



Profiles of Selected Mitchell-Lama Buildings

October 2003

Clinton Towers
790 11th Ave.
Manhattan
City Council District: 3
City Council Representative: Christine Quinn
Number of apartment units: 396

Clinton Towers reflects the diversity of New York City. Residents are racially and ethnically diverse, as well as socio-economically diverse. Clinton Towers is a stable community of long-term residents, including senior citizens and children who have grown up in the building and obtained their own apartments.

A buy-out at Clinton Towers would cause hardship for most of the residents. It would be disastrous to uproot the elderly tenants from their homes and neighborhood, who cannot afford an increase in rent. Many residents work two jobs and are barely making ends meet. The residents of Clinton Towers are hard-working families trying to raise their children and live with decency and security.

Our moderate, low-income families and long-time residents of the community should not be forced out of the neighborhood now that luxurious apartment buildings are springing up on the nearby blocks. We urge the members of the City Council to support the preservation of the Mitchell-Lama program.

Cooper-Gramercy
401 2nd Ave.
Manhattan
City Council District: 2
City Council Representative: Margarita Lopez
Number of apartment units: 168

Cooper-Gramercy is a Mitchell-Lama development completed in 1974, consisting of 168 units owned by the Seavey Organization. Tenants first learned of our landlord's intention to withdraw from the Mitchell-Lama program in 1998 when an article appeared in The New York Times Real Estate section. Shortly thereafter, it was discovered that the landlord had entered into a 75-year land lease agreement with the City of New York (the landowner) mandating "low and moderate income housing ONLY" at this development during the lease term. This term runs another 52 years. In November 2001, tenants brought an action against the landlord and New York City seeking to uphold the terms of the original land lease. In June 2003, Supreme Court Justice Barbara Kapnick dismissed our case. The tenants are currently preparing our Appeal.

The New York City Council knows that we need to preserve every unit of affordable housing that we possibly can.

Campaign to *Preserve* Affordable Housing Member Groups

Independence Plaza North Tenants Association Working Families Party New Amsterdam Tenants Association
Heywood Towers Tenants Association ACORN Community Service Society Roosevelt Island Tenants Association SEIU 32 BJ
Phipps Plaza Tenants Association Concerned Cooper-Gramercy Tenants Association CWA 1180 UNITE PEF Region 11
Met Council on Housing New York Jobs With Justice SSEIU Local 371 Citizen Action of New York Knickerbocker Plaza
Tenants Association Mason Tenders District Council Northwest Bronx Community Clergy Coalition Boulevard Towers Tenants
Association IBT 808 DC 37 AFSCME United Jewish Organization of Williamsburg Columbus Manor Tenants Association
315 West 86th Street Tenants Association Coalition for a Livable West Side

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Knickerbocker Plaza
1751-1763 2nd Ave.
Manhattan
City Council District: 5
City Council Representative: Gifford Miller
Number of apartment units: 582

The tenants of Knickerbocker Plaza work or worked for the city as teachers and nurses. No one is rich in Knickerbocker Plaza. However, Knickerbocker Plaza brought other developers into the neighborhood, as well as business: restaurants, drugstores, medical facilities, supermarkets, cleaners, green grocers, etc. Before Knickerbocker Plaza was built there was no high-rise housing above 87th St. This was a "no man's land," and we were its pioneers.

Knickerbocker Plaza is ethnically diverse. We have a large senior citizen population, with a full-time Senior Citizen Community Room and paid Senior Citizen leader. We also have many Section 8 and RAP subsidy tenants. Half of the residents of Knickerbocker Plaza are original residents.

Tenants were told that Knickerbocker had a 40-year lease. That is not true. Our tenants do not even know that they can be bought out. Nowhere in our original leases does it stipulate that we could only occupy our apartments under the current 20-year agreement.

Does it make sense to uproot the people who built the neighborhood and cast them aside? Tenants in pre-war luxury rentals are protected by rent stabilization. People in Mitchell-Lama currently have no protection. Are we talking class distinction? It certainly appears that way. We need some intelligent and committed politicians to rectify this unacceptable situation.

Riverside Park Community
3333 Broadway
Manhattan
City Council District: 7
City Council Representative: Robert Jackson
Number of apartment units: 1190

Riverside Park Community, located in West Harlem, is a large single residential development. Families occupy the majority of the apartments, but we also have large numbers of senior citizens and singles. Residents are mostly lower middle class Hispanics and African-Americans. The average resident has lived in Riverside Park for 15 years. 45% of residents have lived in the development since it was completed.

We have not received information status at Riverside Park from the owner. Conditions are poor and repairs are not done. Tenant apartments have not been fixed or upgraded. Rent increases are on the way. Residents have never been informed about the owner's right to buy out. about the owner's right to buy out.

Bedford Gardens
70, 74, 80, 84, 90, 94, 100, 104 Ross St.
Brooklyn
City Council District: 33
City Council Representative: David Yassky
Number of apartment units: 647

Bedford Gardens' composition reflects Williamsburg's diversity. Tenants are from all age groups and family sizes. Ethnically and racially, tenants are primarily comprised of African Americans, Hispanics, and Hasidic Jews.

Bedford Gardens has original tenants, as well as new tenants who were only recently able to benefit from its safe affordable housing. Bedford Gardens, an affordable complex, is in an increasingly unaffordable neighborhood.

Williamsburg, similar to the rest of New York City, is experiencing an affordable housing shortage. Bedford Gardens is one of the only remaining complexes to offer safe and decent housing affordable to working families. Its astounding diversity is a testament to its value in the community.

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Independence Plaza North
80 N. Moore St., 40 Harrison St., 310
Greenwich St.
Manhattan
City Council District: 1
City Council Representative: Alan Gerson
Number of apartment units: 1332

Independence Plaza North (IPN) is located in Tribeca on the northern border of Ground Zero. It has a population of approximately 3500 residents who live in three high-rise towers and a group of townhouses. IPN residents make up more than 20% of Tribeca's entire resident population. Many residents lived in the neighborhood long before it was labeled "Tribeca." It is thanks to the early IPN pioneers that the neighborhood now has a supermarket, a local elementary school (PS 234), a park (Washington Market Park), and a library. Many residents have lived at IPN since the completion of construction, sometime in late 1973-early 1974. For its residents, IPN is more than just a residential development. It is a community. IPN is completely integrated, a microcosm of New York City's diversity. More than 30% of the residents are African-American and Hispanic. 22% of the residents qualify by income for federal rent subsidies. Most residents might be characterized as moderate or middle-income families. All IPN residents met Mitchell-Lama income requirements when they came to live here. Some residents now earn more than the federal income limits and thus pay a surcharge, some paying as much as 50% above the HUD-established market rents.

Tribeca has become a chic neighborhood with luxury restaurants and designer shops. The original owners, the Cohn brothers, saw an opportunity to realize windfall profits and sometime last year sold the building to Laurence Gluck, a multi-millionaire real estate developer. HPD approved the transfer of ownership from the Cohn's to Gluck, despite a history of documented complaints of mismanagement and accusation of serious misconduct against the Cohn's. Gluck, as new owner, issued a buy-out notice to tenants on June 26, 2003.

We applaud Gifford Miller for taking a principled stand, and assisting the residents of Independence Plaza North – and every other Mitchell-Lama building that would be assisted by this legislation - for help in negotiating out of this threat to Mitchell-Lama homes. Gluck, as new owner, was to issue a buy-out notice to tenants on June 26, 2003.

Middaugh Street Studio Apartments
20 Henry Street
Brooklyn
City Council District: 33
City Council Representative: David Yassky
Number of apartment units: 42

The Middaugh Street Studios "Candy Factory" is longstanding community in Brooklyn Heights. Many tenants have lived in the building for over 25 years and roughly half of the residents of the 42 apartments are working artists. Designed by visionary architect Lee Pomeroy, the building was designated by the City of New York and HPD as affordable artist housing as part of the Cadman Plaza Urban Renewal project. An art gallery, community space, courtyard, and open loft-style apartments characterize the award-winning building.

The buy-out of 20 Henry occurred on Friday, June 13th. We were told that rents would go to market level. HPD was actively working to provide sticky vouchers. Prior to the buyout, various agencies were working with us towards a possible purchase with the goal of preserving affordable housing. These negotiations did not work out because the potential funds were not enough to satisfy the landlord and his partners.

Our landlord, Penson Corp., is now refusing to renew all tenant leases under any conditions. The landlord recently made a settlement offer to the tenants of \$200,000 to be divided proportionately, providing all legal action was dropped and the building would be vacated shortly after our leases expire. The tenants refused this offer.

A case is now pending in the Brooklyn Appeals Court that is based on Penson Corporation having given tenants rent stabilized leases and misled tenants into believing that they had rent stabilized apartments that would provide them long term security into their retirement. Based on this, many tenants made critical life decisions and remained in the building, only to find out now in the later years of their life that they have no home, and no place to go in a city where rents are unaffordable.

Profiles of Selected Mitchell-Lama Buildings

Glenn Gardens
175 W. 87 St.
Manhattan
City Council District: 6
City Council Representative: Gale Brewer
Number of apartment units: 266

Glenn Gardens is a 266-unit Mitchell-Lama building located on the Upper West Side of Manhattan, a neighborhood that has become very desirable and even luxurious. The resident population is balanced between senior citizens, families, and singles, and is socio-economically diverse. The average resident of Glenn Gardens has lived in the building for over 20 years; many have lived in the building since it opened. At Glenn Gardens, residents care about their neighbors.

We were first notified of a buy-out in December 2001; the buy-out was completed on June 27, 2003. Tenants were and still are very stressed and very uncomfortable about the whole buy-out process. Many tenants thought they were safe because they would receive Section 8 ("sticky") vouchers. They did not realize that vouchered tenants might have to give up their apartments and move to smaller units. In addition to 170 vouchered tenants, we also have 66 LAP (Landlord Assisted Program) tenants and 29 market rent tenants.

It is obvious that government-subsidized housing is moving in the direction of privatization. Tenants are being forced out of affordable housing into the streets because there is nowhere else to go. It's about the dollar bill now. Owners are asking themselves, "How much can I make on this piece of real estate?"

Residents of other Mitchell-Lama developments should not have to go through what we went through at Glenn Gardens!

Manhattan Plaza
400 W. 43rd St.
Manhattan
City Council District: 3
City Council Representative: Christine Quinn
Number of apartment units: 1688

Manhattan Plaza was built in 1977 in the predominately working-class neighborhood of Hell's Kitchen. The building houses 80% middle- and 20% low-income tenants. A sizable percentage of the tenants are performance artists (actors, singers, dancers, and musicians) who have added greatly to the diversity and vivacity of this area. Manhattan Plaza played a great role in the revitalization of Hell's Kitchen and its tenants take pride in the fact that they have helped make it a safer and more pleasant place to live.

Manhattan Plaza is in a unique situation in that its owners originally made a deal to participate in the Mitchell-Lama affordable housing program for forty years. This means that we are not immediately at risk of being bought out, but it is possible in the future. Tenants are committed to preserving affordable housing in this building and are eager to join this fight to prevent the loss of Mitchell-Lama housing in New York City. Hopefully this recent action will be New York City's first strong step to take back our power from Albany.

Profiles of Selected Mitchell-Lama Buildings

Phipps Plaza West
480 2nd Ave.
Manhattan
City Council District:
City Council Representative:
Number of apartment units: 894

Phipps Plaza West consists of 8 buildings with a total of 894 apartments. The buildings were completed in 1976. The buildings are occupied by diverse ethnic and economic groups. Phipps Plaza is also unique for what their populations have contributed to creating a livable community from a blighted slum area. Also providing space for live-in programs for cerebral palsy, the deaf, a preschool program and a NORC program.

The buildings house approximately 600 elderly tenants, mostly women of moderate and low incomes. These tenants belong to this economic class because of long-term low pay for women, childcare interruptions, and incomes from investments being reduced through the poor economy and corporate misdeeds. They raised their children in the complex. The apartments are their homes. At this point in their lives, there are no other areas to which they can move where they can maintain their independence at affordable rents.

We received our 1st letter of buy-out intent in January of 2002. Tenants hired attorneys in March of 2002. The suit we filed delayed the buy-out until July 28, when the buy-out was accomplished. There were six negotiations between management, tenant reps and lawyers prior to new negotiations begun recently by order of Judge Heitler. The judge instructed parties to negotiate in "marathon" sessions at least twice a week until a settlement was reached.

Another group of tenants with separate legal counsel sought a temporary restraining order (TRO) to stop the rent increases scheduled for Oct. 1, 2003. A judge who wants to see the parties again on November 3rd signed the TRO. Management and lawyers representing 64 limited partners have not come down enough on the rents to satisfy tenants' representatives.

Sticky voucher tenants have been surprised by not having understood the 30% of income or current rent as the calculation base used for new rents. Some tenants with vouchers are paying 125% more rent. Those without vouchers got rent bills with more than double rent increases, many going from rents of about \$800 or \$900 to \$2150. There are no amenities in the buildings to justify such rent increases.

Tenants were simply not aware (because never informed) that these buildings could be bought out 20 years after 1976. Most thought that they were protected for 40 years, as noted in the original land-use agreement. Tenants have nightmares, have become ill, and are using anti-depressants or other medications in order to cope with this situation.