



# MITCHELL-LAMA RESIDENTS COALITION

Vol. 27, Issue  
Winter 2021-22

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

## Killing 'Buy Back Better': what housing advocates lost

**W**hat have supporters of affordable housing lost when President Joe Biden's Build Back Better program was halted in its tracks by West Virginia Senator Joe Manchin?

For starters, they lost the \$175 billion slated for the repair of dilapidated housing authority buildings.

Add to that the loss of \$25 billion for rental vouchers.

And finally, the loss of \$15 billion for the National Housing Trust Fund, which finances new low-income dwellings.

Those were the three housing components of the program, which had been widely expected to pass until, in late December, Sen. Manchin abruptly withdrew his support, announced through a stunning interview on conservative television station Fox News.

Even before the announcement, the BBB plan, supposedly under good faith negotiation by Manchin and the White House, fell short of the original BBB proposal, which had included various zoning reforms that would have generated construction of considerably more housing in general; the resulting increase of the nation's overall supply, according to mainstream economic thinking, would have served to keep rents and purchase

prices lower than they would be otherwise.

In fact, funding for housing in the original BBB plan was considerably higher than the plan recently under "negotiation." For example, according to the Washington Post, the original bill "included as much as \$90 billion in rental support. That number has been reduced to as little as \$25 billion to expand Section 8 assistance."

### **Tenants in anti-eviction program get increase in voucher value**

**T**enants for whom rental vouchers had paid 85 percent of their rent will now be able to use the vouchers to cover 100 percent.

Under legislation signed by Gov. Hochul in December, tenants who are eligible for the city's Family Homelessness and Eviction Prevention Supplement will theoretically find it easier to obtain housing, as more landlords may be willing to offer their apartments in light of a guarantee that the rent will be paid in full.

The bill had been sponsored by State Senator Brian Kavanaugh and Assemblymember Linda Rosenthal.

## **Victory for M-L cooperators: New state law strengthens residents' governing rights**

**Y**ears of organizing to significantly enhance the power of Mitchell-Lama cooperators over boards of directors, and to stanch the outflow of M-L cooperatives into the private sector, have finally paid off, as Gov. Kathy Hochul signed into law Assembly bill 7272/Senate bill 6412 late in December.

"We did it!" said MLRC Corresponding Secretary Katy Bordonaro, in an e-mailing to members.

"Our years-long quest to empower Mitchell-Lama residents and shareholders and wrest power from the boards had been successful! The fact that we passed this historic piece of legislation into law is a testament to your persistence and the strength of our partnership. What a great pleasure to work with a group of smart, shrewd and passionate advocates who refused to take no for an answer. Ours was a perfect match, because I also don't like to take no for an answer!"

As summarized in the Fall 2021 issue of the MLRC newsletter, the law essentially guarantees secret ballots during elections for board members or actions related to privatization, and imposes a strict limit on when such plans can be re-offered.

Such actions include motions to dissolve the mutual housing company, authorizing a feasibility study for a M-L cooperative to go

*(Continued on page 8)*

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

**MLRC  
General Membership Meeting  
Saturday, January 22, 2022 at 10 a.m.**

**Note: During the Covid-19 pandemic, the meeting will be held online via Zoom.**

**Members will be informed by regular mail**

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

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

## Council extends anti-harassment construction law to all areas of the city

Landlords of multiple dwellings throughout the city who have a history of harassment will no longer automatically receive permits for renovation or new construction, thanks to an extension of a three-year-old pilot program by the City Council in October.

The program is an effort to protect tenants not only against harassment, but against displacement, which often occurs during major construction.

Beyond preventing owners from demolitions or major renovations, the law guarantees tenants whose owners were denied Certificates of No Harassment (CONH) financial rewards of five thousand dollars, if the tenants brought their complaints to housing court.

The pilot program had applied only to buildings in various areas of the city, including parts of Chelsea, Clinton, the gar-

ment district and Hudson Yards in Manhattan, and in Greenpoint Williamsburg in Brooklyn. It now applies to the entire city.

Construction covered under the law includes full or partial demolition, major renovation of any part of a dwelling unit, and any alterations to add or remove kitchens, bathrooms or the number of apartments. Also covered are replacements of heating systems.

When a landlord applies for certification to begin construction, the City's department of Housing Preservation and Development notifies tenants and various community groups, and then investigates the owner to see if he or she has a history of harassment. If such a history is uncovered, HPD begins a hearing before the Office of Administrative Trials and Hearings. At that hearing, the owner and tenants present their cases before a judge.

## Package of new state laws aims to combat housing discrimination

A package of seven anti-discrimination in housing bills was signed into law in December by Gov. Kathy Hochul. Her action followed an expose of discrimination on Long Island by Newsday.

According to State Senator Brian Kavanaugh, who had sponsored the legislation, the package creates the Anti-Discrimination in Housing Fund which increases the fine ceiling from \$1,000 to \$2,000 and then diverts 50 percent of the revenue from these fines to the Anti-Dis-

crimination in Housing Fund. The fund also permits the state to conduct fair housing testing. That usually entails sending out couples of different colors or "races" to apply for the same advertised units. If one couples' treatment is not the same as the other, the state can file a lawsuit.

Other efforts include "training and raising the maximum fines for misconduct by real estate brokers and salespersons," and a legal notice to all state and local housing agencies that they must make efforts to "affirmatively further fair housing."

### UPCOMING EVENTS

#### MLRC General Membership Meeting

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10 a.m.**

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### JOIN THE MITCHELL-LAMA RESIDENTS COALITION 2022

INDIVIDUAL: \$15 per year; DEVELOPMENT: 25 cents per apt  
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Address \_\_\_\_\_

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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

## Queens tenants win major victory in J-51 tax abatement lawsuit

Tenants in a Queens building whose owner wrongfully deregulated apartments under the city's J-51 tax abatement program will not only receive a significant reduction in rents, but will also have their legal expenses paid by the owner, assuming a recent verdict is upheld after appeal.

During the trial, the owner, Urban American--a leading private-equity-backed real estate investment firm--who also owned several former Mitchell-Lama developments, claimed that the tax abatement program was in a "state of confusion" after a ruling several years ago regarding Stuyvesant Town and Peter Cooper Village. In that ruling, the owners were also ordered to recalculate rents.

Confusion or not, Judge Pam Jackman Brown responded, ignorance of the law is not a valid excuse, and "willful ignorance remains willful conduct sufficient to find fraud."

The Queens building in the current case is a 101-unit development at 25-21 31st Avenue, whose tenants had sued the owner ten years ago.

The ruling requires that the owner recalculate rents according to the lowest rent that a tenant had paid four years before the filing of the lawsuit. Such a reduction would be steep, but the judge deemed it appropriate after finding that Urban American had committed fraud.

The Queens tenants had filed the suit after an investigation by Housing Rights Initiative, a watchdog group that has been investigating owners availing themselves, allegedly illegally, of tax benefits in both the J-51 and 421-a programs.

Urban American is no stranger to tenant conflicts. According to *The Real Deal*, it had been "accused by tenants at several of its Harlem rent-stabilized apartments of trying to squeeze them out by increasing rents and refusing maintenance."

## Shelter for homeless men opens in hyper-rich neighborhood

Even billionaires can't always get what they want. Despite some four years of bruising court battles, involving some of the most stratospherically wealthy people in the United States, a shelter for homeless men opened in November on "Billionaires Row," a term reflecting the plethora of skyscrapers and super-luxury residences spanning West 57th Street and environs from Park Avenue to Columbus Circle.

Five homeless men quietly moved into the shelter, located in the former Savoy Hotel, 158 West 58th Street, on November 10th. More men entered slowly but steadily over the following weeks, occupying the building which had remained empty over the past few years.

The transformation of the hotel into a shelter, now known as Westhab, is part of the city's long range plan to deal with the burgeoning homeless crisis, afflicting tens of thousands of people, including families.

About a third of residents in shelters are single men. The plan to utilize former hotels has been endorsed by newly elected Mayor Eric Adams.

Steve Banks, at the time the city's Commissioner of Human Services, said that in his experience, residents of a given

Community often become frightened at the thought of a shelter opening in their neighborhood, but that over time, opposition tends to dissolve, as initial fears of crime and danger abates. Westhab's chief operating officer, Jim Coughlin, reinforced that view by saying that the shelter hopes to work cooperatively with local businesses.

### NYC to sever its ties to major shelter operator

The scandal-ridden homeless shelter operator CORE Services Group has been banned from working with the city, following a devastating expose of the organization's director, Jack A. Brown III.

In October, the New York Times uncovered evidence that Brown had been receiving salaries of more than a million dollars a year, largely by creating his own group of for-profit companies--including security, maintenance and meal providers, as well as real estate firms--that were paid to service the shelters. He had also hired various relatives for executive positions.

Over the years, CORE has received more than \$352 million in city funds. The city is seeking a return of more than \$2.3 million for "excessive executive salaries."

## Student homelessness tops 100,000 for sixth year in a row

Last school year marked the sixth year in a row that more than 100,000 New York City students were homeless. In 2020-21, it topped 101,000.

A new [study](#) by Advocates for Children found that, as a result of the pandemic, nearly 28,000 students attempted to learn remotely, while living in shelters, while another 65,000 doubled up with friends and relatives, often in already overcrowded housing.

These figures are in addition to almost four thousand who lived in cars, parks or abandoned buildings.

Homelessness takes a huge academic toll. In the previous school year, only twenty-nine percent of homeless students were able to read proficiently, as measured by state exams. And only fifty-seven percent of shelter students were able to graduate from high school in four years.

### Seek to overhaul education support system

In an effort to confront this looming problem, Advocates for Children joined with more than forty other organizations urging Mayor Adams to "overhaul the educational support system in shelters, starting by hiring 150 shelter-based DOE Community Coordinators who have the skills and knowledge needed to help families navigate NYC's complex school system and connect students with educational supports."

In addition, the organizations are calling on the mayor to "launch an inter-agency initiative to tackle the educational barriers these students face, such as chronic absenteeism, transportation, and delays in enrollment and services."

### Call for broader cellular reception

Among their key recommendations is an effort to "bridge the digital divide," that is, to insure Wi-Fi or other means of enabling cellular reception on the students' iPads, many of which had been provided by the Department of Education.

Other recommendations include improving access to academic and social-emotional support, special ed services, English language access, and providing opportunities to engage in after-school and summer programs.

**Omicron is here!**  
**So get vaxxed. Get boosted.**  
**It saves lives.**

# Esplanade Gardens, once the 'jewel of Harlem' has become a nightmare for co-op residents

By Millicent Redick

Shareholders in Esplanade Gardens, a Mitchell Lama Co-Op in Manhattan, once known as the jewel of Harlem, have been living in nightmarish conditions for the past two years, while capital improvement projects are ongoing.

## HPD, Mayor's office, were no-shows at town hall meeting

To explore the issues, in October 2021, Assemblyman Al Taylor held two town hall meetings and a press conference where shareholders shared horror stories. Congressman Adriano Espiallet and a representative from Community Board 10 and New York State Attorney General Letitia James' offices attended the meetings.

But HPD, the city agency that oversees Mitchell Lama capital improvement projects, was conspicuously absent. Assemblyman Taylor said that Mayor de Blasio's office also declined to send a representative.

What did they miss? At the town hall meetings and press conference, cooperators shared stories of constant floods, and of toilets, sinks and stoves sitting in their living rooms for months while pipes were being replaced in their bathrooms and kitchens.

## Water shutoffs the whole day

During the pipe replacement project water was shut off in the entire building from 8 A.M. to 6:00 P.M. Some shareholders also reported gaping holes being left open in their bathrooms, kitchens and bedrooms for several months. They said the air particles in their units were filled with asbestos and mold; all while they were required to either remain in their units or provide access to contractors while repairs were being made. Drilling from plumbing work and the demolition and renovation of the terraces made the noise level unbearable.

Esplanade Gardens Board President Moire Davis promised shareholders that there would be community rooms and vacant apartments available to them, both to use the restroom and escape the noise and the water that was being shut off in their buildings.

But community rooms and vacant apartments were not made available to shareholders; instead contractors have been occupying units for months and sometimes years.

## Inspectors: 'Worst work I have ever seen'

So shareholders, 65 percent of whom are seniors, with many facing physical challenges, reported that they had to find creative ways to use the bathroom, cook and wash dishes with the water being shut off all day. City inspectors who do come to residents' homes, say things like "this is the worst work I have ever seen."

Capital improvements had not been made in the six-building, 1,872-unit Co-op in fifty-one years, due to poor management by prior boards of directors and management companies, like Prestige Management.

So, in April 2019, Esplanade's current board elected to take out a one hundred-eighty-six-million-dollar loan--without shareholders' knowledge--to make several capital improvements all at once. To repay that loan will entail raising the maintenance by 30 percent over a period of three years.

## Ongoing mismanagement

Metro Management, Esplanade's Board of Directors and Lattys Plumbing continue to mismanage the restoration of these apartments and make them whole again.

When residents call for assistance in dealing with the damages to their homes, Chris Horrigan--"the owners representative"--and his team may show up, but the shareholder is often blamed for floods and told to call maintenance.

Although Esplanade Gardens has two budgets--the operating budget for the maintenance workers' payroll and the capital improvement loan which pays for the contractors who are repairing/restoring the apartments, shareholders have to call maintenance to vacuum up floods that often happen after contractors are gone for the day. It is hard for shareholders to determine who is

# Former HPD Commissioner to oversee eco development

Maria Torres-Springer, a former Commissioner of the city's department of Housing Preservation and Development, has been named Deputy Mayor for Economic and Workforce Development in the mayoral administration of Eric Adams.

In her recent capacity as a vice president at the Ford Foundation, Ms. Torres-Springer oversaw a variety of domestic programs emphasizing civic engagement, freedom of expression, and gender, racial and ethnic justice, among others.

At HPD, she oversaw implementation of Housing New York, de Blasio's plan to create or preserve 300,000 affordable homes.

She is one of five new incoming deputy mayors, all of whom are women with extensive experience in government, including three alumnae of the former de Blasio administration.



## 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

*(Continued on page 8)*

## Gowanus rezoning plan passes: includes 3,000 affordable units plus \$200 million for public housing

Three thousand below-market rate housing units, plus a commitment of around two hundred million dollars for public housing renovation: These are the two chief gains made by affordable housing advocates involved in the approval of the controversial Gowanus upzoning plan by the City Council in late November. The Council's approval all but guarantees the plan, supported by both former Mayor Bill de Blasio and newly elected Mayor Eric Adams, will be enacted.

The plan marks the first time upzoning--changing the zoning law to allow for constructing far taller buildings--has been used in a largely upscale, heavily white community.



Gowanus rezoning area

Numerous previous rezonings in the city, as elsewhere in the country, have targeted lower-income neighborhoods comprised largely of Black and Latinx populations. Rezoning in those cases

invariably resulted in gentrification and the consequent displacement of the lower-income residents.

Precisely because previous rezonings have had a disproportionately negative effect on non-white populations, the City Council had insisted that passage of the Gowanus plan required an independent study of its racial impact.

The impact study for Gowanus,

prepared by Columbia University Professor Lance Freeman, with assistance from the staff of the Council's land use committee, found that both economic and racial integration would actually increase; the plan, it concluded, would counter exclusionary developments.

Among the apartments renting at below market rates, about sixty percent will be set aside for low-income earners, according to a report in City Limits. Other units will be targeted to seniors and supportive housing.

Geographic boundaries of the plan spread unevenly throughout a part of Brooklyn. They consist of the area between Bond Street to the west, 4th Avenue to the east, Baltic Street to the north and Huntington, 3rd, 7th and 15th streets to the south.

The actual rezoning will allow developers to construct towers up to thirty stories high. Along the other streets, such as a strip of 4th Avenue, buildings will rise to seventeen stories.

Housing was not the only issue in the decade long battle over rezoning. Environmental concerns, such as toxic fumes from the actual canal--designated a federal superfund site--were often raised by the plan's opponents.

As the New York Times put it, the new housing would "place thousands of New Yorkers in a flood-prone area filled with toxic contaminants. . . ."

Supporters, however, note that, as The Gothamist reported, about "\$174 million will upgrade sewage infrastructure along the frequently-flooded Fourth Avenue, part of a commitment not to increase pollution in the Gowanus Canal as it undergoes a federal clean-up."

## Lefferts Gardens mixed-income project receives funding

An eight-story affordable housing project in Brooklyn's Prospect Lefferts Gardens neighborhood is a step closer to reality, as its developers received a \$68.5 million loan for the project from an affiliate of Slate Property Group in November.

Preparation of the site--which included demolition of several existing buildings--has begun, and the full construction is expected to last about two years. The address of the new building will

be 210 Clarkson Avenue.

When completed, the building will contain 165 apartments, of which fifty, or slightly less than a third, will be affordable to people earning 130 percent of the area's median income.

Current plans call for the building to include a work station, yoga studio, fitness center, outdoor parking garage, rooftop terrace, and retail space.

## Elizabeth Street garden to be razed under SoHo/NoHo rezoning plan

A long cherished community garden on Elizabeth Street in Manhattan's NoHo area, founded by a late art gallery owner on city-owned land, will face demolition for affordable housing as part of a general upzoning plan for SoHo and NoHo.

Years of community opposition thus have been effectively nullified, after the garden received an eviction notice this fall.

### Opposition

Opponents of the rezoning plan warn that the space, along with the rest of rezoned SoHo/NoHo, will be used primarily for more high rise luxury units with



Elizabeth Street garden

only a small set-aside for truly affordable dwellings. The new towers, they add, will transform one of Man

hattan's last remaining "human sized" neighborhoods into yet another skyscraper jungle.

Opponents have suggested another nearby site owned by the city for affordable housing. But the city says it will use both.

Opponents have also filed a lawsuit, arguing that the city violated its own zoning laws and failed to adequately consider the potential adverse environmental impact of its redevelopment plan for the garden.

### Support

Supporters of using the garden for affordable housing--beyond the developers--include affordable housing activists, settlement houses, religious groups, and political officials, among others. They argue that upper income, largely white neighborhoods should no longer be immune to the creation of new affordable housing, even if it requires high-rise construction.

Among the supporters, led by former Councilmember Margaret Chin, are the Association for Neighborhood and Housing Development, Housing Works, Cooper Square Community Land Trust, and numerous others.

If and when built, The new housing will be called Haven Green.

## Bills in Albany & residents' reports aired at MLRC general meeting

Pending legislation and problems at various M-L developments were among the issues explored at the October 23, 2021 general meeting of the MLRC, held online via Zoom.

Over 40 people participated in the meeting, as did both NYS Senator Brian Kavanagh and then-Manhattan Borough President Gale Brewer, who reported on relevant issues and legislation.

Concerning legislation, the most important bill under discussion--Assembly 7272/Senate 6412--was passed almost two months *after* the meeting. **See full story, page 1.** Essentially, the bill, now law, imposes significant limits on M-L cooperatives going private, by granting cooperators far more authority than in the past over their respective boards of directors.

Another bill would authorize tax abatements for certain multiple dwellings in cities with a population of at least one million. Those properties would be granted the abatement if the landlord has signed an agreement with tenants to limit rent increases in line with the rent guidelines board, for the lifetime of the tenants. Such agreements were utilized in former M-L buildings where tenants had been at least partially successful in resisting the owners' efforts to go private.

Other bills under discussion would raise the income level of residents eligible for SCRIE and DRIE--rental increase exemptions for seniors and people with disabilities--and would peg the increases

annually in line with inflation.

Reports of issues at various M-L developments occupied much of the discussion. At **Gouverneur Gardens**, a M-L that opened in 1965 on the lower east side, construction is expected to begin shortly. When completed, it will be the culmination of a project begun in 2018, when the board began planning upgrades to plumbing, electrical, and heating systems; and repairing outside amenities such as brickwork, playgrounds, roofs, lobbies, and ventilation.

Residents at Harlem's **Esplanade Gardens**, a M-L that opened in 1968 and is now undergoing renovation, complained of water shutoffs due to flooding and lack of access to community rooms, among other issues. They blame management ineptness. **See story page 4.**

An October report in Patch, an online newsletter, said the tenants often refer to the capital renovation work as "capital punishment." But the Patch story also said the board president blamed the state of disrepair when the renovations began. He also blamed some of the tenants themselves, who caused flooding, he said, by "leaving their faucets running for days."

Residents at **Tivoli Towers** noted that the development needs an auditor. And at **RNA Houses**, even though the budget has a surplus, a nine percent increase in rent is expected over the next three years.

## 'The People Upstairs'

By Ogden Nash

(A touch of humor for the holidays)

*The people upstairs all practise ballet.*

*Their living room is a bowling alley.*

*Their bedroom is full of conducted tours.*

*Their radio is louder than yours,*

*They celebrate week-ends all the week.*

*When they take a shower, your ceilings leak.*

*They try to get their parties to mix*

*By supplying their guests with Pogo sticks,*

*And when their fun at last abates,*

*They go to the bathroom on roller skates.*

*I would love the people upstairs wondrous*

*If instead of above us, they just lived under us.*

## Bronx landlord ordered to pay tenants \$1 million in J-51 tax fraud case

Tenants in a Kingsbridge, Bronx building who were illegally charged market rents will receive one million dollars, as a result of a lawsuit.

The owner, Godwin Realty Associates, had received tax abatements under the city's J-51 program, which requires recipients to keep all rents in the building regulated in accordance with the city's rent stabilization law. Instead, he charged market rents for several apartments.

In a lawsuit in Bronx Supreme Court in 2018, the judge ruled that the owner must deregulate all apartments, as well as provide the one million dollars. The owner, however, was not required to admit wrongdoing.



**Safety first: Get vaxxed, get boosted. It saves lives**

**To all of our members, community groups, officials and everyone who supports affordable housing for all:**



**The MLRC wishes you a happy, healthy, safe and prosperous New Year**

## Affordable housing news from around the nation

### National: HUD to distribute \$2 billion for housing and climate recovery to Puerto Rico and nine states

Two billion dollars in federal recovery and mitigation funds will be distributed to Puerto Rico and nine states for housing development, disaster relief, climate resistance, infrastructure, and economic stimulus, according to an announcement HUD released just prior to the start of the world climate forum in Glasgow.

The nine states are California, Louisiana, Alabama, Oregon, Michigan, Florida, Iowa, Tennessee, and Mississippi. The funds will supplement allocations from FEMA, the Small Business Administration, the U.S. Army Corps of Engineers, and local governments. HUD Secretary Marcia Fudge said the allocations will target lower income communities.

### National: Many landlords fared well during year 1 of Covid-19 pandemic

JP Morgan Chase, one of the oldest and largest US banks, reported that "among 32,000 of its landlord clients, on average, landlords ended 2020 with more money than they started, despite losing some revenue," according to a report in Backyard, an online newsletter. The primary reason: rental assistance under the CARES Act, all of which went to the owners. In addition, according to the director of the Homes Guarantee Campaign, "they deferred mortgage payments and avoided maintenance. In other words, tenants still owed rent, accrued debt, and lived in worse conditions."

### National: Speculators see gold as tenants and home owners fret

Meanwhile, tenants' and small home owners' woes, reflected in the fear of losing their homes, may be dreams for JP Morgan's clients. According to *American Banker*, the JP Morgan Chase's unit "that caters to individuals and families with more than \$5 million, put client money in a partnership that bought more than 5,000 single family homes to rent in Florida, Arizona, Nevada and California."

Why? As the *Wall Street Journal* noted, real estate speculators, observing "lockdown-hit office parks and shopping malls, are betting that a permanent increase in remote working following the coronavirus pandemic will keep demand for suburban houses elevated."

### Wisconsin: Cities explore new approaches to homelessness

Hotel rooms in La Crosse and Madison are being converted into temporary housing for homeless people. The two cities have also created encampments complete with pre-fab shelters that provide heating and electricity, an approach that complements the free meals the cities have begun to offer. Funding for the efforts come from the federal American Rescue Plan.

### Phoenix: Evictions double after end of federal moratorium

In the first month following the end of the federal moratorium on evictions, the number of tenants evicted in Maricopa County almost doubled, according to local press reports. "We are seeing many tenants who are getting judgment from landlords who aren't willing to work with them to get rental, or who won't renew leases because they want to raise rents," said Pamela Bridge, director of advocacy and litigation at Community Legal Services.

A Census Household Pulse survey found that the number of renters in the county who are likely to be evicted in the near future was around 58,000.

Nationwide, according to the New York Times, "landlords are engaging in other [non-eviction] practices that push residents out, such as not extending leases and raising rents, leaving many renters struggling to find affordable housing with little pandemic protection or assistance remaining."

### Minneapolis: Plans to increase public housing by ten percent

The Minneapolis Public Housing Authority announced a plan to increase public housing by ten percent, through constructing eighty-four apartments at sixteen sites throughout the city. Funding, amounting to \$34 million, will be taken from the American Rescue Plan, bonds (borrowing), and tax credits.

### Chicago: 2,400 affordable units planned throughout city

The city will finance 2,400 affordable rental apartments in twenty-four developments. At an estimated cost of more than a billion dollars, it is the largest affordable housing project ever approved. Financing will come from federal and private sources.

## Local Housing Briefs

### Ebenezer Plaza opens first units in Brooklyn

The first phase of the Ebenezer Plaza development, which provides 315 units of affordable housing, opened in October on Powell Street and on New Lots Avenue. The units are reserved for households with earnings below sixty percent of the Area Median Income. The development will also include about 7,500 square feet of ground-floor retail space, and a new church. (The Church of God is among the owners.) A second phase of the project, currently under construction, is expected to bring an additional two hundred below-market-rate units to the area. When the entire project is completed, all of its units will be available at below-market rents.

### NYS tenant relief funds are nearly used up

Tenants who have not yet received rent relief needed because of the pandemic may now be out of luck. State officials said in November that current applications are so overwhelming that the federal funds, distributed by the state directly to landlords, are nearly gone. As of this writing, the state has distributed one billion dollars, more than four-fifths of which went to help NYC tenants. Up to 80,000 applicants are still waiting. Meanwhile, an unusual coalition of tenants and landlords are petitioning Governor Hochul to reopen the application process.

### Council bills would give housing vouchers to homeless youth

Two bills approved by the City Council in November would guarantee that homeless youth aging out of shelters and foster homes have direct access to housing vouchers worth at least \$1900 per month. The bills require the City to count time spent in a youth shelter or a foster home towards eligibility for the voucher, ending the requirement that the youths first spend time in the often dangerous adult shelters.

### To truly afford rent here, Black & Latinx families need to more than double their earnings

Hispanic families in the city would need to increase their earnings by 141 percent to afford the median market rate apartment--that is, to spend thirty percent of their income on rent--according to [Brick Underground](#), which examined Census data. Black families would have to increase their earnings by 107%; Asian families by 41%; and white families by 17%.

## Facial recognition camera policy garners support from Bronx tenants

Residents of a low-income tenant-owned complex in the Bronx have given a thumbs up response to management's installation of facial recognition technology.

Unlike tenants in Brooklyn (in a former Mitchell Lama building) whose successful protest forced the landlord to abandon the technology--which requires tenants to pose for photos in order to receive special keys, or fobs, to open doors--the Bronx tenants appear to welcome the surveillance.

The cameras were installed by the Diego Beekman Mutual Housing Association, a low-income housing corporation that owns and operates thirty-eight affordable buildings in Mott Haven. To receive a fob, residents, including everyone over the age of twelve, must submit head shots to management.

Support for the system by tenants may be explained by the area's recent

history, which had been one of the most dangerous in the city, "like Vietnam," according to one resident. Drug dealing and shooting were common, the tenant said, as reported by The City, an online news source.

Civil libertarians have condemned facial recognition technology, which they say amounts to unconstitutional police surveillance of ordinary citizens. According to the director of the Surveillance Technology Oversight Project, a group formed to fight such surveillance, "Every landlord surveillance system is just one court order away from being used as a police surveillance system."

Nevertheless, the tenants at Diego Beekman have no problem with management sharing the photos with the police. As an example, the cameras "helped identify suspects in a shooting on 141st street and Beekman in August," according to the complex's director.

## Pratt study: Unsafe basement apartments largely inhabited by people of color

In a study of illegal basement apartments in the city, the Pratt Center for Community Development found that while these housing units provide some degree of shelter otherwise unavailable (because unaffordable), many of the basement homes are "unregulated and unsafe."

Citing census data and residential building certificates, the Center found that "All of the communities included are majority Black, Indigenous, or People of Color (BIPOC)."

In addition, all of the residents

are more heavily rent-burdened than the citywide average, with the highest levels in Jackson Heights, North Corona, East Elmhurst, and the Brownsville/Ocean Hill neighborhoods suffering the most.

The Center advocates several approaches, including:

- ¶ Passing the NYS Accessory Dwelling Unit Enabling Act, to create a framework for legalizing and funding basement apartments, and make it easier for the homeowners to rent basements;

- ¶ Create and fund a citywide basement conversion program, and legalize conversions, if done safely.

## Esplanade Gardens, once the 'jewel of Harlem,' has become a nightmare for co-op residents

(Continued from page 4)

responsible -- contractors or 32BJ maintenance workers.

Some shareholders have even had to use their renter's insurance to pay for damage done to their units by contractors and to pay for hotel bills when their apartments are uninhabitable due to flooding and structural damage. Their renter's policies are often cancelled when these claims are filed.

Many shareholders describe the capital improvement projects as a capital "dis-improvement" project with bath-

rooms, kitchen, bedroom and terrace restoration incomplete in units in all six buildings. Shareholders have now moved to request HPD/HCR, thru the FOIL process, to find out how the funds are being used because it is customary to relocate tenants and shareholders when such extensive repairs are being made.

Mitchell-Lama Residents Coalition has been helpful in moving our fight forward. Esplanade Garden's construction problems have motivated MLRC member co-operators to pool important information regarding construction to inform and educate.

## Victory for M-L cooperators: New state law strengthens residents' governing rights

(Continued from page 1)

private--known as red herrings or black books--or submitting any document "offered in place of an offering plan as permitted by the attorney general."

The law guarantees that shareholder elections to the board shall be conducted by secret ballot, either as cast at the voting site or by absentee ballot. Companies must mail such ballots to shareholders who request them at their primary residence.

In addition, shareholders who may be behind in their payments cannot be prevented from being a candidate for service on the board, unless the amount of arrears is more than two months of the monthly maintenance charge.

Regarding financing of feasibility studies and offering plans, the law prevents the company from using any money from its operating budget. And if any such plan fails to secure the required percentage of positive votes, new plans or even feasibility studies cannot be offered until five years have passed.

Other provisions of the law require that board meetings shall be held at least six times a year, open to shareholders and residents (except for executive sessions); and all votes shall be filed with the commissioner of the supervising agency and available to the public.

The effect of the law will most likely be a sharp curtailment of the outflow of M-L cooperatives into private hands, thereby preserving the original goal of the Mitchell Lama program: affordable housing, not just for current members but for future residents as well.

Some modifications to the bill are expected, the result of a negotiating process called Chapter Amendment. The modified bill is expected to be signed in January.



**Omicron is here!  
So get vaxxed. Get boosted.  
It saves lives.**