



## Legislation Text

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**File #:** Res 0724-2003, **Version:** \*

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Res. No. 724

Resolution viewing the current and impending Mitchell-Lama buyouts as a threat to the already limited availability of affordable housing In New York City and calling upon the appropriate Committee of the Council to conduct hearings to further explore this situation and possible methods for intervention.

By the Speaker (Council Member Miller) and Council Members Quinn, Provenzano, Gerson, Brewer, Yassky, Katz, Addabbo, Avella, Clarke, Comrie, Fidler, Foster, Gennaro, Jackson, Liu, Lopez, Martinez, Nelson, Perkins, Rivera, Seabrook, Sears, Serrano, Weprin, Dilan and Rayna.

Whereas, The Mitchell-Lama program was established in 1955 to stimulate the creation of moderate and middle income housing; and  
Whereas, The program offers developers of rentals or co-ops low interest mortgages and generous tax abatements in exchange for placing caps on rents without increase, unless profits fall below 6 percent; and  
Whereas, The Mitchell-Lama program allows developers the option of removing their developments from the program after 20 years of occupancy if the development was aided by a loan made after May 1, 1959; and  
Whereas, Most Mitchell-Lamas developments are now eligible to buy out and leave the program; and  
Whereas, Any of the rental developments that buy out, that were built and occupied before 1974 would become rent stabilized when they buy out, however, those built and occupied after 1974 are not covered by rent stabilization; and  
Whereas, Many of the numerous Mitchell-Lama developments facing a buyout in the near future were finished after the 1974 deadline and may therefore be allowed to go to market rents, usually approximately three times current rent; and  
Whereas, Tripled rents are unreasonable for most people residing in Mitchell-Lama buildings to endure, particularly for those households accustomed to living in affordable housing; and  
Whereas, Mitchell-Lama residences are diverse racially, ethnically, and economically; affordable places in the City for teachers, social workers, postal workers, nurses, seniors and families to live; and  
Whereas, The vitality of the City as a whole depends, among many things, on the City's ability to allow for affordable places for low, moderate, and middle income people to live; and  
Whereas, The imminent crisis facing buildings in the Mitchell-Lama program could have a devastating effect on the availability of affordable housing in New York City without timely and serious attention; now, therefore, be it  
Resolved, That the Council of the City of New York views the current and impending Mitchell-Lama buyouts as a threat to the already limited availability of affordable housing In New York City and calls upon the appropriate Committee of the Council to conduct hearings to further explore this situation and possible methods for intervention.

LS# 1501 & 2053  
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