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Legal Aid Files Second Lawsuit Against City for Displacing Longtime Tenants of Harlem Building for 14 Years

HPD Promised These Residents Affordable Homeownership Through "TIL" Program

(NEW YORK, NY) – The Legal Aid Society has filed a second Article 78 lawsuit on behalf of five long term Harlem tenants who were on track to becoming homeowners through the Tenant Interim Lease (TIL) Program, until the NYC Department of Housing Preservation and Development (HPD) wrongly terminated the tenants' participation in the City-run program.

In or about 2002, the tenants at 206 West 120th Street enrolled in the TIL Program, which offers affordable homeownership opportunities to low-income New Yorkers. In 2008, the tenant association, including an 82 year old senior, a veteran, and other long term residents of the building, were temporarily relocated from their building with the City's promise to renovate the property, move them back in, and transfer ownership to the tenants as cooperative homeowners within two years.

Fourteen years later, tenants are still not back home and the building remains boarded up. The tenants are in temporary housing in various locations with no sign that they will ever return to their homes. In the twenty years since the building was enrolled in the TIL program, two tenants have passed away while waiting for 206 West 120th Street to become a cooperative.

"It is unacceptable that our clients have been displaced for 14 years while waiting for the promise of becoming homeowners to come to fruition, and the City hasn't even begun renovating the building," said Charles Alvarez, staff attorney with the Harlem Community Law Office at The Legal Aid Society. "Instead, HPD is once again attempting to stop these

tenants from moving forward in process and further delaying our clients' return to their homes. We will continue to fight to ensure that they become the homeowners that the City promised over twenty years ago."

The Article 78 challenges the City's termination of the building from the TIL Program for alleged failure to submit documentation. The lawsuit seeks a reversal to HPD's termination, and to re-enroll tenants back into the TIL program, to secure needed renovations to the building, and ensure that these tenants become cooperative homeowners.

In 2018, HPD also attempted to terminate tenants' from the TIL program but Legal Aid filed an Article 78 which resulted in a settlement keeping the tenants in the program.

BACKGROUND:

The Tenant Interim Lease program (TIL) was created in 1978 by the Department of Housing Preservation and Development as a disposition program that would allow tenants of distressed City-owned buildings to convert the building into a low-income, limited equity housing development fund residential cooperative and purchase shares to their apartments.

TIL is part of the City's affordable housing development plan and is meant to help create permanent affordable housing stock. Tenant associations of distressed City-owned buildings that were abandoned or neglected by private landlords may apply to the TIL program. If accepted, the tenant association executes a net lease with HPD, called a Tenant Interim Lease. HPD then provides training to the tenant association on financial reporting and other management skills and provides funds for the renovation of the property.

After the building has been renovated, HPD creates a Housing Development Fund Corporation (HDFC) and transfers ownership of the building to the HDFC. Tenants purchase shares in the HDFC, thereby becoming homeowners who will manage the building as a cooperative.

Though TIL was intended to efficiently rehabilitate distressed buildings and promote affordability and home ownership for low-income New Yorkers, a 2000 audit of the program by the Office of the State Comptroller found that buildings remained in TIL for an average of 16.3 years before completing conversion to private cooperatives; at least one building was found to have remained in TIL for 28 years.

Mismanagement of the program is well-documented by <u>former staff</u>, <u>advocates</u>, and <u>many others</u>, and they have been under investigation by the Department of Investigation.

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