

Metro

## **NYC prepared to use eminent domain to buy buildings for the homeless**

*New York Post, by Michael Gartland and Danika Fears, December 12, 2017, 1:30pm, EST*

The city plans to acquire 25 to 30 privately-owned buildings where the majority of residents are homeless families — even if it has to seize the properties through eminent domain, Mayor de Blasio announced Tuesday.

Not-for-profit developers would then convert the so-called “cluster site” buildings into affordable housing.

“It’s fair to say the magnitude of this crisis is unprecedented, and it’s fair to say our response must be unprecedented as well,” de Blasio said at a press conference in the South Bronx. “The city will take immediate action to acquire cluster buildings and convert them into quality, permanent affordable housing.”

Only buildings where 50 percent or more units are currently housing the homeless will be considered. The city says it has already identified 25 to 30 buildings that qualify, which “will create over 1,100 permanent and affordable homes.”

Most of them are in the Bronx.

Homeless people will be allowed to stay in their units through the transition, then would have the option to remain as tenants with a rent-stabilized lease. Non-homeless tenants will also be given rent-stabilized leases.

Negotiations for some of the properties are underway now, according to city Housing Commissioner Maria Torres Springer. De Blasio plans to have some conversions finalized by 2018.

About 800 of 2,272 families living in the cluster apartments would be affected.

The cluster site program, which began in 2000, has long been criticized for offering rundown housing to the homeless at a heavy cost to the city. As part of the program, the city rents private apartments for homeless families from for-profit landlords, often at a price that’s far above market rate.

“Today’s announcement is a very positive step toward the laudable goal of eliminating the use of cluster sites and converting these apartments into permanent housing for homeless New Yorkers, as advocates and experts have long called for,” said Giselle Routhier, Policy Director at the Coalition for the Homeless.

“The potential use of eminent domain adds a powerful tool to the City’s housing arsenal. But to see a significant reduction in record homelessness and finally end the use of cluster sites and hotels completely, the City will have to think even bigger and commit to creating at least 10,000 units of new housing for homeless households over the next five years.”

If landlords refuse the city’s asking price, de Blasio vowed to take the buildings through eminent domain, a legal maneuver which allows the city to force the sale of property for the public benefit.

Lawyer Jennifer Polovetsky, of Sanchez & Polovetsky, said New York has “one of the broadest eminent domain authorities in the country.” She said it would be very difficult for a landlord to take the city to court and prove that affordable housing is not “a public use.”

“Affordable housing is definitely public use, in my legal opinion,” she said. “They can certainly try [to fight it]. But if they came to me to fight, I would tell them not to bother.”

Polovetsky added that building owners could eventually sue for damages, however.

“Although the City will be required to pay them for their properties, the owners can always file a claim for additional compensation in court,” she explained. “In other words, the owners can claim that the compensation paid to them was not ‘just’ as required by the constitution, and can sue for more money.”

There were 60,508 individuals in city shelters and apartments as of Monday.

The Rent Stabilization Association, which represents 25,000 landlords pushed back on the plan, arguing that government intervention is what helped create the homeless crisis.

“This plan is riddled with flaws, and implementing it would create a housing catastrophe,” said RSA president Joseph Strasburg.

“Has the Mayor considered the adverse economic impact, particularly on the city’s budget, that would result from taking real estate tax-paying properties from the tax rolls?” he added. “The city and non-profits have demonstrated consistent failure and inability to operate housing – look at the squalid living conditions in the NYCHA public housing system.”