

October 10, 2017

Maria Torres-Springer  
Commissioner  
NYC Housing Preservation & Development  
100 Gold Street  
New York, NY 10038

Dear Commissioner Torres-Springer:

It has come to our attention that the Department of Housing Preservation & Development (HPD) 2017 Third Party Transfer (TPT) Round X is moving ahead with foreclosure proceedings of 84 HDFCs. While we understand that you have made efforts to assist these buildings in order for them to achieve good standing, we do not want to lose this essential stock of housing which have made the dream of affordable homeownership possible for over 2,000 families. Therefore, we are requesting that HPD issue a moratorium on HDFC foreclosures, in order to focus on the necessary next steps towards supporting these HDFC buildings in need.

HDFC shareholders have invested significant amounts of their own money, sweat equity and effort into their homes, their buildings and the community at large. Studies have shown that homeowners are more civically engaged in their communities, volunteer at higher rates, and there is a correlation, all things being equal, between homeownership and success in health and academia in children.

We know that Mayor de Blasio and HPD are committed to maintaining the affordability of these units, but if they cease being owner-occupied homes it would be a major loss for our city, not to mention the owners themselves. Preservation of these HDFCs would undoubtedly be less costly than the creation of new owner-occupied housing.

We acknowledge that some of the buildings listed for foreclosure no longer have active shareholders residing in them. Others may contain shareholders that have apprehensions regarding their existing structure and prefer reverting to affordable rentals that would be renovated. It is for this reason that we ask for a more judicious screening process to ensure that buildings on the right path are not subject to foreclosure.

We believe that additional communication between HPD and HDFCs at risk of foreclosure would benefit both parties. Most of the 84 HDFCs listed are self-managed and could benefit from the advice of HPD. For example, retroactive Article XI exemption is one tool at HPD's disposal in alleviating a buildings tax burden. Removing the deadline for applying for Article XI tax amnesty would offer shareholders the opportunity to keep their buildings running.

We also ask that the moratorium include collaboration with the Department of Finance and the Department of Environmental Protection, the two agencies in which arrears lead to foreclosure proceedings, as well as with the HDFC Coalition and the Brooklyn HDFC Coalition. Promotion of inter-agency cooperation encourages a transparent and inclusive format in which shareholders and agencies work towards solutions for troubled HDFCs.

With the threat of TPT judgement looming, we ask that you stop the clock on HDFC foreclosure, and that together we re-examine what appropriate tools and resources are necessary to ensure that our HDFCs not only survive but thrive.

Sincerely,



Mark Levine  
Council Member, 7th District



Margaret Chin  
Council Member, 1st District



Corey Johnson  
Council Member, 3rd District



Ben Kallos  
Council Member, 5th District



Helen Rosenthal  
Council Member, 6th District



Ydanis Rodriguez  
Council Member, 10th District



Andrew Cohen  
Council Member, 11th District



Ritchie Torres  
Council Member, 15th District



Rafael Salamanca Jr.  
Council Member, 17th District



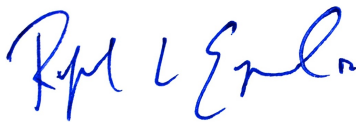
I. Daneek Miller  
Council Member, 27th District



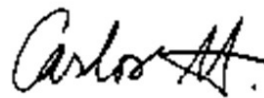
Karen Koslowitz,  
Council Member, 29th District



Antonio Reynoso  
Council Member, 34th District



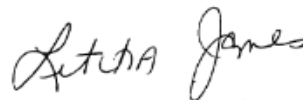
Rafael Espinal Jr.  
Council Member, 37th District



Carlos Menchaca  
Council Member, 38th District



Mark Treyger  
Council Member, 47th District



Letitia James  
Public Advocate