Human Resources Administration
Department of Social Services

Testimony Of Jordan Dressler, Civil Justice Coordinator
Office of Civil Justice, New York City Human Resources Administration
New York City Council, Committee on Housing and Buildings

February 22, 2016

Good morning Chairman Williams and members of the Committee, thank you for this opportunity to discuss the work of the City's Human Resources Administration (HRA) and our focus on carrying out the Mayor's priority of fighting poverty and income inequity and preventing homelessness. My name is Jordan Dressler and I am the newly appointed Civil Justice Coordinator Office of Civil Justice at the New York City Human Resources Administration.

With an annual budget of $9.9 billion and a staff of 14,000, HRA provides assistance and services to three million low-income children and adults. This includes:

- Economic support and social services for families and individuals through the administration of major benefit programs (Cash Assistance, Supplemental Nutritional Assistance Program benefits (food stamps), Medicaid, and Child Support Services);
- Homelessness prevention assistance, educational, vocational, and employment services, assistance for persons with disabilities, services for immigrants, civil legal aid, and disaster relief;
- And for the most vulnerable New Yorkers: HIV/AIDS Services, Adult Protective Services, Home Care and programs for survivors of domestic violence.

Today I am here to discuss in general the City's extraordinary investment in legal services to level the playing field for low-income New Yorkers who otherwise appear alone in court when other parties like landlords are represented, and specifically about our efforts to provide quality legal representation for low-income tenants who face eviction actions and other pressure tactics by landlords seeking to harass them out of their homes. Affordable housing, a precious resource, is permanently lost to the City when tenants are evicted from rent-regulated and rent-controlled apartments and rent is increased above affordable levels. Protecting these affordable units throughout the city for families and seniors and protecting tenants in small buildings is critical.

It is important to note that even as we are making these commitments to provide access to justice, we recognize that the circumstances low-income and vulnerable New Yorkers are facing have built up over many years and will not be solved overnight. But for every family that stays in their home, it spares the city the expense of emergency shelter services – and more importantly spares the family the trauma of homelessness, including disruption of education, employment,

and medical care. HRA's legal services programs are aimed at keeping these New Yorkers in their homes, preventing displacement and preserving and protecting the City's affordable housing stock.

Our commitment to expanding civil legal services to more New Yorkers in need, and making those services more effective, can be seen in the actions and investments of this Administration over the past two years, specifically in the area of providing legal services to tenants facing harassment and eviction. The Mayor's first budget, for FY 2014 provided an unprecedented level of funding to civil legal services for low-income New Yorkers. During the course of that year we allocated a total of $13.5 million to protect tenants facing eviction and harassment by unscrupulous landlords. The vast majority of landlords do follow the law and treat their tenants with respect. We are focused on the few that do not, and have sought to ensure that tenants in those buildings have the quality legal representation they need in the face of unfair and illegal actions or unacceptable living conditions.

In Fiscal Year 2015, the Administration significantly expanded the anti-eviction tenant protection program, and made a $5 million down payment on the creation of our new anti-harassment program for rezoning areas, which next year will grow to $36 million. This program focuses on 14 zip codes throughout the five boroughs and includes neighborhoods such as East New York, East Harlem, Flushing, the Bay Street area, and Highbridge. The initiative is focused on ensuring that more than 13,000 of our city's low-income residents can stay in the neighborhoods they built as those areas grow denser, and see considerable investment in the coming years.

In the current FY16 budget, the City again increased the commitment to fund tenant protection legal services for low-income New Yorkers. This year's budget already included over $33 million to help New Yorkers to stay in their homes. In September of last year, the Mayor announced that we are further deepening this commitment, by allocating an additional $12.3 million to the anti-eviction legal services program for providers already hard at work so we can reach more New Yorkers as quickly as possible. This brings the total investment in tenant protection legal services in the Administration's current FY16 budget to nearly $46 million.

Our program is by far the largest initiative of its kind in the nation, enough to provide more than 113,000 New Yorkers each year with legal services to protect against harassment and unnecessary evictions—which also has the benefit of protecting our affordable housing stock.

Tenant protection is the cornerstone of our initiatives to provide access to justice for low-income New Yorkers, but the City is working on many additional fronts to support legal services, by investing:

- $4.3 million for Executive Action legal assistance programs for immigrants, operated by HRA in conjunction with the Mayor's Office of Immigrant Affairs and CUNY;

- $3.2 million for comprehensive immigration legal assistance (that will begin to be implemented through a new RFP process during FY16);
- $2.1 million for civil legal services for seniors; and
- $2.6 million for legal services to secure federal disability benefits.

When all of these programs are fully implemented in FY17, New York City will be allocating more than $70 million annually in our baseline budget to provide access to justice for low-income New Yorkers.

Our commitment to provide access to justice for low-income tenants is complemented by other major agency initiatives to prevent homelessness. Among them is HRA's Homelessness Prevention Administration, which includes an Early Intervention Outreach Team that seeks out families and individuals on the verge of losing their homes, and who can be helped by legal assistance or emergency rental assistance.

By providing free legal representation to low-income New Yorkers who would otherwise appear alone in court when other parties like landlords are represented, we give New Yorkers fair and equal access to our civil justice system, while working to fight poverty and inequality. These services help low-income New Yorkers to keep a roof over their heads, stabilize families, keep food in the kitchen, keep students in school, and preserve neighborhoods. We are working to help those who need it most to gain and maintain the security and dignity they deserve.

Investing in access to justice is also smart economics. Former Chief Judge Jonathan Lippman's Task Force found that for every dollar invested in civil legal services, taxpayers see a return of more than six dollars in federal benefits, such as federal disability benefits. These benefits not only improve the living standards of the people who receive them, but help lift up local communities as more resources are put into neighborhood economies. Real neighborhood impacts include: declines in evictions; reductions in the loss of subsidized and rent stabilized housing; improvements to the housing stock such as addressing buildings experiencing lack of heat and hot water, and other essential services and lack of repairs; and the preservation of affordable rents.

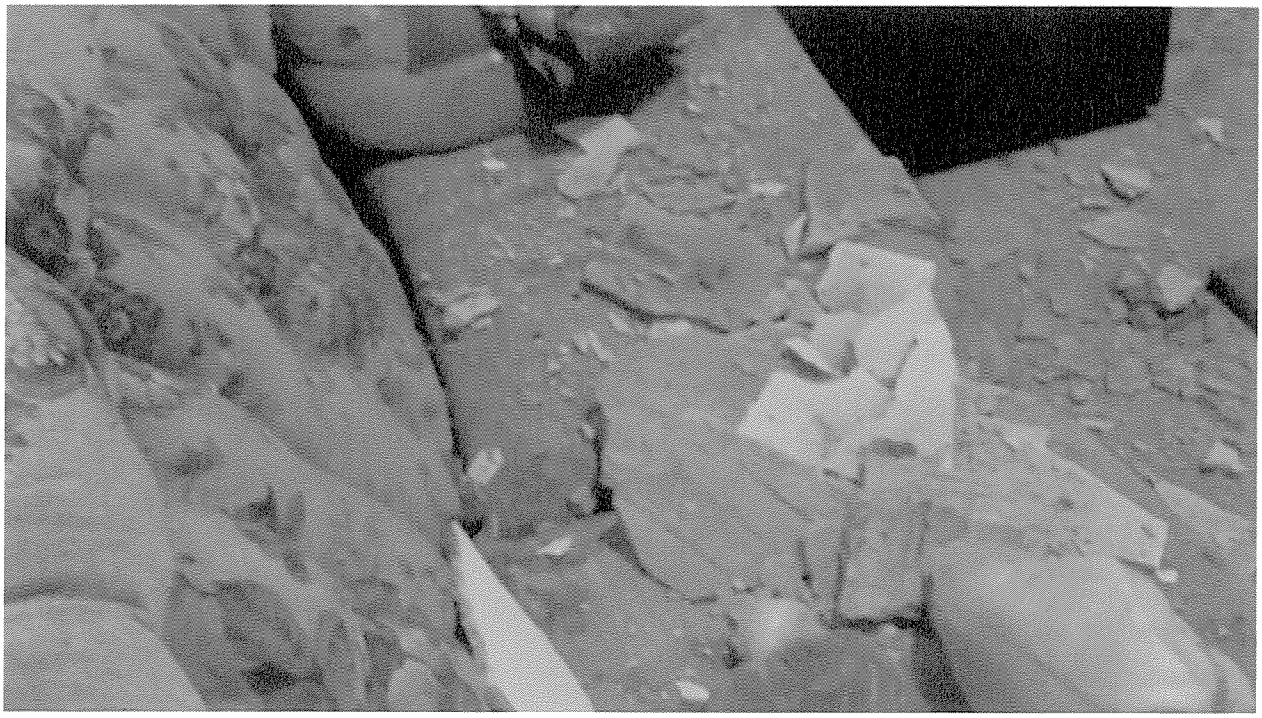
Further, the City sees tremendous savings in averted shelter costs. Providing civil legal services also reduces the costs of litigation and increases court efficiency, which benefits all litigants, regardless of income level.

We also want to recognize the deep commitment of this legislative body and City Council Speaker Melissa Mark-Viverito to expanding access to justice. In FY16, HRA is overseeing $19.1 million in discretionary funding added by the City Council during the budget process to support a diverse array of civil legal services, including family reunification immigration defense, assistance for domestic violence survivors and veterans, and anti-eviction and SRO legal services, and more.

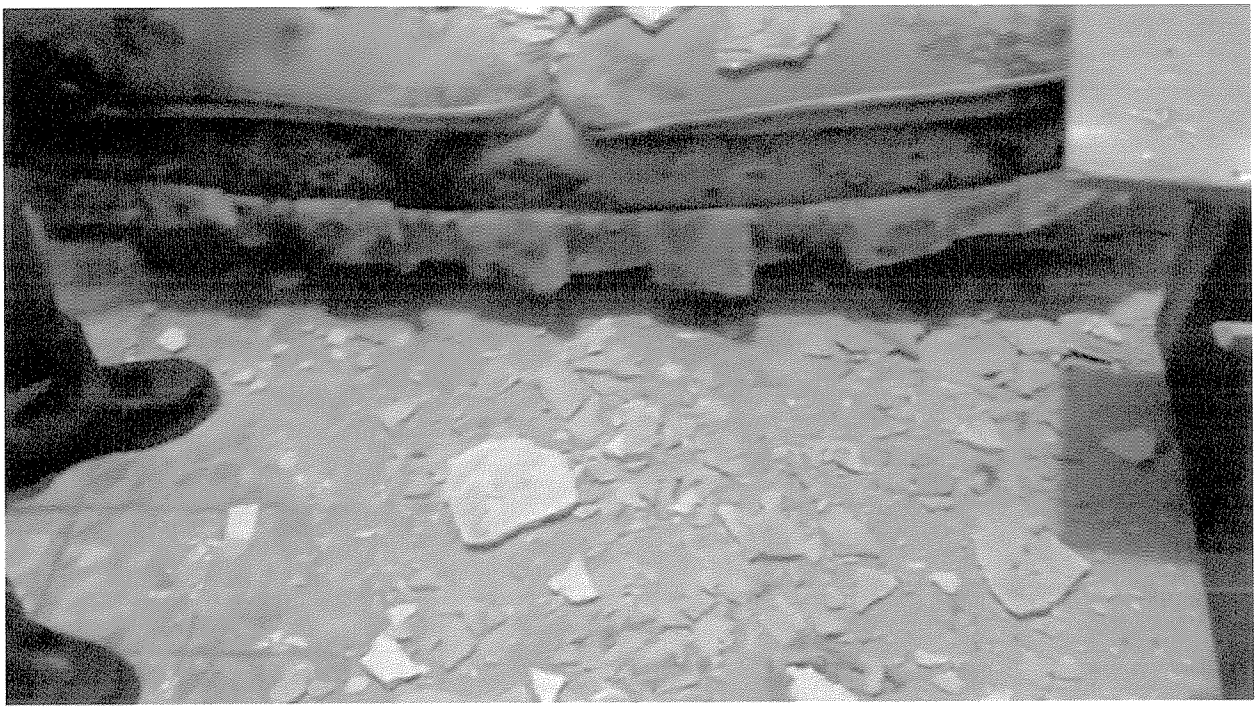
No other municipality allocates even a small fraction of what New York City is committing to provide access to justice. This is one of the best investments we can make – because it can so clearly change lives for the better, as we are already seeing across the city.

We recognize that the challenges low-income and vulnerable New Yorkers face are complex and deep-rooted. But we know, too that we have powerful tools at hand to address those challenges, and lift up our neighbors who need it most. And together, we become a stronger and more just city.

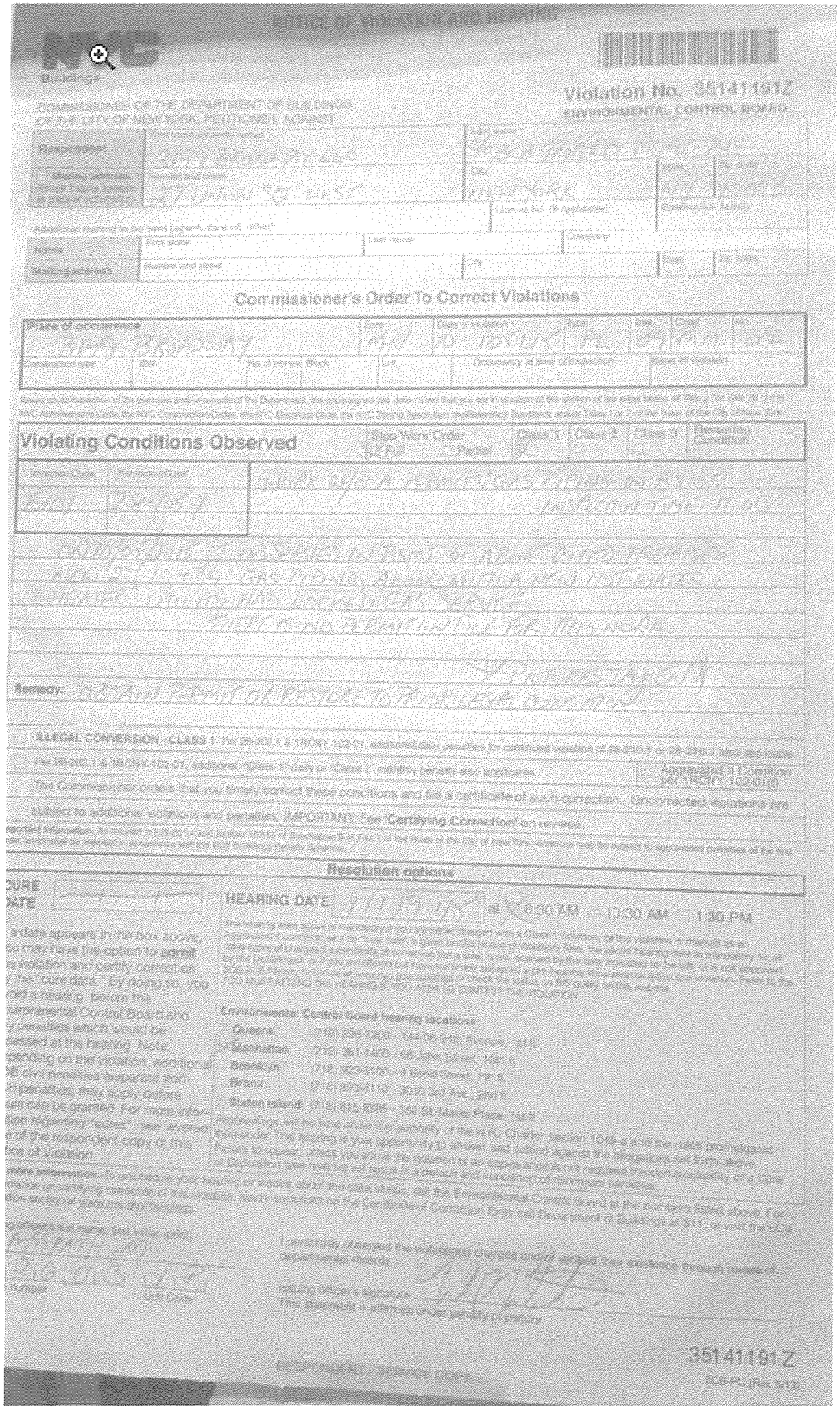
Thank you for the opportunity to testify today, I'm happy to answer any questions the committee may have.



Ceiling caved in
senior lives here



Rubble from ceilings



NOTICE OF VIOLATION AND HEARING

Violation No. 35141191Z

ENVIRONMENTAL CONTROL BOARD

COMMISSIONER OF THE DEPARTMENT OF BUILDINGS OF THE CITY OF NEW YORK, PETITIONER, AGAINST

Respondent

Mailing address

Commissioner's Order To Correct Violations

Place of occurrence

Violating Conditions Observed

Remedy:

Resolution options

HEARING DATE

Illegal gas piping

NYC Buildings STOP WORK ORDER

☐ Partial Stop Work Order
☒ Full Stop Work Order

Date: 10-5-15
Premise: 345 BROADWAY
Violation#: 35171197

PLEASE TAKE NOTICE that pursuant to Section 28-207.2 of the Administrative Code of the City of New York, you are hereby ordered to immediately stop all work at the above premises, because of a violation of Section(s) 28-105.1 of the Administrative Code and/or the Zoning Resolution of the City of New York or because work was being performed in a dangerous or unsafe manner. The restrictions of this **STOP WORK ORDER** apply to the following location(s): ALL GAS WORK IN ENTIRE BLDG (location of work).

PURSUANT TO Sections 28-207.2.1 and 28-103.7 of the Administrative Code of the City of New York, the New York City Police Department is being notified that this **STOP WORK ORDER** has been issued. **FAILURE TO COMPLY WITH THIS STOP WORK ORDER MAY RESULT IN CRIMINAL CHARGES BEING FILED AGAINST YOU.**

This **STOP WORK ORDER** shall remain in effect until the Department has issued an order rescinding it. Until such time as the **STOP WORK ORDER** is rescinded by this Department, no work is to proceed at the above location, unless otherwise specified. Please contact the Department at the telephone number indicated below to arrange for a re-inspection and to request the rescission of the **STOP WORK ORDER**, or to report that work is taking place in violation of the **STOP WORK ORDER**.

J. Rohde
Borough Commissioner

Borough	☐ Manhattan	☐ Bronx	☐ Brooklyn	☐ Queens	☐ Staten Island
Location	280 Broadway, 4th Fl. NY, NY 10007	1932 Arthur Ave., 5th Fl. Bronx, NY 10457	Municipal Building 210 Joralemon St., 8th Fl. Brooklyn, NY 11201	Borough Hall 120-55 Queens Blvd. Kew Gardens, NY 11424	Borough Hall 10 Richmond Terrace, 2nd Fl., Staten Island, NY 10301
Construction	(212) 393-2553	(718) 579-6906	(718) 802-3685	(718) 286-0691	(718) 420-5418
Plumbing	(212) 393-2557	(718) 579-6916	(718) 802-3723	(718) 286-0620	(718) 420-5419
Electrical	(212) 393-2417	(718) 579-6888	(718) 802-4342	(718) 286-0640	(718) 420-5411
☐ Professional Certification Audits & Inspections			120-55 Queens Blvd., Rm. G150 Kew Gardens, NY 11424		(718) 286-0683

OP-71A 11

Stop work order, lifted 2 days later

NOTICE OF VIOLATION AND HEARING

NYC Buildings

Violation No. 35141191Z
ENVIRONMENTAL CONTROL BOARD

COMMISSIONER OF THE DEPARTMENT OF BUILDINGS OF THE CITY OF NEW YORK, PETITIONER, AGAINST

Respondent	First name or entity name: 3149 BROADWAY LLC	Last name: C/O BOB BARRETT MGMT		
Mailing address (Check if same above as place of occurrence)	Number and street: 27 UNION SQ WEST	City: NEW YORK	State: NY	Zip code: 10003
		License No. (if Applicable)		Construction Activity

Additional mailing to be used (agent, care of, other)

Name	First name	Last name	Company		
Mailing address	Number and street	City		State	Zip code

Commissioner's Order To Correct Violations

Place of occurrence	Boro	Date of violation	Type	Dist	Code	No
3149 BROADWAY	MN	10 05 15	PL	09	AM	02
Construction type	BIN	No of stories / Block	Lot	Occupancy at time of inspection	Basis of violation	

Based on an inspection of the premises and/or records of the Department, the undersigned has determined that you are in violation of the section of law cited below, of Title 27 or Title 28 of the NYC Administrative Code, the NYC Construction Codes, the NYC Electrical Code, the NYC Zoning Resolution, the Reference Standards and/or Titles 1 or 3 of the Rules of the City of New York.

Violating Conditions Observed

Stop Work Order ☑ Full ☐ Partial — Class 1 ☑ — Class 2 ☐ — Class 3 ☐ — Recurring Condition ☐

Infraction Code	Provision of Law
B101	28-105.1

WORK W/O A PERMIT: GAS PIPING IN BSMT.
INSPECTION TIME: 11:05

ON 10/5/2015 I OBSERVED IN BSMT OF ABOVE CITED PREMISES NEW 25 FT ± 3/4 GAS PIPING ALONG WITH A NEW HOT WATER HEATER. UTILITY HAS LOCKED GAS SERVICE.
THERE IS NO PERMIT ON FILE FOR THIS WORK.

PICTURES TAKEN

Remedy: OBTAIN PERMIT OR RESTORE TO PRIOR LEGAL CONDITION

☐ **ILLEGAL CONVERSION - CLASS 1**: Per 28-202.1 & 1RCNY 102-01, additional daily penalties for continued violation of 28-210.1 or 28-210.2 also applicable.

☐ Per 28-202.1 & 1RCNY 102-01, additional "Class 1" daily or "Class 2" monthly penalty also applicable. ☐ Aggravated II Condition per 1RCNY 102-01(f)

The Commissioner orders that you timely correct these conditions and file a certificate of such correction. Uncorrected violations are subject to additional violations and penalties. IMPORTANT: See "**Certifying Correction**" on reverse.

Important information: As detailed in 28-201.4 and Section 102-01 of Subchapter B of Title 1 of the Rules of the City of New York, violations may be subject to aggravated penalties of the first order, which shall be imposed in accordance with the ECB Buildings Penalty Schedule.

Resolution options

CURE DATE: —/—/—

If a date appears in the box above, you may have the option to **admit** the violation and certify correction by the "cure date." By doing so, you avoid a hearing before the Environmental Control Board and any penalties which would be assessed at the hearing. Note: depending on the violation, additional DOB civil penalties (separate from ECB penalties) may apply before cure can be granted. For more information regarding "cures", see reverse side of the respondent copy of this Notice of Violation.

HEARING DATE 11/19/15 at ☒ 8:30 AM ☐ 10:30 AM ☐ 1:30 PM

The hearing date above is mandatory if you are either charged with a Class 1 violation, or the violation is marked as an Aggravated II condition, or if no "cure date" is given on the Notice of Violation. Also, the above hearing date is mandatory for all other types of charges if a certificate of correction (for a cure) is not received by the date indicated to the left, or is not approved by the Department, or if you are offered but have not timely accepted a pre-hearing stipulation or admit the violation. Refer to the DOB ECB Penalty Schedule at www.nyc.gov/buildings or check the status on BIS query on this website. YOU MUST ATTEND THE HEARING IF YOU WISH TO CONTEST THE VIOLATION.

Environmental Control Board hearing locations:

Queens	(718) 298-7300 - 144-06 94th Avenue, 1st fl.
Manhattan	(212) 361-1400 - 66 John Street, 10th fl.
Brooklyn	(718) 923-4100 - 9 Bond Street, 7th fl.
Bronx	(718) 993-4110 - 3030 3rd Ave., 2nd fl.
Staten Island	(718) 815-8385 - 350 St. Marks Place, 1st fl.

Proceedings will be held under the authority of the NYC Charter section 1049-a and the rules promulgated thereunder. This hearing is your opportunity to answer and defend against the allegations set forth above. Failure to appear, unless you admit the violation or an appearance is not required through availability of a Cure or Stipulation (see reverse), will result in a default and imposition of maximum penalties.

For more information. To reschedule your hearing or inquire about the case status, call the Environmental Control Board at the numbers listed above. For information on certifying correction of this violation, read instructions on the Certificate of Correction form, call Department of Buildings at 311, or visit the ECB information section at www.nyc.gov/buildings.

Issuing officer's last name, first initial (print): MCGRATH, M

Badge number: 2160 3 — Unit Code: PL

I personally observed the violation(s) charged and/or verified their existence through review of departmental records.

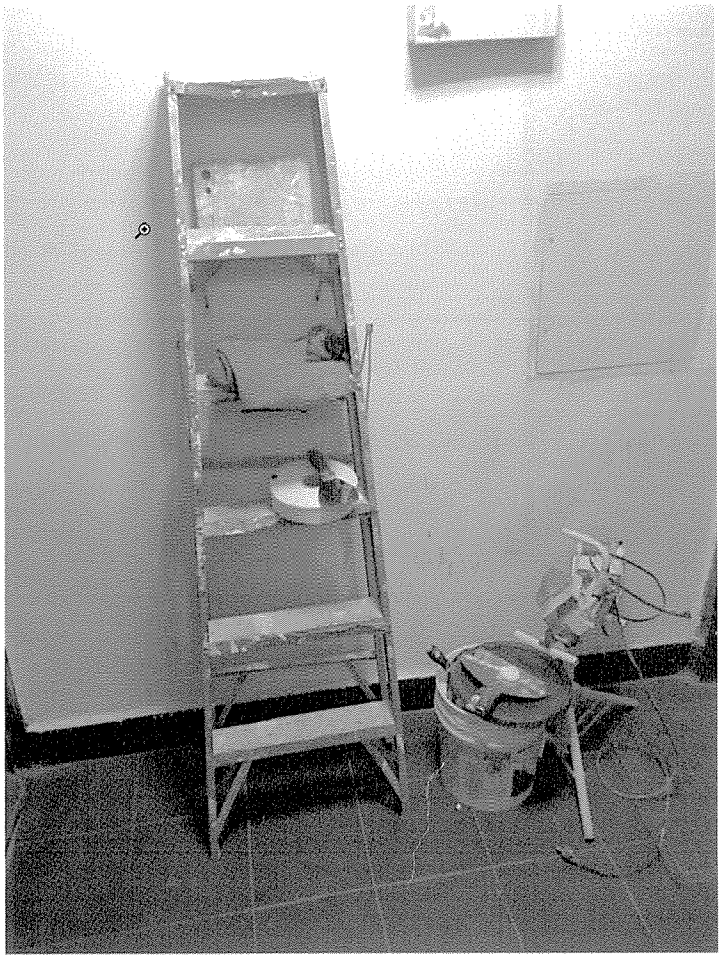
Issuing officer's signature: [signature]

This statement is affirmed under penalty of perjury.

RESPONDENT - SERVICE COPY

35141191Z

ECB-PC (Rev 5/13)

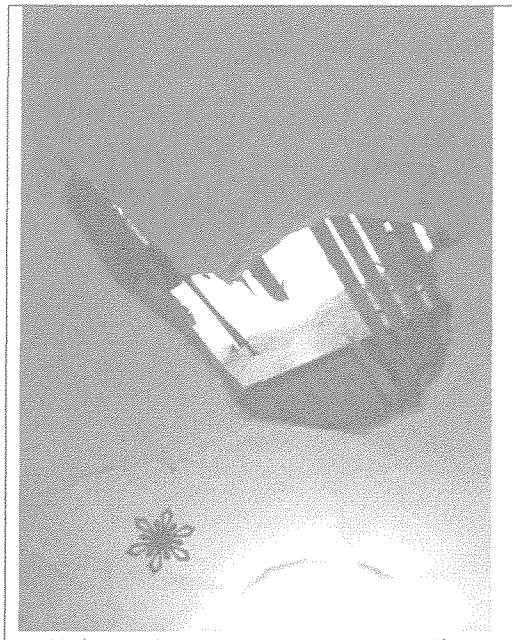


Hallways

Hallways

Construction Dust in hallways

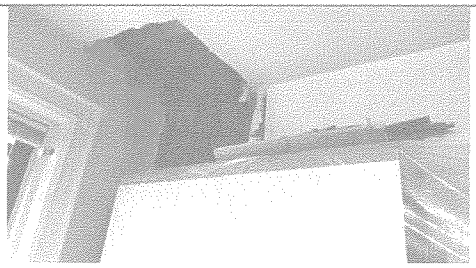
Hallways



Hole put in tenants apartment ceiling, accidentally, worker was injured (head injury) and was told not to seek medical attention by boss on construction site

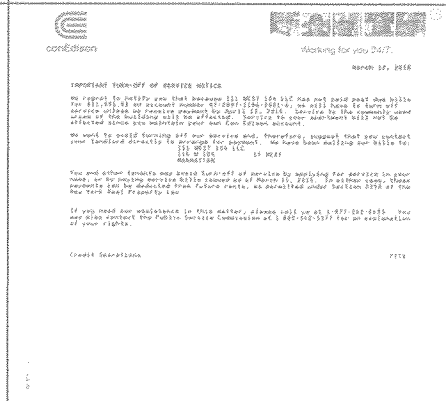
Construction in occupied tenants apartment to accommodate new apartment upstairs with luxury appliances (washer, dish washer), tenant told that he couldn't use kitchen for several days, 1 days notice

Construction in occupied tenants apartment to accommodate new apartment upstairs with luxury appliances (washer, dish washer), tenant told that he couldn't use bathroom for several days, 1 days notice

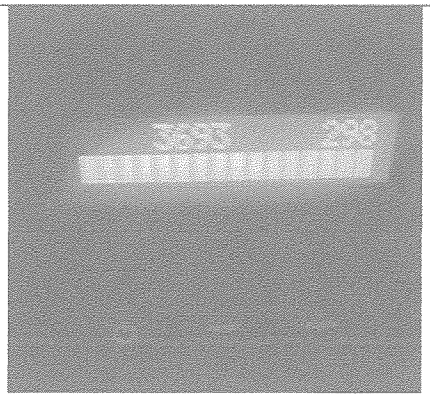


Hole put in tenants building to accommodate pipe for luxury apartments

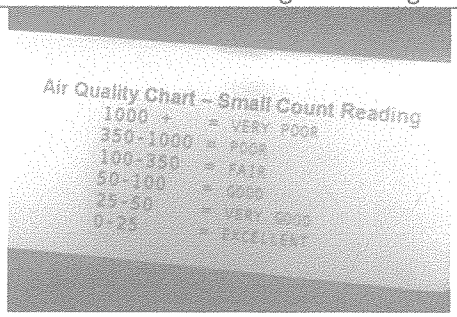
Garbage left in hallways, elevator breaking down on a weekly basis with tenants that have disabilities living in building



Letter from ConEd informing the tenants that the main areas of building will lose all power due to non-payment by BCB management



Air quality meter reading INSIDE a tenant's apartment after a few hours of construction, starts off around 300

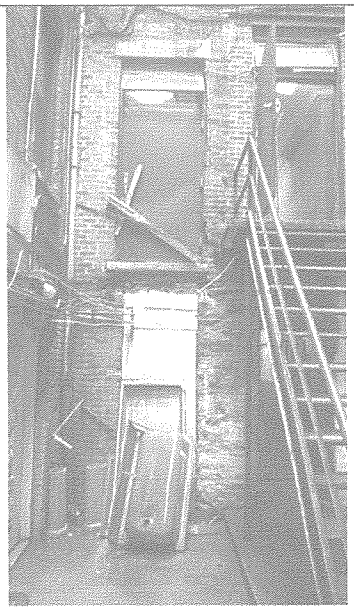


Aire quality chart, readings over 1000 are considered to VERY POOR, with readings of over three and a half times what are poor the quality is sure to be damaging to men, women, and children

Another building where garbage has been moved from alley to mailbox area

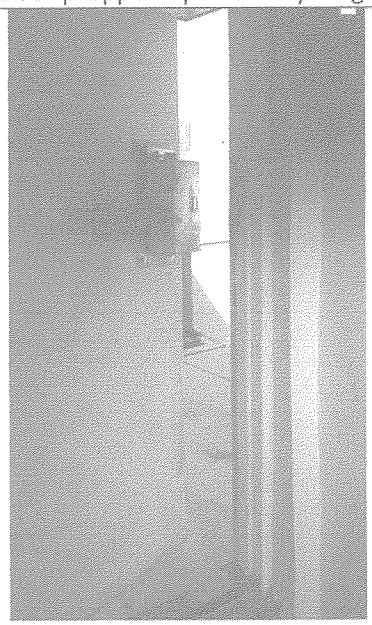
Safety, Construction and Environmental Examples

Door propped open all day long



Back of fire door permanently blocked, with just a piece of wood, tied up

Fire door permanently shut

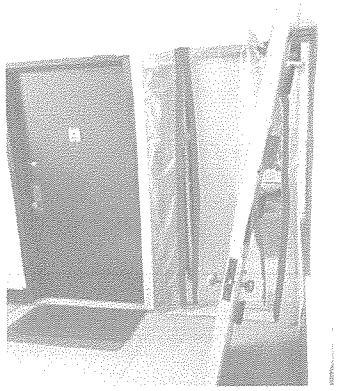


Fire door on roof that doesn't work, open at all times of the day/night

Security cameras removed

The hallway a tenant has to go through with no lighting, just get to basement apartment

Construction dust pouring out of windows



Plastic not being used on doors, construction dust pouring into hallways

Example of demolition

RENT STABILIZATION ASSOCIATION • 123 William Street • New York, NY 10038

Memorandum In Oppostion
Int. 1044

FOR THE RECORD

The Rent Stabilization Association of New York (RSA) represents over 25,000 owners and managers of multiple dwellings in New York whose buildings collectively contain over 1 million units of housing. Int. 1044 would deny various department of Building (DOB) permits to buildings with code violations. RSA is opposed to Int. 1044 for the following reasons.

First, the bill requires DOB to rely on the Housing Maintenance Code (HMC) data base maintained by the Department of Housing Preservation and Development (HPD). This database is notoriously out of date in terms of the standards contained in it as well as being a true reflection of the condition of a building. Frequently violations recorded as open violations on the data base have been corrected but not certified as corrected.

Secondly and most importantly buildings that are not in a good state of repair are the very buildings where owners and managers would require a DOB permit to correct a building wide or systemic problem that would require a permit. The bill contains an exception for such an instance but seems to leave such a determination for issuance to the discretion of the plan examiner with vague guidance for such issuance.

The vast majority of buildings applying for such permits are legitimate cases of owners attempting to upgrade their buildings for the benefit of the tenants. This bill would create a further impediment to this process to the detriment of the affordable housing stock.

For the above reasons RSA opposes Int. 1044

RENT STABILIZATION ASSOCIATION • 123 William Street • New York, NY 10038

FOR THE RECORD

Memorandum In Oppostion
Int. 152-A

The Rent Stabilization Association of New York (RSA) represents over 25,000 owners and managers of multiple dwellings in New York whose buildings collectively contain over 1 million units of housing. RSA is opposed to Intro. 152-A because it would bring all renovations and upgrading of buildings that require a Department of Buildings (DOB) permit to a halt. This would have a devastating effect not only on the housing stock but the tens of thousands of workers that perform this work daily.

The model for this legislation is the current system required for Single Room Occupancy (SRO) renovations that require a 3 year look back period for individual units before a permit for renovation can be issued. A review of the City Record shows that there are less than 200 of these applications filed per year yet it takes at least a year to process an application and frequently 2 to 3 years. There are thousands of apartments that are subject to renovation each year that require some type of permit from DOB. This bill would mean that thousands of apartments would remain off the market, not available to tenants that desperately need them while HPD is processing an application.

It also means that the tens of thousands of trades people that carry out renovation work for a living would be without a job.

Finally, there is no demonstrated need for such a bill. The data simply doesn't exist to justify passage of Intro. 152-A.

RENT STABILIZATION ASSOCIATION • 123 William Street • New York, NY 10038

FOR THE RECORD

Memorandum In Oppostion
Int. 543

The Rent Stabilization Association of New York (RSA) represents over 25,000 owners and managers of multiple dwellings in New York whose buildings collectively contain over 1 million units of housing. Int. 543 would create a new category of violation in the Housing Maintenance Code (HMC) known as an "underlying condition." RSA is opposed to Intro. 543 for the following reason.

Determining an "underlying condition" can be difficult at best and more often wrong. By not accurately labeling the condition that may be causing a violation this may actually impede or delay the proper correction of a violation. The most common example of this is a situation that many owners of multiple dwellings experience everyday. Bathrooms with water stained or collapsed bathroom/kitchen ceilings are most often the results of upstairs tenants overflowing bathtubs or illegally hooking up washing machines to kitchens sinks. Tenants that habitually do this create a scenario that appears to be the cause a leak or roof problem but is caused by an irresponsible tenant. An inspector will undoubtedly be denied access to the apartments with offending tenants and write a violation to the owner for a condition that most often doesn't exist. This diverts an owner's efforts and resources from addressing the real problem. There are numerous other examples of situations that may on the surface appear one way but actually have a totally different cause.

For the above reasons RSA is opposed to Intro. 543.

THE LEGAL AID SOCIETY

Civil Practice Law Reform Unit
199 Water Street
New York, NY 10038
T (212) 577-3300
www.legal-aid.org
Direct Fax:

FOR THE RECORD

TESTIMONY BEFORE THE NEW YORK CITY COUNCIL COMMITTEE ON HOUSING AND BUILDING

February 22, 2016

Thank you Chairperson Williams, and members of the Committee on Housing and Buildings, for the opportunity to provide testimony today.

This testimony is submitted on behalf of The Legal Aid Society. The Society is the oldest and largest program in the nation providing direct legal services to low-income families and individuals. The Society's legal program operates three major practices — Civil, Criminal and Juvenile Rights — and with its annual caseload of more than 300,000 legal matters, The Legal Aid Society takes on more cases for more clients than any other legal services organization in the United States. In addition to the annual caseload of 300,000 individual cases and legal matters, the Society's law reform representation for clients benefits more than 1.7 million low-income families and individuals in New York City and the landmark rulings in many of these cases have a statewide and national impact.

The mission of the Society's Civil Practice is to improve the lives of low-income New Yorkers by providing legal representation to vulnerable families and individuals. The Society's legal assistance focuses on enhancing individual, family and community stability by resolving a full range of legal problems in the areas of housing and public benefits,

foreclosure prevention, immigration, domestic violence and family law, employment, elder law, tax law, community economic development, health law and consumer law.

Introduction

New York City is the midst of an ever deepening affordable housing crisis. One result of this crisis is that with a low vacancy rate, tenants have no place to go if they lose their apartments. In other cities with high vacancy rates, when landlords fail to repair apartments, tenants leave. The market works as landlords who fail to provide a safe and decent place to live cannot charge high rents unless they repair conditions in the apartments. However, in New York City, if a tenant leaves as a result of a landlord breaching the warranty of habitability, there are many New Yorkers who will line up to take that tenant's place as the threat of homelessness is every present and very real. Additionally, because of loopholes in the rent laws, landlords receive a windfall every time an apartment becomes vacant. The incentive to harass tenants out of their homes has only increased over the last decade. Furthermore, often it is up to tenants to enforce their rights and the law. However, the information necessary to enforce tenants' rights, especially when affordable New York City and State programs are involved, is impossible to discover for most tenants. Thus, the Legal Aid Society strongly supports Intro's 543, 1015 and 1044, sponsored by Councilmembers Torres, Kallos and the Public Advocate, respectively.

Introduction 543

Intro 543, a bill that would empower tenants to bring underlying conditions claims against landlords in housing court, would amend Intro 967, which was enacted in January 2013 which, for the first time, empowered the New York City Department of Housing, Preservation and Development ("HPD") to address underlying conditions. The previous bill, provided HPD with the power to issue orders requiring landlords to correct not just the immediate systems, but the underlying causes of recurrent problems. Introduction 967 was an important first step. Underlying conditions affect tenants throughout New York City who struggle to obtain repairs and services through HP proceedings and calls to 311, only to find the conditions recurring after the owner made cosmetic repairs just sufficient to lift the most recent violation.

However, the law enacted allowed only HPD to pursue this type of case. Every other housing maintenance code violation may be addressed through an HP proceeding brought either by HPD or by the tenants. Because of lack of resources and capacity, HPD is only able to bring up to fifty of these cases a year. Amending the law will expand the reach of the law and increase housing stability and safety for New York families.

It is essential that tenants be empowered to bring these cases. Tenants have the most knowledge and experience dealing with reoccurring problems in their apartments. Tenants are the ones who directly suffer from poor conditions. Our current system of housing code violations recognized this since it is based on tenant complaints as well as tenant-initiated HP actions in housing court. In addition, allowing tenants to bring underlying condition claims is likely to actually decrease the burden on the HPD. If tenants can get underlying conditions fixed, then inspectors won't need to return to buildings for the same violations numerous times and HP actions will not have to be continuously brought.

Introduction 1015

In New York City, many rights that a tenant has are tied to the type of housing that the tenant lives in. However, determining that type of housing is almost impossible for the average tenant. This would not be a problem if there were government agencies that enforced the law. In the absence of such enforcement, it is up to tenants to understand what kind of housing they live in and what their landlords can and cannot do. If tenants had the ability to look up their apartments in a database that is maintained by one agency, tenants could ensure that their landlords are not taking advantage of them. The housing portal contemplated by Intro 1015 would allow New York City tenants to easily access this type of information. It would go a step further and provide invaluable information to tenants regarding new affordable housing lotteries, vacancies, and waiting lists.

The lack of such a database and the harm it causes was described in a series of articles published by Pro Publica, This series, titled "The Rent Racket: How Landlords Sidestep Tenant Protections in New York City,"[1] demonstrated that landlords who receive tax breaks and other programs that require provision of affordable housing, flout the law.

[1] Pro Publica "The Rent Racket: How Landlords Sidestep Tenant Protections in New York City" https://www.propublica.org/series/the-rent-racket. Last accessed February 19, 2016.

One article described how an investigation found that 40 percent of the apartments receiving tax breaks that required apartments to be registered as rent stabilized failed to be registered even though their owners received over 100 million dollars in tax breaks.[2] These tax breaks, known as 421-a and J-51, provide ample tax breaks through HPD. HPD takes the position that it is not HPD's responsibility to make sure that landlords comply with the rent laws. Rent stabilized apartments must be registered through the New York State Homes and Community Renewal (HCR) and landlords may not charge more than the legal rent. However, as another article made clear, neither the City nor the State enforces the law, allowing landlords to take advantage of lax enforcement and accept tax credits without providing any of the tenant protections required by those credits.[3] Intro 1015's housing portal could have provided tenants with accurate information and allowed them to enforce their rights.

Introduction 1044

All across New York City, over the last few years, landlords have been increasingly using construction abuse as a way to harass long term tenants out of their affordable homes. While long term tenants' live in inhabitable conditions, landlords renovate vacant apartments to increase rents and deregulate affordable apartments. Introduction 1044 would deny building permits to owners of buildings with a specific number of unaddressed hazardous violations. This bill would force landlords to follow the law or face extreme consequences. Any landlord who has the ability to renovate empty apartments, has the ability to correct violations in apartments where tenants live. We support the added protections that Introduction 1044 would provide to tenants.

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[2] Pro Publica, Marcelo Rochabrun & Cezary Podkul, *Landlords Fail to List 50,000 N.Y.C. Apartments for Rent Limits*. November 5, 2015. https://www.propublica.org/article/landlords-fail-to-list-fifty-thousand-nyc-apartments-for-rent-limits Last Accessed February 19, 2016

[3] Pro Publica Cezary Podkul & Marcelo Rochabrun, *Tenants Take the Hit as New York Fails to Police Huge Housing Tax Break.*, December 4, 2015. https://www.propublica.org/article/tenants-take-hit-as-ny-fails-to-police-huge-housing-tax-break Last Accessed February 19, 2016

Conclusion

Thank you for the opportunity to testify before this committee on these important bills We strongly support these bills and look forward to working on them with you and your committees.

Respectfully submitted,

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PATRICK A. WEHLE

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NEW YORK CITY DEPARTMENT OF BUILDINGS

HEARING BEFORE THE NEW YORK CITY COUNCIL

COMMITTEE ON HOUSING & BUILDINGS

February 22, 2016

Good afternoon Chair Williams, Public Advocate James and members of the Housing & Buildings Committee. I am Patrick Wehle, Assistant Commissioner of External Affairs at the New York City Department of Buildings ("Department"). I am pleased to be here to offer testimony on Introductory Number 1044, which prohibits the issuance of building permits for multiple dwellings that have received a certain number of unaddressed hazardous violations.

Specifically, Intro. 1044 prohibits the issuance of building permits for multiple dwellings with less than thirty-five units that have three or more open hazardous or immediately hazardous Housing Maintenance Code violations or immediately hazardous or major Construction Code violations per unit, and for multiple dwellings with thirty-five or more units, two or more of the same type of open violations per unit. An exception is provided to allow permits to be issued for work to correct the conditions that resulted in the violations or where the work is necessary to protect the health and safety of the public.

The Department applauds efforts to protect the safety and rights of tenants in multiple dwellings and works to ensure that construction is not used as a means to evict tenants from their apartments. The Department was pleased to make available to Public Advocate James' Office

information to help shape its Worst Landlords Watchlist, which serves as a valuable resource to help hold scofflaw landlords accountable.

Intro. 1044 seeks to take the Watchlist a step further, by making those owners subject to the criteria used to determine eligibility for the Watchlist, to a prohibition from securing permits from the Department. While the Department appreciates the intent of this legislation, we would like to share some concerns that makes its implementation challenging and cautions its effectiveness.

As written, Intro. 1044 would require the Department to ascertain from construction documents whether planned work cures violating conditions, or is for work unrelated to the violating conditions. The Department does not currently perform such an examination and doing so presents operational challenges that require additional thought. Often times, the work to make alterations to dwelling units encompasses the work performed to correct violating conditions, such that parsing the two out based on a plan review is not possible. Additionally having the ability to issue permits in circumstances where the work is necessary to protect the health and safety of the public is a vague standard that can capture most if not all the violations we issue.

Another concern is that as drafted Intro. 1044 would prohibit owners from performing preventive maintenance on their buildings if the violation threshold was reached, such as replacing an elevator or boiler.

Additionally as drafted Intro. 1044 would apply to coops and condos which does not seem the intent of the legislation. Owners of individual units should not be prevented from making

alterations to their units. Also there are buildings that include a mixture of rentals and coops. Under this bill, violations received by the owner of the rentals would impact the owner of a coop.

Finally, given the apparent disregard for the safety of tenants and our laws demonstrated by those owners captured by Intro. 1044, in the Department's experience, many of these bad actors who renovate their buildings are not seeking permits in the first place. Furthermore, a prohibition on issuing permits can have the unintended consequence of further incentivizing recalcitrant landlords to perform work without permits. Absent the Department's critical regulation and scrutiny, this work would further put tenants and the public at risk.

The Department works closely with HPD to identify instances of the use of construction to harass tenants and takes enforcement action where appropriate. In addition to our own enforcement, the Department performs weekly inspections with HPD and over the past eighteen months has issued over 1,500 violations among other penalties. As part of the Tenant Harassment Task Force, the Department and its partner agencies meet regularly with numerous tenant associations to understand their concerns, receive complaints and promptly inspect. Administratively, the Department has begun a process to thoroughly review construction applications to verify occupancy and rent-regulation status. Additionally, we are now requiring that Tenant Protection Plans be submitted separately from the construction plans and they are now posted online. The Department will not approve plans and issue permits unless a Tenant Protection Plan is filed and approved to the Department's satisfaction.

While we do have some concerns with this legislation that can be discussed further with this Committee and the Public Advocate's Office, the idea of increased scrutiny of buildings identified on the Public Advocate's Worst Landlord List is one worth pursuing. Whether it

takes the form of something akin to this legislation or some other form we look forward to discussing.

Thank you for your attention and the opportunity to testify before you today. I welcome any questions you may have.

FOR THE RECORD

The requirement of a certificate of no harassment for major alteration or demolition of all Class A buildings could effectively stymie all development or renovation, subjecting building owners to payoff demands from tenants or former tenants on every project.

Increased penalties for failure to correct underlying conditions assumes the condition is identifiable and correctable. One of the most common underlying conditions for peeling paint or mold is a leak from somewhere upstairs, for example. Due to the odd paths water can travel, it could require ripping up several floors worth of apartment walls to find the source. Often it can't be found unless the leak is severe. There are also, unfortunately, situations where tenants cause repeated water conditions such as overflowing tubs or sinks or misuse of portable dishwashers or laundry machines. These do not fit neat definitions of underlying conditions and may require litigation to resolve rather than repair.

Denying building permits when there are numerous hazardous violations will just make it harder to correct all conditions through substantial rehabilitation.

Finally, there is nothing wrong with the idea of a housing portal, but it is not clear why the City would want to spend the money to duplicate what commercial providers compete to provide.

Mr. Dan Margulies
Executive Director
Associated Builders and Owners

TESTIMONY OF THE DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT TO THE NEW YORK CITY COUNCIL COMMITTEE ON HOUSING AND BUILDINGS ON INTRO. NUMBERS 152-A, 543 AND 1015 MONDAY, FEBRUARY 22, 2016

Intro 152-A

Good Morning, Chair Williams and members of the City Council. I am Vito Mustaciuolo, Deputy Commissioner for the Office of Enforcement and Neighborhood Services and I will provide the Agency's testimony on Int. 152-A and 543, and my colleague, Anne-Marie Hendrickson, Deputy Commissioner for the Office of Asset and Property Management will provide our testimony on Int. 1015.

First let me address Int. 152-A, which would impose a citywide requirement that owners seeking certain building permits first obtain a Certification of No Harassment from HPD. Tenant harassment can come in many forms. Landlords attempt to force out tenants by not only making life difficult for them but also by making living conditions unbearable. From cuts in necessary building services, locks changed without notice, unrequested prolonged and disruptive rehabilitation projects, and aggressive buyout offers, to baseless eviction actions in housing court, tenants experience a range of pressure tactics by unscrupulous landlords. Through its enforcement and preventative and proactive measures, this Administration takes harassment seriously and uses a wide variety of tools we have to combat it and punish actors aggressively. While these actions are prevalent in our city, we know that these activities represent a small segment of all landlords who are responsible and attentive owners.

We are well aware that some landlords engage in harassment tactics and activities, and we wholeheartedly agree that we should take proactive measures to prevent such behavior. Indeed we have spent the past several years developing effective tools to combat harassment. Working with you, we secured new laws precluding owners and their agents from pressuring tenants to accept buy-out offers and allowing tenants to initiate housing court actions against a landlord who engages in harassment.

Almost one year ago, HPD helped to launch a multi-agency effort, to focus all available enforcement tools on landlords engaging in patterns of harassment. This Task Force is a partnership between HPD, DOB, the Attorney General's Office and the State Division of Housing and Community Renewal. The Taskforce identifies a portfolio of buildings where harassment may be occurring on a widespread basis, and each agency uses its enforcement and other powers to issue violations and gather information. Following the inspections and information gathering, the Task Force determines the best course of action to address any conditions found during the inspections and investigations. The Task Force has inspected buildings across the City and hopes to curtail widespread harassment through its joint efforts.

Beyond those efforts, we also work with local elected officials and community groups on specific neighborhood concerns. An example of this work includes HPD's participation in the North Brooklyn Housing Taskforce. This taskforce brings together HPD, DOB, and DHCR with community-based tenant advocates and legal services providers to target some of the most distressed buildings in the Williamsburg and Bushwick areas as identified by the taskforce's community-based partners. This effort has allowed us to concentrate the city's resources and tools to assist tenants that may need our help.

The administration also employs an array of programs to support tenants experiencing harassment from their landlords. HRA administers a free legal services program to income-eligible tenants, with $76 million in funding devoted to that program – more than ten times the amount budgeted in prior administrations. In partnership with Council members and community groups, HPD hosts Tenant Resource Fairs in communities that provide an opportunity for residents to obtain information about their rights, to consult with legal service providers and HPD code enforcement officials about problems they are facing, to report issues with particular buildings and landlords and to submit applications for affordable housing. City Hall and HRA have created a Tenant Support Unit that engages directly with tenants to help them report housing quality issues, refers them to legal services organizations to get help against harassment, and provides information on their rights and affordable housing opportunities. HPD is experimenting with a mobile van to make it easier for people to report housing conditions and get help if they fear they are being harassed, evicted, or threatened with service disruptions. In addition, HRA provides a range of assistance to people who might be rendered homeless through an eviction, utility cut-off, or other housing problem.

While HPD believes that the current Certification of No Harassment requirements have been useful tools in the City's effort to curtail displacement and deter harassment of tenants in some circumstances, HPD is concerned that requiring the Certification of No Harassment as proposed in this bill would be an overly broad, poorly targeted, after-the-fact approach to preventing harassment that will impose considerable costs upon all development. It will therefore slow the production and rehabilitation of housing just when we have a pressing need for more housing to

address the affordability crisis our families face and to prevent the rent increases that lead to displacement.

For decades, HPD has been accepting, processing, and issuing determinations on applications for Certifications of No Harassment. Since the early 1980s, the law has required owners to secure a Certification of No Harassment before the Department of Buildings can issue a permit to alter or demolish a Single Room Occupancy Multiple Dwelling. The requirement for a Certification of No Harassment for SROs was enacted after widespread incidents of extreme harassment in this building type. A similar requirement was included in the Zoning text, establishing some Special Districts in the City. The Special Clinton District provisions have included a "no harassment" provision since that Special District was created in the early 1970s. When the Special West Chelsea District, the Greenpoint-Williamsburg Anti-Harassment area, the Special Hudson Yards District and a portion of the Special Garment Center District were established, the Zoning text for those districts also included provisions requiring Certifications of No Harassment. Each of those actions was enacted in response to concerns about harassment in communities with a large number of rent-regulated apartments.

Intro 152-A extends the requirement to obtain a Certification of No Harassment before any alteration or demolition permit can be issued by the Department of Buildings to virtually every residential building with three or more units in the City of New York. This bill would apply to all residential areas in the City affecting neighborhoods with housing stock as different as South Jamaica, Bay Ridge, Forest Hills, East New York, Eltingville, and Riverdale. Areas with high numbers of rent stabilized apartments require different approaches than areas with predominantly three family homes. At the same time, areas with large numbers of coops and

condo buildings require different strategies than areas where buildings are primarily rentals.

HPD believes that the bill would cause a variety of administrative and other delays affecting the construction of all types of housing across the City. The current targeted nature of the Certification of No Harassment requirement is based on specific concerns related to areas with a high number of buildings with rent regulated housing. The impact of requiring such a Certification for *all* buildings would be enormous for both owners and residents of the affected buildings and would require significant agency resources.

Some areas of the city contain few units that are rent stabilized; if a unit is an unregulated unit, a landlord does not need to harass a tenant to move out of the unit. The landlord can simply raise the rent at the end of the existing lease. The landlord's decision to raise the rent beyond the reach of the current tenant at the end of the existing lease is not harassment and is not illegal.

Some areas have a housing stock that is already subject to strong governmental oversight by a government agency like HPD, HUD, or NYCHA. Tenants in apartments that are regulated by affordability programs are already protected against harassment. The requirement for a Certification of No Harassment before any alterations will be permitted in any Class "A" building would mean that an owner of a small multiple dwelling, a large apartment house, or even a co-op building who wants to add a kitchen or bathroom to the unit, wants to combine dwelling units, or wants to make any other change in the configuration of the residential units or the public areas serving those units must ensure that such a Certification has been applied for and issued within three years of any alteration application. If after a thorough investigation HPD finds reasonable cause to believe

that harassment occurred in the building, a hearing must be held. These hearings are quite lengthy. This process may raise the cost and time associated with construction work in areas where there is little history of harassment.

In sum, we agree that there are landlords that engage in deplorable harassment tactics-these landlords represent a small percent of all owners most of whom are good and responsible. To get at bad actors, we are deploying a larger variety of tools to prevent harassment than ever before, and are always looking for more effective tools to identify these actors and prevent them from denying a tenant his or her rights. We are happy to work with the Council to assess ideas for additional tools. Effective tools must be targeted to the needs of particular neighborhoods, market cycles, and building stock. The emphasis should be on preventing harassment and protecting the rights of current tenants, and the tools should not impose costly delays on the development and rehab of the housing we sorely need to reduce the pressures on rent that incentivize harassment and lead to displacement.

Intro. 543

I will now speak on Int. 543. All New Yorkers have the right to live in a home environment that is a safe and otherwise in compliance with minimum housing quality standards, where essential services are provided and the environment is free of hazards. We assume that this bill seeks to ensure that property owners address the root cause of a housing code violation instead of repairing conditions in a superficial way. However, it is not clear the types of conditions that this bill is intended to address.

Mold, leaks and pests are the most common types of recurring conditions brought to the Agency's attention. As drafted, however, this bill is not clearly limited to those conditions. If it is meant to cover other recurring conditions, we need to hear more about what underlying conditions, may be at issue. If mold, leaks, and pests are the Council's concerns, we believe that HPD's current inspection procedure and our Underlying Conditions program address these concerns. I will first describe our programs and then discuss the effect this bill would have on our work.

In response to complaints, Inspectors write violations for **all** of the conditions they observe. For example, if an observable roof leak or a ceiling leak is causing a mold condition, violations will be issued for both the leak and the mold. Each violation has its own correction and certification period based on the severity of the condition, and each condition has its own civil penalty.

HPD also has a comprehensive program to address underlying conditions, which requires more resources than complaint inspections and therefore involves a more targeted approach for buildings that warrant this attention. Administrative Code section 27-2091(c), enacted in 2013, authorizes HPD to issue underlying condition orders and provides the flexibility to define what conditions can trigger

this type of an order. Our rules define an underlying condition as "a physical defect or failure of a building system that is causing or has caused a violation... including, but not limited to, a structural failure or failure of a heating, plumbing or other system". These rules are intended to identify buildings with widespread water–related issues. The program focuses on these conditions because leaks are often related to other types of poor conditions, including mold, pests, broken plaster and peeling paint. Buildings are selected based the number of recent open mold and leak violations and the percentage of units which exhibit this type of condition. Once buildings are identified, HPD conducts full roof-to-cellar inspections to accurately document current leak and mold violations on which the Order can be based.

Since 2013, HPD has issued 128 Orders, of which, 86 buildings have complied with the Order by providing documentation from architects or engineers hired by the owners. The architects or engineers are required to submit an affidavit indicating that they inspected the property and either determined that the building had no underlying systemic issue or that the property did have such an issue and that work has been completed properly to remediate that condition. If there are no systemic issues, the owner must still correct all existing leaks/other water conditions and mold conditions as a pre-condition for discharge. The owner is given four months, with a possible two-month extension, in order to comply with the Order. HPD has initiated 12 litigation cases in situations where the owner has failed to comply. We believe that this program effectively focuses our resources on buildings where a systemic condition exists and creates a clear and separate penalty for failing to address systemic conditions.

Our concerns with Int. 543 are as follows: Because HPD already cites causal conditions when they are apparent, this bill seems to suggest that the inspector

should conduct a more thorough building inspection to determine the cause. It may be that even if the inspector conducts a full building inspection, he/she would not be able to identify the root cause of a condition. The bill would require HPD to expend additional resources on every inspection it conducts investigating the source of every condition (regardless of severity) even if one is not evident and document whether there is or is not such a condition. Looking for a source of water causing mold may mean roof inspection, inspections of additional apartments and exterior inspections that may or may not reveal a source but will lengthen the inspection time required for every mold condition. We believe that such extensive investigation is the responsibility of the owner. Adding an "underlying condition" to every violation adds confusion to the straightforward process, we use, of issuing separate violations for the underlying cause and for the outward manifestation of that problem. Providing separate timeframes for the correction of the underlying condition separate from the violation correction timeframes and changing penalties based on this identifier would also add confusion to the system. Underlying conditions may also be conditions for which the tenant is partly responsible. In the case of pest conditions, tenants with situations that require assistance from medical professionals or tenants who do not understand the role that they play in proper pest management may complicate eradication of pest conditions.

Inspectors are neither building engineers nor pest management professionals; it is the role of the owner or agent to determine the cause of a violation and fix it. Recognizing that it is not always possible for the Inspector to determine the underlying cause of a violation, HPD chose to address this in its Underlying Conditions Program by requiring a professional, qualified to make such systemic determinations to certify that the violations do not result from

underlying systemic problems. Water sources can include building facade penetration, internal plumbing leaks, roof leaks, or flooding in other units (not systemic).

Other recent legislation, including the "Three Strikes" law passed by the Council in 2015 (Local Law 65) creates an incentive for owners to correct violations at the source rather than have them re-occur. That legislation imposes inspection fees on property owners who receive multiple violations in the same apartment where those violations are uncertified or are falsely certified three or more times within a year.

Intro. 543 would also permit tenants to apply to Housing Court for an order to correct an underlying condition, and authorizes the Court to reduce or extend time for compliance by the owner. Tenants already have the ability to seek relief when violations exist, and the Court already has the power to order a property owner to correct a violation and the condition causing that violation.

We believe that our current Underlying Conditions program addresses many of the goals in this bill, and that this bill is unnecessary. We are happy to talk with the Council about how we can continue to improve the quality of New York City's housing stock.

Intro 1015

For the record, I am Anne-Marie Hendrickson, Deputy Commissioner for the Office of Asset and Property Management. Int. 1015 would require HPD to create a centralized listing and application system for available affordable units in New York City, including units that HPD has no involvement with. The search for affordable housing in New York City can be difficult. To assist families seeking affordable apartments, the Agency launched the NYC Housing Connect online application system in 2013. The system dramatically eases the process of applying for affordable housing financed or assisted by an HPD program. Prior to Housing Connect, prospective applicants had to search newspapers for advertisements of open housing lotteries, request paper applications from each development in which they were interested, fill out the same income and household information repeatedly to apply to multiple developments, and mail each of those forms to the project sponsors. It was a tedious and sometimes confusing process. Housing Connect offers a one-stop application process to navigate all of those steps. Applicants create an online profile, then, with the click of a button, can apply to any newly constructed and recently rehabilitated units as they become available, and for waitlists for certain existing apartments.

InformationWeek, a respected national publication, recently recognized HPD as one of the year's "Elite 100" technology divisions, based on innovations like Housing Connect. The system currently boasts over 700,000 registered users. HPD is proud of the system and will continue to invest in upgrades and expansions of Housing Connect. In fact, plans already in progress for Housing Connect, as well as other complementary technology systems, include centralized access to a broader portfolio of available affordable units and closer oversight of the lease-up process.

For example, we have already planned to integrate units that have become vacant and are being re-rented into Housing Connect. Currently, applicants for those apartments must apply to individual developers and projects to be placed on waiting lists for vacancies.

Just last December, we added the first set of re-rentals by incorporating Mitchell-Lama developments into Housing Connect. That adds another valuable affordable housing resource into the system. HPD's Mitchell-Lama portfolio consists of nearly 50,000 affordable units. As those developments refresh their waitlists, lotteries are now administered through Housing Connect.

With the changes we have made or are underway, applicants will have the ability to apply not only to newly constructed or completely rehabilitated apartments, but to units that become vacant as apartments change tenancies over time, which will vastly increase the number of units made available through Housing Connect. Upon turnover of apartments, developers will enter unit information into the system. Housing Connect will randomly select applicants whose eligibility criteria and preferences match the unit specifications. The developer or its marketing agent will then screen applicants for the vacant unit.

To help us hone the vision for incorporating vacant re-rental units in Housing Connect, HPD engaged the Cornerstone Partnership, a reputable consultant with extensive nationwide experience and expertise on housing policy, electronic data and process management, and best practices in stewardship of affordable housing assets. We are confident that we've developed an approach that rents up the affordable units quickly, while ensuring a fair and open marketing process. Moreover, our planned changes will enable HPD to monitor tenant selection for re-rental units in the same way that lotteries for new units are monitored today.

Complementing the upgrade and expansion of Housing Connect, two other technology platforms currently in development are transforming HPD's monitoring capacity to ensure the ongoing affordability and physical and financial health of the housing developments we finance. Last year, HPD released an e-Rent Roll system to enable developers to submit rent roll information through an online system. The system greatly enhances HPD's oversight and information on turnover in affordable units. Currently, the system accepts compliance information for the Federal HOME and Low Income Housing Tax Credit programs. We will be expanding the system to cover the rest of HPD's portfolio, which will allow us to better monitor affordable re-rental units and homeless set-aside units across all our programs. Developers will submit rent rolls on a regular basis, enabling HPD to ensure that building owners charge tenants appropriate rents, check DHCR for the status of rent stabilized units, comply with affordability and set aside restrictions of their projects' regulatory agreements, and market available re-rental units through the NYC Housing Connect system.

At the same time, we are improving our comprehensive asset management of affordable housing projects by procuring a system to more efficiently monitor various risk factors associated with the financial and physical health of housing, in order to have real time performance assessments of our portfolio. This will help HPD better ensure that the buildings we've financed remain in good physical and financial condition, and protect the long-term affordability and availability of the units.

In sum, HPD has already begun to build the technology tools and operational capacity to enable online access to a broader portfolio of affordable housing. We have an aggressive but realistic plan already in place to complete this work, rolling

out pieces of these systems later this year and continuing development and phased releases through December 2018.

Because we have made, and continue to make, significant progress in our affordable housing technologies, we view Int. 1015 as unnecessary; and therefore we do not support it.

In order to comply with Int. 1015, we would have to go back to the drawing board to fulfill the parameters of this bill. Restructuring our technology initiatives in this area would result in significant delay in our timeline for planned improvements and would be prohibitively expensive.

We also have significant concerns about how the bill would affect small building owners, homeowners, and community-based affordable housing non-profits. Most affordable housing is not in big buildings or owned by the City's largest developers. There are all sorts of housing types, but much of New York City's affordable housing is in small buildings, often developed and managed by non-profits or small, MWBE firms, with limited staff and cash flow. For those buildings, any significant new cost will have to come at the expense of the maintenance of the building or tenant services. This bill would impose significant new obligations upon those owners. For example, owners who do not reply in a timely manner indicating receipt of an application may be sued or fined with substantial penalties. As we have seen, the demand for housing in New York City is great -- even small housing developments receive thousands of applications. Small individual owners would need to respond to as many as a thousand individual applications for one unit and spend considerably more funds and manpower to manage their leasing process, which would take away funds from the

maintenance and operation of their units, or require the City to provide additional subsidies.

Intro. 1015 also threatens the privacy of the residents of certain affordable housing developments by allowing the general public to deduce the income levels or health conditions of building residents.

The bill would also impose new enforcement burdens on HPD by requiring that the Agency monitor all owners' acknowledgements and acceptances of applications, enforce penalties flowing from private actions relating to the posting of information, and investigate all claims that owners are stalling on reviewing applications or proceeding with rent-up.

We also have significant concerns about requiring the annual registration of rent-regulated units in the city. The state already requires registration, and while there are certainly problems in the state's administration of that system, those problems are better addressed by working with the state to improve its system rather than by requiring the city to duplicate that system. This requirement also raises legal concerns about whether it can be maintained or be enforced by the City in any meaningful way. Duplicating the state's system is a waste of taxpayers' resources.

Again, we share the Council's concern that New Yorkers should be able to quickly and easily apply for affordable homes across the city. We have constantly improved and expanded Housing Connect in the few years since we launched the system, and have a robust plan for additional improvements. But we have to balance the goal of making the process for applying for affordable housing as transparent and easy to use as possible against privacy concerns and concerns about burdening small and/or nonprofit owners. We are happy to talk with any Council Member or community group about their ideas for improving the system.

We are also happy to brief the Council on progress periodically, as we have done in budget hearings, for example. But legislating changes in the detail Int. 1015 seeks to impose is micro-management, and will impede, rather than foster, a better system.

Thank you, and we would be happy to answer any questions you may have on these bills.

Testimony of Gale A. Brewer, Manhattan Borough President
Before the New York City Council Committee on Housing and Buildings
On Intro 0152-2014 and Intro 1015-2015
February 22, 2016

My name is Gale A. Brewer and I am the Manhattan Borough President. Thank you to Chair Williams and to the Members on the Committee on Housing and Buildings for the opportunity to testify this morning.

All four of the bills that you are considering here today would benefit tenants who are struggling to obtain necessary repairs and maintenance, and all four deserve to be enacted. But I am here specifically to support the two that I am associated with: Intro. 152 of 2014 and Intro.1015 of 2015, which I am proud to have co-sponsored with Council Members Lander and Kallos, respectively.

Intro 152 - Certificate of No Harassment

Intro 152 would amend the Administrative Code to add the requirement for a Certificate of No Harassment before a permit for alterations can be issued by the Department of Buildings in all Class A apartments. As you know, the law currently requires that when an owner wishes to make substantial alterations to any part of a Single Room Occupancy (SRO) hotel, rooming house or lodging house, and submits appropriate plans for an alteration permit to the Department of Buildings, they must first apply for, and obtain, an affirmative finding by the Department of Housing Preservation and Development that during the thirty-six month period preceding the permit application no harassment occurred in the building. Put plainly, in order to take advantage of the opportunity to make alterations or upgrades in vacant units or entire buildings, an owner must assure the City that those vacancies were not obtained by harassing the tenants out. This

system represents a rational effort to discourage harassing behavior by owners seeking greater profits, since we can all recognize that in our City it is rare for tenants to voluntarily leave safe, properly maintained, regulated housing units.

The requirement for a "Certificate of No Harassment" will help deter landlords from using harassment to create vacancies unlawfully, a problem that is rampant in buildings with affordable Class A units. As we well know, that harassment is driven by the surging demand for apartments and rising real estate values. In this regard, Intro 0152 will also help address the growing problem of "harassment by construction" that I hear about daily from constituents, as I am sure members of the committee do as well. Typically, owners create one or two vacancies and commence major alterations that severely and negatively impact all of the other apartments and their residents with continuous noise and filth, as well as the building's hallways, stair halls, and lobby, front-door security, elevators, emergency exits, lighting, and the heat and water supply. In these all-too-frequent cases owners fail to file a legally required plan to protect the quality of life, health, safety, and even the very lives of the tenants, and they impose these intolerable conditions, often for years, until residents give up their apartments- this being the actual motive for the so-called renovations. Under the provisions of Intro 0152 owners who have engaged in this type of illegal conduct would be prevented from obtaining alteration permits in the future.

Having worked over the years with many SRO tenants and tenant advocates, I understand that the Certificate of No Harassment system has had its limitations. Often, in smaller SRO buildings, an owner would not apply for the permit and certificate until the building had been completely vacated. And at that point it was difficult or impossible to find former tenants to object to the issuance of the certificate or to tell their stories of how they were forced out of the building. But it has resulted in preservation of SRO units; and I believe it would be more effective

in larger, Class A buildings where owners have a great incentive to alter and upgrade individual apartments as they become vacant, with the rest of the tenants still in place to witness and report any harassment – and frankly where the tenant population may be less vulnerable to being forced out than the SRO population.

Especially at this time, where so many tenants are facing real pressure and risk losing their affordable homes, and when we all worry about potential unintended consequences of proposed zoning changes, I urge the Council to put in place every reasonable measure it can to protect tenants from harassment, displacement and homelessness.

Intro 1015 Housing Portal

Intro 1015 seeks to address shortcomings in how affordable housing opportunities are made known to prospective applicants in the following ways:

- Build on the efficiency that HPD's Housing Connect portal has achieved, to expand the scope of listings, including New York State-supervised affordable housing units;
- Provide truly randomized and objective management of applications from submission to the initial housing interview;
- Track the housing application process post-initial rent up by careful management of the waiting lists for each affordable housing project; and
- Provide heightened transparency both during initial rentals and in years to come when vacancies occur so that the city can better monitor the availability and status of all regulated housing units.

Over the years hundreds of constituents have sought help from my office to learn about and apply for affordable housing opportunities. They frequently express frustration at having to visit multiple city and state housing agency offices or websites to find out about new availabilities or the date of the next lottery. To apply for Mitchell-Lama housing, they must contact each development's management company and submit individual applications.

Centralizing all affordable housing opportunities with an on-line application process in one portal as proposed under Intro 1015 will not only aid applicants, it will also enable agencies, housing groups, and elected officials to track the status of applications online, answer questions and catch problems in a timely way, save time that can be used to aid more applicants, and reduce costs.

I am well-aware that a lack of home computer and internet service is another barrier for many applicants, but for those with minimal computer skills the New York Public Library is a critical resource where not only access but also technical assistance is freely available. Here again, a centralized portal will help potential applicants, as usage of library computers is time-limited and Intro 1015 would provide one-stop shopping. For many applicants local community-based organizations may also be able to provide this service.

The potential of a unified portal to assist those in need of affordable housing is immense. In just two years since the opening of my northern Manhattan storefront office we've helped hundreds of constituents with the application process. In the absence of an on-line portal as envisioned under Intro 1015, my staff assist applicants the old fashioned way. We maintain an up-to-date binder of housing lotteries and availability- our own centralized database- to help guide them through the process of applying on line or by snail mail. Other community-based services operate in a similar way. The centralized on line portal would be immensely helpful not only to identify and apply but also to track applications. As

consideration of Intro 1015 goes forward, I will continue to work with the committee to help ensure that the proposed portal also has an option for printing applications that can be submitted by mail.

Finally, provisions of Intro 1015 will enable city and state housing agencies, housing assistance organizations, and applicants to monitor the status of affordable housing units during the initial leasing period and beyond, helping to ensure that the process is fair and open. By requiring that all vacancies be listed on a central portal, landlords will also be prevented from keeping available units hidden from potential applicants, and make the process of filling vacancies from a waiting list of qualified applicants fair and transparent.

Thank you again for the opportunity to testify today. I urge the Committee and Council to pass these bills into law.

Housing Conservation Coordinators
777 Tenth Avenue, New York, NY 10019 T: 212-541-5996 F: 212-541-5966

Good morning Chair Williams and members of the committee and thank you for the opportunity to testify in support of Intro 152-A to extent anti-harassment tenant protections citywide. My name is Sarah Desmond, I am the Executive Director of Housing Conservation Coordinators, a tenant advocacy organization based in Hell's Kitchen/Clinton neighborhood.

The Hell's Kitchen neighborhood was the first community to adopt anti-harassment tenant protections in 1972 in the face of development and rampant speculation. The Special Clinton District (SCD) requires that an owner first obtain a certificate of no harassment ("CONH") before a permit for a material alteration can be issued. If an owner cannot obtain a CONH, the owner must "cure" the harassment by deeding 28% of the square footage of the building (or 20% of the building to be constructed, whichever is larger) to permanent affordable housing.

Hell's Kitchen tenants have been subjected to protracted, and in some cases, severe harassment since the 1970's due to cycles of speculation, disinvestment and gentrification as real estate prices skyrocketed with each up-zoning. We've seen everything from landlords tearing doors off of apartments, to tenants literally freezing to death; we have the distinction of being home to the first case of criminal harassment by a landlord brought by a NYC district attorney.

The SCD has been a valuable tool to mitigate the impacts of gentrification and to lessen the rate of displacement of long term, lower income residents. Our records show more than 100 permanently affordable units have been developed as a result of compliance with "cure" provisions. In some buildings, the number of units saved or created because of the SCD is actually much higher than the number of "cure" deed-restricted units.

For example, 500-506 West 42nd Street was the first site to utilize the "cure". The site was a large development site with four buildings located along 42nd Street and Tenth Avenue. And an additional two derelict buildings located on 41 Street. By the 1990's, only two buildings on 42nd Street were partially-occupied with fewer than 40 tenants remaining due to the severe harassment. The NYS DHCR made a formal finding of harassment in 1986.

The buildings were sold at an FDIC auction to a new owner who attempted to demolish the vacant buildings to clear ground for a high-rise 80-20 development. However, because the vacant buildings were located on the same site as the earlier finding of harassment, we were able to get the demolition permits revoked citing the SCD requirements. The owner then realized that

in order to build the luxury development on the vacant portions of the site, he would have to comply with the "cure". As a result of lengthy negotiations with the owner, the tenant association and a local not-for-profit developer, the owner agreed to deed the buildings along 42nd Street to the not-for-profit developer in partnership with the tenant associations and to dedicate additional funds for the renovation of the "cure" units; The final development not only includes the 25 "cure" units on site for the existing tenants, but also an additional 67 studio and SRO rooms for formerly homeless individuals, community referrals and existing residents. To now have 93 affordable units on that site is a real victory.

Similarly, 300 West 46 Street which was developed by a not-for-profit agency as part of the "cure" produced 18 "cure" units plus an additional 52 studio and SRO suites for existing tenants are formerly homeless persons. There is no question that without the SCD regulations, those rent regulated units would have been lost over time through harassment and attrition with no community benefit.

Extending the anti-harassment protections citywide will also increase awareness about the regulations and therefore enhance its value as a prevention tool. Time is of the essence to adopt these provisions, as the effective date of the legislation is important to prevent speculation and harassment, particularly with a number of rezoning already announced.

Finally I urge the Council to look at extending the inquiry period beyond three years; the proposed lookback period corresponds to that in the SRO anti-harassment laws. We have seen SROs left vacant for the entire three year inquiry period to "clean" the building of harassment we have seen the current SRO Additionally, ask the council to include language against illegal hotels or transient rentals as part of the definition of harassment. Not only does it protect tenants from disruptive transient uses in their building, but also prevents owners from clearing a building of tenants, and then using short term rentals for income during the inquiry period.

Thank you for the opportunity to testify before you this morning.

URBAN JUSTICE CENTER | COMMUNITY DEVELOPMENT PROJECT

TESTIMONY OF HARVEY EPSTEIN BEFORE THE NEW YORK CITY COUNCIL COMMITTEE ON HOUSING AND BUILDINGS ON INT. NO. 152-A, 543, 1015 AND 1044

February 22, 2016

Thank you for the opportunity to testify today. My name is Harvey Epstein, and I am the Associate Director of the Urban Justice Center and the Project Director of UJC's Community Development Project, or "CDP." CDP's mission is to strengthen the impact of grassroots organizations in New York City's low-income and other excluded communities. We partner with community organizations to win legal cases, publish community-driven research reports, assist with the formation of new organizations and cooperatives, and provide technical and transactional assistance in support of their work towards social justice. As part of its work around neighborhood change, CDP works with its partners to advance policies that promote responsible, equitable development throughout the city. CDP is also a member of Stand for Tenant Safety (STS), a citywide coalition of tenant rights and legal services organizations, organizing tenants to fight back against construction as harassment.

CDP and STS strongly support all of the bills that are the subject of today's hearing, each of which will expand the City's capacity to prevent harassment, combat displacement of low-income tenants, and preserve the City's existing affordable housing. Although we admire and are grateful for the de Blasio administration's unprecedented support for anti-displacement legal services in rezoning areas, displacement pressures go far beyond these areas and far above what lawyers alone can address. The bills before you today will help stop harassment before it starts, will strengthen City agencies' ability to curb unscrupulous tactics, and will give tenants greater power to ensure that apartments that are *required* to be affordable stay that way. Taken together, these bills will give the City powerful new tools to protect low-income tenants and affordable housing – protections that are especially critical in the context of vacancy decontrol and growing pressures on the City's housing market.

Int. No. 1015: Establishing a Housing Portal (Kallos)

A first step in protecting the City's affordable housing stock is to make sure the City receives every affordable unit it's entitled to – then holds on to what it has. That's why we support Int. No. 1015, which will require recipients of tax subsidies and other landlords of rent-regulated and affordable housing to register each unit of affordable housing with HPD. Today, thousands of affordable apartments slip through our fingers when developers take tax subsidies, then fail to provide the affordable housing they are required to create. Affordable apartments are also lost if tenants are not aware of the regulations applicable to certain units and unknowingly waive away their rights to affordable rents.

This bill would help plug these gaps by requiring landlords to fully account for every unit of affordable housing in the City. The bill would also create a user-friendly online portal that would enable New Yorkers to more easily find and apply for available affordable apartments – both new units being rented for the first time, and affordable units that are up for re-rental by new tenants. We fully support this bill, which we believe would be a valuable addition to HPD's enforcement efforts.

To better support local communities, we propose that the community preference policy that currently applies to new units be expanded to apply to re-rentals. We also urge the Council to modify the bill to exempt non-profit organizations and low income cooperatives from the public posting requirements applicable to re-rentals, since non-profits typically maintain and draw from waiting lists of eligible applicants, and opening a public application process for a small handful of units would overburden non-profit organizations. Nonprofits and HDFC cooperatives could initially post the apartments at initial rental, create a waiting list and use that waiting list for future rentals. When those waiting lists were completed, they could repost to create a new waiting list. That is most cost effective way to maintain waiting lists and a public application process.

Int. No. 152-A: Requiring a Certificate of No Harassment (Lander)

Legal services are an important tool to fight tenant abuse, but as long as landlords have an unbridled profit motive to push rent-regulated tenants out, they will keep doing so, and no amount of legal services will ever be enough. That's why we support Council Member Brad Lander's anti-harassment legislation, Proposed Int. No. 152-A. This bill – a streamlined version of a process that currently exists in the Special Clinton District in Hell's Kitchen – will not affect landlords who have behaved responsibly and treat their tenants well. But landlords whose applications raise "red flags" – a determination based on prior reports of harassment, building records, and other information landlords and city agencies are already required to keep – would be subject to close scrutiny before receiving certain building and renovation permits from the Department of Buildings. The system would not affect most landlords or slow down most projects, but it would enable the city to deter harassment and catch bad actors who fail to respect tenants' legal rights. Passing this policy would help to assure low-income New Yorkers that neighborhood change will not come at their expense.

The policy will help to *prevent* displacement by putting a high price on harassment. It will also *create* affordable housing by requiring landlords who harass their rent-regulated tenants to set aside part of their buildings as permanently affordable housing as a condition of receiving the permits they need to renovate or expand their buildings. We are working with Council Member Lander to modify the bill that is before you today, and I have attached both a modified version of the bill, and a summary of how the process would work to my written testimony.

Int. No. 543: Issuance of Orders to Correct Underlying Conditions (Torres) and Int. No. 1044: Denying DOB Permits to Buildings with Excessive Violations (James)

With the current housing laws, there is a perverse incentive for landlords to ignore the repair needs of long term and vulnerable tenants: by ignoring the repair needs, landlords take the opportunity to constructively evict the tenant through negligence, and once the tenant moves, they can re-rent the unit at a higher price. It becomes a war of attrition. How long can the tenant last in a home that is not fit to live in? How long can a low income tenant, an immigrant family, or a tenant who works multiple jobs, stand living in a place where every day they have to come home to the headache or the danger of a home in need of repair? How many times of reaching out to an unresponsive and uncommunicative landlord does it take a tenant to finally give up hope and move out?

When the repair has an underlying source, a landlord's negligence becomes even easier and the tools to support tenants needs and safety are even weaker. Placing complaints with 311 and having HPD place violations is not enough, especially when underlying conditions exist.

Unscrupulous landlords will cut corners just to clear the violation, making a superficial repair, but the uninhabitable conditions will return. Council Member Torres's bill, Int. 543, corrects this incentive system in the language landlords speak: money. With this bill, the cost in fines, penalties, and having to do the repair work multiple times will outweigh the cost of doing the job right and completing comprehensive repairs in the first place.

When partnered with Public Advocate Leticia James's bill, Int. No 1044, these two bills address the usage of feigning negligence as harassment tactic. The landlord loses his profitability from the penalties and fines levied for failing to appropriate correct repair needs in Torres's bill, and then landlord loses his ability to use a tenant's vacating an apartment as an opportunity to remodel and destabilize the empty apartment if he does not address the needs of the remaining tenants. James's bill requires that DOB revoke construction permits in buildings where the number of violations per unit rises to such a level that the landlord is clearly ignoring current tenant needs because he is looking ahead to how he can charge future tenants more.

Stand for Tenant Safety

As today's bills recognize, harassment is a major threat to affordable housing in this City, and the need for more enforcement tools is urgent. In gentrifying neighborhoods in particular, long term residents have seen their landlords augment their harassment tools by adding dangerous, rushed, and negligent construction to their harassment arsenal. Opportunistic landlords see the chance to increase their profit margins by evicting long term tenants, then conducting reckless construction in the vacant apartments with the purpose of claiming an individual apartment improvement to take the apartment out of stabilization and with the purpose of using these dangerous construction sites to harass, endanger, and constructively evict remaining tenants.

The Stand for Tenant Safety legislative package of 12 bills works in tandem with the legislation being heard today. This package gives DOB more enforcement tools to make sure bad acting landlords do not have another opportunity to put profits ahead of the safety of the people who live in our communities. We urge the Council to hear the STS legislative package as soon as possible and pass the STS bills along with the four heard today.

Thank you again for the opportunity to testify. If you have any questions regarding my testimony, I can be contacted at hepstein@urbanjustice.org or 646-459-3002.

Protecting Tenants from Harassment:
Creating a Citywide Certificate of No Harassment Requirement

1. **What's the basic structure behind a Certificate of No Harassment program?**
   a. With market rents increasing across the City, there is a growing incentive for landlords to dramatically raise rents by using the rent increase loopholes that become available when an apartment is vacant. Most landlords follow the law, but some do not, and communities are seeing landlords use unreasonable pressure and harassment to push-out low-rent-paying tenants with growing frequency. This problem is undermining the City's supply of affordable rental housing.
   b. The City has leverage that it can use to effectively address this problem at a city-wide level. Once an apartment is vacant, it is often necessary for a landlord to apply for a Department of Buildings construction permit in order to do the work in the apartment (an Alt 2 Permit) and the building (an Alt 1 Permit) that allows the dramatic rent increase.
   c. The Certificate of No Harassment program will create a process that will allow the City to closely scrutinize Alt 2 and Alt 1 permit applicants whose records raise red flags suggestive of tenant harassment. That determination would be based on City records.
   d. The great majority of landlords who do not raise any flag would go through the ordinary permitting process that exists today, with no additional delay. But landlords who are flagged would go through a screening process before receiving building or alteration permits.
   e. The Department of Buildings *would not give building or alteration permits* to landlords who are found have harassed tenants *unless* those landlords agreed to a "cure" that incudes creating new new affordable housing.

2. **How would it work exactly?**
   a. HPD would be required to keep a city-wide database of buildings with indications of possible harassment. The database would include such records such as:
      i. HPD and DOB violations
      ii. Complaints:
         1. All complaints to DOB on any construction-related matters, and the results of any investigations undertaken in response to such complaints
         2. All complaints of harassment filed with DHCR with accompanying documentation, including outcome of all complaints

3. All 311 complaints made by tenants pertaining to heat and hot water or reduction in services complaints, and the results of any investigations undertaken in response to such complaints.
4. Reports of harassment submitted by community groups

iii. Notices, inspections, and repairs of lead paint hazards
iv. Total # of permits applied for within a specified time period
v. # of times building has changed hands w/in a specified time period
vi. # of vacancy bonuses taken within a specified time period
vii. Court cases
    1. Tenant Protection Act fillings and outcomes
    2. Housing court cases initiated against tenants

b. Landlords who do *not* raise red flags could go through the current process to get their permits from DOB.

c. Landlords who raise "red flags" would go through a rigorous screening process before receiving Alt 1 or Alt 2 permits to renovate or demolish and rebuild their buildings.
    i. Either HPD, or one third or more of the rent-regulated tenants in occupancy could move to initiate the administrative hearing to consider claims of harassment.
    ii. This structure would mirror the process that governs 7(a) hearings, which can be brought by the City, HPD, or one third of the tenants in occupancy.

d. Steps of that review process:
    i. Notification
        1. Notice would be sent to tenants, the community board, the council member, and local community organizations, which could sign up to receive notices via email.
        2. Notice would be in plain language easy for tenants to understand.
        3. Notices to tenants would include information on the type of work the landlord is applying to do, and define harassment through a list of possible harassment tactics. Tenants could review the list, check off any forms of harassment they may have experienced, and return the form to HPD. The notice would also include info on contacting a local org or legal service provider for assistance.
        4. Notice would take language access issues into account.
    ii. *Responses*

1. Tenants would have 60 days to respond to the notice, and could request an extension if necessary.
2. Landlord would then have 30 days to respond. Among other information, the landlord would be required to return:
    a. Rent registration history of all units
    b. Copies of all leases signed in the last 15 years
    c. Annual lease renewals for all rent-stabilized units
3. The hearing would take place within 60 days of the landlord's response, and HPD would rule within 30 days after the hearing.
4. Total timeline = 6 months from date notice is first sent to tenants (could be slightly more if tenants request an extension for initial response, or slightly less if LL and/or HPD moves quickly)

iii. *At the hearing, tenants and community groups would have an opportunity to testify, and HPD would be required to consider the information found in the Harassment Indicators Database and:*
    1. Testimony or affidavits from tenants, former tenants, and organizers, including any forms returned by tenants through the process described above
    2. Court records
        a. If any tenants have won harassment claims against the LL, the CONH should automatically be denied
    3. Pattern of frivolous lawsuits

iv. *If HPD found that no harassment had occurred, the landlord would receive a CONH and could proceed to DOB to get a building permit. But if HPD found that harassment had occurred, the landlord would have 2 choices:*
    1. Leave the building as is and not receive DOB permits.
    2. Take a "cure" by entering into a legally binding agreement that a certain percentage of the floor space in the new building would be <u>permanently affordable housing</u>.
        a. This would not include any affordable housing the LL might already be required to build under Mandatory Inclusionary Housing, under tax abatement programs, etc.
        b. Landlords would not be permitted to use any HPD subsidies to build "cure" units.
        c. Landlords found guilty of harassment would also be prohibited from selling the building's unused air rights.

e. If a LL receives a CONH but is later found to have lied in the process and/or engaged in harassment during the period that was reviewed, the LL would be barred from applying for a new CONH for 5 years.

3. **Though this CONH requirement wouldn't solve *every* problem related to displacement, this rule would be an effective and important tool to protect tenants in rent-stabilized apartments.**
   a. Proposal is based on a rule that already exists in the Special Clinton District in Hell's Kitchen, which has helped to preserve and create affordable housing in that area since the 1970s.
   b. As in that area, this rule
      i. Would help prevent harassment because landlords will not want to have to make parts of their buildings permanently affordable.
      ii. Will help create affordable housing where harassment has occurred. If landlords harass tenants *despite* the new rule, they will have to build affordable housing to pay for what they've done. Either way, this rule would help ensure that low-income people can stay in the neighborhood, even as it changes.
   c. However, to make this rule an effective tool that would curb harassment, but not pose unnecessary barriers to construction, we are proposing important modifications:
      i. Narrow the pool of applicants to whom the CONH requirement applies; only applicants who raise "red flags" would have to go through the process. We recognize that it would require significant manpower for HPD to closely review *every* permit for *every* landlord, and such a broad requirement would also be burdensome for community groups receiving notices about permit applications. By focusing on bad actors and problematic sites, the new CONH requirements could be a sharp, effective tool.
      ii. Broaden the type of permits that would trigger the CONH process. In the Special Clinton District, the CONH review process applies only to Alt 1 permits. Organizers there report that landlords sometimes just do work without applying for the right kind of permit to avoid triggering the added scrutiny of the CONH process. We believe that limiting the pool to "red flag" buildings, but expanding its application to bot Alt 1 *and* Alt 2 permits would help capture more of the types of harassment and renovation that lead to displacement, while striking the right balance between protecting tenants and creating a workable system

Int. No. 152

A Local Law to amend the administrative code of the city of New York, in relation to the conversion of residential buildings to other usage.

Be it enacted by the Council as follows:

Section 1. Title 28 of the administrative code of the city of New York shall be amended by adding a new article 120 to read as follows:

ARTICLE 120

ALTERATION OF CLASS A MULTIPLE DWELLINGS WITH SIX OR MORE UNITS

§28-120.1 General. The commissioner shall not approve construction documents for the material alteration or demolition of a class A multiple dwelling with six or more units except as set forth in this article.

§28-120.2 Definitions. The following words and terms shall, for the purposes of this article and elsewhere in the code, have the meanings shown herein.

APPLICATION DATE. "Application date" shall mean the date that the Department of Housing Preservation and Development accepts a completed application for a certification of no harassment for processing.

CERTIFICATION OF NO HARRASSMENT. A "certification of no harassment" shall mean a certification by the department of housing preservation and development pursuant to §28-120.13.3.i of this article that no harassment of any lawful occupants of a class A multiple dwelling with six or more units occurred during the inquiry period.

CURE COMPLIANCE LOT. "Cure compliance lot" shall mean a zoning lot on which low income housing is provided pursuant to a restrictive declaration in accordance with the cure provisions of §28-120.12. Each cure compliance lot shall be located entirely within the corresponding cure requirement lot.

CURE REQUIREMENT. "Cure requirement" shall mean floor area in an amount not less than the greater of:

(i) 28 percent of the total residential and hotel floor area of any multiple dwelling to be altered or demolished in which harassment has occurred; or

(ii) 20 percent of the total floor area of any new or altered building on the cure requirement lot.

CURE REQUIREMENT LOT. "Cure requirement lot" shall mean:

(i) a zoning lot containing a multiple dwelling with respect to which the Department of Housing Preservation and Development has denied a certification of no harassment; or

ii) a zoning lot with respect to which an applicant, in lieu of seeking a certification of no harassment which would otherwise be required, elects to seek a certification of compliance with the cure provisions of §28-120.12 and enters into a restrictive declaration.

DWELLING UNIT. "Dwelling unit" shall have the meaning set forth in the Multiple Dwelling Law.

HARASSMENT. "Harassment" shall mean any act or omission on behalf of an owner of a class A multiple dwelling with six or more units that causes or is intended to cause any person lawfully entitled to occupancy of a dwelling unit to vacate such dwelling unit or to surrender or waive any rights in relation to such occupancy, and includes one or more of the following:

(i) using force against, or making express or implied threats that force will be used against, any person lawfully entitled to occupancy of such dwelling unit;

(ii) repeated interruptions or discontinuances of essential services, or an interruption or discontinuance of an essential service as to substantially impair the habitability of such dwelling unit;

(iii) failing to comply with the provisions of subdivision c of section 27-2140 of article seven of subchapter five of the Housing Municipal Code;

(iv) failing to comply with the provision of Local Law 82 of 2015;

(v) commencing repeated unwanted buy-out offers (i.e. offers made after tenant has notified the owner or his or her agent that such tenant does not wish to be communicated with about buy-out offers);

(vi) commencing repeated baseless or frivolous court proceedings against any person lawfully entitled to occupancy of such dwelling unit;

(vii) operating an illegal hotel or illegally converting a dwelling unit that is classified for permanent residential use;

(viii) removing the possessions of any person lawfully entitled to occupancy of such dwelling unit;

(ix) removing the door at the entrance to an occupied dwelling unit; removing, plugging or otherwise rendering the lock on such entrance door inoperable; or changing the

lock on such entrance door without supplying a key to the new lock to the persons lawfully entitled to occupancy of such dwelling unit; or

(x) other repeated acts or omissions of such significance as to substantially interfere with or disturb the comfort, repose, peace or quiet of any person lawfully entitled to occupancy of such dwelling unit and that cause or are intended to cause any person lawfully entitled to occupancy of a dwelling unit to vacate such dwelling unit or to surrender or waive any rights in relation to such occupancy.

INQUIRY PERIOD. "Inquiry period" shall mean a period which:

(i) commences fifteen years prior to the enactment date of this law and

(ii) terminates upon the application date; provided, however, that the Department of Housing Preservation and Development may:

a) set such commencement date upon any date which is more than fifteen years prior to the enactment date where it determines that such extension of the duration of the inquiry period would further the purposes of this law; and

b) extend such termination date up to and including the date upon which the Department of Housing Preservation and Development determines to grant or deny a certification of no harassment.

LOW INCOME HOUSING. "Low income housing" shall mean dwelling units or rooming units occupied or to be occupied by persons or families having an annual household income at the time of initial occupancy equal to or less than eighty percent of the median income for the primary metropolitan statistical area, as determined by the United States Department of Housing and Urban Development or its successors from time to time for a family of four, as adjusted for family size.

MATERIAL ALTERATION. "Material alteration" shall mean any alteration to a class A multiple dwelling with six or more units including, but not limited to:

(i) any alteration which requires an Alteration Type 1 permit;

(ii) any alteration which reduces or increases the floor area of the multiple dwelling, converts floor area from residential to non-residential use, changes the number or layout of dwelling units or rooming units, or adds or removes kitchens or bathrooms;

(iii) any alteration that requires an Alteration Type 2 permit;

(iv) Material alteration shall not include:

a) any alteration making the public areas of a multiple dwelling accessible to persons with disabilities without altering the configuration of any dwelling unit or rooming unit; or

b) any alteration making a dwelling unit or a rooming unit accessible to persons with disabilities.

RESTRICTIVE DECLARATION. "Restrictive declaration" shall mean a legal instrument which:

(i) provides that low income housing in an amount not less than the cure requirement shall be provided in a new or altered multiple dwelling on the cure compliance lot;

(ii) provides that the lot area per dwelling unit shall not be less than 168 square feet and the number of two-bedroom units on a zoning lot shall not be less than 20 percent. The minimum density requirement and the 20 percent, two-bedroom unit requirement set forth shall apply to any alteration that creates additional dwelling units or additional zero-bedroom units. Alterations that reduce the percentage of apartments that contain two bedrooms are not permitted unless the resulting building meets the 20 percent, two-bedroom requirement.

(iii) contains such other terms as the Department of Housing Preservation and Development shall determine;

(iv) has been approved by the Department of Housing Preservation and Development;

(v) runs with the land and binds all parties in interest to the cure requirement lot and their successors;

(vi) runs with the land and binds all parties in interest to the cure compliance lot and their successors; and

(vii) is perpetual in duration.

ROOMING UNIT. Rooming unit shall have the meaning set forth in the Housing Maintenance Code.

§28-120.3 Language Access. Tenants shall be able to provide and receive information under this law in accordance with the below standards:

1) All information provided to tenants under this law shall be made available in the top

six languages spoken in New York City.

2) Tenants are permitted to submit any information regarding allegations of harassment to the Department of Housing Preservation and Development in their primary language.

§28-120.4. Record Keeping and Recording Requirements of Owners of Class A Multiple Dwellings with Six or More Units.

1) Mandated Reporting by Owners of Class A Multiple Dwellings with Six or More Units. Any building owner applying to complete a Material Alteration as defined in §28-120.2, shall disclose to the Department of Housing Preservation and Development, the following records:
   (i) Rent registration history for all units in the last 15 years;
   (ii) Copies of all leases signed in the last 15 years;
   (iii) Annual lease renewals for all rent-stabilized units;
   (iv) List of all complaints of harassment filed with DHCR and/or suits brought under the Tenant Protection Act, with accompanying documentation, including outcome of all such complaints;
   (v) Number of Alteration Type 1 and Alteration Type 2 permits applied for within the last 15 years;
   (vi) Number of vacancy bonuses taken within the last 15 years;
   (vii) Number of times the buildings has changed owners by any means within the last 15 years; and
   (viii) Notices, inspections, and repairs of lead paint hazards.

2) Department of Housing Preservation and Development shall be required to keep a city-wide database of Class A Multiple Dwellings with Six or More Units with indications of possible harassment. The database shall consist of building specific records including, but not limited to:
   (i) Tenant Protection Act filings;
   (ii) New York State Housing and Community Renewal filings;
   (iii) Housing court cases initiated against tenants;

(iv) Serious Housing Maintenance Code violations; and

(v) Reports of harassment submitted by tenants and community groups pursuant to §28-120.7.

3) Mandated Inquiry by Department of Housing Preservation and Development. Department of Housing Preservation and Development shall affirmatively seek and record the following information for Class A Multiple Dwellings with Six or More Units:

(i) All complaints of harassment filed with DHCR over the last 15 years;

(ii) All 311 complaints made by tenants pertaining to heat and hot water or reduction in services complaints, and the results of any investigations undertaken in response to such complaints;

(iii) All complaints to the Department of Buildings on any construction-related matters, and results of any investigations undertaken in response to such complaints; and

§28-120.5 Department of Housing Preservation and Development's Harassment Indicators List

1) Buildings with sufficient indications of harassment as described in §28-120.4.1, §120.4.2, §28-120.4.3, and indications of harassment detailed to Department of Housing Preservation and Development pursuant to §28-120.7 shall be included in Department of Housing Preservation and Development's Harassment Indicators List.

2) Any landlord applying to complete a Material Alteration as defined in §28-120.2 shall have their building automatically and promptly checked against Department of Housing Preservation and Development's Harassment Indicators List.

3) Landlords applying to complete a Material Alteration as defined in §28-120.2 for buildings that *are* included on Department of Housing Preservation and Development's Harassment Indicators List shall proceed through the permit process defined §28-120.6.

§28-120.6 Permit Process

1) Upon applying to complete a Material Alteration as defined in §28-120.2 for a Class A

multiple dwelling with six or more units, a landlord shall consent to provide access to the premises by governmental agencies, and shall consent to the notification provisions of §28-120.7

2) Unless the Department of Housing Preservation and Development has issued a certification of no harassment pursuant to §28-120.10 or has certified compliance with the cure provisions of §28-120.12, no permit may be issued by the Department of Buildings.

3) The following structures shall be exempt from the §28-120.6.

(i) any city-owned multiple dwelling;

(ii) any multiple dwelling initially occupied for residential purposes after January 1, 1974, except for buildings which are or have been interim multiple dwellings pursuant to Article 7C of the Multiple Dwelling Law;

(iii) any multiple dwelling in which occupancy is restricted to clubhouse or school dormitory use and occupancy was restricted to clubhouse or school dormitory use on September 5, 1973.

4) Where the Department of Housing Preservation and Development has denied a certification of no harassment with respect to a multiple dwelling, the Department of Buildings shall not issue any permit with respect to any multiple dwelling or other building located on, or to be located on, the cure requirement lot except in accordance with §28-120.12.

§28-120.7 Notification of Application for Certificate of No Harassment

1) Building owners who apply to complete a Material Alteration as defined in §28-120.2 shall simultaneously submit the names and contact information of current and former tenants to Department of Housing Preservation and Development, including full name, last known address, last known telephone number, and email address.
    (i) Building owners shall furnish this information for a period commencing fifteen years prior to the enactment date of this law.
2) Department of Housing Preservation and Development shall mail individualized notices to such tenants, explaining their right to report experiences of harassment and enclosing and form through which to do so. A phone number and web link for the submission of such reports shall also be provided.
3) The Department of Housing Preservation and Development shall provide notice to the local Community Board, Local Council Member, and local community organizations. The local Community Board shall have the right to designate community

organizations to receive such public notice and shall permit local community organizations to sign up online to receive such notices.

4) Notice shall comply with the following requirements:

(i) Notice shall follow the language access requirements of §28-120.3.

(ii) Notice shall be stated in plain language, in a manner understandable to tenants.

(iii) Notice shall provide:

(a) the location and general description of the multiple dwelling for which the certification is sought;

(b) a description of the certification procedure and its purpose;

(c) the period of time for which certification is to be made;

(d) a description of the work the building owner is applying to do;

(e) a checklist which details harassment tactics and permits tenants to check which harassment tactics they may have been subjected to;

(f) the name of a local tenants' rights organization that can help assist tenants in formulating their response to the notice;

(g) an address to which tenants may mail their completed checklist;

(h) that any persons in receipt of the notice are invited to submit their comments within sixty days of the date of such notice in writing or orally at a designated location; and

(i) tenants and former tenants of the multiple dwelling for which certification is sought shall be able to seek an extension not to exceed thirty days to submit their comments.

§28-120.8 – Landlord Response and Hearing Notification of Application for Certificate of No Harassment

1) Landlord of the multiple dwelling for which certification is sought shall have thirty days to respond to any allegations of harassment pursuant §28-120.7.

§28-120.9 Certificate of No Harassment Hearing

1) The Department of Housing Preservation and Development or one third or more of the rent regulated tenants in occupancy in a building shall cause a hearing to be held

in such manner as shall be determined by the Department of Housing Preservation and Development.

2) Department of Housing Preservation and Development shall provide notice to building owner as to whether there will be a hearing regarding alleged instances of harassment within ninety days of applying for a designated permit from the Department of Buildings.

3) Such hearing shall take place within sixty days of the Landlord's response in §28-120.8, and the Department of Housing Preservation and Development shall rule on the matter within thirty days of the hearing.

4) Notice of such hearing shall be given to the building owner and to other interested parties, governmental agencies, local Community Board, Local Council Member, and local community organizations in a manner to be determined by the Department of Housing Preservation and Development.

5) At the hearing, tenants and community groups shall have the opportunity to testify about the alleged harassment.

6) At such hearing, the owner of the multiple dwelling for which such certification is sought, shall have the opportunity to be heard.

7) At the hearing, Department of Housing Preservation and Development shall determine if harassment has occurred by considering allegations of harassment as described in §28-120.4.1, §28-120.4.2, §28-120.4.3, instances of harassment detailed to Department of Housing Preservation and Development in the form described in §28-120.7, as well as the testimony of tenants and community groups detailed in §28-120.9.4.

§28-120.10 Certification of No Harassment

1) The Department of Housing Preservation and Development shall determine and certify whether there has been harassment of the lawful occupants of a multiple dwelling during the inquiry period.

2) The Department of Housing Preservation and Development may promulgate rules regarding the implementation of this law. Such rules may include, but shall not be limited to, provisions which:

(i) establish the information to be required in an application for certification of no

harassment, the form of such application, and the manner of filing of such application;

(ii) establish reasonable fees and charges to be collected from applicants for the administrative expenses incurred by the Department of Housing Preservation and Development, including, but not

iii) establish the duration for which a certification of no harassment will remain effective; and

(iv) authorize the recission of a certification of no harassment if the Department of Housing Preservation and Development finds either that harassment has occurred after the inquiry period, that the application for such certification of no harassment contained a material misstatement of fact, or that the information provided pursuant to §28-120.4.1 contained a material misstatement or omission. Following such recission, the Department of Buildings may revoke any permit for which such certification of no harassment was required. In addition, building owners may be subject to the fines detailed in §28-120.11.

3) The Department of Housing Preservation and Development may refuse to accept, or to act upon, an application for a certification of no harassment where the Department of Housing Preservation and Development finds that:

(i) taxes, water and sewer charges, emergency repair program charges, or other municipal charges remain unpaid with respect to such multiple dwelling;

(ii) such multiple dwelling has been altered either without proper permits from the Department of Buildings or in a way that conflicts with the certificate of occupancy for such multiple dwelling (or, where there is no certificate of occupancy, any record of the Department of Housing Preservation and Development indicating the lawful configuration of such multiple dwelling) and such unlawful alteration remain uncorrected; or

(iii) the Department of Housing Preservation and Development has previously denied an application for a certification of no harassment pursuant to this law.

4) The Department of Housing Preservation and Development may deny a certification of no harassment without a prior hearing if there has been a finding by the Division of Housing and Community Renewal or any court having jurisdiction that there has been harassment, unlawful eviction or arson at the multiple dwelling during the inquiry period.

5) If the Department of Housing Preservation and Development determines that an application for a certification of no harassment contains a material misstatement of fact or there

is a material misstatement or omission in the information provided by the building owner pursuant to §28-120.4.1, the Department of Housing Preservation and Development may reject such application and bar the submission of a new application with respect to such multiple dwelling for a period not to exceed five years.

6) The Department of Housing Preservation and Development shall determine whether there is reasonable cause to believe that harassment has occurred during the inquiry period.

(i) If there is no reasonable cause to believe that harassment has occurred during the inquiry period, the Department of Housing Preservation and Development shall issue a certification of no harassment.

(ii) If there is reasonable cause to believe that harassment has occurred during the inquiry period, the Department of Housing Preservation and Development shall deny a certification of no harassment.

§28-120.11 Fines and penalties for building owners who fail to apply for required Department of Building permits or submit false information to the Department of Buildings.

1) Any building owner who is found by the Department of Buildings to have applied for lesser permits or skipped the permit process altogether for a material alteration, shall be subject to the fines and penalties described in § 28-213.1.2 of the NYC Administrative Code.
2) Any building owner who is found by the Department of Buildings to have falsely stated on a permit application that a building is unoccupied in order to escape the purpose of this law, shall be subject to the fines and penalties described in the §28-211.1.1 and §28-211.1.2 of the NYC Administrative Code.
    a. Enforcement shall be handled by Department of Building inspectors.
3) Any building owner who receives a certificate of no harassment but is later found to have engaged in harassment during the period that was reviewed, shall be barred from submitting a new application with respect to such multiple dwelling for a period not to exceed five years.

§28-120.12 Certification of Cure for Harassment

1) The Department of Housing Preservation and Development shall not certify

compliance with the cure provisions of this paragraph to the Department of Buildings unless all parties in interest to the cure requirement lot and all parties in interest to the cure compliance lot have entered into a restrictive declaration.

2) Any permit or certificate of occupancy issued by the Department of Buildings with respect to any structure located on a cure requirement lot or a cure compliance lot shall be subject to the following conditions:

(i) The Department of Buildings shall not issue any permit, except a permit for an alteration which is not a material alteration, with respect to any structure located on the cure requirement lot unless the restrictive declaration has been recorded in the Office of the City Register and indexed against each tax lot within the cure requirement lot and each tax lot within the cure compliance lot.

(ii) The Department of Buildings shall not issue any temporary or permanent certificate of occupancy for any new or existing structure or portion thereof on the cure requirement lot, other than any low income housing located on the cure requirement lot, until:

(a) the Department of Housing Preservation and Development certifies that the low income housing required by the restrictive declaration has been completed in compliance with the restrictive declaration; and

(b) the Department of Buildings has issued a temporary or permanent certificate of occupancy for each unit of such low income housing.

(iii) The Department of Buildings shall include the occupancy restrictions of the restrictive declaration in any temporary or permanent certificate of occupancy for any new or existing structure or portion thereof on the cure compliance lot. Failure to comply with the terms and conditions set forth in the restrictive declaration shall constitute a violation, and a basis for revocation, of any certificate of occupancy containing such restriction.

(iv) The Department of Buildings shall include the occupancy restrictions of the restrictive declaration in any temporary or permanent certificate of occupancy for any new or existing structure or portion thereof on the cure requirement lot, except where the management and operation of the cure compliance lot is wholly controlled by, and the restrictive declaration requires that management and operation of the cure compliance lot remain wholly controlled by, an independent not-for-profit administering agent that is not affiliated with the owner of the cure requirement lot. Failure to comply with the terms and conditions set forth in the restrictive

declaration shall constitute a violation, and a basis for revocation, of any certificate of occupancy containing such restriction.

3) No portion of the low income housing required under this law shall qualify to:

(i) satisfy an eligibility requirement of any real property tax abatement or exemption program with respect to any multiple dwelling that does not contain such low income housing.

4) No portion of the low income housing required under this law shall:

(i) be constructed, operated or maintained with the assistance of Department of Housing Preservation and Development or other public financing programs;

(ii) qualify as the basis for eligibility for any program that provides a FAR bonus in exchange for the creation of affordable housing;

(iii) qualify to satisfy the affordable housing requirements of any current or future voluntary inclusionary housing program, mandatory inclusionary zoning (MIZ) program or mandatory inclusionary housing (MIH) program; or

(iv) qualify as the basis for eligibility for any tax abatement program.

5) A developer who has refused the "cure" requirement of affordable housing may not:

(i) sell any unused development rights, including but not limited, air rights of the property.

§28-120.13 Required submittal documents. The commissioner shall not approve any construction documents for the material alteration or demolition of a class A multiple dwelling with six or more units unless the applicant provides:

1) A sworn affidavit by or on behalf of all the owners of the Class A multiple dwelling with six or more units that that there will be no harassment of the lawful occupants of such multiple dwelling by or on behalf of such owners during the construction period;
2) A tenant protection plan as provided for in this code; and
3) One of the following documents from the commissioner of housing preservation and development:

(i) A certification that there has been no harassment of the lawful occupants of such multiple dwelling within the inquiry period, provided, however, that such

certification shall except any portion of such inquiry period during which title was vested in the city; or

§28-120.14 Filing process. After submitting an application for construction document approval to the commissioner and obtaining the identifying job number for the same, the applicant shall forward a copy of such application to the commissioner of housing preservation and development, together with an application for a certification of no harassment.

§28-120.15 Time period for acceptance or rejection. The time period in which the commissioner is required to approve or reject an application for construction document approval or resubmission thereof pursuant to this code shall commence from the date that the commissioner receives either the certification or waiver pursuant to this article.

§28-120.16 Denial of certification. Where the commissioner of housing preservation and development denies the certification required by this article, the commissioner shall reject the application for construction document approval.

§28-120.17 Request for stop-work or rescission. The commissioner shall be empowered to issue a stop-work notice or order with respect to a material alteration or demolition permit and/or to rescind approval of construction documents at the request of the commissioner of housing preservation and development.

§28-120.18 Effect of denial or rescission. Where the commissioner rejects or rescinds the approval of construction documents pursuant to this article, no further application for the covered categories of work shall be considered by the commissioner for five years following the date of the denial of the certification of no harassment by the commissioner of housing preservation and development or the date of the rescission of such certification of no harassment by such commissioner.

§28-120.19 Funding shall be dedicated to support local community-based organizations that work with rent-regulated tenants.

§ 2. Paragraph 48 of subdivision a of Section 27-2004 of subchapter 1 of chapter 2 of the New York City Housing Maintenance Code is amended so that subsections (a) through (g) are replaced with subsections (i) through (x) of the definition of "harassment" in §28-120.2.

§ 3. This local law shall take effect immediately upon enactment.

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TESTIMONY OF EMILY GOLDSTEIN, BEFORE THE NEW YORK CITY COUNCIL COMMITTEE ON HOUSING AND BUILDINGS CONCERNING INTRO 152-A

February 22, 2016

Good Morning. Thank you Chairman Williams and to the members of the Committee for the opportunity to testify today.

My name is Emily Goldstein and I am the Senior Campaign Organizer for the Association for Neighborhood and Housing Development (ANHD). ANHD is a membership organization of New York City neighborhood based housing and economic development groups, including CDCs, affordable housing developers, supportive housing providers, community organizers, and economic development service providers. Our mission is to ensure flourishing neighborhoods and decent, affordable housing for all New Yorkers. We have nearly 100 members throughout the five boroughs who have developed over 100,000 units of affordable housing in the past 25 years alone and directly operate over 30,000 units.

I am here today to testify in support of several bills before the committee that are intended to create new and stronger tools to preserve the City's existing affordable housing stock and prevent the harassment and displacement of tenants from their homes. This renewed focus on preservation comes at a crucial moment.

The affordable housing crisis in New York City has reached its most serve level in decades as housing in New York City has grown increasingly unaffordable to many residents and families. The 2014 and 2011 Housing Vacancy Survey found that over half of all New York City renters were rent-burdened, paying more than 30% of their household income in rent. While almost a third of New York's renters were severely rent-burdened, paying more than 50% of their household income in rent.

Throughout New York City, tenants are facing increased pressure as market rents skyrocket in more and more neighborhoods, sometimes exacerbated by rezonings intended to spur new market-rate development. We need more tools to help keep low-income tenants in their homes, and we particularly need proactive tools that will help to prevent harassment and displacement from occurring in the first place.

ANHD is particularly encouraged to see Intro 152-A, which would create a citywide Certificate of No Harassment program, develop and move forward. We believe that creating a new requirement that landlords get a certificate of no harassment before accessing Alt-1 and Alt-2 permits from the Department of Buildings (DOB) would be an effective, proactive way to discourage harassment of low- and moderate-income tenants, particularly in rent stabilized housing. This legislation would create new leverage for the City to break the cycle of

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harassment, displacement, and deregulaton, and prevent bad actors from profiting from harassment.

Loopholes in the rent laws currently provide a perverse incentive for landlords to drastically increase their profits by getting long-term, lower-paying tenants out. Landlords are then able to use individual apartment or building-wide renovations to drive up rents, deregulate apartments, and attract higher-paying tenants. The proposed legislation would create new leverage to intervene in this cycle, flipping the existing incentive structure so that harassment is discouraged rather than rewarded.

The concept for the legislation is based on a mechanism that exists in the zoning text for the Special Clinton District on Manhattan's West Side, where a Certificate of No Harassment requirement for Department of Buildings permits has helped to prevent the displacement of long-term residents and preserve a genuinely mixed-income community in an area that could easily have been completely overtaken by luxury development.

Based on lessons learned from the Clinton Special District, and in order to adapt the program to work at the Citywide level, we recommend putting in place a two-tier system, casting a wide net in response to the kinds of permits landlords typically need, including all Alt-1 and Alt-2 permits from the Department of Buildings, but using available data such as HPD and DOB violations, Housing Court records, and HCR records to do an initial automatic screening, and require a more rigorous certification process only for those landlords or buildings where data indicates that a history of harassment is likely.

Where the data leads to a "red flag," evidence and testimony from tenants and local community organizations, along with the above-mentioned types of records, should be used to determine whether or not a landlord or building has had incidences of harassment during the course of a substantial lookback period. If, based on the evidence, a landlord does not qualify for a Certificate of No Harassment, they would be denied their permits from DOB unless they agreed to an appropriate cure or remedy in the form of a set-aside of affordable housing.

Ultimately, by preventing unscrupulous landlords from profiting off of harassment, we believe this legislation would provide a strong disincentive for tenant harassment, and help to curb the displacement pressures so many communities have been experiencing, and prevent the loss of even more affordable housing.

It will take more than one new tool to effectively prevent the continued displacement of low-income tenants from increasing numbers of neighborhoods around the city. But a Certificate of No Harassment program would be an important step towards ensuring that all New Yorkers are protected in their homes and communities. We urge City Council to amend the proposed legislation based on the detailed outline attached, and then move forward to enact a strong, proactive Certificate of No Harassment program for DOB permits.

Protecting Tenants from Harassment:
Creating a Citywide Certification of No Harassment Requirement

1. **What's the basic structure behind a Certification of No Harassment program?**
   - **a.** With market rents increasing across the City, there is a growing incentive for landlords to dramatically raise rents by using the rent increase loopholes that become available when an apartment is vacant. Most landlords follow the law, but some do not, and communities are seeing landlords use unreasonable pressure and harassment to push-out low-rent-paying tenants with growing frequency. This problem is undermining the City's supply of affordable rental housing.
   - **b.** The City has leverage that it can use to effectively address this problem at a city-wide level. Once an apartment is vacant, it is often necessary for a landlord to apply for a Department of Buildings construction permit in order to do the work in the apartment (an Alt-2 Permit) and the building (an Alt-1 Permit) that allows the dramatic rent increase.
   - **c.** The Certificate of No Harassment program will create a process that will allow the City to closely scrutinize Alt-2 and Alt-1 permit applicants whose records raise red flags suggestive of tenant harassment. That determination would be based on available data.
   - **d.** The great majority of landlords who do not raise any flag would go through the ordinary permitting process that exists today, with no additional delay. But landlords who are flagged would go through a screening process before receiving building or alteration permits.
   - **e.** The Department of Buildings *would not give building or alteration permits* in buildings that are found to have history of tenant harassment *unless* the applicant agreed to a "cure" that incudes creating new permanently affordable housing.

2. **How would it work exactly?**
   - **a.** HPD would be required to keep a citywide database of buildings with indications of possible harassment. The database would include such records such as:
     - i. HPD and DOB violations
     - ii. Complaints:
       1. All complaints to DOB on any construction-related matters, and the results of any investigations undertaken in response to such complaints
       2. All complaints of harassment filed with DHCR with accompanying documentation, including outcome of all complaints

3. All 311 complaints made by tenants pertaining to heat and hot water or reduction in services complaints, and the results of any investigations undertaken in response to such complaints.
4. Reports of harassment submitted by community groups

iii. Notices, inspections, and repairs of lead paint hazards
iv. Total # of permits applied for within a specified time period
v. # of times building has changed hands w/in a specified time period
vi. # of vacancy bonuses taken within a specified time period
vii. # of apartments removed from rent regulation within a specified time period
viii. Records of re-regulation of apartments, overcharge filings, and similar indicators of violations of the rent laws
ix. Court cases
    1. Tenant Protection Act fillings and outcomes
    2. Housing court cases initiated against tenants

b. Landlords who do *not* raise red flags could go through the current process to get their permits from DOB.

c. Landlords who raise "red flags" would go through a rigorous screening process before receiving Alt 1 or Alt 2 permits to renovate or demolish and rebuild their buildings.
    i. Either HPD, or one third or more of the rent-regulated tenants in occupancy could move to initiate the administrative hearing to consider claims of harassment.
    ii. This structure would mirror the process that governs 7(a) hearings, which can be brought by the City, HPD, or one third of the tenants in occupancy.

d. <u>Steps of that review process</u>:
    i. Notification
        1. Notice would be sent to tenants, the community board, the council member, and local community organizations, which could sign up to receive notices for their local geographic area.
        2. Notice would be in plain language easy for tenants to understand.
        3. Notices to tenants would include information on the type of work the landlord is applying to do, and define harassment through a list of possible harassment tactics. Tenants could review the list, check off any forms of harassment they may have experienced, and return the form to HPD. The notice

would also include info on contacting a local org or legal service provider for assistance.

4. Notice would take language access issues into account.

ii. Responses

1. Tenants would have 60 days to respond to the notice, and could request an extension if necessary.
2. Landlord would then have 30 days to respond. Among other information, the landlord would be required to return:
    a. Rent registration history of all units
    b. Copies of all leases signed in the last 15 years
    c. Annual lease renewals for all rent-stabilized units
3. The hearing would take place within 60 days of the landlord's response, and HPD would rule within 30 days after the hearing.
4. Total timeline = 6 months from date notice is first sent to tenants (could be slightly more if tenants request an extension for initial response, or slightly less if the landlord and/or HPD moves quickly)

iii. At the hearing, tenants and community groups would have an opportunity to testify, and HPD would be required to consider the information found in the Harassment Indicators Database as well as:

1. Testimony or affidavits from tenants, former tenants, organizers, and others with direct knowledge of the building's history, including any forms returned by tenants through the process described above
2. Court records
    a. If any tenants have won harassment claims in the building within the lookback period, the Certificate of No Harassment should automatically be denied
3. Pattern of frivolous lawsuits

iv. If HPD found that no harassment had occurred, the landlord would receive a Certificate of No Harassment and could proceed to DOB to get a building permit. But if HPD found that harassment had occurred, the landlord would have 2 choices:

1. Leave the building as-is and not receive their requested DOB permits.
2. Take a "cure" by entering into a legally binding agreement that a percentage of the floor space in the new building would be set aside as <u>permanently affordable housing</u>.

a. The affordable housing set aside under the cure would be in addition to any affordable housing that might be required through other programs, such as Mandatory Inclusionary Housing or tax abatements.
b. Landlords would not be permitted to use any City subsidies to provide "cure" units.
c. Landlords found guilty of harassment would also be prohibited from selling the building's unused air rights.

e. If a landlord receives a Certificate of No Harassment but is later found to have lied in the process and/or engaged in harassment during the period that was reviewed, the landlord would be barred from applying for a new Certificate of No Harassment for 5 years.

f. All provisions would run with the land, so that neither the history of the building nor the results of a finding of harassment could be required through the sale of the property.

3. **Though this Certificate of No Harassment program wouldn't solve *every* problem related to displacement, it would be an effective and important tool to protect tenants in rent-stabilized apartments.**
   a. Proposal is based on a rule that already exists in the Special Clinton District in Hell's Kitchen, which has helped to preserve and create affordable housing in that area since the 1970s.
   b. As in that area, this rule
      i. Would help prevent harassment because landlords will not want to have to make parts of their buildings permanently affordable.
      ii. Will help create affordable housing where harassment has occurred. If landlords harass tenants *despite* the new rule, they will have to build affordable housing to pay for what they've done. Either way, this rule would help ensure that low-income people can stay in the neighborhood, even as it changes.
   c. However, to make this rule an effective tool that would curb harassment, but not pose unnecessary barriers to construction, we are proposing important modifications:
      i. Narrow the pool of applicants to whom the Certificate of No Harassment requirement applies; only applicants who raise "red flags" would have to go through the process. We recognize that it would require significant manpower for HPD to closely review *every* permit for *every* landlord, and such a broad requirement would also be burdensome for community groups receiving notices about permit applications. By focusing on bad actors and problematic sites, the new Certificate of No Harassment program could be a sharp, effective tool.

ii. Expand the type of permits that would trigger the Certificate of No Harassment process. In the Special Clinton District, the Certificate of No Harassment review process applies only to Alt-1 permits. Organizers there report that landlords sometimes just do work without applying for the right kind of permit to avoid triggering the added scrutiny of the Certificate of No Harassment process. In addition, due to the introduction of vacancy control in the State's rent regulation laws, the mechanisms used by landlords to deregulate apartments have shifted; apartment-by-apartment renovations are now a common mechanism. We believe that casting a wide net across both Alt-1 *and* Alt-2 permits, but using data to conduct an initial automatic screening and narrow focus those buildings where tenants are most at risk of harassment would help capture more of the types of harassment and renovation that lead to displacement, while striking the right balance between protecting tenants and creating a workable system.

Testimony of Ezra Kautz
Make the Road New York

Committee on Housing and Buildings

February 22, 2016

My name is Ezra Kautz and I am Supervising Housing Attorney at Make the Road New York (MRNY), a non-profit organization based in the communities of Bushwick, Brooklyn; Jackson Heights, Queens; Port Richmond, Staten Island; and Brentwood, Long Island. MRNY builds the power of immigrant and working class communities to achieve dignity and justice through organizing, policy innovation, transformative education, and survival services, which includes legal services. Our organization consists of more than 18,000 members, most of whom are immigrants and many of whom live in substandard housing. Our legal services department routinely represents low-income tenants facing harassment and chronic conditions of disrepair. I submit this testimony on behalf of MRNY and I thank the Committee for the opportunity to participate in this hearing.

MRNY supports Intro 543, which is a common-sense extension of Local Law 6 of 2013.

Local Law 6 for the first time authorized HPD to issue orders to correct the underlying conditions of disrepair that cause repeated violations of the Housing Maintenance Code. This law is targeted in particular towards landlords who are neglecting their buildings in the hopes that long-term tenants will be driven out by poor conditions.

Local Law 6 gave HPD an important tool, but HPD currently limits underlying conditions orders to approximately fifty buildings per year. Intro 543 puts this tool into tenants' hands by allowing tenants to take their landlords to court for underlying conditions.

For example, Jose Rodriguez has suffered for years from conditions including severe mold and active water leaks. After the city issued a violation, and after the tenant filed an HP and obtained an order to correct the mold, the landlord simply painted over it. Five months later, unsurprisingly, the mold is back. Intro 543 will help tenants like Jose get the relief they need from housing court.

However, we urge the council to strengthen this bill, which currently allows tenants to prove the existence of an underlying condition by showing 5 repeated violations over 5 years. That is simply too long to expect tenants to wait. Remember, that's just the requirement for the tenant to get into court and make her case —the landlord will still have the opportunity to disprove the allegation or fix the condition before facing penalties. Three violations is a more reasonable trigger.

(continued)

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MRNY also supports Intro 152-A, to create a city-wide certificate of no harassment.

This legislation confronts head on the ugly reality of gentrification in neighborhoods, like Bushwick, where real estate speculators can make a killing by buying up buildings and kicking out all the long-term tenants in favor of those who can pay double or triple the rent.

Harassment is an unwritten part of the business plan. Working class people of color and low-income immigrant communities are particularly susceptible to illegal harassment, as they may less aware of their rights and may not have the resources to stand and fight. Laws like the Tenant Protection Act provide some limited tools to existing tenants to fight harassment. But once the tenant is gone, they are gone for good, and the landlord is free to renovate or redevelop the apartment with no risk of their actions coming back to haunt them.

Intro 152 recognizes that critical link between harassment and redevelopment, by preventing harassers from obtaining the construction permits they need to capitalize on their bad deeds.

Tenant harassment does not happen in a vacuum. Unlawful efforts to drive one family out of their home are almost always connected to the economic forces driving redevelopment and gentrification across the neighborhood. Each time we lose a long-term tenant to redevelopment, then another, then another, our communities are one step closer to extinction. Furthermore, each time an unscrupulous landlord succeeds in using harassment to displace a tenant with impunity, they are emboldened to keep trying the same techniques in other buildings.

Therefore, it's vitally important that the remedy take into account the harm that harassment has on the community as a whole. That's why MRNY strongly supports the proposed amendments to Intro 152 that create a cure requirement. If an owner who has committed illegal acts of harassment wants to get a permit to redevelop, he should set aside a small portion of units that will be affordable to the community that is being displaced by his actions.

Finally, MRNY supports Intro 1044, to deny renovation permits when there are an excessive number of code violations, unless the permit is to correct the violations. This builds off the successful "Worst Landlords Report" criteria to say to these violators, in essence, that you can't renovate vacant units while leaving existing tenants in terrible conditions.

In conclusion, at a time when much of our conversation has been about producing new affordable housing units as part of the redevelopment of our neighborhoods, it is important to recognize that development is already driving the loss of our existing affordable units. We thank the Council for giving attention to preservation of safe and affordable housing.

Testimonio para Intro 152-A. February 22, 2016. Por Efrain Felipe de Brooklyn.

Me llamo Efrain Felipe, y vivo en 119 Guernsey St. en Brooklyn. Soy un líder de UNO, una organización de inquilinos unidos luchando por viviendas económicas y contra el desplazamiento en Williamsburg y Greenpoint.

Ahora estoy de vuelta en mi hogar, pero durante el último año y medio, mi familia, mis vecinos, y yo estábamos desplazados porque nuestro propietario usaba construcción destructiva y peligrosa como una forma de acoso.

Mi propietario usó muchos diferentes tipos de hostigamiento contra nosotros inquilinos. Él hizo construcción ilegal en los apartamentos vacios en mi edificio, haciendo nuestros apartamentos ocupados peligrosos, sucios, e inhabitables. Una contratista quitó el rufo de mi edificio porque el dueño le avisó que nadie estaba viviendo adentro. Ese día, estaba lloviendo y había tanta agua en mi apartamento. Cuando fui a sacar mis cosas del apartamento, yo encontré que el propietario había cambiado la cerradura y no pude entrar al edificio.

Sabemos que nuestra situación a 119 de Guernsey St. no es única y la ciudad debe proteger nuestros derechos a hogares seguros y económicos. No es suficiente construir nuevas viviendas económicas – debemos preservar las viviendas que ya tenemos.

Mis compañeros de UNO y yo apoyamos la propuesta de ley 152-A – Certificados de No Hostigamiento. Esta ley podría prevenir que propietarios que ya tienen una historia de acoso sigan poniendo aún más inquilinos en peligro. Podría también desincentivar los propietarios de acosar alguno de sus inquilinos en primer lugar.

El proceso de aplicar por esos certificados debe ser muy accesible a inquilinos locales y organizaciones comunitarias. También, esa ley debe tener más contribuciones de inquilinos. Necesitamos enmiendas escritas por inquilinos con experiencia de hostigamiento.

Además, el concejo municipal debe aprobar todas las propuestas de leyes de STS (Stand for Tenant Safety). No es suficiente tener solamente leyes nuevas. Los inquilinos también necesitamos mejor ejecución y regulación del departamento de edificios. Nosotros en el 119 de Guernsey necesitamos organizarnos con la ayuda de abogados y consejeras de vivienda porque el Departamento de Edificios no nos ayudó ni nos protegió de prácticas peligrosas. Por favor, pasen certificados de no hostigamiento y empiecen audiencias para las propuestas de leyes de STS esta sesión. Gracias.

Testimony for Intro 152-A. February 22, 2016. By Efrain Felipe of Brooklyn.

My name is Efrain Felipe, and I live in 119 Guernsey St. in Brooklyn. I am a leader of UNO, an organization of united tenants fighting for affordable housing and against displacement in Williamsburg and Greenpoint.

Now I am back in my home, but over the past year and a half, my family, my neighbors, and I have been displaced because our landlord used destructive and dangerous construction as a form of harassment.

My landlord used many different types of harassment against us tenants. He did illegal construction in the vacant apartments in my building, making our occupied apartments dangerous, dirty, and unlivable. A contractor took the roof off of my building because the owner told him that nobody was living inside. That day, it rained and there was so much water in my apartment. When I went to take my things out of the apartment, I found that the landlord had changed the lock and I couldn't enter the building.

We know that our situation at 119 Guernsey St. is not unique and the city must protect our rights to safe and affordable homes. It is not enough to construct new affordable housing – we must preserve the housing that we already have.

My comrades from UNO and I support Intro 152-A – Certificates of No Harassment. This law could prevent landlords that already have a history of harassment from continuing to put even more tenants in danger. It would also disincentivize landlords from harassing any of their tenants in the first place.

The process to apply for these certificates must be very accessible to local tenants and community organizations. Also, this law must have more contributions from tenants. We need amendments written by tenants with experience with harassment.

Additionally, the City Council must pass all of STS's (Stand for Tenant Safety) bills. It is not enough only to have new laws. Tenants also need better enforcement and regulation from the Department of Buildings. We at 119 Guernsey had to organize with the help of lawyers and housing counselors because the Department of Buildings neither helped us nor protected us from dangerous practices. Please, pass Certificates of No Harassment and begin hearings for the STS bills this session. Thank you.

New York City Council
Housing and Buildings Committee
February 22, 2016

TESTIMONY OF LEGAL SERVICES NYC REGARDING:

Intro 543, Proposed Local Law to amend the Administrative Code in relation to underlying conditions in apartments

Intro 1044, Proposed Local Law to amend the Administrative Code in relation to denying building permits where a residential building has an excessive number of violations

Proposed Intro 152-A, Proposed Local Law to amend the Administrative Code in relation to requiring a certificate of no harassment for the demolition or material alteration of residential buildings

Intro 1015, Proposed Local Law to amend the Administrative Code in relation to establishing a housing portal

Legal Services New York City (LSNYC) is the largest provider of free civil legal services in the country. The nineteen neighborhood offices of LSNYC throughout the City represent thousands of low-income tenants annually in disputes involving tenants' rights to remain in their homes and to keep their homes habitable. We welcome the opportunity to testify in connection with the proposed new regulations regarding underlying conditions, the denial of building permits where excessive violations exist, the prohibition of harassment, and increased transparency in affordable housing market. Providing tenants with greater protections against bad housing conditions and landlord harassment.is key to the preservation of New York City's affordable housing.

Intro 543

Legal Services organizations and their community based partners regularly see tenants returning to their offices frustrated because systemic problems in their apartments are never fully addressed. Too often, landlords can satisfy orders to correct by making cheap cosmetic repairs to

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apartments without addressing the underlying problem, forcing tenants to repeatedly call 311 and bring HP proceedings (which are proceedings brought by tenants in housing court to obtain repairs) for the same problems. As a result, tenants in low income communities lose faith in the ability of the legal system to adequately address systemic repair problems. Tenants often become resigned to living with unsafe conditions that could be addressed were landlords required to repair the root cause of the problem – like removing hazardous mold, addressing root sources of leaks, fixing structural flooring defects, and replacing defective boilers, instead of providing quick fixes to remove the most recent violation, for example: painting over mold, patching a ceiling in an apartment when the leak is in the roof, installing new tiles when the flooring underneath is defective, and making minor repairs to decades old boilers that should be replaced.

Local Law 6 of 2013 was a major amendment to the administrative code and has undoubtedly assisted tenants in obtaining permanent repairs to their apartments. Local Law 6 of 2013 provided that the Department of Housing Preservation and Development shall "have the power to issue an order to correct any underlying condition existing in a building that has caused or is causing a violation of this code, of the multiple dwelling law, or of other state and local laws that impose requirements on dwellings." When LSNYC testified in support of this amendment, it highlighted the haphazard manner in which landlords often make repairs, and the potentially serious health problems that tenants face as a result. While Local Law 6 helped to remedy some of these issues, tenants are still forced to wait for HPD to issue an order. HPD has limited resources and can only take on a limited number of cases involving underlying conditions.

Intro 543 takes another important step forward by providing tenants or groups of tenants with the power to seek an order to correct underlying conditions, and gives tenants the ability to ensure that systemic conditions in their apartments are repaired. Intro 543 provides that "a tenant or group of tenants of a building may apply individually or jointly to the housing part of the civil court for an order to correct an underlying condition in a building that the tenant or tenants occupy," and defines "underlying conditions as "a physical defect or failure of a building system that causes or has caused a violation of this code, the multiple dwelling law, or any other state or local law that imposes requirements on dwellings." Giving tenants the ability to obtain orders to correct underlying conditions provides them with the empowerment to ensure that their homes are free from systemic problems, and permanently safe and habitable without having to rely on HPD.

Intro 543 will allow for more efficient use of the court's and the city's resources. When underlying conditions are not being addressed, tenants' only option is to make repeated calls to HPD and to bring repeated HP proceedings - all to address the consequences of the same underlying problem. Providing tenants with the power to seek orders to correct the root cause of a problem will reduce repetitious calls to 311 and HP proceedings, undoubtedly reducing the amount of resources dedicated to every given problem. Also, the current administration has significantly increased funding to LSNYC and other legal service providers to expand anti-displacement and tenant protection services throughout New York City. Intro 543 will assist LSNYC and all legal services providers to provide these services more efficiently and to more tenants.

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Intro 1044 and Proposed Intro 152-A

In some cases, an underlying condition is not the crux of the problem. Instead, tenants are faced with landlords renovating a portion of the building while leaving the remainder in disrepair. Our attorneys often meet tenants who have numerous unaddressed violations in their own apartments, while the landlord is renovating or remodeling a vacant unit or another part of the building, enabling it to increase the rent. These landlords are literally banking on terrible conditions wearing on tenants to the point where they are forced to leave their homes, yielding the ability to expand the remodeling effort and charge an even more exorbitant rent in the newly vacant apartment. For those tenants who suffer through the terrible living conditions and refuse to leave, landlords often resort to indescribable harassment tactics to give these residents no choice but to move out.

Intro number 1044 and Proposed Intro 152-A restrict a landlord's ability to engage in such practices. Intro 1044 necessitates the denial of a building permit where a building has too many open violations – three violations per unit in a building of fewer than 35 units, and two violations per unit in a building of 35 units or more. We firmly agree that if a landlord has the resources to renovate, it should have the resources to repair, and repairs should be the priority. Intro 152-A requires that the city certify no harassment of tenants has occurred during an inquiry period before approving demolition or material alteration of the building.

These bills would stem the occurrence of poor practices like those we have seen at 140 4th Avenue in Brooklyn. There, the owner received permission from the Department of Buildings to add two stories to a four story tenement so dilapidated that it had been placed in HPD's Alternative Enforcement Program. The construction resulted in copious dust and debris

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throughout the building, buckling joists, falling ceilings, water leaks, electrical problems and interruptions of heat and hot water service. These, combined with the original conditions of disrepair, resulted in the displacement of six of the eight original tenants. The remaining tenants now face eviction proceedings because the owner claims they must temporarily vacate their apartments so he can repair the problems caused by his own construction. There are currently 93 uncorrected violations in the building. Under current city policies, the owner of this property will be rewarded for his flagrant violations of the law by being allowed to rent the six vacant apartments at market rate, plus the 'luxury penthouse' unit whose construction caused so much anguish to the existing tenants. Under Intro number 1044 and Proposed Intro 152-A, such travesties of justice would be much less likely to occur.

Intro 1015

The upkeep of the conditions of city's apartments, while enormously important, is only one aspect of the fight to maintain our affordable housing stock. We must ensure that these homes are available to those who need them the most. Providing a portal to locate affordable housing on the rental market, and providing tenants with necessary information such as monthly rent, accessibility details, and requirements to obtain occupancy, will connect more tenants to the affordable housing they so desperately seek.

The housing portal that would be established under Intro 1015 further serves to ensure that the affordable apartments generated by the city's programs are rented in compliance with program rules, and allocated fairly to those who need them. The news has been replete with stories of landlords that have flouted the law by failing to register apartments in buildings

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receiving 421-a and J-51 tax exemptions – apartments that should legally be rent stabilized. Last February, Attorney General Schneiderman recouped nearly $4.5 million in unpaid taxes from one building alone that failed to register its 110 apartments as rent stabilized. Intro 1015 will help to shine a light on landlords feigning ignorance about the requirements of the city's programs, and guide this city in taking much needed steps towards a more transparent housing market.

The Bills the Committee is presently considering would be important tools in addressing bad housing conditions, tenant harassment and access to affordable housing. As tenant advocates we are committed to assisting our clients and their communities in combatting housing deterioration and maintaining safe conditions for all tenants. Passage of these bills will have a significant impact in the ongoing battle to preserve habitable, affordable housing in New York City.

Respectfully submitted,

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Thomas Honan,
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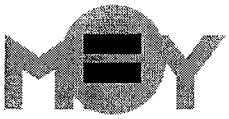

LEGAL

SERVICES

INCORPORATED

TESTIMONY
IN SUPPORT OF

INTRO 1044, IN RELATION TO DENYING BUILDING PERMITS WHERE A RESIDENTIAL BUILDING HAS AN EXCESSIVE NUMBER OF VIOLATIONS

AND

INTRO 152-A, IN RELATION TO REQUIRING A CERTIFICATE OF NO HARASSMENT FOR THE DEMOLITION OR MATERIAL ALTERATION OF RESIDENTIAL BUILDINGS

PRESENTED BEFORE:

THE NEW YORK CITY COUNCIL'S
COMMITTEE ON HOUSING AND BUILDINGS

PRESENTED BY:

MICHAEL GRINTHAL
SUPERVISING ATTORNEY
MFY LEGAL SERVICES, INC.

FEBRUARY 22, 2016

MFY LEGAL SERVICES, INC., 299 Broadway, New York, NY 10007
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Introduction

MFY Legal Services, Inc. envisions a society in which no one is denied justice because he or she cannot afford an attorney. To make this vision a reality, for over 50 years MFY has provided free legal assistance to residents of New York City on a wide range of civil legal issues, prioritizing services to vulnerable and under-served populations, while simultaneously working to end the root causes of inequities through impact litigation, law reform and policy advocacy. We provide advice and representation to more than 10,000 New Yorkers each year benefiting over 20,000 individuals.

Each year, MFY serves thousands of poor and working poor tenants throughout New York City, including seniors, persons with disabilities, and residents of SROs and Three-Quarter Houses.

MFY supports the passage of Intro 1044, which would require landlords to reduce the number of hazardous and immediately hazardous violations in their buildings before receiving permits for renovation and construction, and Intro 152-A, which would require landlords to obtain a certificate of no harassment before receiving building permits. These bills merely require what should not be controversial: that landlords ensure the basic safety of their tenants and neighbors before embarking on nonessential renovations.

It Is Common for Landlords to Pour Money into Profitable Renovations While Ignoring the Dangerous Conditions in Which Their Tenants Already Live

MFY Legal Services serves hundreds of tenants every year who live in buildings that have become construction sites. Their landlords pour money into renovation of vacant apartments while the existing tenants live in squalid conditions without basic services. Indeed, the construction itself, by intent or negligence, often worsens living conditions and pressures tenants to give up their long-term, rent-regulated homes.

For example, the landlord of Ms. Johnson, an MFY client who lives in East Harlem, filed plans with the Department of Buildings (DOB) to gut renovate the six-unit rent stabilized building where she has lived with her family for 30 years. Her landlord planned to turn the building into 16 luxury units, including a duplex newly-built above the existing roof. Her landlord has bragged that the renovation would cost millions of dollars. Despite the landlord's considerable financial resources and ambitious plans for the building's vacant apartments, there were 356 hazardous and immediately hazardous violations in the building when the landlord applied for a permit with DOB. Ms. Johnson suffered from lack of heat, water leaks, lack of hot water, mice, roaches, rotting floors, mold, broken radiators, and nonworking light fixtures. Today, more than a year after her landlord began pouring money and resources into construction, most of the violations in Ms. Johnson's apartment remain. If her landlord has his way, they will still exist when her new, upscale neighbors move into the renovated apartments, and they will continue to exist until Ms. Johnson, like so many others before her, finally gives up and moves out.

It should be a scandal that a family lives in dangerous, unhealthy conditions even while their landlord pours millions of dollars into the same building - not for repairs, but for luxury renovations. But it is now well-known that situations like Ms. Johnson's are neither uncommon nor accidental. Many landlords deliberately use construction as a means to pressure tenacious,

rent-regulated tenants into giving up their long-time homes. Long before construction even begins, many of our clients are visited by landlords' agents – including specialized "tenant relocation consultants" – who openly threaten that their apartments will become unlivable, offering meager buyouts "so you can move out for your kids' sake." One of MFY's clients was told that the landlord would dynamite the building with his family in it if they stayed. Under current law, tenants can file harassment complaints in Housing Court, but landlords can simply continue with their renovations, absorbing any civil penalties as a minor cost of doing business. Landlords will not take harassment and other violations seriously unless their ability to continue their luxury renovations is at stake.

Ensuring Tenant Safety During Construction Is Critical to Preserving Affordable Housing

Money and resources spent on housing construction should help mitigate New York City's housing crisis, not worsen it. But when renovation is not linked to tenant safety, it leads to the destruction of affordable apartments and the displacement of long-term low-income tenants. Intro 1044 would empower the City to stop this kind of "destructive construction" before it begins – not by tying landlords' hands or halting the development of new housing units, but simply and modestly by requiring landlords to comply with existing laws before embarking on more ambitious plans. A landlord who will not correct hazardous violations before beginning construction has no intention of allowing existing tenants to remain in their homes or those homes to remain affordable.

The remedies contemplated in Intros 1044 and 152-A are well-tested and have served as useful tools for protection of affordable housing in the SRO context and in special development districts. It is time to apply them across the city.

Conclusion

MFY Legal Services supports Intro 1044 and Intro 152-A as simple, tried-and-true means to protect tenant safety and preserve affordable housing. As a member of the Stand for Tenant Safety Coalition, MFY also strongly supports the package of related bills recently introduced (Intros 918, 924, 926, 930, 931, 934, 936, 938, 99, 940, 944, and 960), which together are an essential step towards dis-incentivizing the blatant disregard for the safety of New York City tenants presented in the form of illegal construction. We urge the Committee to schedule hearings on the other bills in the Stand for Tenant Safety package as soon as possible.

FOR THE RE

Testimony for Chelsea Blocklin
New York City Council Hearing: Int. No. 152-A
Scheduled for Febuary 22, 2016

City Council members, my name is Chelsea Blocklin, I am an organizer with Los Sures, a non-profit organization that works with rent-regulated tenants in the south side of Williamsburg. I am writing in support of the proposed Int. No. 152-A (CM-Landers), requiring landlords to be reviewed and approved for a certificate of non-harassment before obtaining alt. (1) or alt. (2) permits. This investigative review process should be one in which tenants have a direct voice and input.

Requiring certificates of non-harassment would dis incentivize landlords from harassing long-term rent stabilized tenants. Being found of such harassment would result in an inability to renovate. Furthermore, there should be stronger penalties for landlords who are found to have a history of harassment, for example, a penalty requiring them to set aside a portion of apartments as permanently affordable.

In the south side of Williamsburg, we have seen landlords ramp up their tactics to push out long-term rent stabilized tenants. This is a trend that is mirrored throughout the five boroughs. Daily, tenants will come to our office to report occurrences of their landlords taking them to housing court for alleged non-payment of rent for which the tenant has proof of payment. Daily, we hear stories of landlords shutting off heat and hot water, subjecting tenants to dangerous living conditions. One landlord had even refused a tenant's rent on the basis that he would rather her vacate her rent stabilized apartment. Another tenant in the same district, a disabled woman who has lived in her apartment for 20 years, was wrongfully evicted while away on vacation. In court she gained re-possession of the apartment. However, due to the eviction and her two months of homelessness, sadly, her mental and physical has dwindled. Landlords are clearly willing to do anything to get market rate tenants into their buildings. Rent-regulated tenants are suffering from the relentless harassment of aforementioned landlords.

Another form of landlords' harassment of their rent-stabilized tenants we are seeing is a complete abandonment of their duty to provide essential services and repairs. In one apartment a tenant's two children have suffered from lead poisoning and a continual bed bug infestation for years. Broken kitchen appliances and cracked flooring are only a few of the other obvious examples of the disrepair she is forced to live with. Showering in the apartment above her, results in daily plumbing leaks in her own bathroom. Toilet plumbing is so inadequate that a bucket of water must be used to fill the tank in order to flush. The landlord is aware of all of these conditions and has yet to fix a single thing. Unfortunately, situations reminiscent of hers are becoming far too common.

While providing new affordable housing is absolutely essential to curbing displacement and the rise in homelessness in this city so too is the preservation of already existing rent-regulated apartments. And these apartments are disappearing at an extreme rate.

Yet another form of harassment developing in this community is construction. As landlords renovate apartments where they have successfully evicted tenants, they put the tenants in occupancy at risk. For example, ripping out walls without proper permits and

exposing families with small children to asbestos, taking out beams that cause other tenants' ceilings to collapse, engaging in plumbing and pipe work that is not according to code, causing tenants to have continual damaging leaks. These scenarios demonstrate that it is also crucial for the Council of this term to support and push for the 12 proposed bills put forth by the Stand for Tenant Safety Coalition to address construction as a form of harassment.

Bottom line, harassment of rent-regulated tenants by landlord who are eager to benefit from the current real estate market, whether through construction and renovation, discrimination, or disruption in essential services and repairs is prolific. These dire issues require legislation supported by our representatives. Long-term rent stabilized tenants are watching as one by one their neighbors are pushed out, their apartments are renovated and market rate tenants move in. These long-term tenants effectively become second class citizens in their own homes. They receive slower emergency response times than market rate tenants; in some cases, their apartments are heated by a separate boiler system; their need for repairs is consistently deprioritized behind renovations on vacate apartments.

Rent stabilized tenants in this city need stronger legislation and protections against harassment from their landlords. What does it mean for NYC when the community members who have grown up here and lived here all their lives are displaced?

I urge the council to support the protection and preservation of this city's rent-stabilized tenants.

Thank you sincerely,

Chelsea Blocklin

TESTIMONY OF QBBA AND BIANYC
COMMITTEE ON HOUSING AND BUILDINGS
FEBRUARY 22, 2016

Good Day. My name is Robert Altman and I am the legislative consultant to the Queens & Bronx Building Association and the Building Industry Association of New York City. I appear today to testify in opposition to all four of the bills presented today.

While well-intentioned, all of the bills suffer from the same malady: they take disproportionate action to the problems at hand.

For example, Int. No. 152-A seeks to take a process that was used for Single Room Occupancy ("SRO") housing and apply it to all class A multiple dwellings in New York City. The treatment of SRO housing was special for a reason. Back when the law was originally passed, there were a limited number of SRO buildings within New York City, most of which served very poor single adults. In a city of hundreds of thousands of buildings (and maybe even millions), there were maybe a few hundred SRO buildings all of which were low income. Int. No. 152-A now seeks to take a model that applied to a limited number of buildings with specific circumstances and a specific income population and create an additional bureaucracy and bureaucratic procedure for hundreds of thousands of buildings, even luxury buildings. Rather than trying to figure out a solution for the issue of harassment that does not burden the 99+ percent of building owners who are good, the law creates bureaucracy for everyone.

Int. No. 543 similarly goes too far. Its definition of "underlying condition" is so broad as to be almost meaningless except that it creates an underlying condition where one may not exist. Rather than really try to figure out how to define how one exists, the language creates situations that more likely than not are not an underlying condition and then issues more fines on top of it. One would think the City's own inspectors should be able to determine if there are problems with a building system creating the underlying condition and require that repair. But under this bill's definition, ONE VIOLATION per year for five years can create an underlying condition.

Int. No.1015 is similarly well-intentioned but ultimately results in a mess of rules that need to be followed and then fines as well, which helps make housing unaffordable. (We also understand HPD has assistance for those seeking the sites where there are affordable units.) Moreover, it seems to not understand current problems with applications. In fact, the following is an issue related to HPD by QBBA last year:

> The current lottery system could be more effective in the area of administration and efficiency. Generally, due to electronic filing, the pools are very large, which forces the review of a number of applicants, many of whom seem to have forgotten that they even applied for affordable housing and where the overwhelming amount of applicants never show up for their interview. With such a large pool and a limited amount of qualified applicants, this places an enormous administrative burden on the developer. To limit this burden, we have two proposals to ensure that the applicants who apply are real applicants. First, place a small refundable fee on the application (even as low as ten dollars). Should the applicant not be accepted, the application fee would be returned. Second, require the applicant to complete a form for the lottery that is project specific. By

doing this, the applicant must have some knowledge about the project and realize he or she really wants to be part of the process for it.

Rather than address the real issues, the legislation goes off in a tangent that is certainly not helpful to those who build affordable housing.

Finally, Int. No. 1044 suffers from the same issue of being too broad. If a building owner wants to put in a new heating system that will certainly benefit tenants, it should do so, whether or not there are violations. Preventing the owner from doing so is silly. Moreover violations are not always the problem of the landlord. Sometimes tenants are the source of the violation, other times they do not let landlords in for repairs. But the bill is one size fits all and that is not productive.

While I could comment more on each bill, I wanted to just give one example from each bill. All of them need to be reimagined to provide for a narrower focus to resolve the problems at hand. For now, the level of bureaucracy and unnecessarily large amounts of additional work that these bills create take resources away from the agencies who are intended to enforce the laws and affordable housing builders and affordable housing not for profits who have limited resources and whose mission is to provide lower cost housing to those in need. The result is that the proposed rules make it harder for those entities to protect the very individuals and households needing help.

FOR THE REC

NORTHERN MANHATTAN
IMPROVEMENT CORPORATION
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TESTIMONY OF
MATTHEW J. CHACHERE, STAFF ATTORNEY before the
COMMITTEE ON HOUSING AND BUILDINGS
February 22, 2016

Good afternoon.

I am Matthew Chachere, a staff attorney with Northern Manhattan Improvement Corporation. I appreciate the committee's invitation to us to give testimony on these proposed legislative initiatives, Intros 152A, 543, and 1044.

NMIC is a multi-service non-profit agency that has served the upper Manhattan community for 37 years. A key focus of our work is assisting tenants in keeping affordable and habitable housing, which is under sustained attack in our communities.

NMIC supports these proposals as positive steps in this direction. For example, Intro 1044 – by requiring the Department of Buildings to verify whether a building has excessive Housing Maintenance Code violations before issuing construction permits – is a first step a breaking down some of the silos that appear to exist between the various City agencies that have a role in making sure that tenant's homes are safe and habitable.

Likewise, Intro 152A's anti-harassment provisions seek to curtail abusive construction work practices that often appear intended to force existing tenants to leave.

However, I would add that unless we can secure meaningful enforcement by the responsible City agencies, tenants may very well continue to be at risk. For example, I note that while Intro 152A requires a "tenant protection plan as provided for in this code," the requirement for tenant protection plans has been part of City law since 2008, yet nearly every permit application I've had the occasion to review for buildings where my office is representing tenants lacked one. Even though Admin. Code § 28-104.8.1 requires a certification with the permit application ("PW1" form), nearly every time the owner certified – falsely – that the building was unoccupied. Yet the Department of Buildings appears to routinely grant these applications despite copious evidence that the building is occupied (include recent inspection reports by that agency's own inspectors, as well as tenant complaints on the HPD online database). Generally, only after repeated emails and phone calls from my office does the Department of Buildings respond, and in the past I've rarely seen penalties imposed.

And speaking of silos, there is no reason why DoB and the Department of Health and Mental Hygiene (DHMH) could not work out a system where as part of the PW1 permit application form and the tenant protection plan, the DoB mandated confirmation that any required notice to DHMH of potential lead paint disturbing activities has been made, as required by Local Law 1 of 2004 at Admin Code § 27-2056.11(a)(2)(ii).

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Likewise, imposing new penalties against owners who fail to rectify underlying conditions may be a very useful tool for tenants. But I can say – from my own experience over the many years that I have worked in this field – that if the City remains unwilling to actively seek to impose those penalties, and as well seek to collect them, those reforms will remain almost meaningless, despite their best intentions. As you know, Housing Maintenance Code fines are generally not actually imposed unless an action is brought in the HP part of Housing Court, and even there, in my experience HPD usually settles those cases for a small fraction of the potential fines. Thus, the threat of additional penalties in the various proposals to protect tenants may not have sufficient impact, I'm afraid, unless there is a genuine change in the enforcement policies.

I'd like to illustrate this by discussing briefly the circumstances that befell my clients at 520 West 183rd Street, a 48 unit, mostly rent regulated, apartment building in Manhattan. Their travails have been the subject of several news articles over the years, which I am submitting to the committee.

In the fall of 2012 the building's landlord began a gut rehab of two vacant apartments on the ground floor, without bothering to file plans or obtain the required construction permits. As the City inspectors later found, in the course of that work the "removal or partitions and ceiling allowed the floor structure above to give way," resulting on October 19, 2012, in the collapse of the apartments on the three floors directly above, where my clients lived.

The Buildings Department and HPD immediately responded by issuing partial vacate orders affecting the families in three apartments, and the City promised them fast action. Indeed, while the HPD vacate order directed that the Landlords repair the conditions by November 7, 2012, that Order also said that "unless the ... conditions are removed by November 7, 2012" the City could elect to correct the conditions itself and obtain a lien for the costs of executing the repairs. Alas, that never happened; indeed, essentially nothing happened, and these displaced families remained out of their homes and in homeless shelters for two years, until we forced the Landlord to provide temporary apartments. The consequences to their lives was devastating.

Notwithstanding the complete lack of compliance concerning these serious violations and the displacement of the tenants and their families all this time, the City apparently took no action to force compliance until nearly a year later, when HPD commenced an "HP" case in Housing Court in August, 2013. And that case merely sought a Court order directing the landlord to fix the building – which, of course, HPD and DoB had already administratively ordered the landlord to do. Inexplicably the City failed to seek in its petition the imposition of the ongoing statutory penalties, which amounted to $1,415 per day of noncompliance. The tenants, represented by my office, had to bring a separate case to seek the imposition of the statutory penalties against the Landlord which the City failed to seek. Ultimately, it took nearly three years and extensive litigation by my office to restore these tenants to their homes.

In sum, we support these proposals. But it is important that the Council exercise regular oversight of the responsible agencies once these new laws are enacted, to make sure they are also enforced.

Thank you.

Housing Conservation Coordinators

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February 22, 2016

Testimony in Support of Intro. 1044

Betsy Eichel, Tenant Organizer, Housing Conservation Coordinators

My name is Betsy Eichel and I am a tenant organizer with Housing Conservation Coordinators, a nonprofit legal service and tenant advocacy organization based in Hell's Kitchen. I am here to testify in favor of Int. No. 1044. Thank you for allowing me to speak at this hearing today.

I organize buildings in Hell's Kitchen, Chelsea and the Upper West Side, all neighborhoods where the quality of life is high and the cost of an apartment even higher. Landlords want to get the already dwindling number of rent-regulated tenants out so they can take advantage of these hot markets. One way they are getting tenants to leave is by commencing construction in occupied buildings that is unsafe, disruptive and dangerous enough that tenants can no longer tolerate the conditions and leave of their own volition. The coalition Stand for Tenant Safety arose in response to this problem, which is happening throughout the city. HCC is a member of this coalition, and we are advocating for a number of City Council bills that aim to expand the reach of the Department of Buildings to go after bad actors and ensure that landlords who want to do construction cannot bypass DOB oversight and endanger tenants and workers. This bill fits perfectly into the mission of STS, and we support it.

I support Intro. 1044 because I work with several buildings where landlords have never had problems getting permits despite numerous outstanding violations. For example, one building I work with, 15 West 55th Street, has 13 open violations, thousands of dollars in unpaid ECB fines going back to 2014 and a Stop Work Order—yet the management was still able to get permits to renovate vacant units and turn them into a "private club", which would change the Certificate of Occupancy, all without oversight or consent from tenants. In fact, 3 permits have been issued after the issuance of the Stop Work

Order. In another group of buildings, owned by notorious landlord Steve Croman, permits have been issued again despite the existence of outstanding Stop Work Orders and construction that has left tenants without cooking gas for months. There is simply not enough accountability for landlords who are careless or intentionally trying to get rent-regulated tenants to leave.

I understand landlord's concerns that this amendment would make it difficult for them to get permits to fix open violations, and I am also aware that some violations are inevitable, and they do not indicate that harassment is necessarily taking place. However, there are clear safeguards in the language of the amendment that would ensure that landlords are not facing legal or bureaucratic delays when they are not warranted. Rent-regulated tenants are under immense pressure throughout the city; city agencies need to use their considerable power and resources to ensure that tenants' rights are protected and landlords who game the system face consequences.

PREPARED STATEMENT OF STEPHEN WERNER REGARDING INT. 1015-2015, February 22, 2016

My name is Stephen Werner. I am here to present my personal comments, observations and recommendations regarding the bill being considered by the Council. Nothing I am going to say represents the position or comments of my employer, the City of New York, Department of Housing Preservation and Development, where I have worked for the last 23 years

Thank you for inviting me to speak.

Having a place to live is a necessity, not a luxury item. Political economist George Stiglitz in his recent book on inequality explains that **some people use political influence and "asymmetric information" for their personal financial gain. He uses the example of insider trading. Controlling and manipulating information regarding government-sponsored housing in is another area where we have seen the same techniques in play.**

At this point let me skip over my education and past experience and go directly to the topic at hand.

(I was born and raised in New York City. I resided here until I graduated from college. I attended the minor seminary for the Diocese of Brooklyn for my high school years and first two years of college. I finished my last two years at Brooklyn College of the City University of New York in 1967. I graduated from the State University of New York at Buffalo with a Masters in Social Work in 1969. And I graduated from the State University of New York at Albany with a Ph.D. in Economics in 1978.

I have worked for the Brownsville Community Council, the New York State Department of Labor Manpower Administration, the Vera Institute of Justice, the Health and Hospitals Corporation and the New York City Human Resources Administration.

I have worked for the economic consulting firms of Mathematica Policy Research, in New Jersey and Stanley Ruttenberg and Associates in Washington DC. As a private consultant, I have worked for government agencies administering employment and training programs and health care programs. I have been a paid consultant to the Commonwealth of Massachusetts, the Harvard School of Public Health and the American Academy of Pediatrics. Some of the work I have done has resulted in publications- by the Government Printing Office, in the journals of Pediatrics, Medical Care, an in a text book – "Advances in Health Care Economics". Copies of these are included in an appendix. I have also taught graduate school classes in computer applications, statistics and budget and finance.

In November 1992 I started working for the New York City Department of Housing Preservation and Development on the Housing and Vacancy Survey. My main responsibility has been to process computerized lists of building with rent regulated apartments. Among the lists are those from the state - **rent regulated** apartments – and from the city - J51 and 421a **tax exempt** rentals.)

In what follows I discuss three issues involving the proposed bill where I see that my experiences in computer systems analysis and application development, as well as knowledge of the way city and state data system work, maybe helpful. First I will talk about what is publically available knowledge regarding allowable reasons for exemptions in buildings receiving tax exemptions. Next I will discuss the matter of identifying "Program Names" in the HPD data currently available through the city Public Law 44- Open Data portal. And lastly I will provide comments and recommendations for possible improvements in the data collection and dissemination of information collected through the proposed portal.

Exemptions

Section § 26- 1201 identifies definitions used in the chapter. In both the definition of *affordable unit* and *rent-regulated unit*, there is reference to the exemption reason - 'occupancy by the superintendent of the building".

The allowable reasons for exempting an apartment from rent regulation in the case of J51 and 421a tax exempt properties includes such a reason - provision for a building superintendent. An allowable exemption is also made for an owner occupied unit. There is no allowable exemption reason for the rent level in the case of apartments in buildings with J51 or 421a tax exemptions.

The state has only recently started looking apartment level data in terms of exemption reasons. They have only accepted, as is, the data entered by owners. They have found thousands of cases where invalid reasons were given., such as high rent in buildings receiving J51 or 421a exemptions. My own estimate of the scope of this problem, as explained on the About page of my website, is that the number may exceed 100,000. See the attachment. (As I understand my legal counsel, I am prohibited from mentioning any examples of dis-allowed reasons that are not among those already made public.)

So it may be premature to assume that a building included in the HPD affordable housing database represents a "vetted" property for enrolling households at this time if J51 or 421a tax exemptions are involved.

Program Names

Section § 26- 1202 introduces the term *Covered Programs*.

Let me preface my comments by saying that I hope and I assume that all the data collected through the proposed portal will be made available through the Public Law 44 Open Data portal.

On that assumption, in preparation for these hearings, I have looked at the HPD data currently available through the Open Data portal. I have attached a pdf (Open Data) with screens showing the HPD files at the site and screens showing the initial records and field names in one of the tables. See the attachments.

The only table with a field I found having a similar name to *Covered Programs* was the Project Table which has a field named - Program Names. The attachment also includes a cross tabulation showing the number of units in all projects in the Project Table under all the categories for the field - Program Names.

Looking at the cross tabulation of all HPD projects and all programs, my observation is that the number of programs (35) and the number of units (50,000) is low even though the file is dated mid-2015.

I suggest that Council staff overseeing the design and implementation of the affordability portal make sure that both the Council members and HPD are talking about the same thing when they use the term – Program Names.

Reports and Evaluation

Finally, there is great potential, in my opinion, for the affordability portal to generate valuable information for those who want to know where their tax payer dollars, and money from other sources, is going.

For one, I would suggest the bill include some specifications for generating summary statistics on how many households and persons are being enrolled in different boroughs, sub-borough areas, and even Census tracts.

Second, the data would permit, and the bill could require, publication of projections in the loss of affordable units over time as tax benefits expire. For the LIHTC (low income housing tax credit) program the benefit period is 15 years. For 421a rentals there are numerous time periods.

Third, the database could help produce information on households who are no longer eligible for a reduced rent at their current locations because of, for example, the expiration of tax benefits. What happens to them? Do they stay where they are and see their rent go from 30 to 60 percent of their income? Do they wind up in a shelter or on the street?

(I am omitting another important topic of discussion - tenant income validation - because of time constraints.)

Thank you again for inviting me to testify at these hearings. I will be happy to help the committee again at a later time. This concludes my prepared statement.

Attachments:

Open Data -	Contains screens from Public Law 44 Open Data portal showing HPD tables, fields and record counts relevant in terms of the affordability portal.
Website -	The site name is - rentstabilizedbuildings.azurewebsites.net . This is my website on registered and unregistered J51 and 421 tax exempt rentals. I built it for viewing before the 2015 Rent Stabilization Law were passed. I hoped that the issue of unregistered buildings and tax exempt units would be addressed before the legislation was passed.
Publications -	Published material including a study I complete for the U.S. Copyright Office. In the study I looked at confidential data of the Federal Communications Commission on the profit and losses of radio and television broadcasters who claimed they could not pay additional royalties for airplay of sound recordings. They claimed their profit margins were too thin. Also in a text book on Health Care Economics, there is an article with a description of a computer system I developed for administering a federally funded Medicaid managed care program demonstration program in Suffolk County New York.

continued

New York City	This is the report that I was hired to work on starting in 1992. The latest report is

Housing and Vacancy Report	for 2011. There is no work being done at this time to produce a report based on the 2014 survey. Starting in 2008, the agency cut back on funding for the printing of the report and eliminated entirely the graphics unit that used to assist in the production of the report. For the 2011 report, I used Visual Basic for Word to create the pdf. The pdf was then reproduced and packaged for distribution by the City-wide publishing contractor - Vanguard .

TENANTS & NEIGHBORS
THE STATEWIDE CENTER OF POWER FOR TENANTS

Jen Berkley, Subsidized Housing Lead Organizer

New York State Tenants & Neighbors

Testimony as Prepared

February 22, 2016

New York City Council Committee on Housing and Buildings

Re: Int. No. 152-A, Int. No. 543, Int. No. 1015, and Int. No. 1044

Good morning. Thank you to Chair Williams and to the Housing and Buildings Committee members for the opportunity to testify today.

My name is Jen Berkley and I am the Subsidized Housing Lead Organizer for New York State Tenants & Neighbors Information Service and New York State Tenants & Neighbors Coalition, two affiliate organizations that share a common mission: to build a powerful and unified statewide organization that empowers and educates tenants; preserves affordable housing, livable neighborhoods, and diverse communities; and strengthen tenant protections. The Information Service organizes tenants in at-risk rent regulated and subsidized buildings, helping them preserve their homes as affordable housing, and organizes administrative reform campaigns. The Coalition is a 501c4 membership organization that does legislative organizing to address the underlying causes of loss of affordability. Our membership organization has over 3,000 dues-paying members.

Tenants & Neighbors organizes in rent-regulated, Mitchell-Lama, and project-based Section 8 developments citywide. In the buildings where we organize, the story is the same. Low and moderate income tenants in New York City are regularly experiencing the pressures of displacement. Rents are climbing and tenants are concerned that they will not be able to afford to stay in their homes and communities. Especially in light of the possible Mandatory Inclusionary Housing Plan that could significantly increase displacement pressures in low and moderate income communities, our top priority is making sure that these tenants are able to stay in their homes and communities.

We are testifying today in support of the four bills in front of the committee. We must do whatever it takes to preserve all the affordable housing units we have today because our city loses tens of thousands of precious rent-regulated units every year. To make matters worse for tenants, it was recently revealed in a series of investigative reports in *Pro Publica* that landlords currently receiving over $100 billion in tax breaks failed to register as many as 200,000 apartments with the state Division of Housing and Community Renewal (DHCR). These are developers who received lucrative 421a and J-51 tax abatements. We believe the

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primary reason for this overwhelming omission is the serious lack of enforcement of the provisions of the 421a tax abatement that requires developers to reserve a percentage of the units built under the program at rent stabilized rents. We have seen this alarming trend in buildings that have received J-51 tax credits as well. To date, there has been little to no oversight of this regulation and the result has been that thousands of hard-working tenants are living in apartments that should be rent regulated, but are not. Tenants whose rights should be protected under rent stabilization are at-risk of being violated. This is unacceptable.

Councilmember Ben Kallos' bill, Int. No. 1015, would create a portal that would allow for a full accounting of every affordable unit built under both 421a and J-51 tax abatement programs, as well as additional programs. We would finally have the means to monitor and enforce these provisions and penalize those who fail to comply. The portal would go a step further and provide invaluable information to tenants regarding new affordable housing lotteries, vacancies, and waiting lists. A mechanism to do this is also long overdue. It is time to hold wealthy developers and building owners accountable and this bill creates the technology to make this possible. We simply cannot afford to allow hundreds of thousands of units of housing to go unaccounted for any longer. An affordable apartment is far too valuable to lose.

We are also in support of Int. No. 543. Tenants throughout New York City struggle to obtain repairs and services using existing mechanisms such as calls to their landlords and 311, and HP proceedings. All too often, tenants find that bad conditions recur after the owner fails to do anything more than a cosmetic repair, just enough to lift the most recent violation. Intro 543 would significantly strengthen the current Underlying Conditions bill ensuring that all tenants can benefit from this law, not just the small number of tenants living in buildings where HPD pursues an HP proceeding.

We are in support of Int. 1044-2016, or the "No Construction by Eviction" Bill sponsored by the Public Advocate which requires the Department of Buildings to deny building permits to owners of buildings with a specific number of unaddressed hazardous violations per unit. The Department of Buildings should not issue permits to owners who are not taking care of their buildings.

We are in support of Int. No. 152-A to create a Certificate of No Harassment to increase the anti-harassment enforcement tools that the city currently has at its disposal to protect tenants against landlord harassment. We believe that there are many tools that must be employed to ensure tenants are able to stay in their homes, and we believe a certificate of no harassment should be one of the tools employed to increase tenant protections.

We stand on the front lines of the housing crisis in our city and it is very real. The days of allowing a system of zero accountability for real estate developers and landlords must end. These bills are a significant step towards increased tenant protections. We look forward to working with the city to make this legislation accessible to all New Yorkers. Thank you for the opportunity to testify today.

FOR THE RECORD

Joanna Marin

Testimony as Prepared

February 22, 2016

New York City Council Committee on Housing and Buildings

Re: Int. No. 1015

My name is Joanna Marin. I reside in a studio apartment at 1812 Pitkin Avenue, Apt. 1C, Brooklyn, NY 11212. In the fall of 2014, the management company that runs the building, sent me a letter stating that they were seeking to double my rent from $400 a month to $800 a month. They also stated that if I could not afford the new rent, I would have to give up my apartment. Due to being mentally disabled, I receive SSI and live on a fixed income of $800 a month. So, the thought of not being able to pay my rent orlive in my apartment, as well as how would I survive if I had to pay $800 in rent on my fixed income made me very stressed out and worried about my future. There were several other tenants in the same situation, also living on fixed incomes, who were told their rents would be doubling.

My sister, Rosemary Collazo, who also lives in the building, but is in an apartment covered by the property's HUD contract, assisted me in finding legal aid to help me deal with the this situation. A group of attorneys at South Brooklyn Legal Services represented myself and the other tenants in housing court.

The reason I write to you regarding Int. No. 1015 is that our attorneys, with the help of research performed by Jennifer Berkley at Tenants & Neighbors, revealed that my building is currently receiving a J51 tax abatement and has for a number of years. The current and previous management companies withheld this information from me and the other studio tenants. We had no idea our apartments should have been rent stabilized and that our leases should reflect this designation. The existence of the J51 tax abatement our building currently receives requires all apartments in the building remain affordable for the duration of the abatement. The majority of the apartments in Pitkin Apartments are part of a HUD Project-Based Section 8 contract that expires in 2027. In our situation, the rents being demanded for our studios were arbitrary amounts and ignored the legal rent stabilized status of our apartments. In court, the judge upheld the attorneys' findings and declared our apartments rent stabilized and set the rents at $400 per month. I was so relieved.

As I understand it, Int. No. 1015 would create a portal where all developers and building owners would be required to register the affordable units in their buildings and disclose such information to their tenants. Clearly, the owners were attempting to rent our apartments at a profit, completely ignoring the affordability requirement mandated by all J51 tax abatements. The portal would allow tenants access to this important information so that they are not taken advantage of by landlords or their management companies, just as I was in 2014. This kind of situation can create a good deal of stress in someone's life, as it did for me. The thought of not knowing how much longer I would have a place to live in an apartment that I have called home for so many years, was very upsetting. I hope no one ever has to go through what I went through again. I ask you all to support the creation of this portal and pass Int. No. 1015. Thank you.

February 22, 2016

Good Morning Chair Williams and the Committee on Housing and Buildings,

I, Kim P. Jones, am writing this testimony as a tenant of 109 West 105th St, Apt 3B, NY, NY 10025 since November 1992 because I feel strongly that Int. No. 1015 pertaining to the creation of a housing portal mandating owners to list apartments with J51 tax breaks has a very important purpose. I am also representing the following tenants that also have long tenures at 109 West 105th St..

Jose L. Lopez	Apt 5A	Tenant since May 1995
Daniel C. Williams	Apt 4C	Tenant since June 1997
Michael Floyd	Apt 3A	Tenant since March 1996

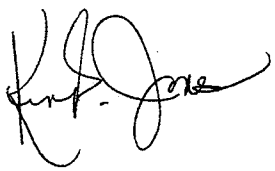
The city needs this database to keep residents protected as well as to hold landlords accountable. We live in a building now owned by The Orbach Group, operating as COSO management. Today, we are facing a DHCR application for the destabilization of our rent stabilized apartments on the basis that a mass rehabilitation of the building took place back in the early 1980s. Prior to their application, the Orbach Group took it upon themselves to entice their tenants into giving up our rent stabilized apartments for low buy-out offers. We are part of the few that did not accept the buyouts and are now fighting the application. During and after this construction took place, the building's owners benefited from a J51 tax break; however none of us were ever informed of the J51 by any of the building's previous owners. Now, the Orbach Group is claiming that every rent stabilized lease issued since the mass rehab was in error and our apartments should have ceased being rent stabilized once the J51 tax break ended.. There were four other management companies and at least as many owners prior to Orbach assuming ownership and none of them ever made this claim. The end of the J51 abatement was never disclosed to any of us. Since we were never informed that it was the J51 tax abatement that kept our apartments affordable and not the existence of rent stabilization, we all assumed our affordable rents were protected as long as our rents never hit the threshold for destabilization. Had we known, we all

could have sought other living options in our neighborhood if necessary, but we were never informed until Orbach revealed the mass rehab that our apartments were all allegedly renovated and are exempt from rent stabilization since the J51 expired around 2004-2005.

This bill will allow tenants to access a database to verify whether their legal rent is correct for their particular unit, research the rent history of an apartment, and access manager and superintendent information filed under the housing maintenance code. The portal would also offer a single online application for residents to apply for all open affordable housing units based on their financial and household information and permit tracking of the lottery process and wait lists for affordable units. We think it is obvious that all of the stabilized tenants living in the building would have benefited from a database like this. It would have held the management company responsible for informing its tenants and providing the correct documentation regarding the J51 tax benefit and our rent stabilization status.

However, since no database currently exists, we now face the daunting task of trying to battle The Orbach Group's attempts to displace us. If the Orbach Group is successful in displacing us, this database would serve a second very important purpose of giving us a search portal to find affordable housing. If we lose our current rent and rent increase protections, it would be very difficult for us to find apartments in our price range with the same protections, potentially forcing us to move out of the city. This legislation would make it easier for low-income tenants to search for affordable apartments and decrease the probability that long term New York City residents would have to uproot their lives and relocate outside the city to somewhere more affordable. We hope you take our position into consideration and ask for your support for Int. No. 1015.

Sincerely,



Kim P. Jones

Fifth Avenue Committee
Our Community. Our Future.

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Testimony of Dave Powell, Fifth Avenue Committee/Neighbors Helping Neighbors, Before City Council in Support of Intro 152-A and Intro 1044, February 22, 2016

Thank you for the opportunity to testify in support of Intro 152-A and Intro 1044 which stand to significantly mitigate the displacement pressures faced by our communities. We are here to enthusiastically call for their speedy passage and robust enforcement.

My name is Dave Powell and I am the Director of Organizing and Advocacy at the Fifth Avenue Committee (FAC) and Neighbors Helping Neighbors (NHN), an affiliate of the Fifth Avenue Committee based in Sunset Park. Our organizations are active in the Brooklyn neighborhoods of Gowanus, Park Slope, Boerum Hill, Sunset Park, Downtown Brooklyn, Prospect Heights, Red Hook and beyond. Both organizations fight to keep families in their homes through eviction prevention casework, tenant association organizing and policy activism.

FAC is a member organization of the Association for Neighborhood and Housing Development (ANHD) and we have been part of the coalition convened by ANHD calling for anti-harassment protections for tenants citywide; we are also part of the Stand for Tenant Safety campaign to make the Department of Buildings responsive to the crisis of so called "constructive evictions".

The phrase "housing crisis" has been used both by advocates and elected officials for decades now and has generally referred to ever escalating rents and the chronic lack of housing affordable to low- and moderate-income residents. While this affordable housing crisis is still very much in full swing, I think we are all aware that we are currently are experiencing a closely related but often un-named crisis in New York City and that is the *displacement crisis.* Unfortunately the relationship between these two is not often explicitly discussed and specific policy attempts to systematically address the latter are rarely forth coming. The tenants of New York City are in need of aggressive protections to address this displacement crisis, which has been fueled by international speculative investment in our housing market, deregulation loopholes created in the rent stabilization laws and the up-zoning of dozens of our communities by the Bloomberg administration. These dynamics have created profitable incentives for landlords to displace families from low-rent housing through harassment and constructive eviction.

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The tenant protections imbedded in the bills before you today are particularly urgent in light of the proposed up-zonings that are the core component of Mayor de Blasio's housing plan. Simply put, without these protections in place, the forces of predatory real estate speculation will find fertile ground in the Mayor's proposals and any proposal that unleashes additional density for market-rate development.

Our community has experienced first hand what up-zoning without tenant protections can do to a neighborhood. For an example of why we need anti-harassment measures and restrictions on the issuance of DOB permits to unscrupulous landlords, look no further than 4th Avenue in North and South Park Slope in the wake of the 2003 and 2007 re-zonings. Both of these land use actions not only brought displacement through harassment but also the demolition of sound, rent stabilized housing.

A prime example of this was the destruction of 150 -158 4th Avenue, five rent stabilized buildings that provided 40 units of deeply affordable housing to low- and moderate-income families in our community *(see attached one pager).* The increase in density was too tempting for this unscrupulous landlord who viciously and persistently harassed every last tenant out of these buildings until they were empty. By 2009 these buildings were demolished and today our community walks by a luxury development that receives a 421a tax break where 40 of our beloved neighbors once lived. Just down the block is 140 4th Avenue where only two families are left to resist the constructive eviction and harassment techniques of the landlord, as he recklessly slaps two additional floors onto this 8 unit building. Diagonally across the street is 78 St. Marks Place, another 8 unit building where two households bravely fight against a landlord who first harassed tenants out, but now has shifted gears and has applied to DHCR to demolish the building legally *(see attached NYT article).*

The danger and harassment endured by these 56 families – only 4 of whom are still in our community today – is a cautionary tale about the destructive forces that are unleashed by increased density and a call for additional tenant protections. Had both bills that are before you today been law a decade ago, it is quite likely that the families I have testified about would still be part of our community and that the affordable housing that they lived in would not have been lost. I urge the City Council to pass these bills expeditiously, to work with advocates and the relevant city agencies to insure that they function as intended and to see both bills as *the beginning* of a policy framework that distinctly addresses the crisis of displacement that is destroying out communities.

###

150-158 4th AVE CASE STUDY

After the North Park Slope rezoning was approved in 2003 the owner of 150, 152, 154, 156 and 158 4th Avenue embarked upon a campaign to empty these five rent-stabilized buildings. Fifth Avenue Committee (FAC) worked with tenants in the subject buildings and discovered that the landlord was using buy-outs, harassment, and threats of deportation to get tenants out. Organizers at FAC learned the landlord wanted to empty the buildings to meet the conditions of a pending sale to a luxury housing developer.

The subject buildings in 2007 (left) and luxury housing development 2010 (right)

Source: Gowanus Lounge, Fifth Avenue Committee

From 2004 to 2006 the tenants who did not take buy outs were met with serious harassment through neglect and poor conditions of the buildings and verbal abuse. Vermin, flooding, mold, no heat, no hot water, suspicious fires, robberies, trash, and urine in the halls were the norm. The front door of 156 4th Avenue did not lock; homeless people frequently slept in the hallways where discarded hypodermic needles and liquor bottles could be found. A tenant organizer at FAC recalls that a real estate agent, hired by the landlord, warned a tenant, a single-mother, that she should be concerned about her children's safety given the state of the building; her apartment was broken into soon thereafter. [24]

The tenants, with the help of FAC, initiated numerous HP actions (tenant-initiated court cases to force landlords to make repairs) and got hundreds of violations placed on the building but code enforcement was slow and conditions remained poor. One apartment, in 156 4th Avenue, alone had 26 violations, including: 2 Class C violations, 21 class B violations, and 3 class A.[25] Despite the protections afforded to tenants under rent stabilization the landlord prevailed in his campaign. By December of 2006, 40 rent-stabilized units were vacant and the buildings were boarded up. The buildings were ultimately demolished and today are being developed as luxury housing

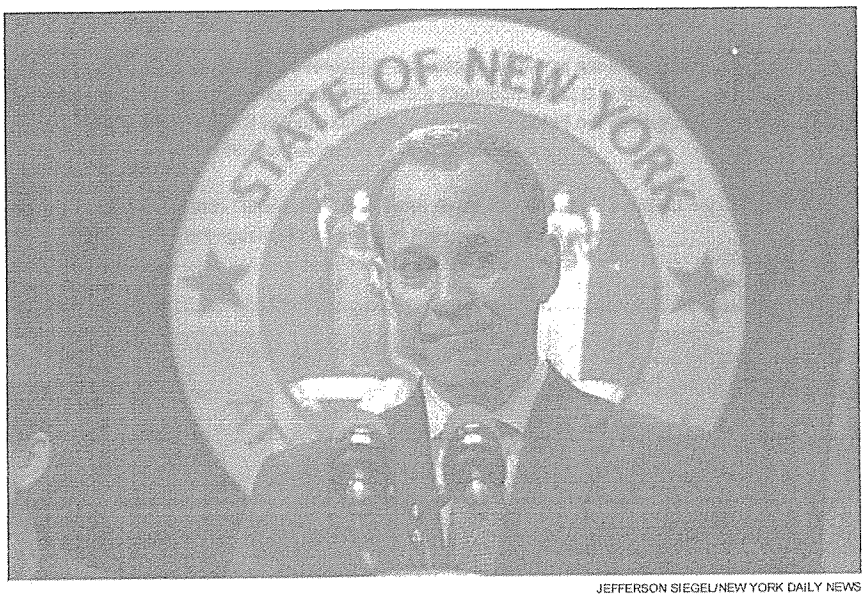
The landlord in this case made a business decision to deliver an empty building to a developer there by "sparing" the developer the DHCR process of providing nominal tenant stipends or "demolition" eviction cases. Instead, the route chosen was to harass his tenants into leaving. The exiting landlord became rich while the developer received an easy development site while retaining "clean hands." Meanwhile a minimum of 40 low/moderate income families where displaced from the neighborhood and the neighborhood lost 40 units of deeply affordable housing.

EXCLUSIVE: Eric Schneiderman hits tax cheat developer with $500,000 settlement

On Sunday, the Daily News reported that several companies have been building city-subsidized affordable housing, even as they owe $11.8 million in back wages.

BY GREG B. SMITH / NEW YORK DAILY NEWS / Wednesday, November 19, 2014, 12:01 AM

A A A



JEFFERSON SIEGEL/NEW YORK DAILY NEWS

On Tuesday the developer, 150 Fourth Avenue LLC, agreed to pay $500,000 as part of a settlement, Eric Schneiderman annonuced.

A Brooklyn developer got a sweet $300,000 tax break by promising he'd either make half his apartments affordable or pay his building employees prevailing wages.

Instead, state Attorney General Eric Schneiderman says, he did neither.

On Tuesday the developer, 150 Fourth Avenue LLC, agreed to pay $500,000 as part of a settlement — the first shot fired in Schneiderman's ongoing hunt for builders who reap tax windfalls but don't live up to their obligations.

"Tax breaks offered to developers and landlords are not freebies," Schneiderman said, announcing his agreement with 150 Fourth Avenue LLC and three smaller settlements.

The use of tax breaks to encourage more affordable housing is a key issue for Mayor de Blasio. He's vowed to create or preserve 200,000 affordable units over 10 years.

On Sunday, the Daily News reported exclusively that several companies have been building city-subsidized affordable housing, even as they owe $11.8 million in back wages.

On Tuesday, de Blasio praised Schneiderman's settlements and said, "We need to get the most out of every dollar we spend, and it is vital that the people

EDITOR'S PICKS

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The first manager of the topless Times Square panhandlers to be busted by...

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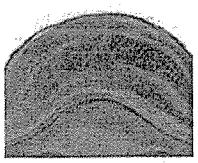

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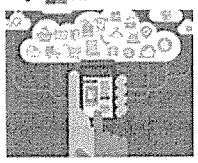
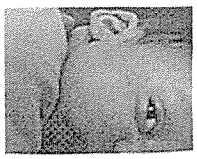


4-month-old Bronx boy dies from head trauma, skull bruising
A 4-month-old Bronx boy died Friday after being brought to the hospital by...

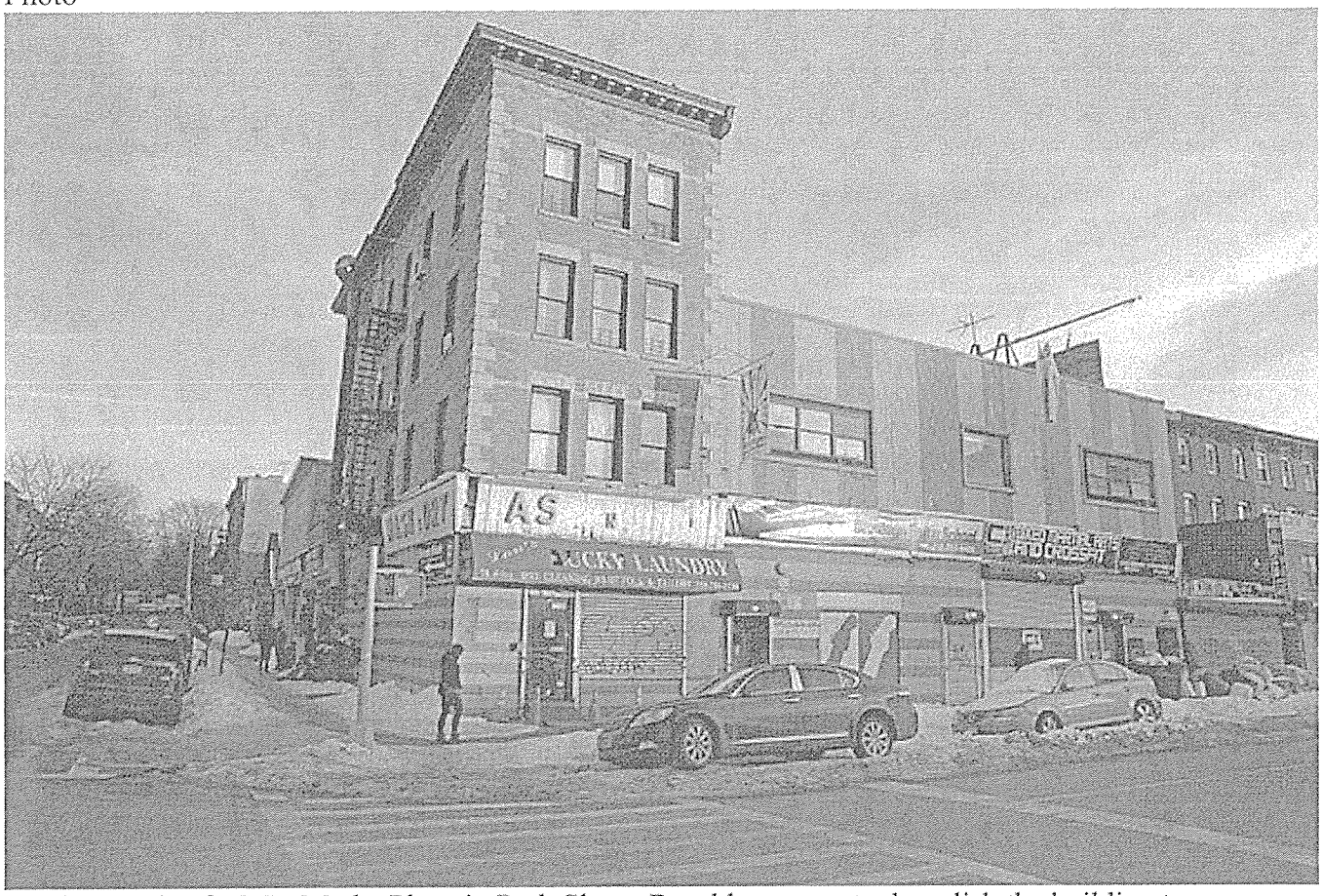


N.Y. / Region

After Decades at a Walk-Up, Tenants Fear Losing a Home

FEB. 17, 2014

Photo



The landlords of 78 St. Marks Place in Park Slope, Brooklyn, want to demolish the building to put up a condominium tower. Credit Michelle V. Agins/The New York Times

Continue reading the main story

Gotham

By MICHAEL POWELL

To hop a snowdrift and push through the dented door to 78 St. Marks Place in Park Slope, Brooklyn, is to walk into a beehive, the tenants so intertwined as to call to mind a single family.Dominican and Puerto Rican, these families lived in this walk-up for decades. There are two carpenters, a cabdriver, a home health aide, a school counselor and a factory laborer. They

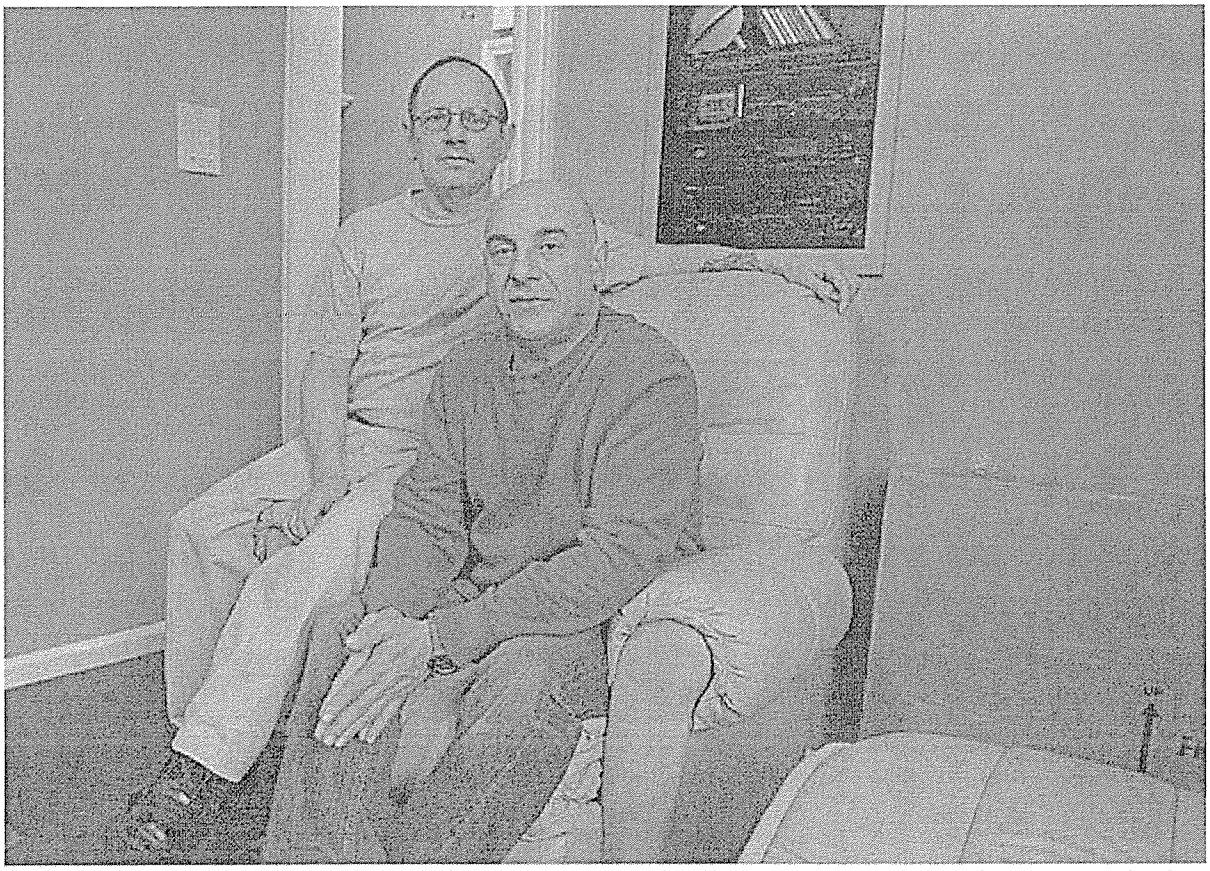
do their own repairs. Their children sleep two and three to a bedroom and ramble up and down the ramshackle stairs.

There's not a fancy flat to be found. It's just home. "This was my life," said Benito Cruz, who has thinning hair and a 12-year-old daughter and a toddler. "I always thought I would grow old here."

His use of the past tense is intentional. His building resembles an airport departure lounge.

A father and son team, Victor and Harry Einhorn, purchased this building two years ago and want the tenants gone. The Einhorns have filed papers with the city and state to demolish the building and its seven apartments. Officially, they propose to build a warehouse; unofficially, they acknowledge, they plan to toss up a condominium tower.

Photo



Benito and Eugenio Cruz, from left, are brothers who live at 78 St. Marks Place. Eugenio Cruz has lived in the building since 1973 and Benito Cruz has lived there since 1977. Credit Michelle V. Agins/The New York Times

That tower should make them a sweet pile of money. A two-bedroom edges near $800,000. In December 2012, the landlords offered the tenants $50,000 and a deadline of two weeks. The tenants refused, and now the Einhorns' offer may be twice as much. Those checks will get taxed and the tenants will have to move far from here.

"I asked Mr. Einhorn where I'd go," Mr. Cruz said. "No answer, nada. He just says go."

This is New York City in an age of real estate as oil wells. To speak of gentrification, that house-by-house renovation march, is not to do this justice. This is turbo charged, developer plotted, bank fueled, quite intentional and difficult to mediate.

The situation at 78 St. Marks offers a microlesson in what hasn't worked. In 2003, the Bloomberg administration and the City Council crafted new zoning for Fourth Avenue. Landlords could tear down and build up. Everyone, including then-Councilman Bill de Blasio, voted for it.

A forest of homely upper-middle-income condo towers rose. The city set aside $6 million to encourage building affordable housing. It accomplished little.

A few years later, along came the developer Bruce Ratner, a politically savvy fellow who has a dairy-farmer-like appreciation for the teat of public subsidy. He wanted permission to knock down apartment buildings and build residential skyscrapers, and an arena.

Give me enough subsidies, he said, and I'll make 50 percent of the apartments sort of affordable. He promised to finish by 2016.

Now his completion deadline is decades away. All that's gone up is the Barclays Center, which disgorges a beautiful income stream.

"Barclay's put even more pressure on these neighborhoods," said Jackie Del Valle, an organizing director at the Fifth Avenue Committee, which is helping these tenants. "It's another wave of gentrification."

No tenant at 78 St. Marks gets weepy for the old days. Junkies shot up in their vestibule. Gang members punched little girls in the nose. A dead woman was found, gape-mouthed, inside the burned-out frame of a sedan.

Continue reading the main story Continue reading the main story

Now there's a natural food store, a wine grotto, a good supermarket. The schools have gotten much better.

"It was ugly," Mr. Cruz said. "Now it's not. I'd like to stay."

The Einhorns make quite a team. Last year, on Christmas Eve, they served eviction papers on a day care and senior center in Williamsburg. Victor Einhorn was convicted of an $8 million fraud in 2002. The federal judge noted his "history of deceit" and "blatant" law breaking.

I asked his son about this history. His father, he replied, was his bookkeeper. "What does he have to do with my company?" he asked.

I noted Victor Einhorn introduced himself as the landlord to the tenants, and their law firm copied his father on correspondence with the state.

Whatever.

You're going to build a nice residential tower? I asked.

"Correct," Harry Einhorn said. "That's correct."

In their application to the state, the Einhorns said they would build a warehouse.

For now, the tenants try to think about what they'd do with $100,000. Mr. Cruz has had three heart operations and is 62 years old. That $100,000, he said, buys his family nothing.

Downstairs, Eugenio Rafael Cruz worked as a doorman until he hurt his back. He drives a taxi. "It's impossible," he said. "I'm 53; for me, this is the end of New York. I'm gone."

So a corner of New York crumbles.

Email: powellm@nytimes.com

Twitter: @powellnyt

A version of this article appears in print on February 18, 2014, on page A16 of the New York edition with the headline: After Decades at a Walk-Up, Tenants Fear Losing a Home. Order Reprints|Today's Paper|Subscribe

FOR THE RECORD

02-22-2016

Hello everyone my name is Orlando Cotto I Am From Harlem 295 west 150 street. I Am Here in Surport OF All the bills mention today Since The building was sold back in 2014 The New owners Has tryed everything to get US out.

Housing Court case -
Construction Harrasment
And not mantaining the building.

The Landlord's Are making illegal renouation With out proper permits Then Landlords Are Reporting It to DHCR For rent increase's.

no one At DHCR Are Checking to See If permits Are being Filled. in result DHCR Are Approving rent increases For illegal renouations

Thank You For your time.

295 tenant's Assocation
Orlando Cotto
295 west 150st #44
New York, New York 10039
347-551-6907

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1044 Res. No. _____

☑ in favor ☐ in opposition

Date: 02/22/2016

(PLEASE PRINT)

Name: Betsy Eichel

Address: 77A 10th Avenue

I represent: Housing Conservation Coordinators

Address:

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☑ in favor ☐ in opposition

Date: 2-22-2016

(PLEASE PRINT)

Name: Erika Rojas

Address: 12a Thames str Apt 2

I represent: Cms

Address:

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☑ in favor ☐ in opposition

Date: 02/22/2016

(PLEASE PRINT)

Name: Olivia Cortes

Address: 308 Harman St

I represent: CMS

Address:

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 152-A, 543, 1015 Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Baaba Halm

Address: 100 Gold Street, NY, NY

I represent: NYC HPD

Address: 100 Gold Street, NY, NY

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 152-A, 543 Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Vito Mustaciuolo

Address: 100 Gold Street, NY, NY

I represent: NYC HPD

Address: 100 Gold Street, NY, NY

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1015 Res. No. _____

☐ in favor ☐ in opposition

Date: 2/22/16

(PLEASE PRINT)

Name: Anne-Marie Hendrickson

Address: 100 Gold Street, NY, NY

I represent: NYC HPD

Address: 100 Gold Street, NY, NY

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THE CITY OF NEW YORK

Appearance Card

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☐ in favor ☐ in opposition

Date: 2/22/16

(PLEASE PRINT)

Name: Patrick Wehle

Address: DOB

I represent: _____

Address: _____

125

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 1574 543 1015

☒ in favor ☐ in opposition

Date: 10/14/15

(PLEASE PRINT)

Name: JOHN FREDERICK NEWTON

Address: 1640 JONES AVENUE

I represent: TENANTS & NEIGHBORS COALITION / MET Council on Housing

Address: _____

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. ALL Res. No. _____

☐ in favor ☒ in opposition

Date: _____

(PLEASE PRINT)

Name: Robert S Altman

Address: 27 Whitehall St., 4th Fl. N.Y., N.Y. 10004

I represent: Queens & Bronx Building Assn

Address: Building Industry Assn. of NYC

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☒ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Sarah Desmond

Address: 40 HCC 777 Tenth Avenue

I represent: Housing Conservation Coordinators

Address: _____

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☒ in favor ☐ in opposition

Date: 2/22/16

(PLEASE PRINT)

Name: Ezra Kantz

Address: 301 Grove St Bklyn 11237

I represent: Make the Road New York

Address: 301 Grove St Bklyn 11237

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Appearance Card

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☒ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: James Rodriguez

Address: _____

I represent: GOLES

Address: _____

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Appearance Card

I intend to appear and speak on Int. No. 152A Res. No. _____

☒ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Dave Powell

Address: _____

I represent: Fifth Avenue Committee

Address: _____

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Appearance Card

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☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Tom ANDERSON

Address: 220 E 23RD

I represent: OSA / Steve Warner

Address: 220 E 23RD 10010

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 152-A Res. No. _____

☒ in favor ☐ in opposition

Date: 2/11/15

(PLEASE PRINT)

Name: NICK Petrie

Address: 1661 Port Richmond Ave

I represent: Make the Road NY

Address: _____

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Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Jordan Dressler

Address: Civil Justice Coordinator

I represent: HRA

Address:

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THE CITY OF NEW YORK

Appearance Card

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☑ in favor ☐ in opposition

Date: 02-22-2016

(PLEASE PRINT)

Name: Orlando Cotto

Address: 295 W 150 St Apt 44 N.Y N.Y 10039

I represent: 295 tenants association.

Address: 295 W 150 St N.Y N.Y 10039

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1044 Res. No. _____

☒ in favor ☐ in opposition

Date: 2/22/16

(PLEASE PRINT)

Name: SAM CHIERA

Address: 260 BROADWAY, BROOKLYN NY 11211

I represent: BROOKLYN LEGAL SERVICES CORPORATION A

Address: SAA

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THE CITY OF NEW YORK

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☒ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Efrain Felipe

Address: _____

I represent: UNO / St Nick's

Address: _____

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☒ in favor ☐ in opposition

Date: February 22, 2016

(PLEASE PRINT)

Name: Clentine Fenner

Address: 1030 Carroll Street Bklyn, NY

I represent: 1030 Carroll Street Assoc.

Address: 1030 Carroll Street

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 152, 543, 1044 Res. No. _____

☒ in favor ☐ in opposition

Date: 2-22-16

(PLEASE PRINT)

Name: Matthew Chachere

Address: 45 Wadsworth Ave, NY 10033

I represent: Northern Manhattan Improvement Corp

Address: same

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THE CITY OF NEW YORK

Appearance Card

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☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: NANCY SHER

Address: 120 COURT ST

I represent: TENANTS

Address: _____

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1044 Res. No. _____

☑ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Rochelle Bonosoro

Address: 305 W. 135th St #4A

I represent: M/SOL Letitia James

Address: _____

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1044 Res. No. _____

☑ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Kathleen (Kween)

Address: 14 East 125 St NYC 10

I represent: People With Disabilities

Address: for affordable Housing

Please complete this card and return to the Sergeant-at-Arms

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THE CITY OF NEW YORK

Appearance Card

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☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Paul W. Gilman

Address: 166-17 125th Street

I represent: Flushing Greens

Address: _____

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☑ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Sandra Johnson

Address: 141 East 125th street

I represent: my neighborhood,

Address: 141 East 125 & MFY, Latchi Jane

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 0154/15 Res. No. _____

☒ in favor ☐ in opposition

Date: 2/22/2016

(PLEASE PRINT)

Name: Adele Bartlett on behalf of BPG Brewer

Address: 1 Centre St 9th floor

I represent: BP

Address: _____

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 152-A Res. No. _____

☒ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: HARVEY EPSTEIN

Address: 123 WILLIAM ST 16th FLOOR

I represent: URBAN JUSTICE CENTER

Address: _____

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. All Res. No. _____

☐ in favor ☒ in opposition

Date: 2/22/16

(PLEASE PRINT)

Name: FRANK RICCI

Address: _____

I represent: Rent Stabilization Asso

Address: _____

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1044, 1015, 152-A Res. No. _____

☒ in favor ☐ in opposition

Date: 2/22/16

(PLEASE PRINT)

Name: Natasia de Silva

Address: 349 E. 149th St, 10th Fl, Bronx, NY 10451

I represent: Legal Services

Address: same as above

Please complete this card and return to the Sergeant-at-Arms

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THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 543 Res. No. _____

☑ in favor ☐ in opposition

Date: 2-22-2016

(PLEASE PRINT)

Name: Thomas Honan

Address: 1 west 125th Street, 2nd Floor

I represent: Legal Services NYC - Manhattan

Address: 1 west 125th Street, 2nd Floor

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THE CITY OF NEW YORK

Appearance Card

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☒ in favor ☐ in opposition

Date: 2/22/16

(PLEASE PRINT)

Name: Kim P. Wilson

Address: 109 W 105th St #3B

I represent: 109 W. 105th St Tenants

Address: 109 W. 105th St Tenants

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1015 Res. No. _____

☐ in favor ☐ in opposition

Date: 2/22/16

(PLEASE PRINT)

Name: Jennifer W Berkeley

Address: _____

I represent: 109 W. 105th St Tenants

Address: 109 W. 105th St.

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Appearance Card

I intend to appear and speak on Int. No. 152-A Res. No. _____

☒ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Emily Goldstein

Address: _____

I represent: ANHD

Address: _____

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1044 + 152A Res. No. _____

☒ in favor ☐ in opposition

Date: 1/13

(PLEASE PRINT)

Name: MICHAEL GRINTHAL

Address: 365 CLINTON AVE BROOKLYN 11238

I represent: MFY LEGAL SVCS

Address: 299 BROADWAY NY 10007

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1015 Res. No. _____

☑ in favor ☐ in opposition

Date: 2-22-16

(PLEASE PRINT)

Name: STEPHEN M WEIZNER

Address: 78-12 87 RD, WOODHAVEN NY 11421

I represent: SELF

Address: SAME AS ABOVE

Please complete this card and return to the Sergeant-at-Arms

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THE CITY OF NEW YORK

Appearance Card 152-A

I intend to appear and speak on Int. No. 1015, 1044 Res. No. _____

☑ in favor ☐ in opposition

Date: 2/22/16

(PLEASE PRINT)

Name: Ellen DAVIDSON

Address: _____

I represent: The Legal Aid Society

Address: 199 WATER ST NY NY 10038

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☑ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: ~~Pat~~ David Hamm

Address: 3149 Broadway #22

I represent: PA'LANTE and Manhattanville Tenant Assoc

Address: same

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☑ in favor ☐ in opposition

Date: 2-22-16

(PLEASE PRINT)

Name: Maria Taveras

Address: 218 South 3rd St

I represent: Williamsburg South side Tenants Assoc & Palante Harlem

Address: palante Harlem

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