

City Life/Vida Urbana proudly stands by the integrity of our work and partnerships

Response to erroneous statements made in March 2016 Small Property Owners Association (SPOA) newsletter

Our Work

CLVU is a 43-yr-old nonprofit whose mission is promoting social, economic, racial, and gender justice and equity. We're a small organization that has chapters in Boston, East Boston, and Brockton, and acts as a fiscal sponsor for similar local groups such as one in Lynn. During the height of the foreclosure crisis (2011-2013), we expanded for a time in response to the call for national replication work.

CLVU's focus is housing justice: defending residents against forced displacement. We work with both homeowners facing foreclosure, and tenants facing unjust eviction. From 2006-2016, we served almost 3,000 homeowners in foreclosure and 400 tenants in foreclosed buildings. In our current tenant organizing work over the past 5 years, we've served over 700 tenant households – working intensively with those fighting no-fault or retaliatory evictions.

Foreclosure of owner-occupants and speculation in the rental market both drain wealth from working people to enrich the financial elite. Both can result in <u>eviction</u>, <u>which has many damaging economic</u>, <u>social</u>, <u>and health consequences</u>. **CLVU brings working-class owners and tenants together to fight displacement collectively.**We're a base-building membership organization whose tenant and homeowner member-leaders jointly develop and guide our organizing campaigns through mass meetings, and our Board and other leadership bodies.

CLVU's hiring process is open and transparent. We do not stipend people to organize their own buildings or advocate on their own behalf. (We do partner with organizations that provide training stipends, such as the City_School's youth Summer Leadership Program, and the Urban League's Mature Workers Program.) Many people, including both volunteer allies and member-leaders affected by displacement, contribute their time to CLVU on a volunteer basis. CLVU works with people affected by displacement free of charge. Our supporters, including both affected people and allies, are welcome but not required to donate to help sustain our organization's work.

CLVU's organizational mission leads us to seek change at the root of problems, so **our organizing targets the big banks and corporate landlords who have the real power to drive displacement**. We only organize tenants in buildings where the landlord has more than 6 units and doesn't owner-occupy. **Our goal is consistent: stabilizing families and neighborhoods in the short-term by fighting displacement, and long-term through promoting community control of housing.** For homeowners in foreclosure, this means loan modifications, buy-backs, or sales to nonprofits at real value. For tenants of absentee landlords, it means rental contracts with fair, predictable increases linked to the cost of maintaining the property; and/or sales to new owners based on the building's established income stream, rather than speculation. However, we approach landlords to advocate for these solutions in varying ways, taking into account their size and relationship to their tenants and neighborhood. (For example, see the initial letter from the tenant association to the landlord of the property described in the March 2016 SPOA newsletter.) We refer disputes between owners and tenants living in the same building to impartial mediators and neutral sources of information on the rights of each side.

The subprime lending linked to foreclosure, and the inflation of rents linked to rental speculation, both have disproportionate racial impacts. Regardless of whether the process of displacement incidentally generates profit for some individual people of color (such as when longtime local landlords are offered high prices to sell their rental properties to corporate developers seeking even bigger profits from converting to condos or getting new tenants at rents out-of-reach to existing tenants of color), CLVU acts based on the analysis that displacement's overall impact is a racial equity issue as well as one of economic and housing justice.

Our Partnerships

CLVU's partnerships with <u>Harvard Legal Aid Bureau</u> (HLAB) and similar agencies give people at risk of displacement due to foreclosure and eviction access to limited legal advice and representation. **HLAB works with**

tenants fighting no-fault or retaliatory eviction; and have also assisted hundreds of homeowners contesting evictions after improper foreclosures, and won some of the most significant legal precedents from our State Supreme Judicial Court in reversing illegal foreclosures, including the BofNY vs. Bailey, Eaton vs. Fannie Mae, and BofA vs. Rosa cases. HLAB law students practice under the supervision of Harvard clinical instructors, and uphold the highest ethical standards – including, most importantly, the principle of informed consent. Tenant and foreclosed owner clients of HLAB are always informed of offers and counteroffers on the table, and decide for themselves how to best resolve their cases.

Tenants' rights counseling by both HLAB and CLVU staff covers the obligation to pay the existing contract rent — including the <u>very limited circumstances</u> (serious conditions problems) in which rent withholding is permitted by law and might reasonably be upheld by the courts. We counsel tenants that if withholding, they must set aside the rent until a judge determines how much is owed to the landlord and how much should be refunded to the tenant. **Neither CLVU nor our legal partners advises or encourages tenants to stop paying rent to the landlord.** We refer tenants who get behind due to financial difficulties to apply to assistance programs to help them catch up.

CLVU and our legal partners work with tenants to document and report problem and dangerous conditions truthfully. We do not falsify or exaggerate the state of apartments, and do not suggest or condone this to the tenants we work with. Indeed, rather than the mistaken notion that tenants damage their units in order to lower their value, we find that the opposite is often true: to maintain basic habitability, tenants often make what repairs they can at their own cost and with their own labor. In the case of the property described in the March 2016 SPOA newsletter, at the time of publication the building still hadn't recovered from the previous winter, when public records and published news reports show that in February 2015, due to pouring water from the ceilings, tenants called the Mayor's hotline on a Sunday to report fear of roof collapse – and the fire department and electrical, housing, and building inspectors came out and found the problem so severe that they shut off electricity to a 3rd floor unit. The landlord was given 24 hours to fix the problems, but the children in that apartment had to go back to school after February vacation unable to have a hot breakfast, light in the evenings, or access to charge their computers to do schoolwork... for 3 more weeks. Although the tenant association in that case did send a demand letter about the conditions, they never proceeded to file a lawsuit, but rather waited for the owner to respond within the allotted period, and then began to negotiate with him in good faith.

CLVU applauds the City of Boston Dept. of Neighborhood Development (DND)'s new Acquisition/Conversion Program to preserve the affordability of existing private housing (p5 of "Housing A Changing City: Boston 2030"). We understand that Southwest Boston Community Development Corp. is the first nonprofit developer to use the program, and hope that it can be replicated by CDC's in Boston neighborhoods experiencing high rates of displacement due to rising rents – such as the "Washington Street Corridor," Dudley Square, Fields Corner, and East Boston. However, more resources are needed for it to make a significant difference. In the example cited in the March 2016 SPOA newsletter, Urban Edge had made two increasing offers to purchase the distressed property – rising to a level of likely over 10 times what the owner had paid for it in the 1960's or early 70's – but got no response. This offer was in line with the BRA/DND's affordable homeownership standards of 5% appreciation/yr – but speculators are offering more. As it turns out, while the SPOA newsletter claimed that the landlord in that case was "threaten[ed with] absolute financial ruin," "left trapped with a devalued house" and "an inability to sell his house;" at the time of publication, sale to a corporate landlord/developer was days from being completed. In April, the property sold for \$300,000 more than the nonprofit had proposed (but ironically, less than a potential new offer from another nonprofit).

Our Integrity

CLVU's membership, leadership, staff, and board, are drawn from people who've been personally affected by displacement. We take pride in the integrity of our work with residents, and the information we put out — which we verify to the best of our ability, and get permission to share from those concerned. If errors are made, we take prompt action to correct them. By contrast, the "Statement" published in the March 2016 SPOA newsletter, attributed to two members of the tenant association in the case described in that publication, is completely false and contains forged signatures (see affidavits, and the tenant association letter to the landlord for comparison). CLVU welcomes opportunities for open, vigorous public debate on issues of housing policy. However, we believe everyone would agree that misrepresentation of facts and misattribution of statements has no place in the public discourse and policymaking forums in the city we all share.