

## THE COUNCIL OF THE CITY OF NEW YORK OFFICE OF MARGARET S. CHIN

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\*\*FOR IMMEDIATE RELEASE\*\*

**JANUARY 29, 2015** 

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## COUNCIL MEMBER CHIN ANNOUNCES RENEWED PUSH ON LEGISLATION TO HOLD BAD LANDLORDS ACCOUNTABLE FOR COST OF TEMPORARY HOUSING FOR DISPLACED TENANTS

Legislation Would Allow the City to Cut Costs Without Scaling Back Services

Renewed Push Sparked by Opposition to HPD's Proposed Rules Changes

Today, Council Member Margaret Chin announced that she is beginning a renewed push for <u>Intro. 3</u>, a bill that would allow the city to more directly and immediately hold bad landlords accountable for the cost of temporarily housing tenants who are displaced by a vacate order.

As part of that renewed push, Council Member Chin also stated that her bill is a better alternative to rules changes recently proposed by the City's Department of Housing and Preservation Development (HPD), which would scale back or place new restrictions on some tenant relocation services, thereby placing a greater burden on many tenants who are pushed out of their homes by vacate orders. [Council Member Chin's public testimony on HPD's proposed rules changes is attached in PDF form.]

Council Member Chin was joined in today's announcement by housing and tenant legal service advocates, including representatives of Brooklyn Legal Services Corporation, Asian Americans for Equality, CAAAV Organizing Asian Communities, and Cooper Square Committee.

Intro. 3, which was introduced by Council Member Chin on February 4, 2014, would allow HPD to require landlords to put money in escrow—equal to at least ten percent of their building's rent roll for the five years preceding a vacate order—to fund temporary housing for displaced tenants. The bill would **not** place a blanket requirement on all landlords to pay for temporary housing following a vacate order.

By giving HPD a stronger ability to require landlords to pay for temporary housing for displaced tenants, Intro. 3 would help shift some financial burden from HPD to landlords—allowing the City to cut costs without cutting or scaling back any tenant relocation services.

In addition, by strengthening HPD's tools in that regard, Intro. 3 will help to protect affordable housing by deterring more bad landlords from neglecting rent-regulated buildings in order to push tenants out and replace them with luxury housing.

In recent years, Council Member Chin's district—particularly Chinatown and the Lower East Side—has seen multiple rent-regulated buildings, such as 128 Hester Street, neglected by bad landlords and eventually vacated by the City. In those cases, displaced tenants were left to struggle for temporary housing, while landlords could not be held appropriately accountable. This problem remains a threat to affordable housing in Lower Manhattan, as well as in other communities all across New York City.

Intro. 3 currently has 13 sponsors, but has not yet received a hearing. With this renewed push, Council Member Chin will be speaking to her Council colleagues over the coming weeks in order to gain more sponsors, as well as strongly pushing for a hearing on the bill to take place by around mid-2015.

Council Member Margaret Chin, lead sponsor of Intro. 3, said: "By allowing the City to more directly and immediately hold landlords accountable for the cost of temporary housing for displaced tenants, Intro. 3 would protect tenants and affordable housing in New York City. This bill would be a powerful step forward in deterring bad landlords from neglecting their rent-regulated buildings just to get vacate orders that push tenants out and pave the way for luxury housing.

With regard to HPD's proposed rules changes on tenant relocation, if HPD is hoping to reduce its costs, scaling back or place any new restrictions on tenant relocation services is absolutely the wrong way to do it. Rather than further burdening displaced families, the City should consider my bill as a better alternative that would also relieve HPD of some of the financial burden associated with tenant relocation.

My bill would allow HPD to require landlords to put money in escrow—equal to at least ten percent of the building's rent roll for the five years preceding a vacate order—to fund temporary housing for displaced tenants. With my renewed push on Intro. 3, I hope the City will support this bill as a way to reduce HPD costs while maintaining vital tenant services, rather than approving rules changes that could create a living hell for some displaced tenants."

Council Member Helen Rosenthal, co-sponsor of Intro. 3, said: "HPD should require owners to help fund relocation efforts when landlords are responsible for unsafe conditions that force tenants to leave their homes. I'm proud to support Council Member Chin's bill, which is a flexible and equitable solution that recognizes the shared private and public responsibility to help those most vulnerable."

Council Member Ydanis Rodriguez, co-sponsor of Intro. 3, said: "Families facing relocation because of the faults of their landlords shouldn't have their options limited. Rather, HPD should look to innovative ideas like Council Member Chin's legislation to require landlords to maintain an account to fund the relocation of their tenants. As a city we must stand to protect these tenants, not limit their options."

Council Member Antonio Reynoso, co-sponsor of Intro. 3, said: "As rents continue to rise, landlords are increasingly turning to disinvestment as a strategy to displace tenants. Rather than offering these displaced tenants fewer options, HPD should be holding these negligent landlords accountable for their actions."

Council Member Corey Johnson, co-sponsor of Intro. 3, said: "HPD's proposed regulations would leave displaced families with little to no options. These proposed changes are a step in the wrong direction. Housing is a basic human right, and we must not retreat from protecting our most vulnerable, regardless of any financial weight HPD is shouldering. Council Member Chin's legislation would ease the financial burden of both government agencies and landlords. It would also provide an incentive for the real estate industry to care for dispossessed tenants. I thank Council Member Chin for her leadership on this important issue."

**Council Member Rory I. Lancman, co-sponsor of Intro. 3, said:** "As HPD introduces new rules for temporary housing, it's incredibly important that we protect displaced tenants through their stressful transition. Preserving tenant relocation services should be our top concern, and this common sense legislation ensures that by placing the financial burden squarely on negligent landlords."

Adam Meyers, Staff Attorney, Brooklyn Legal Services Corporation, said: "This bill is a welcome measure in the fight to protect tenants, preserve affordable housing and hold landlords accountable for the problems they create in their buildings. While the vacate order was conceived as a measure for tenant protection, in recent years it has become a tool for tenant harassment and displacement. These orders are gifts to profiteering landlords who use them to force low-income tenants from their homes in the face of rising property values. Relocation services are a critical part of the fight to restore tenants to their homes. These services need to be strengthened and expanded, and we need to increase the incentives for landlords to promptly repair their buildings. At a time when HPD proposes to scale back services to vacated tenants, this bill will deter landlords from provoking and prolonging vacate orders and will help to preserve our communities and affordable housing."

Cathy Dang, Executive Director of CAAAV Organizing Asian Communities, said: "CAAAV Organizing Asian Communities has been organizing low-income Chinatown tenants for housing justice for the last 10 years. Many of our members from a Bowery SRO experienced a vacate order and were left homeless with no money and nowhere to go. They were homeless for months before they were able to fight to get back into their homes, where they had leases and paid rent. Ideally, we would want all landlords and our City to ensure a safe living environment. However, if landlords fail, Council Member Chin's bill would tremendously help residents secure a place to live while the landlords get their act together. Vacate orders and lack of housing for those vacated cause chaos for the tenants and the entire community."

Christopher Kui, Executive Director of AAFE, said: "As an organization that has been advocating for tenants' rights for over 40 years, Asian Americans for Equality wholeheartedly supports Council Member Margaret Chin's legislation. This bill will help safeguard tenants displaced by predatory landlords who consciously neglect rent-regulated buildings to secure demolition orders. New York families should never be left out in the cold when, through no fault of their own, their building falls into a state of disrepair.

**Brandon Kielbasa, Lead Organizer for Cooper Square Committee, said:** "It's too often that vacate orders give unscrupulous landlords exactly what they want: a building cleared of rent regulated tenants. When considering the huge profits these landlords consistently make here in NYC, we believe that Council Member Chin's bill is a fair way to handle the expenses associated with emergency relocation. It's also unconscionable to think that the City is actually considering an option that would saddle an additional burden on tenants who are dealing with these crises."

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