



Manhattan Borough President Scott M. Stringer

and

The Mitchell-Lama Residents Coalition

present a

MITCHELL-LAMA CONFERENCE

*Dedicated to the memories of Jim Garst and Bob Woolis --
Pioneers in the Fight to Preserve Affordable Housing*

Saturday, March 3rd, 2007 • John Jay College of Criminal Justice

P R O G R A M

Welcome

Jackie Peters, Co-Chair of the Mitchell-Lama Residents Coalition

Remarks on the State of Mitchell-Lama

Hon. Scott M. Stringer, Manhattan Borough President

Keynote Address

Deborah VanAmerongen, Commissioner, NYS Division of Housing and Community Renewal

Honored Guests

Hon. Gale A. Brewer, New York City Council Member

Hon. Christine C. Quinn, New York City Council Speaker

Hon. William C. Thompson, Jr., New York City Comptroller

Remarks on P-I-E Campaign

Rita Popper, President of the Knickerbocker Plaza Tenants Association


Panel Discussion

Dr. Ingrid Gould Ellen, Moderator

Co-Director of the Furman Center at NYU

Close of Conference

Hon. Scott M. Stringer, Manhattan Borough President



March 3, 2007

MITCHELL-LAMA CONFERENCE

Hosted by Manhattan Borough President Scott M. Stringer & the Mitchell-Lama Residents Coalition

Speakers

Hon. Scott M. Stringer was sworn in as Manhattan's 26th Borough President in January of 2006 after serving 12 years in the New York Assembly, where *The New York Times* credited him as having "a sterling reputation as a catalyst for reform." During his first year in office, Borough President Stringer helped breathe new life into Manhattan's Community Boards, ensuring that every neighborhood will have a strong voice in decisions that impact local resident's lives. He revamped the Borough President's Land Use Division and effectively weighed in on crucial development projects that will shape Manhattan's future. His continued advocacy for development that reflects neighborhood values has resulted in victories for local residents from Battery Park to Washington Heights.

Borough President Stringer worked to secure a \$900,000 grant from the federal Justice Department in order to crack down on domestic violence in Northern Manhattan and followed through on his pledge to create the Manhattan Borough President's Youth Sports league which serves more than 1,000 children across the borough by providing much needed after school activities.

Since taking office, Stringer has emerged as one of the City's leading voices on the need for comprehensive transportation reform and he has continued his career long fight for affordable housing by conducting the first ever borough-wide survey of vacant lots and abandoned buildings to identify sites for the creation of more affordable housing in Manhattan.

In 2006, the Borough President authored a number of ground-breaking policy reports on issues of importance to every New Yorker including parental involvement in our public schools, nursing home emergency preparedness, public safety and transportation.

During his twelve years in the State Assembly, Mr. Stringer authored landmark legislation to protect victims of domestic violence, led the fight against repeal of the commuter tax, voted against every attempt to weaken rent regulations and sponsored legislation that ended "empty-seat voting" in Albany.

Borough President Stringer was born in Washington Heights where he graduated from local public schools and went on to graduate from John Jay College of Criminal Justice.

Deborah VanAmerongen was appointed by Governor Eliot Spitzer on January 25, 2007 to serve as Commissioner of the New York State Division of Housing and Community Renewal. In this capacity she is also chair of the Housing Trust Fund Corporation, chair and CEO of the Roosevelt Island Operating Corporation, and is a member of the Board of Directors of the NYS Housing Finance Agency and the State of New York Mortgage Agency, the New York State Affordable Housing Corporation, the New York State Mortgage Loan and Enforcement Agency, the New York State Project Finance Agency, and the Harlem Community Development Corporation.

Before being named Commissioner, Deborah VanAmerongen served as the Director of Multifamily Housing for the Department of Housing and Urban Development (HUD) in the New York City region which includes all of Long Island, New York City, and the suburban areas north of New York City to Sullivan and Ulster Counties. She served in that position from August of 1998 until her current appointment. As Director of Multifamily Housing, she was in charge of all multifamily developments which have federal mortgage insurance, a project-based Section 8 contract, Section 202 senior housing developments, and Section 811 housing for the disabled. In the New York City region, this includes over

1,300 developments. The Office of Multifamily Housing also provides Federal Housing Administration (FHA) mortgage insurance for new rental housing developments, nursing homes and hospitals. In the 2006 federal fiscal year, the New York Office of Multifamily Housing underwrote almost one-half a billion dollars in mortgages. A primary focus of the New York office in recent years has been the preservation of assisted affordable housing units in HUD's portfolio. Many projects have been refinanced and re-capitalized using tools such as the Section 236 decoupling program, Section 202 refinancing and through the use of Low Income Housing Tax Credits for preservation. Prior to joining HUD, Deborah worked in the New York State Assembly as a Legislative Coordinator for the Program & Counsel staff. In that position she had jurisdiction over issues ranging from Housing to Consumer Affairs to Agriculture to Veterans Affairs.

Honored Guests


Hon. Gale A. Brewer has been representing the Upper West Side and Clinton in the New York City Council since 2002. Her service in the Council is a continuation of nearly 30 years of public service. Brewer chairs the Committee on Technology in Government, where she works to make better use of technology to save money, improve City services, and make government more open and accessible to residents, businesses and non-profits.

Other committees on which Gale Brewer serves include: Aging; Finance; General Welfare; Higher Education; Mental Health, Mental Retardation, Alcoholism, Drug Abuse & Disability Services; Oversight and Investigations, and Waterfronts. In addition, she co-chairs the Manhattan Delegation and sits on the Council's Rules Reform Task Force and the Budget Negotiating Team. Ms. Brewer brokered an historic Memorandum of Understanding with the Department of Housing Preservation and Development (HPD) and the Association of Neighborhood Housing Developers (ANHD) to pilot a program to conduct roof-to-cellar inspections on buildings known to have multiple serious violations and dated inspections.

Hon. William C. Thompson, Jr. became New York City's 42nd Comptroller on January 1, 2002. He was re-elected in November 2005 and began his second term on January 1, 2006. As custodian and investment advisor to all five of the City's pension funds, Thompson manages a combined portfolio of more than \$93 billion. In this role, Thompson has invested hundreds of millions of dollars in affordable housing and commercial real estate in New York City, helping increase housing and job opportunities within the five boroughs. He has demonstrated a serious commitment to fostering opportunities for women- and minority-owned firms to conduct business with New York City, with a particular focus on capital market activities. Under his leadership, the amount of New York City Pension Fund assets managed by women- and minority-owned firms has more than tripled to approximately \$3.7 billion.

Hon. Christine C. Quinn. In January 2006, City Council Members overwhelmingly chose Christine C. Quinn to be Speaker. In her first six months as Speaker, she has secured numerous budgetary gains and pushed through laws and policies on such critical issues as public safety, early childhood education, hunger and nutrition, garbage disposal, and economic development. Since 1999, Speaker Quinn has served as the representative for the 3rd Council District of Manhattan. She has been a long time pioneer for equal rights, comprehensive health care, improved schools, tenants' rights and affordable housing. Prior to becoming Speaker, she was the Council's Health Committee chairperson. In that role, she worked vigilantly to pass the ban on smoking in all workplaces, expand access to emergency contraception to rape survivors and other women in need, increase the availability of mammograms citywide, and secure millions of dollars for HIV prevention services.

Before being elected to the City Council, Speaker Quinn served for five years as Chief of Staff to Council Member Thomas K. Duane. She then worked as Executive Director of the New York City Gay and Lesbian Anti-Violence Project. During her time with the Anti-Violence Project, Mayor Guiliani appointed her to be a member of the New York City Police/Community Relations Task Force.



March 3, 2007

MITCHELL-LAMA CONFERENCE

Hosted by Manhattan Borough President Scott M. Stringer & the Mitchell-Lama Residents Coalition

Moderator

Professor Ingrid Gould Ellen is an Associate Professor of Public Policy and Urban Planning at the Wagner Graduate School of Public Service and is the Co-Director of the Furman Center. She teaches courses in microeconomics, urban economics, housing and community development policy, and urban policy research. Her research centers on neighborhoods, housing, and residential segregation. She is author of *Sharing America's Neighborhoods: The Prospects for Stable Racial Integration* (Harvard University Press, 2000) and has been published in such journals as *Urban Studies*, *Brookings-Wharton Papers on Urban Affairs*, *Housing Policy Debate*, and the *Journal of Housing Research*. Professor Ellen received a B.A. in applied mathematics, an M.P.P., and a Ph.D. in public policy from Harvard University. In her Ph.D. program, she received a Jacob K. Javits Fellowship, a HUD Dissertation Grant, a Senior Research Fellowship with the Harvard Joint Center for Housing Studies, and a Fellowship with the Malcolm Weiner Center for Social Policy.

Before joining the NYU faculty, Professor Ellen served as Lurcy Research Fellow at The Brookings Institution, a Research Consultant for the National Academy of Sciences' Committee on Improving U.S. Cities Through Metropolitan Area Governance, a Visiting Scholar at The Urban Institute, a Research Analyst for Abt Associates in the Housing and Labor Economics Area, and as a Policy Analyst for the NYC Department of Housing and Preservation and Development.

Panelists

Eleanor Bailey is the Assistant Treasurer for the Riverbay (Coop City) Board of Directors. Coop City is a DHCR cooperative located in the Bronx. There are 15,372 units in Coop City.

Hon. Jonathan Bing was first elected to the Assembly in November 2002 from the 73rd Assembly District in Manhattan and was re-elected in 2004. During his four years in the Assembly, Jonathan has authored 24 pieces of legislation that have passed the Assembly, 13 of which have also passed the Senate and 10 of which have been signed into law. Laws authored by Jonathan include legislation that would exempt social security income from the Senior Citizen Rent Increase Exemption (SCRIE) calculation (passed Assembly in 2004 and 2006). Prior to his 2002 election, Jonathan was a practicing attorney in Manhattan. Jonathan serves on the Assembly's Banks; Health; Housing; Judiciary; Social Services; and Tourism, Arts & Sports Development Committees. He is the Chairman of the Assembly Housing Committee's Subcommittee on Mitchell-Lama Housing.

Richard M. Froehlich is the Senior Vice President and General Counsel of the New York City Housing Development Corporation. He is an attorney and member of the New York State Bar. Mr. Froehlich is an Adjunct Assistant Professor of Urban Planning at Columbia University. Prior to joining HDC, he was Counsel at the law firm of O'Melveny & Myers LLP in its New York City office, where Mr. Froehlich's practice focused on real estate and public finance with a particular emphasis on affordable housing. Mr. Froehlich received his B.A. degree from Columbia College, Columbia University and his J.D. from Columbia University School of Law.

Joann Lawson is the president of the Tenants Association at Lakeview. Lakeview is a DHCR rental located in Manhattan that was occupied in 1976. There are 446 units in Lakeview. Lakeview is in the midst of leaving Mitchell-Lama.

Assemblyman Vito J. Lopez (D - Brooklyn) was born and raised in Brooklyn, New York. Assemblyman Lopez was elected to the state Legislature in the 1984 general election and began his ninth term as Assemblyman in January 2001. He graduated from James Madison High School and Long Island University, Brooklyn, with a Bachelor of Science in Business Administration. He received his Master's Degree in Social Work from Wurzweiler School of Social Work, Yeshiva University in 1970. He served as a part-time Adjunct Professor of Human Services at LaGuardia College and was also an Instructor at Molloy College, Empire State College, and Yeshiva University.

Representing one of the largest Latino/Puerto Rican districts in the state, Assemblyman Lopez has committed himself to educating his constituency on issues such as health care, housing, education, and public assistance support programs. In particular, Assemblyman Lopez has emerged as a leader on the issue of aging. He is the founder of the Ridgewood Bushwick Senior Citizens Center, which provides services to area seniors and represents one of the largest and most comprehensive programs in New York State. He is also the founder of City-Wide Advocates for Seniors, the North Brooklyn Senior Citizens Coalition, and the Ridgewood Bushwick Senior Citizens Council, Inc. Assemblyman Lopez is Chairman of the Housing Committee, and serves on the Rules, Commerce, Industry and Economic Development, and Social Services Committees. He is also the Co-Chair of the Puerto Rican/Hispanic Task Force and a member of the Task Force for New Americans.

Joan Meyler is a shareholder at Cadman Towers. Cadman Towers is an HPD cooperative located in Brooklyn. There are 421 units in Cadman Towers. The shareholders of Cadman Towers are exploring privatization and have submitted a Red Herring to the Office of the Attorney General.

Jackie Peters is the co-chair of the Mitchell-Lama Residents Coalition.


Rita Popper is the President of the Tenants Association at Knickerbocker Plaza. Knickerbocker Plaza is an HPD rental located in Manhattan that was occupied in 1974. There are 576 units in Knickerbocker Plaza. Knickerbocker Plaza is still in the Mitchell-Lama program; tenants have not received notice of buy-out.

Louise Sanchez is the co-chair of the Mitchell-Lama Residents Coalition.

John Warren is First Deputy Commissioner of the New York City Department of Housing Preservation and Development (HPD). In this role, he oversees the Agency's code enforcement, property management, Section 8 and Mitchell Lama programs as well as the Agency's budget and administrative functions. He was previously Deputy Commissioner of Housing Operations, Deputy Commissioner of Property Management and Assistant Commissioner of Alternative Management Programs. Mr. Warren began his career at HPD in 1988 as a planner for the Division of Homeless Housing Development. He earned a Bachelor of Arts and Master of City Planning from the University of Pennsylvania.

Since 1994, John has played an instrumental role in the rehabilitation and disposition of the City-owned housing stock. John has also worked extensively in the re-engineering of the HPD Section 8 Program and in creating new enforcement and preservation strategies in the privately owned rental housing market.





March 3, 2007

MITCHELL-LAMA CONFERENCE

Hosted by Manhattan Borough President Scott M. Stringer & the Mitchell-Lama Residents Coalition

The following is a list of questions developed by the Manhattan Borough President's Mitchell-Lama Task Force for use in today's panel discussion with Elected Officials and Agency Representatives. The panel will most likely only have time to address the first few questions in each of the subject areas. This list has been provided to help you follow along with today's discussion.

Additional questions from audience members may be submitted at the beginning of the program. The Resident Panel will be provided with the questions raised by audience members for use in their discussion with the panel of Elected Officials and Agency Representatives.

Protections

1. What is your plan to protect and preserve every existing Mitchell-Lama? What is your current role in the efforts to preserve Mitchell-Lama in the short-term? What is your current role in the efforts to preserve Mitchell-Lama in the long-term?
2. Who should bear the responsibility for reviewing and officially verifying the pre-requisite conditions/eligibility of a building planning to leave the program, i.e. is it the responsibility of a government agency, the landlord/coop board, or the residents? Does public policy designate an official "record keeping agency/body" that is responsible for cataloging development-specific information (e.g. deeds, mortgages, founding documents and the pre-requisite conditions/eligibility for a building to leave the program), and that is responsible for distributing these to residents upon request? Are there funding streams (public or private) that are available for resident organizing activities, or for residents that cannot afford representation during the buy-out/dissolution process, or for when residents are negotiating LAP agreements? There is concern that because of disparities in tenant resources not all LAPs are equally protective. Could funding to help residents during buy-out exist through government agency funds, or would it require separate legislation?
3. How many pieces of legislation have been initiated and passed by the State Assembly and have failed in the State Senate? Is this a pattern, and if so, how many years has this been occurring?
4. What protections currently exist for Mitchell-Lama residents (both renters and owners) whose buildings leave the program? What protections are in place to preserve the units of affordable housing in Mitchell-Lama buildings that leave the program?
5. Are these protections uniform for all Mitchell-Lamas? If not, why? Is it feasible to make these protections uniform? Do you think they should be?
6. Do you think Enhanced Section 8 vouchers provide sufficient protection to eligible residents? Is there a possibility the funding for these vouchers will be cut or endangered in the foreseeable future? What percentage of Mitchell-Lama residents who live in eligible buildings qualify for Enhanced Section 8 vouchers?

7. Is there any way Enhanced Vouchers could be used to protect not only the current resident, but to keep the unit affordable after the building has left Mitchell-Lama? Are there any other federal monies that might be used to this end?
8. What is HUD's role in Mitchell-Lama? How might HUD help preserve and continue the program?
9. The focus, thus far, has been on fighting to save Mitchell-Lama units that are leaving, or planning to leave, the program. Are there any strategies or upcoming policies that you are aware of that will add new units to Mitchell-Lama? What do you think a Mitchell-Lama II would, or should, look like?
10. In order to provide accurate information to Mitchell-Lama shareholders in developments exploring privatization, it has been recommended that two feasibility studies be required—one exploring the financial feasibility and effects of staying in Mitchell-Lama, and the other exploring the financial feasibility and effects of going private. Will the implementation of such a recommendation require a reform of government agency regulations, or would it take an act of legislation?

Incentives

1. What incentives currently exist for Mitchell-Lama developments to remain in the program? How are landlords, shareholders, and tenants informed of these incentives? Are these incentives enticing enough? What other incentives might be considered? Are landlords and shareholders consulted in the development of new incentives?
2. Sticks or carrots—could disincentives for leaving Mitchell-Lama be used rather than relying on incentives to remain in the program (e.g. in order for a building to buy-out, it must repay the past 5 years of tax exemptions)? Can a system be created in which landlords and coop boards that fail to comply with the Mitchell-Lama rules and regulations, be required to remain in the program for an additional length of time?
3. How can owners, residents/renters, board members, and other shareholders access information pertaining to existing incentives? Is the process of obtaining the incentives—time commitment and paperwork load—considered when evaluating its potential effectiveness as an incentive to remain in the program?
4. How many total units are currently locked-in to the Mitchell-Lama program because of HDC programs? How many of these units are rentals versus cooperatives? Does HDC have the power to negotiate higher benefits or higher repair loans with landlords to entice them to remain in the program? *[Directed to HDC]*
5. Is HFA considering developing programs similar to those available through HDC? *[Directed to HFA]*
6. Do landlords receive incentives to negotiate landlord-tenant agreements in buildings that leave Mitchell-Lama, but do not move into rent-regulation?

7. Please speak to the pros and cons of the 15-year lock-in.
 - a. What happens when the lock-in is over?
 - b. Can owners/shareholders renegotiate to extend the benefits in return for staying in the program beyond 15 years?
 - c. When will the first HDC lock-ins end?

Enforcement

1. Some argue that both the government agencies overseeing Mitchell-Lama developments and the coop boards managing the properties are not acting in the best interest of residents, nor are they being held accountable for their actions. Do you believe that this argument is correct in the majority of cases? How can these agencies and boards be held more accountable to residents? Is there a role that you can play in helping to enforce accountability? Do you believe that changing the wording in the Mitchell-Lama rules and regulation from “may” to “shall” would better require compliance and provide the government agencies more enforcement power? What is needed to make such a regulatory change?
 2. Are background checks performed on buildings planning to exit the program to determine if the building has: open violations, refinanced its government backed mortgages, J-51 abatements, etc? Do you think such checks should be conducted? Are owners and shareholders required to clear all violations before leaving the program? If not, why? Do the oversight agencies have the power to prevent buy-outs until the landlord or coop board has complied with all regulations? If not, how is such authority granted? Do the oversight agencies have the power to require additional time in the Mitchell-Lama program for failure to comply with the rules and regulations? If not, how is such authority granted, and is it legal? *[Directed primarily to HPD and DHCR]*
 3. The City rules and regulations governing Mitchell-Lama developments and the process for leaving the program are not the same as the State’s regulations. Why not? Are there plans to seek parity at the level of best practice? What will this take?
 4. How are residents informed of the rules and regulations governing Mitchell-Lama and the dissolution process?
 5. It has been suggested that creating offices within HPD and DHCR to specifically handle subsidized buildings opting out of their programs would better supply residents with information on the process. Is this a possibility? What is needed to establish such offices?
 6. Are there formal “red flag” procedures within DHCR, HPD, and HUD that are activated when Mitchell-Lamas leave the program? Are there check-lists? Is this information public? If not, can/should it be made public? *[Directed primarily to agencies]*
 7. How do HUD, DHCR, and HPD interact and overlap? Are uniform rules and policies established between the three agencies as they relate to Mitchell-Lamas? Specifically, how do the agencies overlap in the administration of Enhanced Section 8 vouchers? *[Directed to agencies]*
 8. Are the individual budgets of Mitchell-Lama coops monitored by the oversight agency? If so, how? If not, why?
-