Summer 2015 victories for Housing justice locally, nationally

Advocates for economic and political justice in housing chalked up some significant gains both locally and nationally in recent months, including the first ever freeze in the history of New York City’s rent regulatory program, the elimination of a local discriminatory practice in new buildings in the city, a significant anti-discrimination ruling in the U.S. Supreme Court, and a new Administration policy to use housing development funds to promote integration.

In New York City, the Rent Guidelines Board for the first time in its 47-year history voted to establish a rent freeze on one-year leases, one year after approving the lowest increase since its founding. The June 7-2 decision (the two landlord representatives opposed it), was based on research showing landlords’ expenses rising a miniscule 0.5 percent, thanks in part to sharply declining oil prices, while tenant incomes remained largely stagnant.

It is probably no coincidence that this year, all the members of the Board were appointed by Mayor Bill de Blasio.

Adding to the tenants’ victory, the RGB also voted for an historically low two percent increase for two-year leases.

Also in the city, developers who receive tax benefits by providing some affordable units in newly built luxury housing will no longer be permitted to prevent lower-income tenants from entering and exiting the buildings by the same doors as market-rate tenants, a policy known as “poor doors.”

Landlords had created the two-door practice based on a loophole in the law providing the benefits. The door for high rent tenants typically opens onto a more pleasant vista.

While the two-door policy may well have violated the City’s human rights law’s prohibition of discrimination by source of income, the discontinuation of the policy was accomplished legislatively rather than by a law suit. Mayor Bill de Blasio added the anti-discriminatory provision to the tax bill that the State Senate approved towards the end of June.

(Continued on page 8)

New ‘threshold’ wording may slow some deregulation

Gov. Andrew Cuomo’s June increase of the vacancy decontrol threshold—the amount of rent reached that allows the landlord to remove an apartment from regulations—was a mere $200 (from $2,500 to $2,700), a pitifully small increase that frustrated tenant activists.

But the newly enacted legislation also codifies a recent Appellate Division ruling which provides tenants with more protection than was previously thought to be the case.

In an April ruling, Altman v 285 W. Fourth, LLC, the Supreme Court’s Appellate Division, First Department, ruled that a landlord may not deregulate an apartment that becomes vacant unless the rent had been $2,700 a month while the tenant was in occupancy. If that amount, or threshold, had not been reached, the landlord may not charge a market rent to a new tenant. At most, the owner is entitled to a twenty percent vacancy bonus, depending on how long the previous tenant resided there.

In sum, if the previous tenant was not charged the full $2,700, the unit stays regulated even after it becomes vacant.

However, while the wording may provide some additional breathing space for tenants, it is not likely, by itself, to halt the steady erosion of affordable units in the city.
Joan Meyler, a founder of Cooperators United for Mitchell Lama, dies

Joan Meyler, a founder and key activist of Cooperators United for Mitchell Lama, died on May 19 in California, from complications of acute leukemia. She was 71.

Meyler, an attorney, had developed a life-long reputation as a fighter for the underdog, especially for lower and middle income families. She was a tireless and highly skilled advocate for affordable housing in New York City.

After receiving a BA from Marymount Manhattan College, she served in VISTA and worked for the New York City Department of Housing and Urban Development, where she met her husband. After they married, she pursued a JD at St. John’s University, then became an Associate at Paul, Weiss, Rifkind, Wharton & Garrison before deciding to stay at home to raise her daughter.

She later completed a PhD in English at the Graduate Center of the City University of New York and taught courses on legal writing and related subjects for fifteen years at John Jay College of Criminal Justice.

She leaves behind her husband, John Meyler, daughter, Bernadette Meyler, and other relatives.

Riverview Towers celebrates its half-century anniversary

Riverview Towers, an ML cooperative that opened in 1965, held its 50th Anniversary Family Day celebration on September 12, 2015. In a letter to MLRC, La Vanna Hatcher, the board president, invited members to attend "this milestone event.” She attributed the success of Riverview Towers in part to “our strong relationship with our business partners.”

Some condolences

Yolanda Rotondo, Brooklyn: Joan’s entire life was devoted to caring and fighting for the underdog. She will be sorely missed by all who knew her.

Bernard Cylich: Unwavering and devoted to protecting and fighting for middle income families. With fond memories.

Dealice Fuller, Brooklyn

Joan was a real asset to the shareholders living in Mitchell-Lama housing and will be greatly missed.

UPCOMING EVENTS

GENERAL MEMBERSHIP MEETING
Saturday, October 31, 2015
10:00 a.m - noon

Members are urged to voice concerns regarding their developments, especially long- and short-term standing issues

Musicians Union, 322 West 48th Street, between 8th and 9th Avenues

For more information, e-mail: info@mitchell-lama.org
Stellar and CAMBA purchase Castleton Park Apts in Staten Island

Seven years after tenants at Castleton Park Apartments, a Mitchell-Lama complex of 454 units in Staten Island, fought off a purchase attempt by real estate mogul Laurence Gluck, the tenants have reluctantly agreed to allow Gluck’s Stellar Management to acquire their homes, under promises of repairs and assurances that affordability will remain for the current tenants.

Gluck, who has a history of purchasing ML buildings and attempting to transform them into luxury rentals, has received $67 million in tax-exempt bond financing from New York City’s Housing Development Corporation in exchange for making needed repairs at Castleton and retaining rents at an affordable level. The complex was built in 1975. Under the agreement Gluck and his corporate partner CAMBA Housing Ventures, a unit of a nonprofit organization specializing in developing affordable housing for lower income residents, the complex will remain affordable for thirty-seven years.

Rent hikes at Linden Plaza: a brief history at a M-L complex

Rent increases in many Mitchell-Lama developments have been implemented not too long after the complexes opened for occupancy—Independence Plaza North in Manhattan is an example—but few have charged as much and as quickly as the owners of Linden Plaza since 2008.

In that year, as ownership of the East New York, Brooklyn development changed hands, the new owners undertook a refinancing plan for renovations that required them to more than triple their annual loan repayments—from around $1.3 million to around $4.5 million. As a consequence, individual rents doubled from around $500 a month to well over $1,000.

Tenants maintain that around three hundred low- to moderate-income tenants were forced out, and that another three hundred moved to escape the enormous rent burden. The owners—unknown to the general public—deny these figures. The plight of some specific tenants was recounted in a recent issue of City Limits magazine. One woman, earning around $40,000 a year, had to pay off her own student loans (she returned to college to improve her employment opportunities), as well as fund her son’s college fees.

As part of the deal, Stellar will inject around $9 million of its own money, which will allow it to raise rents but only in accordance with a formula based on the area’s median income. Residents who qualify for federal Section 8 housing vouchers will receive them, which will keep their rents at thirty percent of their income.

Although Castleton’s tenant organization has worked with Gluck on the deal, some tenants have voiced skepticism about the future, citing Gluck’s previous actions. In Manhattan, for example, Gluck purchased the Independence Plaza North complex in 2004 and ultimately removed the former ML complex from the program. After a long battle, existing tenants worked out a contractual deal with Gluck on keeping rents fairly affordable (essentially, by limiting increases roughly in line with Rent Stabilization rulings). Nevertheless, more and more of IPN’s vacant apartments are currently experiencing astronomical rents: A typical two-bedroom vacant unit now rents for around $7,000 a month.

Council passes three bills to halt owner harassment

By a vote of 41-1, the City Council passed three bills designed to counter landlord harassment. One bans owners from threatening and cursing tenants, making calls at midnight or tracking them at work, and giving false buyout information. A second bans repeated buyout offers within 180 days after a tenant rejects the offer. A third requires owners to inform tenants of their right to reject the offers and hire a lawyer.

Housing Briefs

Affordability decline

No more than eleven percent of all apartments available on the market in the last five years in eleven major cities (including New York) were affordable to low income residents, according to a study by NYU’s Furman Center, cited by the National Low Income Housing Coalition. And according to an analysis of fifty-four cities from the CoStar Group, a real estate research firm, eighty-two percent of the 370,000 apartments built from 2012 to 2014 are considered luxury, priced in the upper twenty percent of the market.

Stegman new housing advisor

The White House announced that Michael Stegman, a top official at the Treasury Department, will join the National Economic Council as the primary housing advisor and policy coordinator for the Obama administration. The Wall Street Journal commented that “The pick suggests the administration will not be introducing major housing policy changes as it winds down.”

Americans see middle class decline

A new survey by the MacArthur Foundation found that by about a two-to-one margin (60% to 32%), Americans are more worried and concerned today than hopeful and confident about the ability to move up to a comfortable life. Almost four in five adults said it’s more likely for “middle-class people to fall into a lower economic class” than for poor people to rise. This view extended across all ages, incomes and party affiliations.

New renter coalition

The NYC Renter Assembly is a new coalition of students and others who seek to fight gentrification and support a strengthening of rent regulations affecting the city. Members include students of the Urban Ecologies department at Parsons-The New School, Metropolitan Council on Housing and the Cooper Square Committee.

In a related development, over fifty demonstrators were arrested in Albany on June 3rd during a protest by tenants-rights groups calling for stronger rent laws from Gov. Andrew Cuomo. Included in those arrested were a number of New York City state legislators and city council members. The peaceful protests featured chanting and sit-ins.
In what has become an eagerly awaited annual tradition, city, state and federal representatives showed up in force at the 2015 ‘Meet & Greet’ affair, a key element in MLRC’s efforts to secure and strengthen affordable housing and tenants/cooperators rights. NYC Comptroller Scott Stringer, top left, was this year’s honoree.

MLRC Developments

These developments are members of the Mitchell-Lama Residents Coalition

Individual Membership: $15 per year
Development: 25 cents per apt. ($30 minimum; $125 maximum)

Donations above the membership dues are welcome.

Bethune Towers 158th St. & Riverside Dr. Housing
Castleton Park Parkside Development
Central Park Gardens Pratt Towers
Clayton Apartments Promenade Apartments
Coalition to Save Affordable RNA House
Housing of Co-op City Riverbend Housing
Concerned Tenants of Sea Park River Terrace
East, Inc. River View Towers
Concourse Village Ryerson Towers
Dennis Lane Apartments Starrett City Tenants Association
1199 Housing St. James Towers
Esplanade Gardens Strykers Bay Co-op
Independence House Tenants Assn. Tivoli Towers
Assn Independence Plaza North Tower West
Jefferson Towers Village East Towers
Lindville Housing Washington Park SE Apartments
Lincoln Amsterdam House Washington Square SE Apartments
Manhattan Plaza Westgate Tenants Association
Marcus Garvey Village West View Neighbors Association
Masaryk Towers Tenant Assn West Village Houses
Meadow Manor Woodstock Terrace Mutual
Michangelo Apartments Housing
109th St. Senior Citizen Plaza

If your development has not received an invoice, please call the MLRC Voice Mail: (212) 465-2619. Leave the name and address of the president of your Tenants Association, board of directors, or treasurer and an invoice will be mailed.
Members of MLRC at the 2015 annual ‘Meet & Greet’ event.

Top left photo shows Executive Board members. They are (standing, from left): Sonja Maxwell, Carmen Ithier, Kendra Neuman, Linda Alvarez, Alexis Morton, Katy Bordonaro, Hattie Overman.

Seated, from left, are Margot Tunstall Brown and Edmund Rosner.

All photos by Carl Glassman
NYS audit finds illegal ML wait-list procedures

Wait-listed hopefuls for apartments in three ML complexes have often been illegally passed over, according to a July audit by the office of State Comptroller Thomas DiNapoli.

In addition, various residents of those complexes have been illegally sub-leasing their apartments to Airbnb, the international organization that has become a popular alternative for hotels and other official lodgings. Some residents have illegally received more than $100 a night. DiNapoli’s office found that “because of lax oversight and poor controls,” management officials at 100 West 92nd Street and 505 LaGuardia Place in Manhattan, and 101 Clark Street in Brooklyn, have been offering vacant units not to applicants at the top of the list, as required, but to those who were often well below the top. In some cases, this was done “without explanation,” DiNapoli’s office said.

State auditors said that at 505 LaGuardia Place, management argued that some 300 expectant tenants were passed over because they had no forwarding addresses. But the auditors found all of the addresses in a box.

HUD’s report on over-income PH families: how serious is the problem?

The recent HUD inspector general’s report on over-income families residing in public housing has received wide media attention, but the general image of innumerable wealthy people selfishly inhabiting apartments designed for the poor is largely misleading.

For example, the report says that in New York State, 10,903 families earn above the income limits—more than in any other state. But as there are 175,747 families in NYCHA alone, the over-income families amount to a mere 6.2 percent. And if one adds to the NYCHA number the additional 403,017 “authorized residents,” then the over-income households drops to a tiny percentage of all NYCHA households.

Most over-income families not wealthy

Although the Washington Post found one family earning over a half-million dollars—and, predictably, implied that it is a typical example of abuse—the vast majority, or more than four out of five, of over-income families residing in public housing nationwide earn only between $10,001 and $39,000 annually above the income limits.

That is hardly a luxury income: NYCHA’s income limit for a family of four is $69,050. So a four-member family earning, say $79,000, cannot be considered wealthy, especially in New York City with its stratospheric rents and coop/condo prices. Even over-income families earning around $100,000 a year are often barely in a position to secure affordable dwellings.

Nationwide, the report notes that more than twenty-five thousand families earn over the required limits. It does not, however, specify what this number represents as a percentage of all families in public housing.

Housing groups at odds

Two organizations of housing officials are at odds over the issue. The Public Housing Authorities Directors Association, representing 1900 authorities, condemned the report, arguing that tenants who eventually earn higher incomes should be allowed to stay because they usually pay higher rents, which helps to compensate for federal subsidy cutbacks. By contrast, the 2900-member National Association of Housing & Redevelopment Officials wants HUD to evict tenants earning higher than required incomes, to make room for more lower income tenants.

Housing & Redevelopment Officials wants over-income families removed

The inspector general argues that if the local housing authorities were to take steps to remove the over-income residents, that would free up $104.4 million over the next year to house lower-income families.

“Although it would be reasonable to expect that a minimum number of over-income families would reside in public housing at any time, HUD can significantly reduce the number of over-income families that reside in public housing,” the report said.

After New York, the areas with the largest number of over-income families in public housing are Puerto Rico (1,219) and Texas (1,056). All the remaining states each have fewer than a thousand such families.

Key provisions in Rent Act of 2015

The Rent Act of 2015, signed by Gov. Cuomo in July, extends rent stabilization and rent control through June 15, 2019. Following are the Act’s key provisions.

Luxury deregulation: The vacancy deregulation threshold was increased from $2,500 to $2,700. More important, owners may not increase the rent on a newly vacant apartment to the new threshold, unless the rent paid by the former tenant was at or above that threshold. (See article, page 1).

Also, beginning January 1, 2016 and every year thereafter, the deregulation threshold itself will increase by the same percentage that the Rent Guidelines Board authorizes for a one-year lease renewal.

Therefore, if a tenant elects to renew his or her lease each year for one rather than two years, the apartment will never reach the threshold.

Major Capital Improvements: The Act increases the amortization period for MCIs from seven to eight years for buildings with fewer than 35 dwellings, and nine years for buildings above that amount.

But rent increases allowed under MCI will continue permanently, forever beyond the time when the MCI has been fully amortized.

Individual apartment improvements: Notwithstanding the MCI changes, the Act does not affect individual apartment improvements, which landlords often use as a pretext to raise rents to the luxury threshold.

Vacancy bonus: The increase allowed owners has been changed from 20 percent automatically (when tenant selects a two-year lease, and slightly less for a one-year lease). From now on, vacancy bonuses may be no more than five to twenty percent of the previous legal rent, depending on when the last vacancy lease commenced. Specifically:

Five percent if the vacancy lease started less than two years ago; ten percent if it started less than three years ago; fifteen percent if less than four years ago; and twenty percent if four or more years ago.

Harassment penalty: Penalties for proven landlord harassment were raised to a minimum of ten thousand dollars, but may not exceed eleven thousand dollars.
**More affordable apts are underway, but city cuts back on earlier goal of generating 50,000 units this year**

In July, Mayor Bill de Blasio touted the City’s financing of the building and preservation of more than twenty thousand affordable units in fiscal 2015—the most in the past twenty-five years. In August, however, he acknowledged that his original goal of creating 50,000 units of affordable housing this year through inclusionary zoning was overly optimistic.

At a press conference that month, he repeated his belief that inclusionary zoning, a process by which developers agree to create a specified amount of affordable units in order to receive zoning changes they need to construct luxury housing, remains a “crucial building block” for his overall plan to generate 200,000 units in the next eight years. But he neglected to specify a figure that the process would generate.

Still, the 20,325 affordable units is a welcome addition. It entails a direct investment of $618 million by the city government.

During the year, the city’s Housing Preservation and Development agency approved more than three thousand newly constructed units in Brooklyn, most of which are situated in Prospect Heights, Downtown Brooklyn and Greenpoint, widely considered “hot” or “hipster” communities. An additional three thousand-plus units were “created” by preservation, according to media reports.

For an apartment to be considered affordable, rents may amount to no more than 30 percent of a person’s annual income, if that person earns less than the median income for the area.

**Stellar sues Manhattan tenants over Airbnb sublet**

Laurence Gluck, the mega-landlord who has purchased several former Mitchell Lama buildings and removed them from the program, is suing tenants in another building he owns for subleasing their apartment through Airbnb, the international rental company that offers travelers temporary accommodations less expensive and often more comfortable than hotels and motels.

At a building in Manhattan’s Chelsea community, 214 West 21st Street, two tenants had allegedly been using Airbnb to advertise their two-bedroom apartment for a daily rate of $375, plus an additional $100 cleaning fee, according to the lawsuit.

**City to fund repairs at leaky NYCHA roofs**

The de Blasio administration is set to repair or replace the leaky roofs in four NYCHA complexes, at a cost of $300 million, according to a mayoral announcement in late August. An additional $80 million will be provided by the federal government.

The four complexes include Queensbridge South Houses in Queens, Sheepshead Bay Houses and Albany Houses in Brooklyn, and Parkside Houses in the Bronx.

The mayor’s office said that “26 buildings at the nation’s largest housing development [will] have new roofs by July 2017.”

“Leaky roofs are the main cause of water and moisture entering a building, and the accumulated moisture contributes to mold, leaks and physical damage to the buildings structure,” the announcement said.

An additional $100 million is expected from the State, but as of this writing no state funds have been released. Nor is it clear whether the State funds can be used for NYCHA roof repairs, as Gov. Cuomo reportedly wants the money to be slated for such things as security cameras, playground equipment and landscaping.

**Landlords accused of violating 421-A tax law**

Nearly 200 New York City landlords have been violating provisions of a tax benefit program, by accepting the tax breaks but declining to offer rent-regulated leases to their tenants, according to state and city officials.

The buildings house more than 2,400 families in all five boroughs.

Attorney General Eric Schneiderman, Gov. Andrew Cuomo, and NYC housing officials sent compliance notices to the owners, warning them to cease their current practice.

Owners reportedly had intended to turn the apartments into cooperatives, but neglected to do so when the economy plummeted in 2008. Instead, they continued to rent the units at market rates.

Cuomo said that landlords who do not comply may face financial penalties or have their rents frozen.

**NYC Museum to host affordable housing exhibit and panel**

The Museum of the City of New York will host an exhibit on “Affordable New York: A Housing Legacy” between September 18 and February 16.

The exhibit will trace “over a century of affordable housing activism, documenting the ways in which reformers, policy makers, and activists have fought to transform their city. A focus on current and future housing initiatives demonstrates how New Yorkers continue to promote subsidized housing as a way to achieve diversity, neighborhood stability, and social justice.”

An opening symposium will feature realtors, non-profit housing organizations, architects and Sam Roberts of the New York Times. The focus, according to the museum will be on “how to embrace subsidized housing as a way to achieve diversity, neighborhood stability, and, most importantly, as a critical investment in the city’s workforce into the 21st century.”


This exhibit shows, according to the Museum, that “In a town renowned for its in-your-face persona, citizens of the city have banded together on issues as diverse as historic preservation, civil rights, wages, sexual orientation, and religious freedom.

“Using artifacts, photographs, audio and visual presentations, as well as interactive components that seek to tell the entire story of activism in the five boroughs, Activist New York presents the passions and conflicts that underlie the city’s history of agitation.”
Summer 2015 victories for Housing justice locally, nationally

(Continued from page 1)

The law, however, is not retroactive, so buildings already constructed can continue the poor door policy. But in these cases, the city’s human rights prohibition against discrimination by source of income may still apply.

On the national level, the US Supreme Court reaffirmed, in a case brought in Texas, a provision in the landmark 1968 civil rights law that said that discrimination cases may be brought against landlords not only by arguing that they deliberately discriminated—extremely difficult to document—but also by showing that owner practices have a discriminatory effect, a policy known as “disparate impact.”

Plaintiffs in that case argued that housing developers who received low-income housing tax credits were building only in minority areas, reinforcing the prevailing segregation. Plaintiffs sought to have low-income housing built in Dallas’ white-majority suburban neighborhoods.

The five-to-four ruling’s supporters included the four liberal members of the Court: Elena Kagan, Ruth Bader Ginsburg, Stephen G. Breyer, and Sonia Sotomayor, plus the generally conservative but so-called “swing” voter, Anthony M. Kennedy, who wrote the ruling opinion.

Opponents included Chief Justice John G. Roberts, Jr., Antonin Scalia, Clarence Thomas and Samuel Alito, Jr.

In his opinion, Kennedy said that the disparate impact argument “permits plaintiffs to counteract unconscious prejudices and disguised animus that escape easy classification.” Still, he noted that showing statistics was insufficient in itself. Plaintiffs need to demonstrate “a defendant’s policy or policies causing that disparity.”

Hailing the ruling were various civil rights organizations.

Opposition came from the U.S. Chamber of Commerce’s Center for Capital Markets Competitiveness, and the Center for Equal Opportunity, which defines itself as the “only conservative think tank devoted to issues of race and ethnicity.” The group’s chairman [its own term] is Linda Chavez, who among other positions is a political analyst for FOX News Channel.

Also on the federal level, the Obama Administration in July announced that localities applying for housing development funds must first account for how they will use the money to foster racial integration, or at least not to perpetuate segregation. Essentially, they will be under pressure to promote affordable housing in wealthier neighborhoods, as well as improving low-income housing currently in poor areas.

As of this writing, however, some Republican congresspeople have threatened to prevent funding for the policy’s implementation.

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Center claims Mayor’s housing policy reinforces segregation

The Anti-Discrimination Center in July filed a lawsuit against the de Blasio Administration over its policy requiring that when affordable housing is built in a particular neighborhood, half of the newly built units are guaranteed to residents of that neighborhood.

Over the years, some lower income residents have argued that while they support new affordable housing, they themselves are rarely the beneficiaries, as the units ultimately go to people of other areas.

But the Anti-Discrimination Center argued in its suit that the policy reinforces racial segregation, by barring “city residents living outside of the community districts from competing on an equal basis for all available units.”

According to Capital New York, a newsletter on municipal and state affairs, “If the plaintiffs win, it could stymie [de Blasio’s] efforts [for more affordable units], since local politicians and residents in low-income areas would not be guaranteed affordable housing slots in their neighborhoods.”

Craig Gurnian, the Center’s executive director, wrote in an e-mail that “The problem is that sticking with the outsider-restriction policy for affordable housing lotteries in a city that is highly segregated at the community district level perpetuates segregation distinctly more than if all income-eligible New Yorkers were given an equal opportunity to participate.”

The Mayor, however, maintained that New York City’s communities tend to be “very diverse in and of themselves,” and that it is important that the construction of new affordable housing not result in the exclusion of existing residents.

“People who are part of a neighborhood [should] have an opportunity to access affordable housing in that neighborhood,” de Blasio said.

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Law school graduates to aid tenants in housing court

A new program pairing recent law school graduates with low income tenants in housing court was announced in September by the Center for Court Innovation.

Under the program, called Poverty Justice Solutions, the law grads will be assigned to twelve New York City nonprofit legal assistance groups. They will spend at least two years representing tenants facing evictions, needing home repairs, and the like.

Noting the “economic catastrophe” faced by poor tenants confronting eviction notices, Greg Berman, director of the Center for Court Innovation, said the program will help arrest the ensuing “cycle of poverty” by “keeping people in their homes.”

Participating organizations include Brooklyn Legal Services Corp., CAMBA, Center for Family Representation, Jewish Association Serving the Aging (JASA), Legal Aid Society, Legal Services NYC, Lenox Hill Neighborhood House, MFY Legal Services, Neighborhood Defender Services of Harlem, New York Legal Assistance Group, Sanctuary for Families, and the Urban Justice Center.

Brooklyn neighborhoods to showcase affordable rentals & houses

Three Brooklyn neighborhoods—Fort Greene, Clinton Hill, and East New York—have become showcases for new affordable housing.

In Fort Greene and Clinton Hill, 232 affordable units will be built this year in seven new buildings, most of which are owned by the City. These buildings, however, will also house market rate rentals.

At Spring Creek in East New York, 231 first time homeowners won in a lottery the right to live at the newly built Nehemiah project. The lottery was sponsored by HPD. Some had applied seven years ago.

Also at Spring Creek, 300 affordable units have become available, although more than 1800 were planned. And the 300 are still awaiting gas, sewer and utility lines. The units are developed by Nehemiah, Metro Industrial Areas Foundation, and Monadnock Construction. Delays in the infrastructure may have been caused by contamination of soil at the site, which had formerly served as a garbage dump.