City approval--to convert the site of an old spice importing factory into high rise apartments.

Under Mayor Bill de Blasio's inclusionary housing plan, the developer, Continuum Company, will be allowed to construct a building that surpasses the area's established zoning height and density, so long as fifty percent of the 1,600 new units are below market rate.

The structure, planned to include space for retailers, will go up at Franklin and Montgomery Streets.

Continuum said that in planning the scope and design of the complex, the developer was influenced by nearby Tivoli Towers, a 33-story M-L development, and by the nearby Ebbets Field apartments.

Applicants for the affordable units will have to earn no more than 30 percent of the area median income, or roughly \$28,600 for a family of four.

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

Messing with mom's legacy

Alan Chartock

In 1967, the Riverside Neighborhood Assembly House opened on the West Side of Manhattan on 96th Street between Columbus and Amsterdam Avenues. It was one of the first, if not the first, of the Mitchell-Lama buildings in Manhattan. The idea was to make sure that common folks who could not afford the high rentals could remain in the neighborhoods of New York.

I recently heard that the average rental of a one bedroom apartment on the Upper West Side of Manhattan runs \$3,400 a month. That's a lot of money. People I know in the RNA House are paying about \$600 a month for a one bedroom.

To this day, the Mitchell-Lama program has some pretty strict rules. In order to get one of these apartments, you have to be on the waiting list and meet certain criteria. You have to fit between certain economic guidelines and because there aren't enough apartments to go around, you may have to wait on the list for years to buy shares in a cooperative building.

Like other co-ops, you don't own your apartment. Rather, you own shares in the building but you get to use the apartment. If you are allowed to buy into the building, the rule is that when you leave, you have to surrender your shares at the price you originally paid in plus a prorated share of the amortization while you were there.

You may wonder why I am writing about the RNA House, now an incredible fifty years old. It is so important to me because it was my mother who thought up and gave birth to the place, just as she gave birth to my brother and me.

My mom, Shirley Chartock (later reverting to her given name of Sarah), was the school community coordinator on the West Side of Manhattan. She thought up the Riverside Neighborhood Assembly (after whom the building is named) whose job it was to bring the people and the schools together and she sponsored an awful lot of conferences and theater parties to make it all happen.

She worked incredibly hard at it and then she taught in the evenings at Hunter College in the education department. She founded the Fire Island Youth Group and ran that for many summers.

My mother was at the forefront of those folks who believed that there should be a place, an integrated place, where people could live when so many were being forced out of their neighborhoods.

When the Mitchell-Lama program originated, thanks to Mayor Robert Wagner and a cadre of assistants (Warren Moscow and Robert Moses among them), my mom saw an opportunity for the Riverside Neighborhood Assembly to sponsor a first.

I seem to remember Bob Wagner laying it all out in our living room. That's why I'm not happy about the latest development in the long history of the RNA House -- they are trying to mess with my mom's legacy.

All these years later, there is a move to change the Mitchell-Lama co-ops so that the apartments people could actually afford would be privatized. That means some of the people who are the cooperators want to own their apartments and sell them at current market prices and, of course, make out like bandits.

The whole idea of affordable Housing was to make real middle class, integrated housing a reality. After twenty years in the program, the law allows the cooperators to vote on whether to privatize. In most cases, people have been true to the mission but in others, they have been understandably greedy.

Soon the RNA House will have to decide. My mom, whose name is not up there on the plaque even though it was her project from start to finish, will be rolling in her grave if the cooperators fighting the privatization should lose. Then a good idea would have gone sour. Too bad.

This article appeared online in the [Troy Record](#) and other upstate newspapers. Alan Chartock is professor emeritus at the State University of New York and publisher of the Legislative Gazette.

City housing judge canned after years of complaints

A Manhattan housing court judge has been removed from her position after years of complaints by tenants and others who faulted her for lack of action on heat and hot water cases, and for conflicts of interest regarding her family's estate.

Susan Avery, whose tenure in the \$175,000 annual position lasted five years, was recommended for dismissal by a panel of tenant groups and real estate industry officials.

Among other complaints, the panel criticized Avery for excessive adjournments of cases, and for failure to disclose that the law firm administering her family's trust often represented landlords in

her court.

Among her rulings that the panel cited was one in 2014, when Avery argued that a landlord who ripped out a boiler in a building was doing the equivalent of repairing it.

Beyond tenant complaints, Avery was accused of insensitive behavior in court when she humiliated an attorney with cerebral palsy for his allegedly sloppy handwriting, according to a report by the Advisory Council for the Housing Part of the Civil Court of New York City.

Avery, a graduate of the New York Law School, was twice rated "not approved" by the city Bar Association.

The Mitchell Lama Residents Coalition

wishes all its members

a healthy, happy

and prosperous new year

Affordable housing news from around the nation

National: housing for very low income fell more than 60% between 2010 and 2016

Freddie Mac, the federally owned agency that buys mortgages from banks (which allows the banks to then offer more mortgages) said in a new [report](#) that the availability of housing affordable by very low-income families dropped more than sixty percent between 2010 and 2016. The agency analyzed loans that it financed twice between those two years. At the first financing, 11.2 percent of the total number of rental units it financed across the country were affordable to very low income (VLI) households. But by the second financing six years later, only 4.3 percent of the same units were affordable to the VLI households. That is a drop of almost 62 percent.

National: Black households most likely to face eviction

A new report from Apartment List found that one in five renters recently struggled to or could not pay their rent, while 3.7 million renters have experienced eviction. Black households are most likely to face eviction. In the past year, 11.9 percent of black households faced an eviction threat, compared with 5.4 percent of white households. Additionally, the least-educated members of the population are most likely to face eviction. "Even looking at households that have a four-year degree, we found that 6 percent of black households faced eviction versus just 3 percent of white households—that rate is double," said report author Chris Salviati. See report at <http://bit.ly/2iPwQUu>

Portland, Me.: voters reject rent stabilization measure

Voters in Portland, Maine, a small coastal city, rejected a ballot measure in November that would have established a rent stabilization program. The vote was a blow to tenants who had formed a union, Fair Rent Portland, several years ago to push for more tenant protections. The union was heavily outspent by a coalition of landlords and developers who fought the measure under the banner of "Say No to Rent Control." Had the measure passed, the city would have placed a cap on year over year rent increases, set up a board to review landlord applications for

increases, mediate landlord-tenant disputes, and impose fines for violations.

Detroit: some builders required to set aside 20% for low-income

Housing developers in Detroit who receive public subsidies or discounted city-owned land must now to set aside at least 20 percent of their units for lower income residents, following a new city law. A second law requires them to inform city agencies and tenants a year in advance of the expiration of the affordability restrictions.

California: passes package of affordable housing bills

The California state legislature passed a group of bills in September designed to place affordable housing at center of state and local policy decisions. It "sets up the framework for political agreement between the Democratic-controlled Assembly, the Senate, and the governor," according to media reports. One bill imposed a fee of \$75–\$225 for various real estate transactions, which is expected to generate \$250 million a year for local planning, homeless services, and affordable housing. A second bill will create a statewide trust fund and produce 52,000 new or rehabilitated homes. A third will allow cities to require all new developments to include affordable housing.

Philadelphia: Bill pressures landlords on evicting tenants

A bill introduced in Philadelphia's city council would require landlords to provide a "good cause" when seeking to evict tenants after a lease ends. It would also dictate that a landlord who wants to raise rent must first give an existing tenant the chance to accept the new rate. And it would give tenants the right to appeal a landlord's "good cause" finding to the Fair Housing Commission. The proposal is modeled after other cities, like Seattle and Oakland, that have "just cause" eviction provisions on the books.

Washington, DC: New fund

The D.C. Department of Housing and Community Development has established a \$10 million public-private fund dedicated to preserving affordable housing and is seeking a fund manager.

NY Housing Briefs

GOP tax plan will force NYC to lose \$4.5 b for afford. housing

The Republican tax reform plan will eliminate \$4.5 billion for affordable housing, according to the NY Housing Conference, a nonprofit advocacy group promoting lower cost housing. Among other things, the plan "calls for the elimination of Tax-Exempt Private Activity Bonds which generate as-of-right 4% Low Income Housing Tax Credits (LIHTC).
www

"Over a 5-year period, housing bonds have created more than 140,000 jobs across the state," the NYHC said. "The elimination of Private Activity Bonds or 'volume cap' may be a devastating blow to affordable rental housing in New York as well as to affordable homeownership opportunities for many first-time home buyers receiving home financing through the State of New York Mortgage Agency."

Low-income housing forum slated for March 19-21

The National Low Income Housing Coalition will hold its 2018 housing policy forum, "Building the Movement," on March 19-21 in Washington, DC. The forum will "provide an opportunity for those committed to building the movement to engage with affordable housing advocates and practitioners, movement leaders, policy experts, researchers, government officials, and low income residents on the challenges and opportunities ahead and on strategies for achieving real solutions." Information on registering is available at <http://bit.ly/2AIWrow>

Federal homeless coordinator may lose its funding

The US Interagency on Homelessness, which coordinates the anti-homeless efforts of more than a dozen federal agencies, including HUD and Veterans Affairs, may lose its funding. The White House and the US House Appropriations Committee has called for eliminating it. Created in 1987, the USIH is credited with reducing veterans homelessness by 47 percent in the past seven years, according to a report in *Governing*, a website on states and localities. The agency spends more than \$5 billion a year on at least 26 homeless assistance programs.

New NYC laws give tenants 'heads up,' expand no-harassment program

Two laws passed by the City Council in November are intended to protect rent regulated tenants from displacement and harassment.

Under the **Predatory Equity Bill**, the City's department of Housing Preservation and Development department will develop a list of speculative properties--buildings that have recently been purchased at "too high" a price by speculators to cover rental income--which indicates likely harassment to pressure rent regulated tenants to vacate in order to make way for market rate tenants.

The Speculation Watch List, which will be published, is intended to give tenant organizers and other housing advocates an early warning or "heads up" sign.

In deciding which buildings to place on the speculation list, HPD will consider the building's "capitalization rate," a measure computed as net operating income--basically rents less expenses--divided by the most recent purchase price.

If the capitalization rate is "too low"--which indicates that the price paid for the building is "too high"--HPD can conclude that the current rental income is incapable of offering the owner a profit, and that therefore only market rents will

be able to pay for it.

In such cases, the purchaser is likely to try to "flip" a rent-stabilized building into one that charges only market rents. Existing rent regulated tenants, therefore, will likely face harassment pressures to vacate.

According to Stabilizing NYC, a citywide coalition of 17 nonprofits that organizes tenants in rent-stabilized buildings, about 65,000 rent-stabilized units are currently under threat of displacement due to predatory equity. The Coalition worked with Council members to shape the bill.

The second law passed by the Council expands the city's **Certificate of No Harassment Program**, which requires developers to receive such a certificate from HPD in order to obtain a Buildings Department permit to alter, demolish or change the layout of Single Room Occupancy dwellings or any multiple dwelling in certain neighborhoods.

These now include Clinton, Chelsea, Hudson Yards, Greenpoint-Williamsburg and other recently rezoned neighborhoods, such as East New York, Far Rockaway, East Harlem, Washington Heights, Highbridge/Grand Concourse, Bushwick, Bedford-Stuyvesant, and Morningside Heights, among others.

City plans to transform 'cluster-site' apartments into permanent units for homeless and others

Mayor de Blasio has announced a program to purchase and transform cluster-site housing--private apartments the City rents, often at high rates, as shelter for homeless people--into affordable housing units for lower income residents, including the formerly homeless. If the owners of the cluster apartments refuse to sell, the City may seize them through eminent domain. Many of the units are located in buildings in serious need of repair.

The program will entail the City working with local nonprofit housing developers both to rehabilitate the units and to insure that they remain permanently affordable. About 800 apartments in roughly two dozen buildings so far have been identified as suitable for the program. To qualify, at least half of a building's units must be clustered.

A statement from the city's Department of Housing Preservation and Development said the program, Turning the Tide, will not only create affordable housing for homeless families, but will return "rent stabilized units to market."

During the transformation period, the apartments "will continue to be operated as shelter for New Yorkers experiencing homelessness with funding and services provided by the City's Department of Homeless Services," HPD said.

It added that homeless families "will be offered the opportunity to remain as tenants with a new rent-stabilized lease if they wish to remain in the building. All non-homeless tenants living in a cluster building at the time of purchase will also be given a new rent-stabilized lease that offers additional protections under HPD's regulatory agreement."

MLRC, CU4ML officers sourced for Voice article

Ed Rosner, co-chair of the Mitchell Lama Residents Coalition, and Adele Niederman, president of Cooperators United for Mitchell Lama, were cited as sources by a reporter for the Village Voice in an article on the history of the ML program and the current crisis caused by massive withdrawal of ML developments.

Written by Steve Wishnia, the [article](#) noted that ML "was a lifeline for New Yorkers who made too much money to qualify for low-income housing, but not enough to afford family-size apartments on the open market."

He then observed that many more than 40,000 apartments have been removed from the program since its inception.

Rosner was a key source for the article. For example, after the author notes that tenant-based developments are more easily moved out of the program--because the city's department of Housing Preservation and Development requires two-thirds of coop residents to vote in favor of leaving in two separate referenda--Wishnia quoted Rosner on the fight organized by tenants at Independence Plaza North during the early-to-mid 2000s.

At the time, IPN was a tenant-based ML project. Rosner, who is a vice president of the tenants association, explained how the organized tenants were able to develop the political clout to win certain victories in the fight against a new landlord's effort to withdraw from ML.

Although the withdrawal ultimately went through, Rosner noted that under a deal brokered by then City Council speaker Gifford Miller, the owner, Laurence Gluck, agreed to certain incentives: first, to accept Section 8 subsidies for tenants who qualified, and second, to keep rents for other tenants roughly in line with rent stabilization. In addition, apartments that were vacated would rent at market rate.

"Incentives are fine, but you need more than that" to keep landlords in the program, Rosner was quoted as saying. "The bottom line is that government has a role to play, and that is to force the landlords to do the right thing."

Adele Niederman, president of Cooperators United for Mitchell Lama, was quoted on the need for a freeze in developments leaving ML. "It's poor public policy for the city to allow this resource to go on the open market. If they're honest about preserving affordable housing, this is where to do it."

Say It Loud: Renters' Rights are Civil Rights!

By David Zisser

The following is excerpted from an article in [Shelterforce](#), December 7, 2017. David Zisser is senior staff attorney at Public Advocates, a nonprofit law firm and social justice advocacy organization in California.

Everyone deserves a stable home—a place to raise a family and build community. Unfortunately, in part because of displacement and gentrification, that stability is often elusive, especially for people of color. At Public Advocates we believe there is not only a moral basis for combating displacement, but also a legal one—that renters' rights are civil rights.

The Problem: Displacement

Generations of racist government policies such as redlining, the razing of neighborhoods to build highways, and exclusionary zoning has created deeply segregated and unequal neighborhoods. These policies both prevented people of color from accessing resources where they lived and from moving to suburban neighborhoods where resources were being invested.

Now private developers and public agencies are finally investing in neighborhoods near transit and jobs—where many low-income communities of color have lived for generations—and as a result, are being pushed out just as resources in their neighborhoods are increasing. Landlords are forcing out longtime residents, sometimes whole buildings at a time, as they seek higher rents from wealthier populations.

The same communities of color that endured decades of disinvestment are now bearing the burden of gentrification, displacement, and resegregation.

Once again, government policies are fueling this inequality, and few governments are willing to acknowledge the problem, let alone do anything to prevent it.

The problem affects communities throughout the country. In the San Francisco Bay Area in particular, about 800,000 low-income renters are at risk of displacement or are living in communities already experiencing displacement due to gentrification. Importantly, people of color are hit especially hard. In the Bay Area, as in many places, African Americans are almost twice as likely to be renters as whites and more than three times as likely to be living in poverty. In

San Mateo County, African Americans and Latinos are less than 30 percent of the population, but account for more than 60 percent of total evictions.

The instability and vulnerability caused by displacement has ripple effects, resulting in homelessness and poor health and educational outcomes.

Take Action

The federal Fair Housing Act requires cities, counties, and states that receive federal housing funds, called “entitlement jurisdictions,” to explicitly acknowledge the racial inequality in housing and take affirmative steps to undo this historic and present injustice.

This legal mandate to “affirmatively further fair housing,” or AFFH, is precisely what’s needed to address displacement.

Here are a few actions that advocates, renters, and allies can take:

Participate in the assessment (AFFH) process to ensure that your local government identifies whether displacement is occurring and whether it is disproportionately impacting people of color, immigrants, or other protected groups. If so, it must be identified as a fair housing issue, and anti-displacement strategies must be included in the assessment.

If your city or county doesn’t identify displacement as a fair housing issue and identify strategies to address displacement in its planning document despite your efforts, let HUD know.

Work to ensure that your elected officials meet their AFFH duty by actually adopting strong tenant protections such as rent control, just cause eviction, anti-harassment, and right to legal counsel ordinances, as well as by taking housing off the speculative market through acquisition and rehab and first right of refusal for tenants.

Let’s remind our decision makers that protecting tenants is a legal mandate, and that renters’ rights are civil rights!

[Read the full Shelterforce article.](#)

City officials condemn HUD chief on panel with HUD representative

With a representative of the federal Housing and Urban Development department sitting alongside them, three New York City housing officials publicly condemned President Trump's newly appointed HUD secretary, Ben Carson, for his lack of guidance and proposals to ditch certain financing mechanisms designed to help lower-income homeowners and tenants.

The condemnations, made at a panel at the New York Housing Conference's 44th annual awards ceremony in December, were issued by Maria Torres-Springer, commissioner of the city's Department of Housing Preservation and Development; RuthAnne Visnaukas, commissioner of the NYS Division of Homes and Community Renewal; and Shola Olatoye, the city's housing authority chair.

On that very panel, ironically, sat Lynne Patton, HUD's newly appointed New York regional administrator. Patton, a former wedding planner for Donald Trump, has had no prior experience in housing or government, except for a few months as a public engagement specialist.

'War on affordable housing'

The condemnations were harsh. “Let me be clear that there is a war on affordable housing that is being waged across this country,” said Ms. Torres-Springer.

Visnaukas agreed. Referring to the threat to private activity bonds and HUD's home buyer program, she said there was a “holistic attack on every tool that we have in order to preserve existing housing now.” Private activity bonds are a form of tax-exempt loans offered by governments for private projects, including building affordable homes. She also warned of the impact of the impending tax reform on the low income housing tax credit.

Olatoye condemned the absence of policy direction from Secretary Carson (who also has had no previous housing or government experience).

For her part, Patton said she has been trying to persuade lawmakers to preserve private activity bonds. She added that she was “nobody’s patsy.”

“I’m here because I actually care about the struggles and the advocacy that you guys do in this room,” she said. “I certainly could have taken a job inside the White House where my emails aren’t FOIA’d every two days.”