

**BRONX COMMUNITY BOARD NO. 8
MINUTES OF THE HOUSING COMMITTEE MEETING
HELD ON JANUARY 27, 2014
AT MANHATTANVILLE NURSING CARE CENTER**

Board Members Present:

Paul Ellis
David Kornbluh
Patricia Mullen
Georgia Santiago
Robert Fanuzzi
Maria Khury
Sergio Marquez
Dan Padernacht

Affiliation:

CB8 Housing Committee, Vice Chair
CB8 Housing Committee
CB8 Housing Committee
CB8 Housing Committee
CB8 Chair
CB8 Vice Chair
CB8
CB8

Guests:

Julie Walpert	HPD
Ted Weinstein	HPD
Theresa Collins	
William LaRock	
Marina Lopez	
Sonia Puerte	
Andrew Sandler	Councilmember Cohen's office
Julia Torres	
M. Ward	

The meeting was called to order at 7:35 PM.

Paul Ellis welcomed the attendees and introduced himself, and explained that in the absence of the Committee Chair, he would be chairing the meeting. He then went on to review the agenda for the evening.

1) Mitchell Lama Housing Program: Current Status and a View to the Future

Mr. Ellis welcomed the speakers for the evening, Julie Walpert, Assistant Commissioner of the Department of Housing Preservation and Development (HPD), and Ted Weinstein, Director of Bronx Planning for HPD. He explained that due to the change in administration, there were certain issues, including the proposed amendments to the current rules governing the Mitchell Lama program, that Ms. Walpert would be unable to speak to. He also noted that while Ms. Walpert would be unable to speak to anyone's individual housing situation, she and Ms. Mullen would be available after the meeting in order to assist in putting people in touch with the appropriate HPD personnel to address their issues. Mr. Ellis then invited Ms. Walpert to make an introductory statement.

In her introductory statement, Ms. Walpert explained about the history of the Mitchell Lama program and the current challenges facing the program. She discussed the effects of privatization in reducing the amount of housing stock covered by Mitchell Lama. She also observed that since the slowdown of the housing market in 2007/2008, the rate at which units have been leaving the Mitchell Lama program has been significantly reduced. But she noted the concern that with the recent improvement of

the housing market in New York City, HPD was expecting that the rate of privatization might increase.

She explained programs that HPD has in place to assist Mitchell Lama developments and to offer alternatives to privatization. Among them she discussed a HPD program to assist Mitchell Lama developments in financing capital improvements in exchange for extending the period under which they would be required to stay in the Mitchell Lama program. She also explained the current initiative to provide Mitchell Lama developments with an expedited procedure to convert from Article 2 to Article 11 developments, which had the effect of increasing the market value of units, but by a lesser amount than under privatization.

Following her introductory statement, Ms. Walpert and Mr. Weinstein answered questions from Committee members and other attendees.

As to why no further Mitchell Lama developments are being built, Ms. Walpert and Mr. Weinstein noted that there is a lack of large blocks of undeveloped space as needed for this type of construction. They also noted that it is a decision of an individual developer rather than the city to build a Mitchell Lama development. But she did point out that there are other types of middle income housing being developed. But with the limited amount of city land available, she explained that much of the current development tends to be on privately owned land.

With respect to the question of why Mitchell Lama developments are being privatized, Ms. Walpert explained that the law was written in this way and HPD has no discretion with respect to this matter.

There was a discussion regarding an equitable way to provide for rent increases, especially in light of the need for capital improvements. Tracey Towers was identified as one such situation, where there was a need for approximately \$20 million for capital costs. One of the suggestions that Ms. Walpert raised is the possibility of tying rent increases to the CPI.

On the question as to whether Mitchell Lama developments continue to serve the middle income population as originally intended, Ms. Walpert noted that this continues to be an issue. She added that the recent increase of income limits to 125% of Area Median Income (AMI), which Mr. Weinstein indicated was about \$105,000, should help in this regard.

With respect to the policy for reserves, Ms. Walpert explained that there is a requirement of a full capital needs assessment in the context of any capital improvement program. As far as the manner in which reserves are used, that is left to the discretion of the particular co-ops, within some limitations as to reasonableness.

With respect to the governance of rental developments, Ms. Walpert explained that rentals are mostly self-managed.

As to the question of how incentives are structured, Ms. Walpert explained that HPD and HTC make financing available on very attractive terms. She also explained that tax incentives are a significant factor.

This section of the meeting having been concluded, Mr. Ellis thanked Ms. Walpert and Mr. Weinstein for appearing and explained that Ms. Walpert had offered to return at a later point.

2) Discussion on Taping Committee Meetings

The Committee members then went on to discuss the proposal to post audiotapes of Committee proceedings on a website which would be accessed via a link from the CB8 website. It was observed that regardless of whether or not such a practice were to proceed, the official record of Committee business would continue to be the minutes of the meeting. Several Committee members observed that web posting of audiotapes could have the effect of “chilling” open and frank conversation at Committee meetings. An additional observation was made that given the varied size of Committee meetings and different venues that are used, there would be the potential for inconsistent quality of the audio recordings.

At the conclusion of the discussion, Mr. Ellis asked for Committee members to vote on the proposal. The Committee voted unanimously to reject the proposal.

3) Old Business

Ms. Santiago requested that the minutes of the meeting of the Housing Committee held on October 28, 2013 be amended to reflect that she was in attendance at the ribbon-cutting ceremony held at Marble Hill Houses. Mr. Ellis said that he would raise this issue with the Committee Chair.

The Committee members then proceeded to have a discussion concerning the rollout of the security cameras at Marble Hill and the concerns that have been raised regarding the timing of the rollout and the initial choice of buildings. Mr. Ellis stated that he would raise this issue with the Committee Chair with the goal determining whether this would be an appropriate subject for a meeting of the Housing Committee in the future.

Meeting adjourned 9:05 PM.

Submitted by,
Paul Ellis,
CB 8, Housing Vice Chair