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MANHATTAN BOROUGH PRESIDENT GALE BREWER*

****FOR IMMEDIATE RELEASE****

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***CHIN-BREWER BILL ESTABLISHING
ACCOUNTABILITY & TRANSPARENCY IN
DEED RESTRICTION REMOVAL PROCESS
SIGNED INTO LAW***

Successful legislative effort would block transactions like the one at Rivington House that led to sale of prized community asset for luxury condos

CITY HALL – Council Member Margaret S. Chin and Manhattan Borough President Gale Brewer today celebrated the enactment of their tough new legislation introducing transparency and Mayoral accountability to the murky process that resulted in Rivington House’s sale to a luxury condominium developer. Chin and Brewer introduced the legislation in response to widespread outrage over the City’s removal of a deed restriction that had protected the Lower East Side property, reserving it for use as a nonprofit community healthcare facility.

Council Member Margaret S. Chin said: “Our city is not a playground for powerful real estate interests. Every transaction that involves properties set aside for the good of the people of our City, such as Rivington House, needs to be subject to the greatest amount of public input, transparency, and accountability as possible. Our legislation, which creates a public database of deed restrictions, requires notification of elected and community officials of transactions involving deed restrictions, and demands Mayoral sign-off for any deed restriction removal, achieves that goal. Today we are united with a simple message: No more Rivington Houses, not on this Mayor’s, or any other Mayor’s watch. I am proud to join Borough President Brewer and Speaker Mark-Viverito in solidarity with the Lower East Side residents who woke up one morning to find a cherished, community asset taken from them.”

“Our city government failed when it did not protect Rivington House. When government screws up, it’s our first job to figure out why and make sure it cannot happen again,” **said Manhattan Borough President Brewer.** “Today’s legislation is a strong reform package that addresses the key failures that led to the loss of Rivington House, sets new standards for transparency so for the first time, we’ll know where all these deed restrictions are and what they’re protecting, and gives its reforms the permanence of law, so they can’t be undone in future administrations.”

“New York City lost a valuable community asset when a series of missteps by City Hall and the Department of Citywide Administrative Services (DCAS) allowed Rivington House to be converted to luxury housing,” **said City Council Speaker Melissa Mark-Viverito**. “This legislation implements a more stringent and comprehensive review process to ensure that our deed modifications remain transparent and above-board, and our communities retain their vital facilities. I thank Council Member Margaret Chin, Borough President Gale Brewer and my colleagues for their efforts on this essential measure.”

Days before a joint committee hearing on the legislation in September, the City released proposed rules formalizing procedures for deed restriction removal or modification. However, the proposal failed to address many of the root causes behind the Rivington House debacle, namely, setting a standard for determining when the City should relinquish its right to determine how formerly City-owned property is used.

Following the hearing, Intro. 1182-A was significantly expanded to establish a policy concerning the modification and removal of deed restrictions that ensures decisions with the power to transform communities are made with the utmost care and with complete transparency.

The final bill will do the following:

- Require the City to construct and maintain an online, public, searchable database of any properties with deed restrictions since 1966.
- Notify the local Council Member, Community Board and Borough President of any deed restriction removal request.
- Set forth detailed standards and procedures that the Department of Citywide Administrative Services (DCAS) would follow when a property owner requests that a deed restriction be modified or removed.
- Give the Department of City Planning a formal advisory role in DCAS’s consideration of deed restriction modification requests, ensuring land use decisions are made based on input from the City’s primary land use agency.
- Require that three separate entities — DCAS, a specially formed committee, and the Mayor — all independently review a request before a restriction can be lifted.
- Assess a list of factors to determine whether the request furthers the best interests of the City, including the potential impact of the request on the neighborhood, the availability of community-based services and affordable housing.
- Require that the Mayor personally sign off on any deed restriction removal request.

"This legislation becoming law means that never again will a community be blindsided by the loss of a healthcare or cultural facility," **said Council Member Ben Kallos**, chair of the Council’s Committee on Governmental Operations. "The loss of Rivington House to luxury condo development revealed a series of problems in how the City reviews deed modification requests that this legislation addresses. I want to thank the Mayor for signing this into law as well as Council Member Chin and Manhattan Borough President Brewer for their efforts to protect communities across the City from the loss of needed facilities."

“This law ensures transparency and establishes appropriate checks and balances regarding deed restrictions; shedding light on a process that has too often been cloaked in darkness. The best interests of the City should be the interests of its people which are at the top of the hierarchy on the New York City Government Organizational chart. I commend Council Member Chin and Manhattan Borough President Brewer for introducing this legislation and I thank Mayor de Blasio for signing this bill into law today,” **said Council Member Vincent J. Gentile**, chair of the Council’s Committee on Oversight & Investigations.

Council Member Rosie Mendez said: “I am proud to have co-sponsored Intro. 1182, an important piece of legislation that ensures that communities do not lose deed restricted community facilities in a closed door backroom deal. This legislation will provide transparency to a process that recently circumvented community participation and was corrupted by real estate developers who lined their pockets while the Lower East Side lost a building that was valuable community facility. This legislation will establish a way to track and make information publicly accessible regarding all restrictions on City-owned property leased, owned, or sold within the City of New York. Never again will a decision to remove those restrictions be done behind closed doors without public knowledge and without public input — as was the case with Rivington House. Public input is vital for community health, transparency, and good government.”

"At a time when our city faces an unprecedented shortage of housing, we cannot provide concessions on city properties without demanding affordable housing in return. This legislation ensures that all deed changes are thoroughly vetted to prioritize community needs," **said Council Member Mark Levine**. "I thank my colleagues Councilmember Chin and Manhattan Borough President Brewer for their invaluable leadership in preserving affordable housing while further strengthening government transparency."

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