

Community Board 12, Manhattan
Minutes for the Housing and Human Services Committee Meeting
May 7, 2015 – Office Meeting Space
530 West 166th Street – 6th Floor
New York, NY 10032

Committee Members Present (5): Richard Lewis (Chair), Yahaira Alonzo (Asst. Chair), Jay Mazur, Ayisha Oglivie, and Felipe Wityk Sanchez.

Committee Members Absent (1): Alyce Smith.

Board Members (5): Andrea Kornbluth, Barbara Frazier, Luis A. Tapia, Steve Simon and Osi Kaminer.

Public Member (1): Christina Burgess.

Public Speakers List (2): Hally Chu (Policy Analyst -MBPO), Adele Bartlett (Legal Counsel from MBPO)

Public (6) Mariel De La Cruz, Cheryl Miller. A. Alt, Tracie Williams, H. Pineiro, and Chayanne Marcano

Staff: Paola Garcia.

Welcome, Opening Remarks, and the Agenda. Richard Lewis HHS Committee Chair called the meeting to order at 7:15pm. Meeting was set to record to a digital audio file. Board Members introduced themselves as did members of the public present. A quorum was present during the entire meeting. Topics for tonight's agenda were outlined. Items on the agenda were re-ordered with the agreement of the committee as we awaited one of our presenters to arrive.

HHS Committee Chair's Reports, Updates and Announcements. The chair attended two major and annual housing trade expos in the past month: the Co-operators, Condo, and Apartment Expo and BUILDSNY. He also attended the NYU Furman Center's NYU Law School for the release of their annual report on "The State of NYC Housing and Neighborhoods 2014" According to their latest study, CB12 is ranked #2 in major housing violations with poor to average rankings in other neighborhood profiles.

The NYC Comptroller Scott Stringer gave a presentation on April 27th at another housing meeting on income inequality and minimum wage. And his office has also released English and Spanish versions of the comprehensive immigration rights and services opportunities in NYC. These booklets have been requested in bulk and will be available in the board office soon. Articles and booklets obtained from attendance at the other conferences were circulated at our meeting for inspection. The chair also attended on April 29th the NYC Rent Guidelines Board meeting. This meeting was held to decide on the preliminary vote on the ranges for rent stabilized renewal leases for October 1st, 2015. The final vote will be held on June 24th, 2015. Results on the preliminary vote will be reported later in these minutes.

P.A.'L.A.N.T.E. Harlem hosts **Demystifying Housing**" on June 12 & 13 at the State office building. CB 12M will be a moderator/participant in the conference. The conference will explore current issues faced by renters and homeowners living in New York City. This annual conference with many workshops is tremendously popular since its topics are timely, complex, and often controversial. It uses innovative formats to draw on the expertise of staff at governmental housing agencies, elected officials, housing advocates, community boards and local developers. Check their website at <http://www.palanteharlem.org/> and http://www.palanteharlem.org/Demystifying_Housing_Conference.html

Source Documents Released at the Meeting.

The following source documents (29) were distributed or made available at the meeting:

- Worksheet for 421A Choices (copies upon request available from the community board office with due notice).
- Testimony of Gale A. Brewer, Manhattan Borough President. A Review of the 421-a Tax Benefits System. January 29, 2015. (See NYC Council – Committee on Housing and Buildings - Oversight Hearing: A Review of the 421-a Tax Benefit Program)
- Testimony of Vicki Been to the Committees on Housing and Buildings, New York City Council. A Review of the 421-a Tax Benefit Program. January 29, 2015. NYC Council – Committee on Housing and Buildings - Oversight Hearing: A Review of the 421-a Tax Benefit Program)
- Testimony of the Community Service Society – Oversight Hearing: A Review of the 421-a Tax Benefit Program. January 29th, 2015
<http://www.cssny.org/news/entry/oversight-hearing-a-review-of-the-421-a-tax-benefit-program>
- Testimony of the Real Estate Board of New York City Council Housing and Building Committee Oversight Hearing 421-A
http://www.rebny.com/content/rebny/en/newsroom/testimonials/2015_Testimonials/Housing_Building_Committee_Oversight_Hearing.html

- Testimony of NYLAG before the NY City Council, Committee on Housing and Buildings: Oversight: A Review of the 421-a Tax Benefit Program.
- Press Release from Office of Council Member Jumaane D. Williams, Council Committee Holds Hearing to Discuss Possible Expiration of the 421-A Tax Exemption for Residential Developments. January 29, 2015.
<http://myemail.constantcontact.com/COUNCIL-COMMITTEE-HOLDS-HEARING-TO-DISCUSS-POSSIBLE-EXPIRATION-OF-THE-421-A-TAX-EXEMPTION-FOR-RESIDENTIAL-DEVELOPMENTS.html?oid=1102557709761&aid=euXeHDDpWeY>
- 421- A Tax Exemption – Maps, History, Get Involved by The Municipal Art Society of New York
- Article, Lobbying Campaign Aims to Overhaul Housing Tax Abatement Plan by Charles V. Bagli, NY Times, May 4, 2015.
- Article, Mayor de Blasio's Plan Aims to Spur More Affordable Housing in New York, NY Times, May 6, 2015
<http://www.nytimes.com/2015/05/07/nyregion/mayor-de-blasios-plan-aims-to-spur-more-affordable-housing-in-new-york.html?partner=rssnyt&emc=rss&r=0>
- Article, Strategy Meetings Signal Coming Flurry of Rent Law Lobbying by David Howard King, Gotham Gazette, May 2, 2015.
- Article, City Analyzing 421a Plan While Advocates Call for End, Capital New York, January 30, 2015.
- Study by Association for Neighborhood & Housing Development, Inc. 421A Developer's Tax Break Expiring June 2015. January 2015.
- Rent Guidelines Board Apartment Orders #1 through #46 (1969 to 2015)
- Mayor de Blasio Calls for Sweeping Overhaul of Tax Benefits to Spur More Affordable Housing <http://www1.nyc.gov/office-of-the-mayor/news/295-15/mayor-de-blasio-calls-sweeping-overhaul-tax-benefits-spur-more-affordable-housing>
- Legislation Text of the NYC City Council Bill Into 736
- Press Release: Council Holds Hearing on Levine Bill to Create Office of Civil Justice <http://www.marklevine.nyc/civiljusticecoordinatorpress>
- Testimony of HRA on NYC City Council Bill Intro 736 – Office of Civil Justice
- Testimony of the Legal Aid Society on Intro 736-2015, April 15th, 2015
- Latest Statistics on Washington Heights Inwood (Mn12) p121 – State of New York City's Housing and Neighborhoods in 2014 Report – NYU Furman Center <http://furmancenter.org/research/sonychan> and http://furmancenter.org/files/sotc/SOC2014_Part3_CityBoroughCD.pdf
- RESULTS OF THE NYC RENT GUIDELINES BOARD PRELIMINARY VOTE ON LEASE RENEWAL FOR PUBLIC COMMENTS PRIOR TO A FINAL VOTE IN JUNE (copies upon request available from the office with due notice).
- Article, Rent-Stabilized Tenants in New York City Renew Call for a Freeze , April 29th, 2015
<http://www.nytimes.com/2015/04/30/nyregion/rent-stabilized-tenants-in-new-york-city-renew-call-for-a-freeze.html?r=0>
- Article, Tenant Groups Push Assembly to Back Rent-Regs Bill, April 24th 2015 http://citylimits.org/2015/04/24/tenant-groups-push-assembly-to-back-rent-regs-bill/?utm_source=Furman+Center+Mailing+List&utm_campaign=c68caca699-Housing+Starts+Aug+29&utm_medium=email&utm_term=0_ea37468da6-c68caca699-173434493
- Article, De Blasio Announces Wish-List of Rent Regulation Reforms, May 5, 2015 <http://citylimits.org/2015/05/05/de-blasio-announces-wish-list-of-rent-regulation-reforms/>
- Article, Tax Incentives: 421-a <http://www1.nyc.gov/site/hpd/developers/tax-incentives-421a.page>
- Article, Affordable housing vs. prevailing wage: New York City can't pay all construction workers top dollar if it wants to build for the poor and working class , May 6, 2015 <http://www.nydailynews.com/opinion/jolie-milstein-affordable-housing-prevailing-wage-article-1.2211443>
- Article, AP Newsbreak: NYC to waive \$30M public housing payment
- 421-a Program Overview (MBP Office and copies upon request available from the community board office with due notice).
- Article, How Does Affordable Housing Get Built in NYC? <http://www.anhd.org/?p=5696>

Discussion on this Year's NYC Rent Guidelines Board Preliminary Vote on Rent adjustments.

There was a discussion on the year's NYC Rent Guidelines Board (RGB) preliminary vote on the ranges of rent adjustments. The results of the voting was based primarily on analysis of the data contained in four longitudinal studies contained in RGB's own four reports on the housing conditions in NYC:

- 2015 Price Index of Operating Costs (Released 4/16/2015)
http://www.nycrgb.org/downloads/research/pdf_reports/pioc15.pdf
- 2015 Income and Affordability Study (Released 4/2/2015)
http://www.nycrgb.org/downloads/research/pdf_reports/ia15.pdf
- 2015 Mortgage Survey Report (Released 4/2/2015)
http://www.nycrgb.org/downloads/research/pdf_reports/15MSR.pdf
- 2015 Income and Expense Study (Released 3/12/2015)
http://www.nycrgb.org/downloads/research/pdf_reports/ie15.pdf

The board which represents landlords and tenants held this public meeting to air both sides position on the data. For their part, landlord representatives on the board claimed that owner's costs continue to climb, despite a drop in fuel costs as they sought a 4.2 percent raise on one-year leases and a 6.75 percent raise on two-year leases. They also claimed there was no formula that could underwrite new construction or preservation revenues with no increase and without these percentages as a requirement to stay in lock step with operating expenses.

The two representatives for the tenants, on the other hand, said that tenants' cost-of-living expenses were soaring, too, in a city where evictions are commonplace and homeless shelter numbers are increasing sharply. Two rhetorical

questions were raised: What New York will look like in 10 years and who is this New York going to be for if these large landlords rent increases rise every year? It was answered with the responses: That's why we need to preserve what's here as well as a rent rollback now.

In the end, a middle-ground solution prevailed, with neither a freeze nor smaller increases than landlords sought.

Reports by the staff of the Rent Guidelines Board released in preparation for the final vote on June 24 show that operating costs for rent-stabilized properties hardly increased this year — by only 0.5 percent, though owners dispute that — and that landlords' net operating income rose in 2013 for the ninth consecutive year, by 3.4 percent. By contrast, the staff noted that rent-stabilized tenants paid a median monthly rent of \$1,200 after inflation-adjusted rent increases of 6.3 percent from 2011 to 2014, according to the latest Housing and Vacancy Survey from the US Census Bureau. That report noted that the vacancy rate was only 3.45% sustaining the need for a housing emergency by law.

RGB CHAIR'S REQUEST	LEASE RENEWALS	VOTING OUTCOME
	1 Year = 0% to 2%	7-2 [FOR-AGAINST]
	2 Years = 0.5% to 3.5%%	ACCEPTED

According to the latest NYU Furman Study, more than more 1 million households in NYC are rent burdened, which means that they are paying 30% or more of their income to rent, and almost 50% of low income households in our community are severely rent burdened, meaning they pay more than 50% of their income on rent. In the end the RGB's nine-member panel voted to consider a 0 percent to 2 percent increase for one-year rent-stabilized leases when it reconvenes this summer for a final vote. Two-year leases could rise 0.5 percent to 3.5 percent.

After discussion on the potential merits of both landlord and tenant claims a draft resolution was prepared by the HHS Committee calling for the Rent Guidelines Board to grant a rent freeze at its final vote on June 24th for all renewal lease. The resolution on this matter passed.

VOTE (Y-N-A): Committee (5-0-0) Board (3-0-0) Public (7-0-0)

Discussion on More Budgetary Commitments To NYCHA

NYCHA needs more money, in addition to the recent state allocation of \$100 million dollars for capital expenses. They have an ever growing \$15 billion capital deficit, have been under funded by HUD for decades and they need some long term financial sustainability. The mayor will waive an annual \$30 million payment in taxes owed similar to the relief granted to not-for- profits in the PILOT program. Later this month, the de Blasio administration is expected to unveil 'NextGeneration', a blueprint that will outline a menu of proposals to make NYCHA more economically sustainable and safer for its 403,000 residents. The plan will seek heavy community input, could include a revised infill program, in which pieces of public NYCHA land would be sold to private developers with greater transparency and zoning input. After a discussion on this matter it was agreed to have a resolution urging the mayor to increase NYCHA's funding in some specific areas for sustainability as per the request of the NYC Alliance to Preserve Public Housing where the community board is a member. The resolution on this matter passed.

VOTE (Y-N-A): Committee: (5-0-0) Board (3-0-0) Public (7-0-0)

421A Tax Exemption Law and Affordable Housing - Hally Chu (Policy Analyst – MBPO)

The "421-a Partial Tax Exemption Law" is a very complicated law that has gone through several changes since its enactment by the state legislature. It is scheduled to expire in June 15, 2015, but it may be renewed. There are discussions on with NYC officials on how to reform this law. It was enacted in 1971 and NYC is a different city since that time. Under the original plan there was no affordable housing component. It was designed to build housing in a stagnant economy and in boroughs of urban blight such as the South Bronx, where no one wanted to build.

The tax abatement law requirements: Under the program if you build new construction with more than 5 units, you are eligible. Over the years new requirements were added.

The program is an "as of right" program; meaning that any developer with a project that fulfills the commitment to build five (5) or more units qualifies. Off site construction certificates is a component of tax law abatement. The developer can also sell these certificates (negotiable certificates of eligibility) to another developer.

Another component is geographic exclusion area (GEA). Since 2008, most of Manhattan is under the GEA. So if any development within the GEA uses 421-a 20% of the building must be affordable housing. One weakness is that affordable housing units are tied to the tax subsidy, so that when the tax subsidy expires so does the affordability component. Those units that are temporarily rent stabilized and 'affordable' for the most part become subject to market rate. This may become a problem in 2016 for thousands of tenants - 25 years after these first 421-a units.

421-a developments must also be completed within a reasonable time frame so that developers do not just apply and receive a tax break and do nothing with the land. Projects must not take any longer than 36 months from start to finish. Labor costs are also an issue because wages are tied to the construction costs. 421-a requires workers to be paid a prevailing wage (union rates). This becomes difficult to enforce since subcontractors often violate these rules.

Another issue is that area medium Income (AMI). It bears no correspondence to the family incomes in our area as it includes the federal Statistical Metropolitan Area (SMA) of Northern New Jersey and Pennsylvania as well. It is not adjusted to the specific area where there is construction in situ. So for a community such as CB12, M where the median income is \$38,320, an affordable housing unit which takes the AMI for the SMA Census designation makes the unit unaffordable for nearly half of our residents.

FY2015 Fair Market Rent Summary

New York County, New York					
	Efficiency	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Final FY2015 FMRs	\$1,196	\$1,249	\$1,481	\$1,904	\$2,134

FY 2015 Income Limits Summary

New York County, New York										
FY 2015 Income Limit Area	Median Income	FY 2015 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
New York County, NY	\$63,700	<u>Very Low (50%) Income Limits</u>	\$30,250	\$34,550	\$38,850	\$43,150	\$46,650	\$50,100	\$53,550	\$57,000
		<u>Extremely Low (30%) Income Limits</u>	\$18,150	\$20,750	\$23,350	\$25,900	\$28,410	\$32,570	\$36,730	\$40,890
		<u>Low (80%) Income Limits</u>	\$48,350	\$55,250	\$62,150	\$69,050	\$74,600	\$80,100	\$85,650	\$91,150

NOTE: Underlined headings in both the FMR and IL tables link to detailed documentation concerning the calculations of the parameters listed here. See original sources.

http://www.huduser.org/portal/datasets/fmr/fmr_il_history/data_summary.odn

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
New York, NY HUD Metro FMR Area								
30% LIMITS	18150	20750	23350	25900	28000	30050	32150	34200
VERY LOW INCOME	30250	34550	38850	43150	46650	50100	53550	57000
60% LIMITS	36300	41460	46620	51780	55980	60120	64260	68400
LOW INCOME	48350	55250	62150	69050	74600	80100	85650	91150

https://www.hudexchange.info/resource/reportmanagement/published/HOME_IncomeLimits_State_NY_2015.pdf
or <https://www.hudexchange.info/manage-a-program/home-income-limits/> or
<http://www1.nyc.gov/assets/hpd/downloads/pdf/NSP-tenant-lease-guidelines.pdf>

Another issue is with double dipping. This practice happens when a developer uses the affordable housing allotment of one subsidy program to satisfy the requirement for all subsidies it is receiving. For example, if a development receives a 421-a tax subsidy and puts aside 20% of units for affordable housing, then the same developer who might receive a tax subsidy from City Planning such as the Inclusionary Housing Program (IHP) could use a floor area ratio (FAR) and build higher. The developer can count the original 20% of affordable housing units to satisfy that requirement.

The Manhattan Borough President recommends the following: End double dipping, AMI should be more affordable to the 30K income level/year so that people in each community get a chance to live and stay in that community where development is occurring, 421a housing should be permanently affordable so that every single unit does not become market rate, and currently there is no data collection on the number of affordable housing units built city-wide and that needs to be addressed. The committee will review and consider these recommendations.

On the matter of the placement of affordable housing units where the building appears income-segregated This issue is not solely confined to the 421-a law itself but is more a matter of the Inclusionary Housing Program. It is also different from the “poor door” in that all units are located on the same floor or area of the building. Under Inclusionary Zoning Housing Program, you either have to spread them throughout or be in a segmented part of the building that has no architectural communication with the rest of the building. Under the zoning involved with 80/20 ratios you get additional air space and the affordable housing units need to be more evenly distributed or dispersed, unless you have the units segmented from the rest of the building and where there is no architectural communication with the rest of the building. The only thing developers must do is spread out the size of the affordable housing units. If the development is 80/20 then the building need only set aside 20% of each size unit to accommodate the affordable housing requirement.

Discussion.

Most of the meeting centered on the good points and bad points of the 421-a and how it has been used. Since the law sunsets and was up for renewal on June 15th, 2015 several choices emerged from the discussion: extend or repeal the law. The discussion was further explored conceptually based on the following simple table or idea mapping¹.

EXTEND <i>as it</i>	EXPIRE <i>with new laws</i>
EXTEND <i>with changes and conditions</i>	EXPIRE <i>with no new laws</i>

1. Note: There are three primary ways of government financing of affordable housing : Public Subsidies (LITC/HPD), Added Density, and Tax Abatement (421-a)

Given these choices the committee examined where the different points of view stood from published positions. The results of this analysis showed that most landlords and their advocacy groups favored extending the law as it. Most unions, many elected officials and several housing advocacy groups favored extending the law with major changes and conditions. Hardly any group favored letting it expire and creating something new. Finally, most tenant advocacy and some housing and legal services groups, and a few elected officials favored letting the law expire and replacing it with nothing (a total repeal). There is clearly a wide division of opinion on this matter including the NYC Mayor who favors extending the law and released an omnibus proposal since the city’s plan is to build some 80,000 new housing units in the next ten years. See the complete table on 421-a positions of some of the elected officials and groups at the end of these minutes:”**STAKEHOLDERS POSITIONS ON 421-A”**

It was pointed out that of the 16 developments built in Community Board 12, M since the enactment of the law- there has not been one affordable unit built. In addition, the board has voted in the past to reject at least two 421-a applications only to have them overturned at HPD – one last year and one several years ago. The committee will also reviewed all of the board’s resolutions since 2007 on 421-a issues before it crafts its final resolution.

After careful deliberation the committee took the position that unless all of the board’s very stringent conditions are met in the resolution it crafted then the 421-a law must be allowed to expire. The resolution on this matter passed.

VOTE (Y-N-A): Committee: (5-1-0) Board (4-0-1) Public (4-0-0)

Presentation on the Creation of the Office of Civil Justice (Intro 736) - Mariel De La Cruz, CASA

This NYC City Council bill sponsored by Council Member Mark Levine and Speaker Melissa Mark-Viverito calls for the expansion, delivery and centralization of the city’s civil legal services by the creation of the Office of Civil Justice and a Civil Justice Coordinator. This alignment of services and support will facilitate individual legal representation in civil cases. It will be a central location for the distribution of legal services. The office also follows up, coordinates, and generates statistical outcomes on the legal services rendered. The office also charges the Civil Justice Coordinator with assisting middle-income tenants that may not be eligible for traditional legal services because federal income guidelines. Ninety percent (90%) of individuals get turned away at court for civil legal service matters and this office will make sure that this does not happen. This program will try to address is the problem that a whole class of non-

attorney individuals or tenant advocates now have barriers ,i.e., the right to address the court on behalf of a defendant. Other than being a witness and providing testimony If you are not a lawyer, you cannot go on the record as representing a defendant *pro se*.

The OCJ will also co-ordinate the acquisition of funding and the available and already heavily funded services of HPD, HRA, DHS, MOIS and ACS for legal services and support. The successful city model for the creation of the OCJ was the creation last year of the Office of Criminal Justice and the Mayor's Office of Criminal Justice that manages immigrant issues on deportation of families and children. There are many community based organizations in our community that could use the help by the passage of this bill and its legal arm Intro 214 – the right to counsel. A resolution crafted on this matter passed. **VOTE (Y-N-A): Committee: (6-0-0) Board: (4-0-0) Public (7-0-0)**

Discussion on the Emergency Tenant Protection Act (Rent Stabilization Law)

There have been annual efforts in the tenant movement since 1976 to reform rent regulation in the city and during the post war years after 1945 as well with rent control with the New York City Conciliation and Appeals Board (CAB). The costs of rentals then and now have soared astronomically. So this season there have been yearlong efforts to change significant parts the Emergency Tenant Protection Act (a/k/a the rent stabilization law) that have become problematic. The opportunity arises due to the law's sunset on June 15th.

Tenant advocacy groups and housing groups want the vacancy decontrol and vacancy bonuses to end as well as changes in the vacancy threshold that triggers tenant income audits. These processes have significantly been reducing our stock of affordable housing. There are now about on 1 million rent regulated units left in the city – within that number there are only less than 29,000 rent control units left (down from 2 million in 1945). We also have lost affordable housing units either through Individual Apartment Improvements (IAI) and/or multiple filings for individual Major Capital Improvements (MCI). Some reformers are calling for the law to be changed so that Individual Apartment Improvement should be applied for to the Department of Homes and Renewal (DHR or DHCR) and that the DHCR should inspect and make sure the work has been done. The building should not be eligible to get improvements for ordinary housing maintenance code violations and for appliances that have outlived their usefulness. As a matter of the warranty of habitability, so often violated a landlord has an obligation to maintain the building and its units.

An MCI must be better defined. It has become standard practice for landlords to take out mortgages or other financial instruments, make building wide MCI's and add MCI charges to the rent permanently. Such that when annual RGB increases are factored to lease renewal these rents become compounded geometrically. Reformers are requesting that once the MCI is paid for, the charge should be removed. In addition, they should not be added to the rent, but listed and billed as a separate and independent charge. The grace period of just having 4 years to find out if there is fraud, wrongful deregulation in the rent a tenant is paying or the actual legal rent in order to bring charges against landlord must be addressed. There should be no statutory limits. The position on preferential rents works in the same way. It is important to get your apartment's rent history both the DHCR and the landlord in writing, despite the possibility of multiple ownership. The consequences of the rent stabilization laws expiration without extension or an extension as is were also discussed. The resolution covering these matters and others was passed.

VOTE (Y-N-A): Committee (6-0-0) Board (4-0-0) Public (7-0-0)

The meeting was adjourned at 10:00pm.

Respectfully Submitted by

Yahaira Alonzo, Assistant Chair

Edits, additional comments, graphics and reformat by

Richard Lewis – Chair

May 7th, 2015

STAKEHOLDERS POSITIONS ON 421-A (from published sources and factual statements on either extending or repealing only)

Extend		Repeal	
“Keep it”		“End it, don’t mend it”	
EXTEND as is	EXTEND with changes	EXPIRE and make new laws	EXPIRE and make no new laws
REBNY - Steven Spinoia	NY Observer Save the 421a Program http://observer.com/2015/02/save-the-421a-program/	Council Member Laurie A. Cumbo (D-Brooklyn).	Flatbush Tenant Coalition https://www.facebook.com/FlatbushTenantCoalition?fref=ts
RSA	NY Times		Assemblyman William Colton
Governor Andrew Cuomo	Mayor Bill de Blasio - http://www.nytimes.com/2015/05/07/nyregion/mayor-de-blasios-plan-aims-to-spur-more-affordable-housing-in-new-york.html?_r=0		Assemblyman Alec Brook-Krasny;
NYS Senator Jeff Klein – Head – Independent Democratic Coalition (IDC)	Gale Brewer, Manhattan Borough President		Assemblyman N. Nick Perry
NY Daily News	State Sen. Kevin Parker http://ditmasparkcorner.com/blog/real-estate/lawmakers-stand-controversial-421-property-tax-abatement-program		Assemblywoman Latrice Walker:
Senate Majority Leader John Flanagan (R – Suffolk County) http://therealdeal.com/blog/2015/05/13/lawmakers-predict-extension-of-421a-tax-break/	Assemblyman Jim Brennan:		Community Service Society
Senator Cathy Young, Chair of the senate housing committee(R)	Up4NYC - A coalition of labor unions and contractors http://www.nytimes.com/2015/05/05/nyregion/overhaul-of-housing-tax-abatement-is-aim-of-lobbying-campaign.html?_r=0 and http://www.ryan-cuvelier-yprob.squarepace.com/#about		Make the Road
Senator Martin Golden (D – Brooklyn)	Paul Fernandes, Executive Director of the New York City and Vicinity Carpenters Labor Management Corporation, an organization of unions and contractors		NYC Communities for Change
State Senator Andrew Lanza (R - Staten Island)	Association for Neighborhood and Housing Development (ANHD)		Walter Mosely, New York State Assemblyman the 57th AD - Brooklyn
	Council Member Brad Lander		Citizens for NY - Jessica Wisniewski.

EXTEND as is	EXTEND with changes	EXPIRE and make new laws	EXPIRE and make no new laws
	The Building and Construction Trades Council of Greater New York (BCTC) - http://www.local3.com/?q=node/6410		RENA
	International Brotherhood of Electrical Workers (IBEW)		Legal Aid Society, Ellen Davidson
	New York State Association for Affordable Housing (NYSAAH), Jolie Milstein (President and CEO)		Council Member Jumaane Williams – “The tax abatement driving up your rent: 421-a, as written, should be history” http://www.nydailynews.com/opinion/williams-james-tax-abatement-driving-rent-article-1.2140386
	32BJ SEIU President Hector Figueroa and the AFL-CIO		Council Member Antonio Reynoso http://observer.com/2015/01/pols-call-for-repeal-of-421-a-real-estate-tax-break/
	Richard T. Anderson, President of the New York Building Congress - http://citybizlist.com/article/252340/5484-units-of-affordable-housing-at-risk-if-tax-abatement-is-eliminated#sthash.Um5FSqRs.dpuf		Council Member Mark Levine
	Public Advocate Letitia James		Council Member Helen Rosenthal
	UP4NYC		Crown Heights Tenant Union http://observer.com/2015/05/city-democrats-batter-cuomo-senate-republicans-at-rent-rally/
	The Mason Tenders District Council		Tenants and Neighbors
	New York City District Council of Carpenters		Real Affordability for All Coalition
	HPD – Vickie Been		Housing Conservation Coordinators
	GOLES (Good Old Low East Side) - Esteban Giron		Flatbush Tenants Coalition – Jean Folkes
	Architects Council of NYC		Banana Kelly Resident Council --E. Lenguist
	Council Member Ritchie Torres - http://littlesis.org/maps/559-bill-de-blasio-appointments-from-and-connections-to-real-estate-industry		Senator Liz Kreuger - http://www.nytimes.com/2015/05/07/nyregion/mayor-de-blasios-plan-aims-to-spur-more-affordable-housing-in-new-york.html?_r=0
	ESPAILLAT, ADDABBO, DIAZ, DILAN, GIANARIS, HASSELL-THOMPSON, LANZA, PARKER, PERALTA, PERKINS, RIVERA, SAVINO, SERRANO, STEWART-COUSINS - S3713-2015		

MIA – Searching for solutions/critical comments made, but no official position taken or extending or renewing:

Comptroller Scott Springer and NYC Council Speaker Mark Viverito,



**Community Board 12 Manhattan
Housing and Human Services Committee
530 West 166th Street – Sixth Floor New York, NY 10032**

**RESOLUTION URGING THE NYC RENT GUIDELINES BOARD TO GRANT NO RENT INCREASES FOR RENT
STABILIZED APARTMENTS FOR ONE OR TWO YEAR LEASES COMMENCING OCTOBER 1ST 2015**

Whereas, at a scheduled public hearing on May 7th, 2015 the NYC Rent Guidelines Board proposed a range of rent changes for the current "base rent" for rent stabilized apartments that will be finalized as **Rent Guideline Board Order #47** and together with such further adjustments as may be authorized by law the following proposed ranges of annual adjustment to be used for a determination of the new rent order are:

- For a **one-year** renewal lease commencing on or after **October 1, 2015** and on or before **September 30, 2015: 0% - 2%**
- For a **two-year** renewal lease commencing on or after **October 1, 2015** and on or before **September 30, 2015: 0.5% - 3.5%; and**

Whereas, study after study and year after year has shown that NYC is still in an affordable housing crisis, including studies and reports by the Furman Center, the National Low Income Housing Coalition, the NYC Alliance to Preserve Public Housing, the Coalition for the Homeless, the NYS Controllers Office, the NYC Comptroller's Office and the NYC Mayor's "Five Borough Ten Year Plan"; and

Whereas, more than one million households in New York City are increasingly rent-burdened, which means they are paying 30 percent or more of household income on rent and almost 50 percent of households in our community are severely rent-burdened, which means they spend more than 50 percent of their income on rent; and

Whereas, previous NYC Rent Guidelines Board orders since 1968 have failed not only to protect communities where affordability is disappearing, but failed to lessen the burdens imposed by our nation's slow recovery from a recession in the past seven years, or the effects of lingering unemployment, heavy government budget cuts or sequestration, neighborhood income inequality, the highest rate of homelessness and high eviction rates, and recovery from a rent substantial increase in the 2013 rent guidelines order of 4.45% and 7.75% for one and two years leases -- many rent burden households renters will be coming off that older order; and

Whereas, research from this year's US Census Bureau Housing and Vacancy Survey showed that rent-stabilized tenants paid a median monthly rent of \$1,200 (after inflation-adjustments) there have been rent increases of 6.3 percent from 2011 to 2014; and

Whereas, there should be no desire to prevent landlords from making a profit in the real property marketplace or lament or ignore losses that comes with the risks of operating an enterprise; the burden of spending on operating costs and tenants paying successive and cumulative rent increases needs to be shared better than it has been in the past forty-eight years; **now therefore be it**

Resolved, Community Board 12, Manhattan strongly recommends that the NYC Rent Guidelines Board not grant any rent increases for any rent stabilized apartments for all renewal leases commencing October 1st 2015.

--Committee Vote: 5-0-0-0 (Y-N-A-P) – May 7th, 2015



**Community Board 12 Manhattan
Housing and Human Services Committee
530 West 166th Street – Sixth Floor New York, NY 10032**

RESOLUTION URGING THE MAYOR TO ADOPT MORE BUDGETARY COMMITMENTS AND GOALS TO NYCHA

Whereas, There have been considerable NYC public meetings held, mass visits to legislative offices in Albany, position papers written, and testimony given to the Housing and Human Services Committee on the \$15 billion dollar capital deficits forestalling massive repairs needs and the current \$99 million dollar expense deficits of the New York City Housing Authority (NYCHA); and

Whereas, Some relief has been granted by the City's termination of the annual payments for police services that NYCHA had been required to make since 1995 and \$100 million dollars allocated in the new fiscal year budget by New York State there is more to be done; and

Whereas, In May, 2015 a 'NextGeneration' NYCHA Plan has been put forward by the City that proposes to restore and sustain public housing and address some of NYCHA's ongoing capital and operating needs; and

Whereas, this is a critical moment for NYCHA the following budgetary commitments are essential also for long term fiscal sustainability and growth:

- *Commit \$100 million annually in NYC capital funds over the next 10 years to major improvements in NYCHA buildings. The state's capital commitment of \$100 million this year should be matched. However, both the state and the city will need to make a long-term capital investment in restoring NYCHA back to fiscal health.*
- *Dedicate \$400 million in projected Battery Park City excess revenues over the next 10 years to help restore NYCHA buildings. This will mean forging an agreement with the Governor to direct those revenues, which were originally intended to address affordable housing needs across the city. For at least the next ten years, they need to be directed to NYCHA.*
- *Support the termination of the \$32 million PILOT payments (in lieu of property taxes) as per the Mayor's recent budget request that NYCHA would otherwise had been required to make each year to the city. NYCHA would then be included among nonprofit housing providers, hospitals, houses of worship, museums, universities and other institutions that are exempt from property taxes. These funds will augment the limited and inadequate operating resources NYCHA receives from Washington.*

Whereas, The City's adoption of these items and goals in its new budget would help NYCHA and restore decent living conditions its residents desperately need; **now therefore be it**

Resolved Community Board 12, Manhattan supports the inclusion of these commitments in the City's budget as they will go a long way to make New York City once again a model of public housing that works given the challenges of a 21st century economy.

---Committee Vote: 6-0-0-0 (Y-N-A-P) – May 7th, 2015



**Community Board 12 Manhattan
Housing and Human Services Committee
530 West 166th Street – Sixth Floor New York, NY 10032**

**RESOLUTION RECOMMENDING THE ESTABLISHMENT OF OFFICE OF CIVIL JUSTICE
AND CITY COUNCIL BILL INTRO 736**

Whereas, On April, 2015 a public hearing was held by the NYC City Council Committee on Courts and Legal Services on Intro 736 -- a bill that calls for the establishment of an Office of Civil Justice; and

Whereas, The primary purpose of the bill introduced by Council Member Levine with City Council Speaker Melissa Mark-Viverito is to insure that there is a central administrative office that has the authority to effectively assess the entire spectrum of needs for civil legal services throughout the city; and

Whereas, Civil proceedings often cover life changing events, such as child custody, deportation and the loss of housing establishing an Office of Civil Justice, headed by a Civil Justice Coordinator appointed by the Mayor, would centralize efforts to understand, analyze and identify the legal representation needs of city residents and oversee the effectiveness of civil legal services funding and programs in the Human Resources Administration (now with a FY'15 \$42 million dollar legal services budget), the Department of Homeless Services, the Offices of Immigrant Affairs and the Right to Counsel bill pending with Intro 214; and

Whereas, the Office of Civil Justice, modeled after the now successful Mayor's Office of Criminal Justice, would coordinate with the Mayor and the City Council to develop a comprehensive strategy for expanding low cost or free legal services to low-income city residents given the significant funding increases for civil legal services across the City;

Whereas, Intro 736 has the support of Gale Brewer (Manhattan Borough President), Commissioner Steven Banks (HRA), The Legal Aid Society, Legal Services/NYC, New York Legal Assistance Group (NYLAG), NYC Bar Association, NY Lawyers for the Public interest, the Urban Justice Center, MFY Legal Services, and the growing support from others including more Council Members who have signed on; **now therefore be it**

Resolve, Community Board 12, Manhattan recommends the establishment of the Office of Civil Justice headed by a Civil Justice Coordinator and City Council Bill Intro 736 itself so as to centralize, organize and oversee the distribution of a complex array of legal services, funding and programs in our courts and legal systems.

-- Committee Vote: 6-0-0-0 (Y-N-A-P) -- May 7th, 2015



**Community Board 12 Manhattan
Housing and Human Services Committee
530 West 166th Street – Sixth Floor New York, NY 10032**

RESOLUTION URGING THE EXTENSION, REFORM AND STRENGTHENING OF THE NYS RENT REGULATION LAWS

Whereas, The NYS Emergency Tenant Protection Act (a/k/a/ the rent regulation laws) will expire or sunset on June 15th, 2015 unless renewed; and

Whereas, Tenant organizations, housing advocates, elected officials, unions, and many rent regulated tenants themselves have called for the extension, reform and strengthening of these rent-regulation laws with rallies, marches, publications, and speeches; and

Whereas, The latest US Census Housing Vacancy Report released in March 2015 determined that the rental vacancy rate was 3.45% or less than the 5% threshold that would have signaled a non emergency for the need of tenant rent protections and was certified by the City Council and the Mayor as required by law; and

Whereas, There are over one million rent regulated units in NYC (1,029, 918 rent stabilized units and 27,089 rent control units) that account for 48.7% of all NYC rentals and Community Board 12, Manhattan ranks #1 in Manhattan and #2 in the city with highest number of these units, according to the Furman Center's 2014 Statement of the City and Neighborhood Report, released in May 2015; and

Whereas, The NYC City Council has passed nonbinding legislation in support of rent regulation restructuring that has in common elements of the tenant movement's agenda and the following reforms:

- *Ending Vacancy Decontrol, all vacancy allowance increases and the \$2,500 monthly threshold for de-controlling rent regulated units.*
- *Ending tying Individual Apartment Improvements (IAI) as a permanent part of the monthly rent and instead making it a separate charge that ends when paid off, greater accountability to prevent fraudulent costs related to IAI's on vacant apartments, and preferential leases renewals be offered based on the lower rate; not the legal rent.*
- *End tying all Major Capital Improvement (MCI) as a permanent part of the monthly rent that is compounded with rent guidelines board increases and instead making it a separate charge that ends when paid off and is not compounded on lease renewals and keeping the current 6% maximum rate of annual pay off charges.*
- *Ending the surcharges on apartment air conditioners, washing machines and dryers.*
- *Making ordinary repairs or agency validated housing maintenance code violations not subject to a major capital improvement.*
- *Placing the remaining and approximately 30,000 rent control units under the jurisdiction of the rent guidelines board for all rent adjustments as are rent stabilized units and the elimination of the maximum base rent (MBR) and fuel cost adjustment (FCA) increases.*
- *Disallow 'double dipping' in state and federal tax credits for MCI depreciation for the same item or the item replaced.*
- *Extending the ETPA for more than a three year period.*

Whereas, There is a significant loss of over 200,000 rent-regulated units in NYC that it is believed to have contributed to the current affordable housing crisis, higher rents, high eviction rates and homelessness and a loss of these units that is still continuing; **now therefore be it**

Resolved Community Board 12, Manhattan supports the extension and strengthening of the rent regulation laws with all the reforms listed in this resolution.

--- Committee Vote: 6-0-0-0 (Y-N-A-P) – May 7th, 2015



**Community Board 12 Manhattan
Housing and Human Services Committee
530 West 166th Street – Sixth Floor New York, NY 10032**

**RESOLUTION RECOMMENDING THE EXPIRATION OF THE 421-a PARTIAL TAX EXEMPTION LAW UNLESS
EXTENDED UNDER CERTAIN CONDITIONS**

Whereas, Development and new construction is active and vibrant in New York City; and

Whereas, The 421-a Partial Tax Exemption Law (421-a) was enacted in 1971 to stimulate construction when the city's housing market was stagnant; and

Whereas, Despite several extensions and renewals of the 421-a program developers still built primarily luxury housing such that even the rentals of "affordable units" were beyond the income range or means of most residents in Community District, 12 Manhattan, if not the city at large; and

Whereas, The 421-a program has never served the needs for affordable housing in Community District 12, Manhattan evidenced by the facts that out of the 16 new building constructed here not one affordable unit has been built and only 12,748 of the 153,000 units built city-wide since 1971 were affordable with tax losses to the city estimated at 1.1 billion dollars in FY2013/14 (only 8.6 percent affordable) and the cost for the last five years to the city was \$5 billion dollars; and

Whereas, The current 421-a Partial Tax Exemption Law has outlived its usefulness given the following circumstances:

- *Failure to prevent "Double Dipping" or overlapping subsidies for the same unit.*
- *Failure to insure that the rent on an affordable apartment is calibrated on the Area Medium Income (AMI) ranges affordable to the local community.*
- *Failure to create permanently affordable units covered by rent stabilization or an equivalent rent regulated agreement both for expiring and new rentals of these units.*
- *Failure to establish a system of transparency in data collection and capture so that each project is tracked and made public, including the total number of negotiable certificates of eligibility and tax losses (pre and post construction) so that it can be determine whether these exemptions are effective and serving the program's intended purpose.*
- *Failure to prevent the assignment or allocation of affordable units in a development from being dispersed or not segregated throughout the entire building and the building must not have any age/income/separated entrances or unequal access to building amenities.*
- *Failure to build affordable units equal to 50% and insure the building is financially sustainability.*
- *Failure to eliminate tax breaks for new co-ops or condominiums.*
- *Failure to insure that there is no sale transfer, or credits for negotiable certificates to any developer getting a tax exemption, who does not build affordable units on that site and only for that site in the community.*

Whereas, Corrections of the above failures would make the 421a Partial Tax Exemption more effective to assure true and permanent affordability in new housing developments that receives tax benefits, **now therefore be it**

Resolved Community Board 12, Manhattan recommends that the 421-a partial Tax Exemption law be allowed to expire unless all the above failures are corrected and incorporated into any new extension.

--- Committee Vote: 5-1-0-0 (Y-N-A-P) – May 7th, 2015