



**L E G A L**

**S E R V I C E S**

**INCORPORATED**

**TESTIMONY  
IN SUPPORT OF**

**INTRO NO. 939: ON INCREASING THE PENALTIES FOR  
WORK WITHOUT A PERMIT**

**INTRO NO. 940: ON INCREASING THE PENALTIES FOR  
VIOLATION OF A STOP WORK ORDER**

**PRESENTED BEFORE:**

**THE NEW YORK CITY COUNCIL'S  
COMMITTEE ON HOUSING AND BUILDINGS**

**PRESENTED BY:**

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**DECEMBER 10, 2015**

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## **I. Introduction**

MFY Legal Services, Inc. envisions a society in which no one is denied justice because he or she cannot afford an attorney. To make this vision a reality, for over 50 years MFY has provided free legal assistance to residents of New York City on a wide range of civil legal issues, prioritizing services to vulnerable and under-served populations, while simultaneously working to end the root causes of inequities through impact litigation, law reform and policy advocacy. We provide advice and representation to more than 10,000 poor and working poor New Yorkers each year benefitting over 20,000 individuals.

MFY annually serves more than 3,600 tenants, including more than 2,000 who are at least 60 years old. MFY is committed to working with the City Council to protect the safety and affordability of housing for low-income New Yorkers so they can continue to be an integral part of New York City communities.

## **II. Our Clients' Experiences**

Although there are currently laws in place that penalize building owners for engaging in illegal construction and violating stop work orders, the experiences of our clients suggest that the current scheme does not effectively disincentivize landlords from blatantly disregarding the law and building codes. Not only does this illegal activity jeopardize the safety of our clients, it also supports the dangerous notion that building permits and stop work orders are merely *pro forma* administrative procedures to which owners need not strictly adhere.

Further, unregulated illegal construction in rent regulated buildings is often part and parcel of a larger objective of tenant harassment. The tenants who seek help from MFY are frequently in grave danger of eviction or are living in unacceptable, often dangerous, housing conditions. Many are long-term rent-stabilized or rent-controlled tenants with affordable rents. Indeed, it is their continuing presence that represents much of the affordable housing in the city and also what makes them a target of construction harassment by landlords and investors looking for high rates of return on these apartments. Without an appropriate punitive scheme that is proportional to the danger our clients face when illegal construction occurs, building owners will continue to conduct construction projects that are unsafe and often aimed at displacing tenants by creating hazardous living conditions leaving them with no option but to move out of their homes.

MFY supports Intros Nos. 939 and 940—both of which are part of the coalition Stand for Tenant Safety suite of bills proposed to address issues of “construction as harassment.” Today, I present two examples that illustrate why the penalties for work without a permit and for violations of stop work orders should undoubtedly be substantially augmented, as proposed in Intro Nos. 939 and 940:

MFY’s client, Mr. R, a 20-year tenant in Washington Heights, lives in a rent-stabilized basement apartment with his wife, son and three year-old grandchild. When a new owner bought his

building two years ago, it began to construct illegal single room occupancy units in other parts of the basement—units without windows or adequate ventilation. This illegal construction, which continued despite stop work orders placed by the Department of Buildings (“DOB”), ultimately led to the blocking of my client’s emergency exit, and the placing of a vacate order for the client’s apartment. Not only was the landlord collecting rent on the illegal living units, but my client’s rent stabilized tenancy was jeopardized due to the illegal construction of units unfit for habitation. After filing suit against Mr. R’s landlord, MFY was able to compel the correction of the vacate order, and the restoration of Mr. R’s emergency exit. Although Mr. R and his family received a favorable outcome in this case, the dangerous conditions and life disruptions endured by his family came about *despite the fines incurred by his landlord under the current punitive scheme*. His story speaks to the desperate need for increased fines and a punitive scheme that actually deters illegal construction rather than being a mere cost of doing business.

The second example I’d like to share today is of six MFY clients living in a rent-stabilized building on Suydam Street in my neighborhood in Bushwick, Brooklyn. MFY is currently litigating a 7-A proceeding for this building based on the hundreds of violations placed by the Department of Housing Preservation and Development, and an ongoing and severe pattern of harassment by the landlord against our clients. The construction of illegal subdivisions and illegal alterations in occupancy in several apartments in this building also led to the placement of a vacate order, and left the building in a state of disrepair and chaos that was adequately described by one of my clients the first time I visited the building, when he simply said, “Welcome to Hell.” My clients were forced to live in a dangerous and unregulated construction zone for months without essential building services, and under threat of harassment which at its darkest moment involved attempted illegal evictions. The fines incurred by this building’s owner after initial stop work orders were placed were simply not enough to protect my clients. MFY hopes to oversee the appointment of a 7-A administrator in this case to reverse the results of illegal construction and neglect of our clients’ homes. Our clients’ story clearly demonstrates the need for increased penalties for illegal construction and a landlord’s blatant disregard of stop work orders.

As extreme as they may sound, these stories are not unusual. Every week, MFY hears from tenants facing illegal construction projects in their buildings—tenants who fear for the safety of their families and who often feel that they have no recourse but to consider vacating their affordable apartments or face even worse consequences.

### **III. Recommendations**

Owners disregard Department of Buildings mandates on construction work because the penalties are meager and often unenforced. Illegal construction is frequently dangerous because it can cause unhealthy conditions, such as improper abatement of asbestos and lead dust, and structural instability, but it also creates an environment of fear that disrupts the quality of life of our clients. The proposals in Intro Nos. 939 and 940 to double the penalties for work without a permit and to

double the penalties for violating a stop work order are critical to tenant safety and the preservation of affordable housing in our city.

#### **IV. Conclusion**

MFY Legal Services and our colleagues in the coalition Stand for Tenant Safety strongly support Intro Nos. 939 and 940, and commend the Council for its continuing efforts to curb abusive landlord practices. These bills are an essential step towards disincentivizing the blatant disregard for the safety of New York City tenants presented in the form of illegal construction. We are looking forward to hearings on the other bills in the Stand for Tenant Safety package.