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Â For more than 20 years, Marc Richardson has called the Lower East Side home and despite gentrification and increased rents in his neighborhood he has been able to do so thanks largely to the fact that he lives in a Mitchell-Lama apartment building.

But his days in the apartment may be numbered: The owners of the Lands End One complex, which includes 251 apartments, announced late last year that they have opted to buy out of the Mitchell-Lama program - and seek market rents for the apartments.

"Tenants are really feeling it," Richardson said, a member of the Lands End One Tenants Association. "There's very little affordable housing in this city. Where are we going to go? I really don't know where I'm going to start looking for an apartment."

There is growing fear among tenants of Mitchell-Lama apartments that they may have to leave their apartments or pay significantly higher rents. An appeals court decision at the end of February only added to their anxiety. City-sponsored legislation in Albany and City Council bills have set off a political battle.

There are about 60,000 Mitchell-Lama rental apartments left in New York City, mostly located in Brooklyn and Manhattan. They exist in buildings developed with state and city low-interest loans provided through a 1955 law sponsored by Manhattan State Senator MacNeil Mitchell and former Brooklyn Assemblyman Alfred Lama. The laws helped spur the development of almost 150,000 apartments in New York City, according to the city Comptroller's office.

"Mitchell-Lama housing is absolutely critical," said Councilmember Eva Moskowitz, who represents district 4 on Manhattan's East Side, which has several Mitchell-Lama projects in it. "It's one of the most well designed affordable housing programs the city has and a model for the nation. It's a force for stability in the city. [If it is undone] you're going to undo the very stability you've created."

In return for the loans and real estate tax abatements, developers committed to keeping the apartments affordable. But not forever. A buyout option allows developers to take the apartments out of the program depending on what year they were built and whether the

building's mortgage has been paid. For developments like Land's End One, which was opened for occupancy in 1978, a 20-year commitment to affordability expired in 1998. About 32,000 Mitchell-Lama apartments face a similar fate; 11 developments are currently in the process of buying out.

That developers can buy out of the program is not really the issue, advocates and tenants said. What is really at stake is what will happen to the rents. Rents will increase dramatically, perhaps four or five times the current rent, if developers are allowed to charge market rate rents. At the very least, tenants would like their apartments to become rent stabilized, with rent increases set by the Rent Guidelines Board and important tenant protections, like the right to lease renewals and sublets.

Running Out Of Rent Subsidies

For buildings built after 1973, some people have accepted that their rents will go to market rates. At the Lands End One development, that could be the case. Tenants might qualify for federal rent subsidies through Section 8 or Section 236 "enhanced vouchers." But federal assistance is facing radical cuts under current budget proposals from the Bush Administration. The vouchers would last only one year unless the money is increased.

The New York City Housing Authority recently confirmed that it has just 300 Section 8 vouchers left for 2004. These vouchers are reserved for the neediest cases - victims of domestic violence, intimidated witnesses and homeless families that have been separated. As more than 150,000 people who qualify for Section 8 assistance are currently on the waiting list, that is just one indication of how great the need for rental assistance is.

A spokesperson for Lands End Associates, which decided to buy out of Mitchell-Lama, said the company did not think it would lead to massive displacement of Lands End One tenants unable to afford higher market rents.

"Eighty-seven percent of tenants will qualify for the enhanced vouchers," said Devorah Fong. "For the remainder, (Lands End Associates) are sure they can make reasonable adjustments. They're willing to work with the residents."

Fong said she did not know the company's response to the possibility that enhanced vouchers

might not be available due to budget cuts.

Will Ex Mitchell-Lama Apartments Become Rent Stabilized?

As February ended, an appellate court decision paved the way for one developer to charge market rents for apartments in three buildings on the Upper West Side of Manhattan. The ruling was significant because the buildings had been built before 1973. Until the ruling, the law seemed to indicate that pre-1973 buildings would become Rent Stabilized.

Carol Abrams, a spokesperson for Mayor Michael Bloomberg, said state legislation sponsored by the city, which would place into rent stabiliziation all apartments that have left the Mitchell-Lama program, would not be affected by the appellate court's decision. State legislators will begin discussing the legislation this month.

"The question is whether, after a buyout, an owner could apply to adjust the rent under the provision of rent stabilization that was the subject of this ruling," Abrams wrote in an email message in response to questions.

Victor Bach, senior housing policy analyst at the Community Service Society, said the city-sponsored legislation did not go far enough. As many as 36,000 apartments that were built with federal assistance through the Department of Housing and Urban Development (HUD) also may be expiring, he said, destined for market rate rents.

"We are urging whatever the bill it should include HUD-subsidized developments," Bach said. "These are not officially Mitchell-Lama and are not covered in the mayor's bill. If they are not included then they will be lost."

Bach said that legislators need to understand that the loss of affordable housing provided by the programs would cause even greater problems for the city. City and state leaders need to be more assertive, he said: "I think the city and the state need to understand the dimensions of the crisis, the kind of the loss that will occur, the displacement, and how it will increase pressure on

the homeless system."

Moskowitz said she was committed to preserving Mitchell-Lama.

"There's a lot of support on the council" for the two pieces of legislation to protect Mitchell-Lama. "A lot of us grew up middle class."

Lands End One tenants have responded, Richardson said, but it has not been without great effort.

"There's a lot of confusion," he said. "We've had to really scramble to get ourselves organized. We've been all about town to talk to various organizations. There's a lot to do in such a short time."

They are hoping to hold city leaders to the promises they have made.

"At least there are some politicians showing some concern for this issue," he said. "We just have to make them connect their words to action."

Joe Lamport is the assistant director of the City-Wide Task Force on Housing Court, a coalition of community housing organizations.