

The New York City Council

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in relation to the creation of an endangered affordable housing watch list

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Attachments: 1. Summary of Int. No. 1153, 2. April 7, 2016 - Stated Meeting Agenda with Links to Files

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Int. No. 1153

By Council Members Torres, Levine, Chin, Cohen, Rosenthal, Constantinides, Richards, Salamanca, Vallone, Espinal, Johnson, Levin, Menchaca, Palma, Kallos, Reynoso, Mealy, Rose, Gentile, Maisel, Vacca, Barron, Rodriguez, Cumbo, Lander, Crowley, Cornegy, Gibson, Van Bramer, Koo, Cabrera, Dromm, Garodnick and Treyger

A Local Law to amend the New York city charter and the administrative code of the city of New York, in relation to the creation of an endangered affordable housing watch list

Be it enacted by the Council as follows:

Section 1. Subchapter 4 of chapter 2 of title 27 of the administrative code of the city of New York is amended by adding a new article 3 to read as follows:

Article 3

Housing Watch Lists

§ 27-2109.51 Definitions.

- § 27-2109.52 Creation of watch lists required.
- § 27-2109.53 Posting on department website; updates.
- § 27-2109.54 Removal from a watch list.
- § 27-2109.55 Determination of debt service coverage ratio.
- § 27-2109.56 Endangered affordable housing watch list.
- § 27-2109.57 Reserved.
- § 27-2109.58 Reserved.
- § 27-2109.51 Definitions. For purposes of this article, the term "debt service coverage ratio" means the quotient obtained when a multiple dwelling's annual net operating income is divided by such multiple dwelling's annual debt service, with the result expressed as a decimal carried to the hundredths place without rounding.
- § 27-2109.52 Creation of watch lists required. The commissioner shall create and maintain watch lists in accordance with the requirements of this article.
- § 27-2109.53 Posting on department website; updates. a. The commissioner shall make the watch lists created pursuant to this article publicly available on the department's website and shall update each watch list not less than quarterly. The commissioner may use color designations for "High Risk" and "Moderate Risk" categories as specified in this article.
- b. The commissioner shall make the watch lists created pursuant to this article searchable by the multiple dwelling's address; the name of the multiple dwelling's owner, including the names of principals, officers, directors or managers of such owner, as applicable; lender name, as applicable; and any other criteria that the commissioner chooses.
- c. The commissioner shall provide, through the department's website, a means for members of the public to submit potential entries for any of the watch lists created pursuant to this article, including a means for providing supporting information. The commissioner shall establish a procedure for tracking each such submission and shall notify the submitter within 30 days whether or not the submitted entry meets the criteria for inclusion on a watch list created pursuant to this article.
 - d. The commissioner shall provide the mayor, the public advocate, each borough president, the speaker

of the council and each council member, each community board, and the commissioner of information technology and telecommunications with a copy of the housing affordability watch list created pursuant to section 27-2109.56 each time such watch list is updated pursuant to subdivision a of this section.

§ 27-2109.54 Removal from a watch list. a. If the commissioner determines that an entry included on a watch list created pursuant to this article no longer satisfies the criteria for inclusion on such watch list, the commissioner shall remove such entry within 10 business days of making that determination. Whenever the commissioner removes an entry from a watch list, the commissioner shall post on the department's website the reasons such entry was removed and shall keep such posting available on such website for at least one year.

b. The commissioner shall establish procedures by which a person may request a determination by the department that an entry should be removed from a watch list created pursuant to this article.

§ 27-2109.55 Determination of debt service coverage ratio. No later than March 1 of each year, the commissioner, in consultation with the commissioner of finance, shall determine the debt service coverage ratio of each multiple dwelling in the city that has six or more dwelling units. Such determination may be based on any information in the possession of the department or the department of finance.

§ 27-2109.56 Endangered affordable housing watch list. a. The commissioner shall create and maintain a watch list of multiple dwellings that meet the criteria set forth in this subdivision and have six or more dwelling units. Multiple dwellings included on such watch list shall be divided into two categories as follows:

- 1. A category entitled "Moderate Risk" that may be designated with the color orange and that includes any multiple dwelling that has six or more dwelling units and to which only one of the following criteria applies:
 - (a) The multiple dwelling has a debt service coverage ratio of less than 1.05.
- (b) The multiple dwelling has an aggregate number of open hazardous and immediately hazardous violations that equals or exceeds an average of one violation per dwelling unit.
 - (c) The multiple dwelling has one or more open orders to correct underlying conditions pursuant to

subdivision c of section 27-2091.

- (d) A court proceeding for harassment or a similar cause of action, filed by a current or former tenant or group of tenants of the multiple dwelling or a tenant association, is currently pending against the owner of the multiple dwelling or a principal, agent or employee of such owner.
- (e) Within the preceding five years, the owner of the multiple dwelling or a principal, agent or employee of such owner has been found liable to a tenant, a group of tenants or a tenant association for only one instance of harassment or of any other cause of action based on acts described in paragraph 48 of subdivision a of section 27-2004 committed against a current or former tenant of the multiple dwelling.
- (f) Foreclosure proceedings are currently pending with respect to the multiple dwelling or the multiple dwelling has been sold one or more times in the previous five years pursuant to a judgment entered under article 13 of the real property actions and proceedings law.
- (g) Within one year, the multiple dwelling will be eligible to end compliance with or participation in an affordable housing program, including but not limited to a housing program administered pursuant to section 1437f of title 42 of the United States code, article II of the New York private housing finance law, article XI of the New York private housing finance law or article 2-A of the New York public housing law.
- 2. A category entitled "High Risk" that may be designated with the color red and that includes any multiple dwelling that has six or more dwelling units and to which one or more of the following criteria apply:
 - (a) The multiple dwelling has a debt service coverage ratio of less than 0.85.
- (b) The multiple dwelling satisfies two or more of the criteria set forth in subparagraphs (a) through (g) of paragraph 1 of this subdivision.
- (c) The multiple dwelling has an aggregate number of open hazardous and immediately hazardous violations that equals or exceeds an average of three violations per dwelling unit.
- (d) The multiple dwelling has two or more open orders to correct underlying conditions pursuant to subdivision c of section 27-2091.

- (e) Within the preceding five years, the owner of the multiple dwelling or a principal, agent or employee of such owner has been found liable to a tenant, group of tenants or a tenant association for two or more instances of harassment or any other cause of action based on acts described in paragraph 48 of subdivision a of section 27-2004 committed against a current or former tenant of the multiple dwelling.
- (f) The owner of the multiple dwelling or a principal, agent or employee of such owner has informed the department or a tenant of the multiple dwelling or otherwise has publicly disclosed an intention to end the multiple dwelling's participation in an affordable housing program, including but not limited to a program administered pursuant to section 1437f of title 42 of the United States code, article II of the New York private housing finance law, article XI of the New York private housing finance law or article 2-A of the New York public housing law.
- b. The watch list created pursuant to this section shall include the address of each multiple dwelling, the name of each multiple dwelling owner and any additional information that the commissioner may establish by rule. Such additional information may include, where available and relevant, the names of any lenders who have lent money secured by a property on the watch list or any principals, officers, directors or managers of business organizations that own properties on the watch list.

§ 27-2109.57 Reserved.

§ 27-2109.58 Reserved.

- § 2. Chapter 1 of title 11 of the administrative code of the city of New York is amended by adding a new section 11-138 to read as follows:
- § 11-138 Housing watch lists. No later than March 1 of each year, the commissioner of finance shall assist the commissioner of housing preservation and development in determining the debt service coverage ratio of each multiple dwelling in the city that has six or more dwelling units pursuant to section 27-2109.55. Such determination may be based on any information in the possession of the department of finance or the department of housing preservation and development.

- § 3. Section 1072 of the New York city charter is amended by amending subdivisions q and r, subdivision q as amended by local law number 39 for the year 2013 and subdivision r as added by local law number 39 for the year 2013, and by adding a new subdivision s to read as follows:
- q. to provide to the public at no charge on the city's website an interactive map, updated as often as practicable and necessary but not less than once per week, displaying the following:
- 1. Permitted and approved street closures that do not allow for the passage of vehicular traffic on that street, including but not limited to closures for special events, crane operations and other construction work, film shoots and paving operations; and
- 2. Parking regulations. The information related to paragraph (1) of this subdivision shall be searchable and sortable by time, date and borough, except that street closures for crane operations, construction work and paving operations shall have the notation "subject to closure" during times where closure has been permitted and approved but where such closure may or may not occur on a particular day. All information required by this subdivision shall be available on the city's website as soon as practicable but in no case less than one week prior to any such closure or change, except closures which were applied for or planned less than one week prior to any such closure or change, which shall be available on such interactive map within seventy-two hours of the permit and approval of such closure. Where a permitted and approved street closure is due to a special event, the sponsor of the event with appropriate contact information shall be provided as part of such interactive map. For the purposes of this subdivision, special event shall mean any street fair, block party or festival on a public street(s) where such activity may interfere with or obstruct the normal use by vehicular traffic of such street(s); [and]
- r. to provide to the public[,] at no charge on the city's website[,] an interactive crime map that, for each segment of a street bounded by one or more intersections and/or a terminus, shall visually display the aggregate monthly, yearly and year-to-date totals for the current and the most recent prior calendar years for each class of crime that is reported to the New York city police department, or for which an arrest was made, including

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crimes that occurred in parks and subway stations. Such map shall be searchable by address, zip code, and

patrol precinct. All information required by this subdivision shall be available on the city's website as soon as

practicable but in no case more than one month after a crime complaint has been filed. The mayor shall ensure

that all agencies provide the department with such assistance and information as the department requires to

compile and update the interactive crime map[.]; and

s. to provide to the public at no charge on the city's website an interactive endangered affordable

housing map. Such map shall show the locations of multiple dwellings listed in the watch lists created by the

department of housing preservation and development pursuant to section 27-2109.56 of the administrative

code, shall signify such multiple dwellings as moderate risk or high risk, as the case may be, and shall be

searchable by address, zip code, city council district, community board district and name of multiple dwelling

owner, including such owner's principals, officers, directors and managers where the owner is a business

organization and where such information is available. The mayor shall ensure that all agencies provide the

department with any assistance and information that the department requires to compile and update such map.

§ 4. This local law takes effect 120 days after it becomes law, except that the commissioner of housing

preservation and development may take any measures necessary for the implementation of this local law,

including the promulgation of rules, before its effective date.

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