Civil Rights Coalition for Transparency & Accountability 212-708-3990 intro407@coopdisclosure.nyc

August 13, 2024

Hon. Adrienne E. Adams Speaker of the New York City Council City Hall New York, New York 10007

Re: Fair Residential Cooperative Disclosure Law (Intro 407)

Dear Speaker Adams:

As civil rights and allied organizations, we are deeply grateful for the leadership you have shown in creating your Fair Housing Framework to begin the work of overcoming New York City's deep legacy of housing segregation and discrimination. We are puzzled, therefore, that a critical piece of fair housing legislation – Intro 407, the coop disclosure bill – has not yet had a hearing. This bill is co-sponsored by a majority of your members, and <u>polling demonstrates coop disclosure enjoys overwhelming support</u> (throughout the City, and across every variable examined: borough, race, age, income, union status, ideology, renter or owner status, gender, and party affiliation). We urge you to facilitate such a hearing early in the fall and become a co-sponsor yourself.

New York City's Human Rights Law has long been known as one of the strongest civil rights laws in the country. As part of that law, discrimination by coops has explicitly been prohibited since the comprehensive 1991 revisions to the law. Appellate caselaw has also confirmed that individual coop board members are responsible for their own discriminatory conduct.

But there is a huge, practical loophole exploited by the entire coop industry. When a prospective buyer is turned down by a coop board, it is the universal industry practice to refuse to disclose the reasons. As a result, discriminatory conduct is harder to detect, and discrimination-defense lawyers can invent false reasons after-the-fact.

The problem of discrimination in coop admissions is well known. As an article in The Real Deal entitled "Not our kind": How discrimination persists in New York co-ops explained, its reported "found a consensus that while boards have evolved, discrimination persists in many of the city's co-op buildings, which cling to opaque systems of power and control."

¹ In a city as residentially racially segregated as New York, it has always been critical that Black, Hispanic, and Asian New Yorkers be protected from the housing discrimination – including coop housing discrimination – that impedes desired moves into traditionally exclusionary neighborhoods. But discrimination in New York City sweeps far more broadly, and thus the City Human Rights Law does so as well – protecting New Yorkers against housing discrimination on the basis of, among other factors, national origin, gender, age, disability, sexual orientation, marital status, immigration or citizenship status, lawful source of income, or the fact that children would be residing with an applicant.

Intro 407 would require coop boards to provide the specific reasons for a turndown in writing to the applicant. Even Habitat magazine, the publication of the coop industry, acknowledged in an article last year that, contrary to claims of opponents, the bill states "[n]o provision of this chapter shall be construed or interpreted to restrict or expand the reasons for which a cooperative corporation may legally withhold consent."

It is long past time that transparency, accountability, and effective fair housing enforcement come to the coop apartment sector. To coordinate and for any questions you may have, please contact our colleague, Craig Gurian, by telephone at 212-708-3990 or by email at craiggurian@coopdisclosure.nyc.

Respectfully,

ASIAN AMERICAN LEGAL DEFENSE AND EDUCATION FUND

Margaret Fung, Executive Director

COMMUNITY SERVICE SOCIETY OF NEW YORK

David R. Jones, President and CEO

ERASE RACISM

Laura Harding, President

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OPEN NEW YORK

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POVERTY & RACE RESEARCH ACTION COUNCIL

Phil Tegeler, President / Executive Director

Slingshot Strategies City Poll, May 2-8, 2023, 1,500 registered NYC voters (Margin of error for total results = +/- 2.5 percent)

Question 25: Under current law, a co-op board is allowed to rejected the buyer that the current apartment owner wants to sell to, and doesn't have to tell the rejected buyer why. Would you support changing the law so that co-op boards would still be able to reject a buyer for the same wide range of reasons as now, but would have to provide a written statement of reasons to the rejected buyer?

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No, I would not support changing the law	15	19	13	17	19	11	10	19	13	16	33
Not Sure	18	19	15	14	17	19	22	20	16	25	7
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		ВХ	ВК	М	Q	SI				М	F
Yes, I would support changing the law	68	69	63	73	69	63				67	68
No, I would not support changing the law	15	13	17	13	12	23				15	14
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Yes, I would support changing the law	68	73	68	65	59	68				66	71
No, I would not support changing the law	15	13	16	14	17	14				13	17
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No, I would not support changing the law	15	19	16	10							
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