



RESIDENTIAL GRANT ADVISORY COUNCIL  
MONDAY, SEPTEMBER 23, 2002 5:30-7:30PM 1 LIBERTY PLAZA, 20<sup>TH</sup> FLOOR

Jennifer Brown, Assistant Vice President for Government Relations and Community Affairs offered welcoming remarks and asked attendees to introduce themselves for the record. She introduced Amy Peterson, Program Director of the Residential Grant Program, to provide an overview of the program launch. Ms. Peterson discussed the contractors that the LMDC has hired to assist with the program implementation – Asian Americans for Equality (AAFE), Automated Computer Systems (ACS), IBM. She discussed the hotline, the site offices, the fraud prevention hotline, and the responsibilities of the compliance auditor. An advertising campaign about the program will begin in the near future.

Ms. Peterson then introduced representatives from AAFE, who discussed their community outreach responsibilities and the site office they opened at 225 Park Row in Chinatown and the schedule for their Mobile Outreach Teams (MAT).

Ms. Peterson then introduced the representatives from ACS, who provided an overview of their MAT operations and the site office they operate at 68 Reade Street.

Ms. Peterson introduced representatives from IBM, who gave an overview of the building eligibility criteria and the database of building they have created in conjunction with multiple city agencies.

An attendee asked if the Frequently Asked Questions (FAQs) that were handed out at the meeting will be provided on the LMDC web site. The FAQ's that were distributed are currently available on the web site.

Another attendee inquired as to whether or not there would be a list of all buildings in Lower Manhattan, including those buildings that are eligible and willing to participate in the program by providing two year leases on a percentage basis.

Ms. Peterson mentioned that landlords were asked by the Real Estate Board of New York (REBNY) to provide two year leases, and, thus far, she has not heard of instances where a landlord has refused to do so. A representative of REBNY was in attendance and agreed with Ms. Peterson's statement. He went on to discuss eligibility, tenants' requests for two year leases, and the concerns of some landlords about many, if not all, leases will turn over at the same time.

An attendee mentioned that in the instance of one year leases that were signed before the announcement of the program, some landlords want to renegotiate the lease at the same time of year, and they want to do so at a higher rate.

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Another participant stated that a large number of people who have moved downtown to take advantage of the grant, and there is concern that they will leave after two years. There is also a sense that the demographics of the neighborhood are changing as a result.

The representatives from REBNY stated that the program is intended to assist with neighborhood stabilization, requirements have been set to keep stability, not to have people take the grant for two years and then leave the area.

A representative from the Downtown Alliance said that based on a study they did, the demographics have not changed significantly. In particular, the number of families living in the area has changed by just 1 percent.

A representative from Chinatown said that families there are being forced out by tenants that can pay more. He would like the LMDC to look at other programs that will address this issue.

An attendee from an elected official's office said that they have been receiving calls on the safety and habitability issue from tenants who say that their landlords will not comply with the violations in order to be eligible for the program. Ms. Peterson said that individual landlords have been working with the City to address the violations, and any information on specific buildings that will not comply can be forwarded to her. The representative mentioned that the problem appears to be with owners of small buildings versus large complexes.

Another attendee asked what type of enforcement the LMDC has to deal with landlords that will not comply with the rent restrictions.

The representative from REBNY mentioned that there have been some questions regarding IMD buildings and that these buildings will be eligible – they have been working with the Loft Board on these issues. He also stated that confidence in the rental market is higher because of the program. He is not sure what can really be done to force landlords to comply, if they choose to set rent at market rate. He went on to say that he feels that lack of information early on caused some landlords to make bad decisions on rent issues.

Ms. Peterson again stated that she has not heard of major problems with landlords complying with the rent restrictions, but she welcomes information on specific cases if available.

A question was posed about people who are trying to cancel leases that were signed before the program was in place. Ms. Peterson pointed to a new FAQ that was distributed that addresses this issue, but emphasized that no one really had to cancel their lease to receive the benefits, as long as the lease was to be renewed by May 31<sup>st</sup> of next year.

A participant asked about a one-time grant that the Battery Park City Authority (BPCA) offered and whether or not the LMDC agreed not to deduct this amount. The City, the BPCA and HUD are working this issue out.

A participant requested that AAFE try to reduce the waiting time for appointments. During AAFE's presentation, it was stated that there could be up to a 5-week wait for an appointment in the Park Row office. Ms. Peterson and the representative from ACS pointed out that if an individual takes the option of the first available appointment at either office, the wait time is much less. The participant suggested that there might be buses shuttling people between offices.

Another participant asked if information on the number of applications received and rejected will be available on the web site. Ms. Peterson said that those statistics will be available in the future; it has not been determined if they will be posted on the web site.

Ms. Peterson asked if there were additional questions, and then closed the meeting.