

# MITCHELL-LAMA RESIDENTS COALITION

Vol. 13, Issue 1  
March 2008

WEBSITE: [www.mitchell-lama.org](http://www.mitchell-lama.org)

## Lobbying Effectively for Affordable Housing: MLRC's Tenants' Lobby Plan

The Mitchell-Lama Residents Coalition is pleased to rededicate ourselves to: "Tenants Lobbying in the Neighborhoods." This is our third year focusing our attention on personal contact with state, city, and federal legislative leaders, by meeting with them in our neighborhoods, instead of in Albany, City Hall or Washington, D.C..

We need tenant activists who participated in our past annual "Tenants Lobbying in the Neighborhoods" and additional Mitchell-Lama community members to join with us in visiting their representatives now and throughout the year. The month of April 2008 is our designated month for lobbying.

We will have a few planning meetings for our LEGISLATIVE CAPTAINS: they will serve as the co-ordinators of their local development/neighborhood.

Sign up as a Legislative Captain and/or Participant at our March 29, 2008 General Membership Meeting.

MLRC will have a legislative agenda, paper work, and additional items available for this campaign.

**Looking forward to your input and participation.**

More information on page 7

# April Lobby Month

Support  
MLRC  
Join  
Today!

Use Coupon on Page 2

## GENERAL MEMBERSHIP MEETING SATURDAY, March 29, 2008 Time: 10:00 a.m. - 12:00 p.m.

(Refreshments at 10:00 a.m.)

**PLACE:** Musicians Union Local 802  
322 West 48th Street (near 8th Avenue) Ground Floor, "Club Room"

**TRAINS:** No. 2,3, trains to 50th St. and 7th Ave.; Q,W trains to 49th St. and Broadway; E train to 50th St. and 8th Ave.; D,F trains to 47th-50th St. and 6th Ave.

### INVITED GUESTS

**State Assemblyman, Jonathan Bing**  
Mitchell-Lama subcommittee Chair  
**City Council Speaker, Christine Quinn**

Mitchell-Lama Residents Coalition  
P.O. Box 20414  
Park West Finance Station  
New York, New York 10025



**NOMINATIONS COMMITTEE**  
Lee Chong, Sonja Maxwell, Alice Mitchell

IF YOU ARE INTERESTED IN SERVING ON THE **EXECUTIVE BOARD** (2008-2010) OF MLRC OR KNOW SOMEONE YOU WOULD LIKE TO NOMINATE, PLEASE PROVIDE THE FOLLOWING INFORMATION:

NAME: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

DEVELOPMENT: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_

PLEASE RETURN COMPLETED FORM TO: MLRC, PO 20414, New York, NY 10025  
By May 15, 2008  
Elections will take place at the June 28, 2008 General Membership Meeting

**UPCOMING EVENTS**

**GENERAL MEMBERSHIP MEETINGS**

**Saturday, March 29, 2008**  
10:00 a.m. - Noon  
**Muscians Union Local 802**  
**Manhattan**

**Saturday, June 28, 2008**  
**TBA**

**\*EXECUTIVE BOARD Meetings (Saturdays)**

**April 5, 2008**  
**May 17, 2008**

**SPECIAL EVENTS**

**Lobbying in the Neighborhoods**  
**The Month of April, 2008**

*\*Executive Board Meetings are held at RNA House, 150-160 West 96th Street (between Columbus and Amsterdam). All dates are subject to revision. Please call the voice mail to confirm (212) 465-2619.*

**JOIN THE MITCHELL-LAMA RESIDENTS COALITION**

**INDIVIDUAL \$10.00 per year DEVELOPMENT 15 cents per apt.**  
**(\$25 Minimum; \$100 Maximum) 2008**

Name \_\_\_\_\_

Address \_\_\_\_\_ Apt. \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Evening Phone \_\_\_\_\_ Day Phone \_\_\_\_\_

Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Development \_\_\_\_\_ Check: Renewal \_\_\_ New Member \_\_\_

Mail to: MLRC, P.O. Box 20414, Park West Finance Station, N.Y., N.Y. 10025

MLRC fights for you and your right to affordable housing!

**Mitchell-Lama Residents Coalition, Inc.**

**Co-chairs:** Lee Chong  
Leanora Nelson  
Jackie Peters

**MLRC NEWSLETTER STAFF**

**Editors in Chief:** Jackie Peters

**Layout:** Jackie Peters

**Co-editors:** Bernice Lorde  
Katy Bordanaro

**Advertising Manager:** Bernice Lorde

Circulation: 7,000

Articles, letters, and photographs are welcome. Send to MLRC, P.O. Box 20414, Park West Finance Station, New York, NY 10025  
Voice Mail: (212) 465-2619

# Mitchell-Lama Residents' Coalition 2008 Lobby Agenda for Rental Developments

Key: Legislation and initiatives marked R pertain to rentals, marked C pertain to co-ops.

Premise: Since all Mitchell-Lamas are a product of public funding, the public should have a say in whether such developments should remain so for the future.

## Mayor

Prevent Mitchell-Lama rental buyouts.

New York City Department of Housing Preservation should not approve sales to new owners where rental income under Mitchell-Lama rules will not support the price, regardless of financing.

City should continue to provide financing and other resources for preservation of Mitchell-Lama rentals.

Insure that NYS Comptroller has sufficient staff to vet its real estate investments thoroughly.

Require HPD and DHCR to treat "may" as "shall." If this practice is not adhered to, explain why.

Standardize HPD and DHCR buy-out and privatization regulations to the level of best practice for tenants. Of particular concern: 1-year notice, reserve funds, legal funds. R/C

## City Council

Prevent Mitchell-Lama rental buyouts.

City should create and fund new incentives for preservation of Mitchell-Lama rentals.

## Governor

Prevent Mitchell-Lama rental buyouts.

New York State Division of Housing and Community Renewal should not approve sales to new owners where rental income under Mitchell-Lama rules will not support the price, regardless of financing.

Standardize HPD and DHCR buy-out and privatization regulations to the level of best practice for tenants. Of particular concern: 1-year notice, reserve funds, legal funds. R/C

## State Assembly and State Senate Bills

(A797). Requires that tenants receive notice of a buy-out, which will increase rents, 12 months before the buy-out occurs. R

(S5284/A4069) Brings all Mitchell-Lama and project-based Section 8 projects into the Rent Stabilization program without "unique or peculiar" increases, if their owners leave their subsidy program. This bill would permit those post-1973's that have already left ML to become rent stabilized. R/C (Sponsors Stewart-Cousins and Pretlow)

(S1673/A4069) Repeals Urstadt, thereby reinstating Home Rule. Sponsors: Liz Krueger/Vito Lopez et al. R/C.

(S5149/A7761). Repeals high rent vacancy decontrol. (Sponsors Stewart-Cousins and Brennan) R/C

(A6898). Legislate that the oversight agencies follow "shall" instead of "may" to commence action to ensure enforcement

of the ML regulations. Also called the Jim Garst bill. (Sponsor Jonathan Bing) PASSED IN ASSEMBLY R/C  
No matching Senate bill as yet.

(A1249/S1326). Provides that all social security income would be excluded when calculating income for the purposes of determining SCRIE eligibility. R/C

(A484) Reserve funds for all Mitchell-Lamas should stay with the buildings after buy-out. R/C - This is already the law for DHCR-supervised buildings. It's not the law for HPD-supervised buildings. (Sponsor O'Donnell)

No matching Senate bill as yet.

## Other Talking Points

Creation of new permanent affordable housing: new initiatives needed with supportable funding.

Prevent Mitchell-Lama rental buyouts and co-op privatization.

Buy-outs should be subject to approval by supervisory agencies. Agencies should review impact on community and require mitigation where the buy-out would result in loss of needed affordability.

State should create and fund new incentives for preservation of Mitchell-Lama rentals.

Create a state right of first refusal for tenants. R

Disabled Rent Increase Exemption. Increase income levels to be equal to SCRIE. R/C

Mandate that landlords reveal what they pay for electricity after sub-metering. R

Mandate that any appliance surcharges under Mitchell-Lama that became part of the rent stabilized rent be rolled back) under sub-metering.

Require owners to contribute to legal defense fund for tenants during buy-out. R

Protect tenants in former Mitchell-Lama rentals. R

## US Congress and US Senate

Prevent Mitchell-Lama rental buyouts.

**Frank Preservation Bill with the Serrano Amendment of Right to Purchase.** Includes the conversion of RAP and Rent Supplement Programs to project-based Section 8; will provide for enhanced vouchers at the expiration of the mortgage. Allows local governments to acquire HUD buildings at below-market values for preservation. Allows HUD to reject sales of buildings to buyers with outstanding code violations.

## Other goals

Create a National Housing Trust Fund for preservation and creation of affordable housing. R

Federal budget -- We support full funding for all HUD programs in FY' 09 HUD Appropriations Act. R

Grant tax relief for any preservation sales or transfers. R

## Trinity House

By Jaye Murray-Mitchell-Lama Residents Coalition- [www.mitchell-lama.org](http://www.mitchell-lama.org)

This writer accompanied by Ms. Bernice Lorde, Financial Secretary of Mitchell-Lama Residents Coalition, attended a rally January 31, 2008, in support of Trinity House, at the Mitchell-Lama Rental development. The rally brought attention to the possible loss of another Mitchell-Lama affordable housing development. Trinity House is located at 100 West 92nd Street.

The rally was well attended by members of the community and Upper Westside elected officials. Manhattan Borough President, Scott Stringer spoke eloquently and with passion regarding the need to maintain current Mitchell-Lama buildings and to develop more affordable housing, especially in Manhattan.

With this in mind, we feel this is an opportune time to revisit the issues at Trinity house. As a member of MLRC Newsletter committee, I reached out to Ms. Christine Spenser, a co-chair (with Mr. Jim Paul) of The Trinity House Tenants Association. We set a date and time for this interview.

In April 1970, Ms. Spenser, the mother of two young children, moved into Trinity House. The apartment was a dream come true; but, as many of you readers can attest, at that time the Upper West Side, especially Columbus Avenue, did not have long waiting lists of prospective tenants. The Trinity House residents became a family. Activities and parties in the fourth floor community room and the adjacent terrace kept the children engaged. The diverse population at Trinity House made the "Pot Luck" family gatherings interesting. Life at Trinity House has been interesting and never dull.

Fast forward to the present: June 2007, Trinity School notified Trinity House tenants of its intention to sell the publicly –financed, mixed – income, affordable housing development to Pembroke Companies, a real estate firm that plans to remove the development from the Mitchell-Lama program and convert the building to market value condominiums. The terms of the sale must be approved by the Federal Department of Housing and Urban Development, which guarantees mortgages under the program and the city's Department of Housing Preservation and Development, which oversees local Mitchell-Lama buildings, including Trinity House. After learning of Trinity School's plans, a large number of residents united and began to take action to protect their homes.

I asked Ms. Spenser, "What do you want to happen, now?" She replied, "We, the board of Trinity House Tenant Association would really like to meet with the FULL board of Trinity School to discuss our concerns." Ms. Spenser goes on to say, "We have requested a forum setting with Trinity School students as the audience. Trinity School trains their students to perform community service and to participate in activities that develop positive citizenship. The students would hear both sides of the issues. What an excellent opportunity for the students to be part of the solution to the situation at Trinity House."

MLRC will stand with Trinity House and other Mitchell-Lama developments to assist and support their efforts to preserve affordable housing.

Mitchell-Lama Residents Coalition was the "brain child" of Congressman Charles B. Rangel and the late Robert "Bob" Woolis, who had the foresight to see the need of a Mitchell-Lama housing advocacy organization. They believed the future of affordable housing would be challenged after 20 or 25 years, when the developers/ owners are allowed to leave the housing program by paying off the low interest mortgage, after years of receiving tax breaks and government sponsored loans.

The Mitchell-Lama Residents Coalition's focus is to conduct workshops and meet with Tenant Associations and Board of Directors to help establish and / or strengthen their organization and to educate them regarding their rights and responsibilities.

The slogan "We fight for your right to affordable housing!" This the mission of MLRC.

For more information regarding Trinity House,

Log on to [www.trinityhouseta.org](http://www.trinityhouseta.org)

For more information and/or to join Mitchell-Lama Residents Coalition-

Log on to [www.mitchell-lama.org](http://www.mitchell-lama.org)

## Follow -up: First Sale Capital Assessment (FSCA)

By Leanora Nelson

A follow-up to the 9/07 article on First Sale Capital Assessment (FSCA): An Overview, points to some limitations cooperatives must consider when availing themselves of this financial option. The formula has much to commend on paper, yet serious questions remain:

1. Who would be able to meet the required low-to-moderate-income level on their w-2 statements, and still have the increased FSCA equity.

2. Did any development approach the powers-that-be to see if applicants could secure a bank loan to finance the higher equity? Many applicants simply don't have the money on hand! Up to now, new applicants have not been able to secure bank loans to move into Mitchell-Lama Cooperatives. At the same time, in this sub prime climate could bank loans provide viable solutions?

3. Still, and probably more importantly, why wasn't the state approached to upwardly adjust income limits to entice applicants better able to pay a higher equity? Who is ultimately providing the money in support of new applicants? Family size seems to expand once keys are provided with different people having access.

4. Why didn't the Board, accountant and legal counsel, think to offer FSCA option to insiders? Although many seniors might not have jumped at the chance to pay out more money, younger families might have been interested. Affordable housing will still be an issue when their offspring matures.

5. No one who has incorporated FSCA prior to River Terrace's advent seems to have thought about what would happen after those 'new' monies are used for capital improvements. What's left if turn around occurs? More financial scurrying?

6. Finally, not having enough vacancies imposes a problem. You cannot acquire FSCA funds if you have low-to-no-apartment turnovers. On the other hand, waiting for the 'right fit', income, etc. based on HPD/DHCR approvals, could leave apartments vacant even longer! For those developments contemplating a FSCA, it is imperative that the above questions be resolved in a timely and satisfactory manner.

### Dues-Paid Developments

MLRC strength comes from you, the membership. Support the Coalition's educational, advocacy and outreach programs with your membership dollars.

**Individual Membership: \$10**  
**Development - 15 cents per apt. (\$25 minimum;**  
**\$100 maximum)**

Donations above the membership dues are welcome.

### These developments are 2007 and 2008 dues-paid members of the Mitchell-Lama Residents Coalition

BERT SAM HOUSES  
 BETHUNE TOWERS  
 CASTLETON PARK  
 CENTRAL PARK  
 CLAYTON APTS.  
 CONCERNED TENANTS OF SEA  
 PARKS EAST  
 CONCOURSE VILLAGE  
 DENNIS LANE APTS.  
 1199 HOUSING  
 ESPLANADE GARDENS  
 FORDHAM TOWERS  
 JAIME TOWERS  
 JEFFERSON TOWERS  
 KNICKERBOCKER PLAZA  
 LINCOLN AMSTERDAM HOUSE  
 LINDEN PLAZA  
 MANHATTAN PLAZA  
 MASARYK TOWERS  
 MEADOW MANOR  
 MICHELANGELO

PARKSIDE DEVELOPMENT  
 PRATT TOWERS  
 PROMENADE APTS.  
 RNA HOUSE  
 RIVER TERRACE  
 RIVERBEND HOUSING  
 RYERSON TOWERS, INC  
 SKYVIEW TOWERS  
 SOUTHBRIDGE TOWERS  
 STARRETT CITY  
 STRYCKERS BAY  
 TIVOLI TOWERS  
 TOWER WEST  
 TRINITY HOUSE  
 VILLAGE EAST TOWERS  
 WASHINGTON SQUARE SOUTH  
 EAST APTS.  
 WESTVIEW APTS.  
 WEST VILLAGE HOUSES  
 WOODSTOCK TERRACE

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.

### Enhanced Voucher Requirements for Over-housed Families

#### U.S. Department of Housing and Urban Development

HUD has revised the regulations and procedures concerning tenants with section 8 enhanced vouchers that are over-housed. This will prove beneficial to many tenants that feared they would be charged extra rent on their existing apartments when appropriate sized apartments were unavailable within their housing development.

Information may be found: [www.wnylc.net](http://www.wnylc.net)

Search: section 8 enhanced vouchers 08.

Document name: Notice PIH-2008-12 (HA)

## Mitchell-Lama Residents' Coalition 2008 Lobby Agenda for Co-operatives

Key: Legislation and initiatives marked R pertain to rentals, marked C pertain to co-ops.

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### City Council

Prevent Mitchell-Lama co-op privatization.

Institute a windfall profit tax in the case of any co-op privatization.

### State Assembly and State Senate

#### Bills

**(S5284/A4069)** Brings all Mitchell-Lama and project-based Section 8 projects into the Rent Stabilization program without "unique or peculiar" increases, if their owners leave their subsidy program. This bill would permit those post-1973's that have already left ML to become rent stabilized. **R/C (Sponsors Stewart-Cousins and Pretlow)**

**(S1673/A4069)** Repeals Urstadt, thereby reinstating Home Rule. Sponsors: **Liz Krueger/Vito Lopez et al. R/C.**

**(A6898).** Legislate that the oversight agencies follow "shall" instead of "may" to commence action to ensure enforcement of the ML regulations. Also called the Jim Garst bill. **PASSED IN ASSEMBLY (Sponsor Jonathan Bing) R/C**  
**No matching Senate bill.**

#### Other Talking Points

Prevent Mitchell-Lama co-op privatization.

**STAR.** Tax parity for Mitchell-Lama co-ops. Currently, Mitchell-Lama co-ops only get 1/3 of the benefit available to other co-ops. **C**

Institute a windfall profit tax in the case of any co-op privatization.

### **P.I.E. Coalition Success with Comptroller Thompson**

On February 28, the PIE (Preservation, Incentives, Enforcement) Campaign, a coalition of MLRC tenants' associations, and housing advocacy organizations realized a long-held goal. New York City Comptroller William C. Thompson, Jr. and other elected officials joined PIE at a City Hall news conference to announce a real estate investment principle to allow the New York City Pension Funds to "opt out" of any future deals that could negatively impact opportunities to create or retain affordable housing.

This new commitment was the result of months of meetings and will enable the New York City Pension Funds to respond to a problem that PIE has identified as "predatory equity" the practice of making speculative investments in rental housing, especially subsidized and formerly subsidized housing, occupied by low-income people. Such investment can only yield the anticipated returns if the low-income tenant population is replaced by a group that can afford significantly higher rents.

The Pension Funds have assets totaling more than \$110 billion, with \$1.8 billion invested in commercial and residential real estate. During Comptroller Thompson's tenure, real estate was adopted as an asset class and now includes 36 discrete investments that are diversified by investment style, sector, manager, property type and geographic region. Many of the real estate investment funds selected for investment target New York City as part of their policy where the Pension Funds have invested \$105 million (over 15,000 units) in residential properties.

### **Update on Independence Plaza**

By Ed Rosner

Independence Plaza (IPN) is a former Mitchell Lama (ML) community of about 3,000 people of mixed economic, professional and ethnic backgrounds in TriBeCa. It was removed from the ML program in June 2004. Thereafter, it was discovered that IPN's owners began receiving a NYC J-51 tax abatement in 1998. Buildings receiving this benefit must be rent regulated. Until June 2004, IPN was regulated under ML and should have become rent stabilized when it left the ML program. However, the owner neither notified the tenants of the J-51 benefit nor registered IPN with DHCR as rent stabilized, as legally required.

In December 2005 a small group of tenants sued, asking a judge to rule that because of the owner's receipt of a J-51 tax abatement, IPN is rent stabilized. The tenants are awaiting a final decision. Even if the judge rules that IPN is rent stabilized, the correct rent for each apartment will have to be individually calculated. A rent overcharge complaint must be filed within four years of the time the overcharge began since DHCR, the supervisory agency involved, will only look back four years to determine the rent stabilization base rent. Tenants paying more than the last ML rent for their apartment or on site parking space, must file overcharge complaints with DHCR by June 2008 to get a roll back in rent plus the return of the overcharge, interest or triple damages. This process involves the preparation and filing of roughly 1,300 complaints with individual proofs of overpayment, which the IPNTA, with the aid of counsel, Seth Miller, is working hard to do.

## MLRC Co-operative Workshop: January 2008 General Membership Meeting

By Leanora Nelson

On January 26, 2007 the MLRC meeting at Strycker's Bay began with Co-chair Lee Chong offering a moment of silence in honor of our late co-chair, Louis Sanchez. After some minor housekeeping, the co-operative portion of the meeting began. Lee had been able to convene a most impressive panel that held the audience's attention on the topic of shareholder rights and privatization. I had been asked to act as moderator for the afternoon.

The three panelists: Christine Fowley from Cadman Plaza, Brooklyn; Richard Heitler, CFO for UHAB also a boardmember of Village East, Manhattan; and Jeanne Poindexter from East Midtown Plaza, Manhattan addressed the following topics:

Christine Fowley: **Process of Privatization**

Richard Heitler: **Risks Pertaining to Privatization**

Jeanne Poindexter: **Critical loss of Mitchell-Lama Housing**

Christine Fowley distributed a fact sheet that she and Richard Heitler had put together. She discussed the meaning of co-op 'buy out'. Briefly, 'it involves paying off all government-sponsored mortgages and starting to pay regular real estate taxes'. After leaving the ML program, housing developments go through a process 'to privatize'. 'To buyout', however, flies in the face of affordable housing. Shareholders are taken advantage of by the use of a procedure called "limited equity". Limited equity says 'a shareholder who owns shares in the co-op can only sell his/her apartment to people on a waiting list for the price of their original equity investment'. When buildings seek to leave the ML program through a buyout, shareholders do not benefit from current market rates because they are locked into the prior limited equity that had given them an opportunity to pay carrying charges and taxes at lower rates. The limited equity was possible because under the ML program, shareholders were exempt from paying full real estate taxes and the government helped to subsidized mortgages.

After a buyout, shareholder units would become financially responsible for equally paying all real estate taxes and mortgages, and legal costs. Shareholders lose J-51 tax abatements used by co-ops for capital repairs. They also lose SCRIE, surcharge income, and must bear the cost of subsidizing those who remain as renters. Shareholders who sell their co-ops must pay a "flip-tax".

Furthermore, the buy-out process involves completing a feasibility study and preparing a 'Red Herring'- 'a draft of privatization/offering' that includes plan risks, new bylaws and a proprietary lease to be sent to the New York State Attorney Generals (AG) office accompanied by a \$20,000 fee. The AG reviews the Red Herring and will issue either a deficiency letter, or accept the plan for filing. Once the AG accepts the plan a 'Black Book' is distributed to all shareholders, who must then approve the plan with a two-thirds majority vote. Often, the use of proxies becomes a new battleground. Each step in the privatization process has specified times for completion.

If 'privatization' is successful, the co-op loses the supervision and oversight of HPD or DHCR. An all-powerful Board takes over the helm, leaving shareholders, who might disagree with the Board, with nowhere to turn in order to air grievances. Considering all of the above, if not enough vacancies occur and new applicants do not come in at market rate the co-operative, financially, will not be able to remain in the black, "you are screwed".

Richard Heitler followed Christine's discussion with equally alarming information. He focused on the 'transfer tax'- the value of the co-op based on the real estate market when it changes hands. The transfer tax also becomes part of the new debt service. At some

point, you run out of units to sell and the required turnover rate of 6% to remain financially stable, erodes. More often than not, the new debt especially disenfranchises older tenants living on fixed incomes.

Then there are the real estate taxes. Heitler provided an example of what shareholders currently pay. Before privatization, taxes range from \$60 to \$80 per month. After privatization, these same taxes increase to \$400 per unit per month, and it all goes to the City. Lastly, with privatization, internal strife between those who want to sell and bail, and those who don't, keeps friction alive within buildings.

Jeanne Poindexter discussed the reality that the ultimate downside in privatization is the loss of affordable housing units. She crafted a chart detailing units lost over a 4-year period from 2003-2007 (see page 7). Based on her data, the highest losses have been occurring with ML rentals, however, with two co-ops leaving the ML program that picture is changing. The chart shows that ML's in Manhattan and the Bronx have incurred substantial unit losses and other boroughs only slightly affected. It is clear we are rapidly losing affordable housing.

The Q & A session highlighted uncertainties people are experiencing based on the buyout/privatization phenomenon. Questions included:

1. How do you get to understand what is going on?
2. How costly are feasibility studies?
3. What are co-ops doing to get the best possible deals during privatization?
4. How do you communicate with the AG?
5. Since every time you speak to the lawyer it costs money, who should communicate with the lawyer- especially if you feel or find that the Board is not supporting your interests?
6. What agencies are available to assist developments during privatization?

Richard Heitler made a point of telling participants that the economic cost of leaving the ML program is high. He spoke for some time on the actual financial burdens and hidden costs incurred by developments considering buyout. There is no record of any development or their shareholders completing the buyout process and remaining financially solvent.

Clearly, more discussions are called for and more information that is not misleading needs to be exchanged. Jeanne Poindexter cited two examples of erroneous information: a few shareholders were told that no repairs would be done until shareholders voted to privatize; while others were told that privatizing was the only way to re-finance their co-op.

In the meantime, the Attorney General's office has called for a temporary halt to privatization until a more in-depth review has been completed.

Mitchell - Lama Residents Coalition  
is

Selling Ads for the June Newsletter  
to Support

"Lobbying in the Neighborhoods"  
Please call

Call: (212) 465-2619

or check the website for information

[www.mitchell-lama.org](http://www.mitchell-lama.org)

1-21-08 updating M-L development losses, 2003 to 2007,  
for MLRC panel on Sat., 1-26-08

| Borough       | Cooperatives |     |      |     |       |     | Rentals |     |      |     |       |     |
|---------------|--------------|-----|------|-----|-------|-----|---------|-----|------|-----|-------|-----|
|               | HPD          |     | DHCR |     | Total |     | HPD     |     | DHCR |     | Total |     |
|               | '04          | '07 | '04  | '07 | '04   | '07 | '04     | '07 | '04  | '07 | '04   | '07 |
| Bklyn         | 19           | 19  | 7    | 5   | 26    | 24  | 8       | 7   | 13   | 10  | 21    | 17  |
| Bronx         | 16           | 16  | 13   | 13  | 29    | 29  | 24      | 11  | 12   | 10  | 36    | 21  |
| Man. Queens   | 24           | 24  | 8    | 8   | 32    | 32  | 23      | 10  | 16   | 8   | 39    | 18  |
|               | 6            | 6   | 7    | 7   | 13    | 13  | 6       | 54  | 2    | 2   | 8     | 7   |
| Staten Island | 0            | 0   | 0    | 0   | 0     | 0   | 1       | 0   | 1    | 1   | 2     | 1   |

**Proposed Change in Mitchell-Lama Residents Coalition By-Laws**

The by-laws committee of the Mitchell-Lama Residents Coalition would like the general membership to consider amending the following from Article VI, Section 2:

The Executive Board is comprised of no less than 15 members and no more than 30 members.

to instead read:

**The Executive Board is comprised of no less than 9 members and no more than 21 members.**

Please refer to the section of the by-laws in the next column.

**ARTICLE VI EXECUTIVE BOARD**

Section 1. Authority and Powers

The Executive Board has the following authority and powers

- a. Between General Membership meetings, to make policy of the Coalition consistent with existing overall purposes and policies;
- b. To implement the purposes and policies of the Coalition;
- c. To create special committees, appoint chairpersons and dissolve such committees, if necessary;
- d. To monitor the fiscal affairs of the Coalition;
- e. To take such other actions as are provided in these By-Laws;
- f. To implement decisions of the general membership.

All meetings of the Executive Board are open to all members of the Coalition.

Section 2. Composition

**The Executive Board is comprised of no less than 15 members and no more than 30 members.**

Section 3. Terms of Office

Executive Board members shall serve for a term of two years. The terms of office for members of the Executive Board will be staggered.

20 calendar days prior to the date of the hearing. The recall hearing will include properly notified witnesses and written documentation both in support of and in opposition to the recall petition. The recall

Continued from Page 1: "Tenants Lobbying in the Neighborhoods"

**MITCHELL-LAMA RESIDENTS COALITION**

**"TENANTS LOBBYING IN THE NEIGHBORHOODS"**

**Lobby with your neighbors-communicate with your legislators!**

**Month of April**

Legislative Captains will contact you. Call for more information (212) 465-2619

Development\_\_\_\_\_

City Councilman \_\_\_\_\_

State Assemblyman \_\_\_\_\_

State Senator \_\_\_\_\_

U.S. Congressman \_\_\_\_\_

U. S. Senators \_\_\_\_\_

**Congratulations to Judy Montanez and Sharon Valentin, tenant leaders and activists at Castleton Park on Staten Island for receiving an award from Project Hospitality and flowers from MLRC for their terrific work preserving affordable housing.**



**L-R**  
Leanora Nelson, Co-Chair MLRC; award winners Sharon Valentin, and Judy Montanez; Vivienne Smith, Executive Board, MLRC



Family and Friends join Sharon Valentin and Judy Montanez after receiving the Project Hospitality award , March 10, 2008 in Staten Island, New York.