

Community Board 12 Manhattan
Minutes for the Housing and Human Services Committee Meeting
February 6th, 2014 at the New Board's Offices
Office Conference Area – 530 West 166th Street – 6th Floor

Committee Members Present (6): Richard Lewis [Chair], Alyce Smith, Lorena Jimenez-Castro, **Ayisha** Oglivie, Jay Mazur and Christina Burgess [Public Member].

Committee Members Absent: (0)

Board Members (1) Steve Simon

Guests (2): Martin Smith (Senator Adriano Espaillat's Office) and Fidel Malena (Council Member Mark D. Levine's Office).

Public (2): Derrick Horton (Program Manager, ASCNY) and Vojislav Filipcevic (Trinity College).

Staff: Paola Garcia

Welcome, Opening Remarks, and the Agenda. Richard Lewis as Chair called the meeting to order at 7:30pm. Board Members introduced themselves as did the public and guests. A quorum was present during the entire meeting. Topics for tonight's agenda were outlined. The major change was to place resolution items first since there was no guest speaker.

The chair gave some recent housing news and updates: New Department of Homes and Community Renewal (DHCR) amendments to its rules and administration were released. This was a result of public hearings with legislative officials last June. They are essentially a rollback of anti-tenant changes initiated during the Pataki-Bruno years. For more information on the changes enacted read **the following**"

<http://www.nyshcr.org/Rent/RentCodeAmendments/> or <http://www.nyshcr.org/Publications/> or <http://www.rew-online.com/2014/01/30/new-year-ussers-in-27-new-rent-stabilization-codes/>

The Chair announced several decisive actions taken by the new DHCR enforcement group – the Tenant Protection Unit (TPU). **On** January 15, 2014 Governor Andrew M. Cuomo announced a major settlement agreement that will help make communities more just and affordable by ending the reported harassment and intimidation of mainly Spanish-speaking immigrant tenants in nearly 1,800 apartments within 49 buildings in Harlem, Washington Heights, Brooklyn and the South Bronx.

"The steps outlined in the unprecedented agreement between New York State's Tenant Protection Unit (TPU) and Castellan Real Estate Partners/Liberty Place Property Management include monitoring of the landlord's practices for up to three years, the establishment of a fund to compensate mistreated tenants, the return of tenants that

had been wrongfully removed from their homes and requirement that all future communication between landlord and tenants be conducted in both English and Spanish.”

As a result of audits and subpoenas approximately 500 owners and 1,100 apartments have been audited – and over 2,700 buildings with 28,000 apartments have been re-registered and added back to the rent-stabilization rolls. The TPU has also returned more than \$200,000 to tenants who were unknowingly overcharged. See <http://www.governor.ny.gov>

The chair also announced major housing appointments by Mayor Bill De Blasio. He also promised a “total reset” of the previous administration’s approach to public housing as he announced his new appointees. They include **Ms. Shola Olatoye**, who will serve as the new chair of the New York City Housing Authority, **Mr. Cecil House**, who will continue to serve as NYCHA’s general manager, **Ms. Vicki Been**, who will head the Department of Housing Preservation and Development, and **Mr. Gary Rodney**, who will serve as president of the Housing Development Corporation.

Ms Been had been contacted several months ago to give a presentation on Property Taxes in March’s HHS Committee meeting in her Furman Center capacity.

“We are going to take a new approach to this crisis that holds nothing back,” Mr. de Blasio said in a statement announcing the new hires. “From doing more to protect tenants in troubled buildings, to innovating new partnerships with the private sector, to forging a new relationship with our NYCHA communities. Every decision we make will focus on maximizing the affordability of our neighborhoods.” For more information read including full appointee biographies see <http://politicker.com/2014/02/de-blasio-appoints-members-of-housing-dream-team/>

For this meeting new source materials selected by the chair were distributed. For information contact the board’s office.

Committee member Mr. Jay Mazur gave a brief presentation on different items and the variance in prices in Farmers Markets in our community district and will follow-up on this matter for the next meeting.

Discussion and Resolution on Increasing the Maximum Household Income Threshold for Senior Citizen Rent Increase Exemption (SCRIE).

Senior Citizen Rent Increase Exemption (SCRIE) is a program that allows seniors at age 62 to be protected from rent increases in rent regulated, Mitchell-Lama, and HDFC apartments. NYCHA units are excluded from the program. The maximum household

income is capped at \$29,000 as a result of its sunset in the law in 2009 and the failure of the state legislature to increase this cap or renew successive \$1,000 annual increments begun in the 2005 amendments to the law. In addition, to be eligible seniors or their household must pay one-third or more of the household's total monthly income for rent For more information:

http://www.nyc.gov/html/dof/html/property/property_tax_reduc_drie_sc_te.shtml

and http://www.nyc.gov/html/dof/html/forms_reports/property_forms_tenant_scrie.shtml#scrie

and <http://www.nyc.gov/html/dof/downloads/pdf/brochures/scriedriebrochure.pdf>

This situation needs to be remedied as many otherwise seniors cannot meet this maximum household income level and faced eviction or displacement in their households. In addition, federal programs such as social security have increased benefits based on COLAS on three occasions since 2009. These increases along with other increases in public benefits programs have threatened SCRIE eligibility standards given its frozen income standards. Here is an example in the table below.

Table 1 Example of SCRIE Eligibility Inequities and Lack of Protection

	Senior A	Senior B
Employment	Works 1,000 part time hours/year @\$11 per hour = \$11,000.	None
Savings	None	\$1,000,000 earning 1%= \$1,000.
Social Security Income	\$1,550 per month= \$18,600	\$1,550 per month= \$18,600
Total Income	\$29,600	\$28,600
Qualifies for SCRIE	NO	YES

Note: Rent increase exemption eligibility in the rent regulated unit are the same for both as more than one-third of income is paid as rent.

Discussion then center around what amount should be placed in the resolution. The highest amount for a new maximum household income was \$40,000. The figure of \$36,000 was settled upon with increments of \$1,000 per year since the sunset of the 2009 cap such that \$35,000 would be set for municipal fiscal year and \$36,000 for July, 2015. It should be noted here that the average rent stabilized rent in Upper Manhattan is approximately \$1,200 and three times that amount would be \$36,000. There would be no retroactive eligibility. As stated in the 2005 amended law these rates are dependent on the ability of an individual state municipality to have sufficient revenue to fund a tax credit to owners for this rent increase offset.

Consideration was given on how to allow for future increase and it was agreed that this funding should be automatic and would be based on the annual cost of living

adjustment (COLA) indexed to NY State regional Consumer Price Index for Urban Consumers (CPI-U).

The final discussion on SCRIE involved complaints that are still resurfacing on the management of the NYC Department of Finance (DOF) and its lack of compassion and to seniors. There are reports of cases closed due to a failure of a timely response to notices or if for some other reason a response was not forthcoming. The outreach and sensitivity once found in the NYC Department of Aging that handle this program five years ago is lacking. The department is too technologically-centered not person-centered. In addition there is a need to increase the staff in the DOF to allow for a more coordinated effort in record management and direct personal contact and engagement. Another suggestion regarding the reporting of rent changes such as MCI's or tax abatements, such as J51 is to allow the DCHR Rent Administration to include SCRIE/DRIE reporting forms when Order and Decision notices are sent instead of referring tenants who might be seniors to the DOF. A resolution was then unanimously approved 6-0-0 and will be sent to the general meeting on February.

Discussion and Resolution on the Need of Reforms in the NYC Rent Guidelines Board.

The Committee reviewed a list of the present NYC Rent Guidelines Board appointed members and staff. No official or public biographical information was available at the time of our meeting to determine if they represented a true cross section of the city's multi-cultural and vibrant working class communities whose future ability to pay rent they vote on. Unofficial sources suggested that this board was less than inclusive.

https://www.stpcvta.org/rgb/rgb_member_info.htm

The New York City Rent Guidelines Board is composed of nine members consisting of two members appointed to represent tenant interests, two members appointed to represent owner interests, and five members (including the chairperson) appointed to represent the general public.

There are now five vacancies on the current NYC Rent Guidelines Board (RGB): two public members (including the chairperson), one owner's representative, and two tenant members. It was concluded that more diversity for future appointees on this board that imposes rent increases to different communities in our vast city, This diversity should extend to different occupations and different income levels as well.

Finally, there was a discussion over the accuracy of descriptive statistics that the NYC Rent Guidelines Board uses for determination of the income and operating expenses property owners use to justify a rent increase. It was pointed out by the RGB itself that they had to use a small sample (actually the entire data they had) and this consisted of

only about 14,669 NYC rent stabilized properties containing 672,887 units from the deadline of November, 2012 filings or about only 34% of the city's rent regulated apartments. See: http://nycrgb.org/downloads/research/pdf_reports/ie13.pdf

This poor response by owners to comply with annual filing with the NYC DOF the Report of Property Income and Expenses Form (RPIE) required by law needs to be enforced with penalties. Greater compliance is needed so that these I and E reports could be more accurate and allow a timeline to chart cohorts and change. It was agreed that if any owner failed to be in compliance with the NYC DOF on these matters (as per Local Laws 52 and 63) that their property would not be eligible for the benefits of a new Rent Guidelines Board Order until such compliance has been met. There would also be no retroactive rent increases applied to the property. The resolution on these matters discussed was passed unanimously 6-0-0 and will be presented at the general meeting on February.

Presentation by Martin Smith - Director of Constituent Services (Senator Adriano Espailat).

Mr. Martin Smith made several announcements that were followed with some questions. He stated that he had just return from a nearby meeting held on the Governor's Executive Budget by Darryl C. Towns, DHCR Commissioner.

He stated that some \$18.7 million dollars had been added r to that agency's budget. He mentioned the cases and settlements involving several property owners and the Tenant Protection Unit that the Chair had announced earlier in the meeting. A request was made for a list of those Washington Heights or Inwood buildings that were part of the settlement

In his second major announcement Mr. Smith commented on the apparent attempt by New York Presbyterian Hospital/Columbia University to displace or evict hospital union workers abd their families from their apartments where they were granted licensee rental agreements that the union leadership had negotiated in apparent good faith. He cited a building on Haven Avenue that is being investigated for this type of tactics. A letter and petition drive is being done and will be presented to many stakeholders in the community.

Presentation by Fidel Malena (Community Liaison/Council Member Mark D. Levine

Mr. Fidel Malena introduced himself to the HHS Committee and on Council Member Mark D. Levine expressed his interest in the activities of our committee. He briefly touched upon his background and offer contact information:

7th District Office (Washington Heights, Hamilton Heights, West Harlem, Morningside Heights, Upper West Side) 1638 Amsterdam Avenue, New York NY 10031 (near West 141st Street and CCNY).Tel: 212 928.6814 Fax: 646-582-1408

The Chair briefly went over plans for the large Legal Forum on Housing set for May and will send a detail brochure to committee members for input by the end of the month. The Chair asked the committee to review to the 12 page assemblage of graphics and data; on workforce changes for the post industrial age and indicated this matter would be revisited at another meeting.

For want of time the Chair tabled the discussion on HHS Committee Goals for 2014 and agenda Items and on a resolution for CB12M to join the NYC Alliance to Preserve Public Housing for our next committee meeting in March.

Meeting adjourned at 9:30PM
Respectfully submitted by,
Richard Lewis, Chair HHS Committee
With the notes from Alyce Smith
February 6th, 2014