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Housing Committee Tuesday, March 3, 2015, 6:00 p.m. Board Office

Mission: The Housing Committee seeks to review, monitor, initiate and/or report on the implementation of all current and new housing initiatives and homeownership programs, and to advocate for the preservation of quality affordable housing for all East Harlem residents.

*** Minutes ***

Present: Adem Brija, Myra Colon, Wendy Hewlett, Alvin Johnson, Keith Massey, Nilsa Orama, Eudora Ortiz, William Smith, Andre Vital, Matthew Washington (ex officio), Mia Brezin (staff), Angel Mescain (staff)

Excused: George Gallego, Maria Nieves, Candy Vives-Vasquez

Absent: John Green

Guests: Robert Solano, C&C Mgmt; Robert McGill, C&C Mgmt.; Mikeal Brulia, NYCCLI; Kukka Ranta, NYCCLI; Michael Brown, Burlington Associates; Jason Webb, National CLT Network; Diana Taitt; Jestine Meyers, Milbank Frawley; Anabelle Ortiz, International Action Center; Kelly Magee, L&M Dev.; Judith Febbraro, CB11; Dahmahlee Lawrence, Magnusson Architecture & Planning; Leola Sanchez, tenant; Claudette Edwards, tenant; Jen Montolio, NYCHA; Jeff Moelis, L&M; Amy Stokes, NYCHA; Veanda Simmons, HPD; Kevin Parris, HPD; Phillipe Raab, legal Aid; Anne Kadamani, El Barrio Unite; Diana Ayala, Speaker Mark-Viverito's office; Bob Anazagasti, NERVE; Raul Rodriguez, EHCCI; Thomas Brown, Acacia; Joel Gil, PTH; Lynn Lewis, PTH; Fausto Pula; Ramona Polanco; Maria Colon; A. Rivera, tenant; Yasmin Cornelius, C&C; Steve Berisha, C&C; Frances Mastrota, CB11; Joann Lewis, Milbank Frawley; Myra Burgos, Milbank Frawley; Delcina Padgett; La Shawn Henry, CB11; James Logan

1. Call to Order – Adoption of Agenda

Meeting called to order at 6:00 p.m. by Committee Vice-Chair Wendy Hewlett

2. Discussions & Presentations

- a. Discussion on Community Preference Outreach Plan for the proposed East 120th Street Housing Development project (15 mins.)

Representatives from the East Harlem Council for Community Improvement (EHCCI), Acacia, and the NYC Department of Housing Preservation & Development (HPD) discussed their outreach plan to achieve community preference goals.

The proposed project at 411 East 120th Street will be mixed-use affordable housing development project which will consist of 179 units which will be available for low to moderate income households. Community board 11 residents will be given 50% preference.

An update was given by the development team regarding the proposed project. The development team spoke of the importance to create affordable housing and work closely with CB11. The development team would like to create a working community with regards to the marketing/leasing of "Acacia Gardens". Building will be LEED certified. The team is committed to work closely with the residents who are looking for housing and wish to apply to assist them with financial repair and education. Ms. Hewlett commended the group for taking action and their willingness to work with the community and preparing them for the lottery process. The pre-marketing stage will allow for the applicants to understand the lottery and marketing process from beginning to end, what will get a family qualified vs disqualified. The housing committee will further discuss committee participation and working alongside EHCCI.

Matthew Washington questioned the error that was made regarding the income bands and why wasn't it caught ahead of time. A representative from HPD said that the issue has been rectified and all parties were placed on notice. The HPD representative also said that the error did not affect the financials as lenders received the correct information the error was just in the narrative. Mr. Washington understood all factors and wanted to be sure that the correct information was forwarded to the committee and an accurate picture was presented to CB11. Mr. Washington requested that the amended paper work be sent to the board for their review as the organization is requesting CB11's support for the project.

NOTE: HPD provided an updated LR3 which amends the income bands information in the ULURP application for this project. The updated information explains that units will be affordable to households earning up to 90% of AMI. The earlier LR capped incomes at 60% of AMI.

Syndicator has yet to be selected.

Please note: This project is subject to ULURP review and will be the subject of a public hearing at CB11's Full Board meeting on March 17, 2015

- b. Discussion on rehabilitation plans for two NYCHA Project-Based Section 8 properties in East Harlem: Milbank-Frawley and 120th Street Rehab (20 mins)

Representatives from NYCHA, L&M Development, C&C Management and BFC Partners discussed plans for the rehabilitation of apartments and capital building improvements at these properties.

A construction update was provided with regards to the moderate renovations at East 120th Street and Milbank Frawley Houses. Yasmin Cornelius introduced the project team: Triborough Preservation which is a joint venture between NYCHA, L&M Development and PDP a subsidiary of BFC Partners. Through this project NYCHA owns 50% and Triborough will own 50%. The representative from BFC, Juan Barahona gave a brief background of the buildings. Work scheduled for these two developments will be a top down tenant in place renovation, no one will be asked to move out. Inside the apartments, work will include new kitchens, new bathrooms and updates to the electrical panels along with any additional work that is required within the units. Additional work will be done

on a case by case basis along with mold removal and painting. In the common areas upgrading of the existing conditions in the hallway, lobbies, new windows and upgrade the mechanical system so that adequate heat is circulated throughout the building. The project team provided the committee with the lead and asbestos remediation plans that will be used on this project. A schedule will be posted in the hallway notifying the tenants which day and time the contractors will be in their unit. BFC has already started to take inventory and kitchen cabinet measurements. A tenants meeting was held a week or so before Thanksgiving, introducing the team along with explaining to the tenants the work that was scheduled to happen. In some of the units in Milbank Frawley the work has begun. The overall time of construction is 18months. Mr. Barahona mentioned that NYCHA has not walked away from the tenants and the projects have a new Section 8 contract with new regulations that are attached to that. Projects will remain affordable/ Section 8 housing for 20 years with another 10 years after that, the contract will be renewed if Section 8 is still in existence, there is no "plan B" as to if Sec8 is not available in 30 years, the assumptions is that Sec 8 will still be in existence. When NYCHA owned the property the HAP contracts were only 1 year. There is no plan to convert this project after the 30 years to anything other than keeping it affordable. NYCHA rep, spoke to the 50/50 ownership of NYCHA and L&M/BFC (copy of the make-up of the partnership is attached). Matthew Washington asked the NYCHA representative to clarify the role as to the removal of the property management and developer if needed. Third party construction monitor is assigned to this project. If there were any form of negligence involved NYCHA would be able to remove part of the development team. There is no part of the deal that excludes NYCHA, NYCHA must be at the table at all times.

Will Smith asked about the Section 3 implications, NYCHA response was that this is not a Section 3 project but the team has made every effort to employ local and NYCHA tenants.

Alvin Johnson wanted clarity regarding the structure of the TA's, Yasmin Cornelius from C+C and L&M said that when the TA's was under NYCHA's over sight they followed the rules of NYCHA. The TA's will no longer be able to attend, Resident & Precinct Council meetings but family day and TA budget will be honored as well as other policies. TA's will continue to active in the community at large and within their building OCV was hired to maintain accountability between the development teams. The cost of the renovations per unit is 90k

Wendy Hewlett, requested clarity regarding the scheduling of construction. BFC says that they will do two lines at a time depending on the risers. Kitchen will done first and then the bathroom. Both Kitchen and bathrooms will not undergo a full gut rehab it will be a moderate. New appliances come the very next day. Painting will take place later down the line. Ms. Hewlett expressed concern of the way the work is scheduled. Ms. Hewlett felt it would have made more sense if you knocked out two lines at a time and completed the lines which would have eliminated the back and forth. Ms. Hewlett also asked about the handling of the dust protection, the contractor said that they are trying to satisfy everyone as they go along. Board chair Matthew Washington as what would be the contingency plan if a tenant returns home and the apartment is not ready. The contractor rep, said that they will be willing to put a tenant up in either a vacant unit or hotel.

Adem Brija, stressed the issues of air quality during and after construction. It was asked if there would be a Hepa-Vac on site. BFC rep said if it was needed it would be provided. Alvin Johnson asked why would the contractor not anticipate and prepare

better for the removal of asbestos if found - write was handed out to committee for review.

Head of security spoke about the rules and regulations that will be in place once construction is complete.

Nilsa Orama requested a copy of the financials and construction schedule. NYCHA rep said she will send an email out and if it was okay by upper management financial –proforma will be sent to our District Manager.

The committee wanted to hear from tenants with regards to the work and communication. One tenant gave the construction team praises and said that the communication was fantastic. All holes were patched and after workers left for the day the units were clean. One tenant asked would a rent credit be applied if a tenant was not able to gain access to their unit for a certain amount of time because of unforeseen issues. Another question was asked about recertification, management said that there will still be annual leases, same information same process however the paper work will be a little different. Rent will remain 30% of income. No repairs will go undone. One tenant said that outreach and communication is very important and there should be someone that will be on site day to day to hear the complaints and to make sure the work is getting done. Development team said that there will be a project coordinator, property manager, site super and contractor will be on site every day. A complaint was made by a tenant to say that at the initial meeting a translator was there but the second meeting the translator was not there and therefore she had no knowledge of what the meeting was all about.

Barrie Smith from 100 Black Construction Workers, wanted clarity on the Asbestos and what will happen if Asbestos is found. Juan from BFC is found and marked “HOT” then the proper removal procedure as stated in the handout that was given to the committee.

Complaints from tenant regarding the building up keep from C+C management. Tenants say there are rodents, garbage and strange individuals that gain access into the units. Elevator is not working, her son is ill. Tenant says that adequate heat is not received throughout the building. Apartments are in horrible conditions. Property manager responded and said that there really have not been any heating complaints but we have had issues with the hot water and elevator. The hot water heater the part was replaced there have not been any other complaints regarding hot water however the elevator we are still waiting for the part which is coming from California. Another tenant said that she became ill when her apartment went through construction prior to BFC coming in. She described the condition of her floors and the amount of work that is needed to bring these units up to par. Management acknowledges that they have had a lot of complaints since taking over and they are trying to get to everyone. Management ask that if you have put in a work ticket and have not yet received and call or visit from management or maintenance please call the office so that the issues can be addressed.

Ms. Hewlett made a last recommendation of flushing out the communication issue as well as the onsite individual must be on point, and always travel with an interpreter be prepared.

c. Presentation on Community Land Trusts (10 mins.)

Michael Brown, Burlington Associates/National Community Land Trust Network presented gave the committee an insight into a Community Land Trust is worth having

Michael tells us that there was a National Community Land Trust Network received some grant money and decided to put out an RFP to grassroots advocate organizations who were interested in establishing a CLT. Picture of the Homeless applied and was awarded with four others to take part in this capacity building project.

Picture of the Homeless and Burlington Associates for the next six months will start to develop a business plan.

Revitalization of a neighborhood unfortunately carries several issues including unaffordable rents, displacement of tenants affecting the lowest income families we also see in some areas revitalization causing the property value to drop and the quality of housing decline along with there being is no incentive for an owner of a building for to put any improvements on the property. Created CLT are not-for-profit community based organizations that are established typically draw their membership from the area in which they serve. They all have three part board structure, which include, 3 part general public, 3 part people who live in the housing remaining 3 part who are neighbors off said community.

What the CLT will do is actually own the land and long term lease the land to prospective takes a major role and controlling interest on development to prevent any changes in use that will threaten family's form being displaced. The CLT will protect and preserve the affordability of communities as development occurs so that prospective developers/ investors cannot do as they wish and create market rate housing.

Question was asked if there are any CLT's within our area, Lynn from Picture of the Homeless said yes – Peter Cooper Square. Lynn also mention that meetings on behalf of the East Harlem CLT have already taken place the group has met with the Speakers Office, HPD Commissioner presenting them with a list of the 12 buildings as a representative of a piolet project. Serves are currently being done on these 12 buildings. A residence committee has been established, the committee creates questions to ask the tenants within these buildings to acquire a better financial understand of what an average family makes in East Harlem. This will help with pleading the case on why a CLT is important within this area. Lynn mentioned that were currently working with Hunter College to come up with a plan for the 12 buildings. There are different ways that a building can become a part of the CLT organizations, there is a way that units available at the income levels that the community is use too. HPD was asked to provide money to do inspections as well as rehab money. The mayor's housing plan only addresses 8% of the 200,000 units are for extremely low income units. Lynn invites the committee to be a part of this process.

d. Consideration of adopting a resolution on Illegal Hotels

The Manhattan Borough Board will consider adopting a resolution opposing illegal hotels at its March 19th meeting. The BP's office has asked for input from community boards before the Borough Board votes on the matter. Just a brief background regarding illegal hotels- Housing advocates and legal aid services first became aware of the illegal hotel situation in 2005, when tenants in various neighborhoods reported to have seen strangers, many of whom visibly tourist given the suitcases, coming in and out of their buildings and living in the apartments. Tenants became concerned with safety issue, such as random doorbell buzzing and propped doors, as well as quality-of-life impacts associated with the frequent turnover of building occupants. It has since morphed into an issue on

affordable housing as tenants become aware as tenants became aware that such apartments are no longer used as rent –regulated residential units anymore, even though those units are still technically affordable housing. In response to the impending crisis, housing advocates formed a working group to explore the complaints in further detail. The working group now compromise of over 40 different organizations, with elected officials from all five boroughs participating as well.

Illegal hotel is defined as housing units in a residential building with three or more units that are leased for a period of occupancy of less than 30 days. This definition is consistent with the local law passed in 1989 governing the use and lease of housing units. At the time the situation surfaced during the previous mayoral administration, the City actually sought an injunction in an attempt to enjoin property owners from renting online. State Supreme Court granted the injunction, but Appellate Division of the State Supreme Court overturned it; furthermore, Appellate Division held that the multiple dwelling law of the state permits short-term rental of dwelling units, so long as less than 49% of the units in a building is used as such. The local law was found to be inconsistent with the state law.

75% of Airbnb rentals are considered illegal hotels and 72% of Airbnb rentals are for a term of less than 30 days and that over 30,000 units are available on Airbnb in New York City alone. Illegal hotels are also in violation of the Hotel and Fire Code, which was developed with more stringent accessibility standards, heightened safety requirements and consideration for tourist hazards in mind.

Matthew Washington said that MBP's office along with the Borough Council is concerned with the implications on affordable especially in our area. Mr. Washington mentioned the recent incident in Mr. Johnson's building where an affordable unit was treated as a hotel charging \$200 a night per person. We need affordable housing and it is a disgrace when units are being misused to gain a financial profit. We will not stand for illegal hotels when we require affordable housing. Wendy, advised the committee to read up on this issue and as well as the resolution that was presented to the committee for review and discuss. The primary issue was for brownstone owners who have a mortgage for \$5-6,000 a month and decide to rent their units out and look to rent there unit out to tourist or exchange students. The trust factor along with the "career tenants" that abuse the system make it difficult for single family property owners with less than 2 units to rent. Mr. Washington said he understands all sides but his main concern is the taking away of a unit that is to house a family that requires affordable housing to be used for additional income purpose.

As stated by Mr. Washington, the purpose of the resolution is to increase enforcement to address things that are already illegal. Mr. Johnson said that he agreed with the increase enforcement and said that the only way he was able to resolve the issue in his building was by calling the landlord and calling the media. Once the media got a hold of it, it put shame to the landlord who was forced to address the situation that they claimed they didn't know about.

The committee decided to make a motion but to strike the 4th "Whereas" on the draft resolution.

Eudora Ortiz made a motion to support adoption of a resolution on illegal hotels requesting that the New York City Council and Mayor de Blasio allocate funding to

the Mayor's office of Special Enforcement to increase their ability to enforce illegal hotels. The motion was seconded by Myra Colon and passed unanimously.

3. Old Business

Legal Aid Society was present and Mr. Washington brought up the State of the City address and that the mayor mentioned rezoning and identified East Harlem of one of the neighborhoods that are set to be rezoned. 36 million was going to legal aid/legal services; we know that legal aid has an income threshold on who they provide services too. How would this impact our community and who would be able to benefit. The entire 36 million will not all go to legal aid. Rent strikes, repair issues and other tenant base issues will be address by Legal Aid. The information regarding this grant and community participation is still being collected. The legal aid is currently working with the Speakers office It's our understanding that community outreach was little to none but under the new hire of legal aid the outreach along with workshops are currently taking place. Diana from the speaker's office stated that a housing form is being organized for March 25, where it is suggested that legal aid participate in a forum setting for residents. Senior housing is another issue that requires attention along with more senior housing is needed.

4. Announcements

- a. Andre Vital announced that any community resident that requires some legal advice please feel free to stop by the CB11 office the last Saturday of the month between the hours of 1:00 to 4:30pm. This community service event is hosted by Mr. Vital.

5. Adjournment

Nilsa Orama made a motion to adjourn that was seconded by William Smith. The meeting was adjourned.