DAILY PINEWS

Put the brakes on housing losses

VIEWPOINT by DAVID R. JONES Wednesday, October 29th, 2003

It's no secret that affordable housing is hard to find in New York City. One of four New York households pays at least half its income for housing, with lowincome families hit the hardest.

Alarming losses of affordable housing in the Mitchell-Lama program make conditions even harder. Fortunately, the City Council has a chance today to start stemming some of the loss.

Although often thought of as middle-income housing, nearly 40% of Mitchell-Lama households have a yearly income of under \$20,000 and more than one in four Mitchell-Lama renter households live under the federal poverty line.

Since the 1960s, the Mitchell-Lama program has stimulated the construction of 120,000 affordable units citywide. Using low-cost financing and tax benefits, private developers built housing for low to moderate incomes. As an incentive, however, the law provides that owners can leave the program after 20 years and convert the apartments to market rents.

Many Mitchell-Lama buildings were developed in what were then weak real estate markets that now are stable, even fashionable neighborhoods, like Tribeca and the upper West Side. That makes the actions of landlords easy to understand. They prepay what remains of their low-cost mortgages, empty the buildings of low-income and working-class tenants and refill them with people who can afford pricey rents.

In recent months, buildings with several thousand tenants have been served with conversion notices; tenants of another Mitchell-Lama building were just given eviction notices.

Today, the City Council holds its first hearing on the Mitchell-Lama Conversion Protection Bill sponsored by Speaker Gifford Miller (D-Manhattan) and 35 other Council members. The bill would expand the modest regulations that now protect tenants during the conversion process and encourage owners, tenant groups and the city to negotiate settlements that ensure apartments will remain affordable at least for the current residents when Mitchell-Lama developments cannot be preserved intact.

While not denying owners the right to leave the program, the proposed law would give tenants 18 months' notice instead of just 12, require the city to certify that owners have substantially complied with Mitchell-Lama rules and require the city to conduct a thorough impact study - paid for by the building owner - and fashion remedies for any significant harm that tenants would face from the conversion of their building to market rents.

If it works, the Council's approach could be applied by Albany to Mitchell-Lama buildings developed with state aid.

New York's loss of affordable housing is alarming and irreversible. Record numbers of homeless people, soaring rents and low levels of housing production have impelled Mayor Bloomberg to propose building 65,000 new units of affordable housing over the next four years. Preservation of existing housing also should be a priority.

With Washington and Albany failing to invest in building or preserving housing, the Council is taking a necessary step to help save what remains of our valuable stock of Mitchell-Lama apartments. The bill deserves support from the entire Council and then should be signed into law by the mayor.

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