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# Tenant Inquilino

Housing for people, not profit

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Metropolitan Council on Housing  
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PERIODICAL

## Another Rent Increase RGB Rejects Raucous Requests for Rent Rollback

By Steven Wishnia

The June 27 Rent Guidelines Board vote saw more debate and a bigger, louder tenant turnout than any RGB meeting in years. Over 150 tenants, chanting "Roll Back the Rents," packed the auditorium in the basement of the US Customs House on Bowling Green, despite 20-minute waits at the metal detector.

But as it did in May, the board rejected tenant calls to roll back or freeze rents, voting 7-2 to allow increases of 2% for a one-year lease renewal and 4% for two years on rent-stabilized apartments. Lofts will get 1% and 2% increases, and there will be no "poor tax" surcharge on low-rent apartments.

"It's a huge defeat," tenant representative Adriene Holder said after the meeting. "This year, there should have been a correction. The board is sending out a message that no matter what happens, landlords will always get an increase."

Tenants did get one victory, when the board voted to freeze rents on single-room occupancy hotels, instead of the 2% increase proposed in May. The vote—public members Agustin Rivera, Bart Carmody, and Mort Starobin joining with the two tenant members—obviously shocked RGB chair Marvin Markus. Minutes after he'd denounced the freeze as "totally illogical," he voted for it, then hastily called a recess.

Markus' vote for the freeze was a procedural ploy; when the board returned, he announced that under *Robert's Rules of Order*, he was entitled "as a member of the majority" to move for reconsideration. A "No



Tenants protest outside the June 26 RGB hearing.

Revote" chant erupted. "You corrupt..." one man screamed. With Markus now voting no, the freeze passed 5-4.

It was the first time the RGB had ever rescinded a preliminary increase on hotels, said Terry Poe of the West Side SRO Law Project.

That set the stage for

the debate on apartment rents. Tenant member David Pagan, noting that this year is the first time the RGB's Price Index of Operating Costs (PIOC) showed landlords' expenses down, called for a rent reduction, -3.5% on one-year leases, -1.75% on two-year leases. "Owners have done well in the past

year," he announced. "Yet we find excuses why the increases should be 2% or higher."

Holder offered a litany of numbers to support a rollback: landlords' income up 3.5%; their net income before debt rising to 44% of gross; three-eighths of the city's children living in

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## Former Mitchell-Lama Tenants Beat Quadruple Rent Increases

By Jean Dorsey

Tenants at Westgate, a three-building complex on the Upper West Side, won a major victory last month when State Supreme Court Justice Sheila Abdus-Salaam dismissed the landlord's lawsuit to raise rents.

The decision, handed down June 4, upheld the state Division of Housing and Community Renewal's denial of the landlord's application to increase rents under section 513a of the Emergency Tenant Protection Act, which allows rent adjustments under "unique and peculiar circumstances." The complex, opened in 1968 as Mitchell-Lama housing, had been taken out of the program by the landlords, KSLM-Columbus Apartments—who then applied for massive rent increases, claiming that they

couldn't meet expenses because they'd lost the tax benefits of Mitchell-Lama.

"The problem with that argument is that they voluntarily got out of Mitchell-Lama," says the tenants' lawyer, Serge Joseph of Himmelstein, McConnell, Gribben and Donoghue. Under the law, he adds, KSLM could have applied for a hardship increase, "but to do that, you need to open your books... They didn't want to do that."

The decision means the landlords will be able to collect increases allowed by rent stabilization, but not the triple and quadruple increases they wanted. Their lawyers filed notice of appeal on July 8.

Westgate, between Columbus and Amsterdam avenues and West 96<sup>th</sup> and

97<sup>th</sup> streets, has over 400 apartments and is home to about 1,500 people, including several generations of families. Many are original tenants who moved in in 1968, and most of have been in place since in the '70s. Rents can be anywhere from \$350 a month for a studio to over \$1,000 for three bedrooms, but average around \$500 to \$700.

Starting in 1997 there were rumors about the impending "buyout." Management portrayed their plan as inevitable with the promise of extraordinary rent increases. This would, in the words of a senior management representative, "get rid of the riff-raff."

The formal announcements were made in early 1998, and figures were being discussed that called for rent increases of up to

300%—the cheapest apartments would be \$1,500, and some would cost over \$3,000. The laundry rooms were upgraded and the machine prices more than doubled. The residentially zoned garage was leased to an outside vendor at a rate that could never be covered by the legal occupancy of the space.

That transformed the Westgate Tenant Associa-

tion from mainly a social group who supported children's activities, holiday gatherings, and "Foods of Many Nations" parties, and dealt with property-improvement issues like planting garden areas and building maintenance.

The initial step was a filing with the DHCR in response to the landlord's

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## Westgate

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request for a rent increase under section 513a of the ETPA. The DHCR ruling that 513a did not apply to Westgate led to the landlord's filing of an Article 78 proceeding in Supreme Court.

One of the biggest hurdles was getting "intervenor" status in court. As the lawsuit was between the landlord and DHCR, the tenants did not have an automatic right to be heard on the case without permission from the court. But they argued that as the outcome was critical to their lives, they wanted a place at the table—and won it.

Westgate was one of the first properties to leave the Mitchell-Lama program in the current wave of buyouts. As such, much of what happened here will serve as precedent for those that follow. For the tenants, there was no clear path.

*Jean Dorsey is president of the Westgate Tenant Association.*

At Westgate, we knew that the fight to keep our homes affordable would take place on several fronts, and to win we'd have to identify and use every available resource. Those fronts are:

- **Legal.** Without strong, knowledgeable representation, you probably cannot win in this arena, because it is not about what's right or correct, it is about the law.
- **Political.** Everything about affordable housing reeks of politics. Just think a minute, why did the New York City urban renewal plan allow four guys from Long Island with minimum development experience the ownership rights, with accompanying promise of profits, loan guarantees, tax credits, etc., to an extraordinary piece of Manhattan real estate? Do not even talk about a level playing field—we did not even know there was a game! Here is a place where votes can

## Westgate: How Tenants Won

count, and that is why renewing the rent laws is so important. An election year is one of the only times where the might of the vote can equal or even outweigh money.

There are politicians who will help you win this fight. It is important to get to know who they are. What can they do? They can: sponsor legislation, access public documents, get the attention of agencies like the Buildings Department, give valuable advice about your plans, and help you rally your team. Plan to work with them and reward them with your support.

- **Organizational.** You cannot sustain this kind of a fight without the support of a significant group of the tenants. Here you will need every bit of managerial talent, patience, focus and grace that you can muster. Working with a group of volunteers is always a challenge; couple that with the prospect of losing your home (a stress up there with death and divorce) if you do not succeed, and you have an idea of what is ahead. Know that the only ultimatum you can give for sure is to the face in your mirror, and get to work.

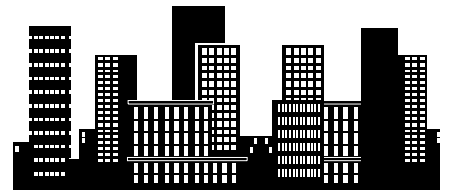
- Plan to cover all of the tenants in your complex with the work of your association. This can be a bitter pill when some people do not support the work, even though you think they could or should. It is a far better position

than allowing for the creation of "us" and "them" factions, which will weaken your fight.

- **No secrets!** Take no joy from being the only one who really knows what is happening. This is weight that you should not and do not need to carry. Share information with as many as will listen. It makes your job easier and lightens your burden.
- Listen to folks who disagree—every good thought does not have to originate with you or your team. Mutual respect will allow for an exchange of ideas and information that can help you win.
- Keep the lines of communications open. Publish a newsletter; hold general meetings, sponsor social and fund-raising events so that everyone can have the opportunity to listen and be heard, participate and work together. Someone can write, another edits and another make copies, kids can do the distribution, and other teams can be part of other projects.

We did it all. And many of us are now much more than neighbors, we're family—with all of the issues inherent in such relationships.

—Jean Dorsey



### HPD CODE VIOLATIONS ON LINE

Look up your building!

At long last, the HPD violations terminal is available on-line. If you go to the HPD Website listed below and follow the instructions, you should be able to get an up-to-date list of violations on a building.

[www.nyc.gov/html/hpd/html/data/hpd-online-portal.html](http://www.nyc.gov/html/hpd/html/data/hpd-online-portal.html)



### Watch Rent Wars News

the weekly tenants show that covers the news, people, and events that affect New York's tenants.

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Every Monday at 9:30 a.m. and 5:30 p.m.: Time Warner Channel 34 or Cablevision Channel 67

#### Manhattan

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Also check out [www.rentwars.com](http://www.rentwars.com)

Participate in the RWN Forum, post events, listen to interviews and specials online, and read show supplements that go deeper into the stories covered on the show.

Scott Sommer hosts Met Council's

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# EL INQUILINO HISPANO

## Otro aumento de rentas RGB rechaza las peticiones a gritos para que disminuya las rentas

Por Steven Wishnia

Traducido por Lightning Translations

La votación de la Junta de Regulación de Renta (RGB, por sus siglas en inglés) el 27 de junio fue el escenario de más debates y una asistencia de inquilinos más grande y más ruidoso desde hace años. Más de 150 inquilinos, coreando "Que disminuyan las rentas" llenaron la sala en el sótano de la Casa de Aduanas Estadunideense en Bowling Green, a pesar de retrasos hasta de 20 minutos por esperar

su turno en el detector de metales.

Sin embargo, como sucedió en mayo, la junta rechazó los llamados de los inquilinos para disminuir o congelar las rentas, votando 7 a 2 para permitir incrementos de 2 por ciento para una renovación de un contrato de un año y 4 por ciento para renovaciones de 2 años en apartamentos de renta estabilizada. Los desvanes recibirán incrementos de 1 y 2 por

ciento, y no habrá sobrecarga de "impuesto de pobres" en apartamentos de alquileres bajos.

"Ha sido una derrota muy grande," comentó después de la reunión la representante de inquilinos Adriene Holder. "Este año se debió hacer una corrección. La junta emitió el mensaje de que no importa lo que pase, los caseros siempre recibirán incrementos."

Los inquilinos obtuvie-

ron una victoria cuando la junta votó para congelar las rentas en hoteles y apartamentos de una sola habitación (SROs, por sus siglas en inglés), en lugar del incremento de 2 por ciento propuesto en mayo. La votación – los representantes públicos Agustín Rivera, Bart Carmody y Mort Starobin, junto con los dos representantes de los inquilinos – sorprendió obviamente al presidente de la RGB,

Marvin Markus. Minutos después de haber denunciado la congelación como "totalmente ilógica," votó por ella, y en seguida anunció un receso.

El voto de Markus a favor de la congelación fue un truco de procedimiento; cuando la junta regresó, él anunció que bajo las reglas de orden de Robert (Robert's Rules of Order) él tenía derecho de propo-

pasa a la página 4

### Los Ajustes de la "Junta de Regulación de Renta" de la Ciudad de Nueva York (Orden No. 34)

Para los contratos de apartamentos de Renta Estabilizada que comienzan el 1ro. de octubre de 2002 hasta el 30 de septiembre de 2003, incluyendo las concesiones de Pataki adoptadas por la Legislatura Estatal el 19 de junio de 1997

Los topes de renta que aparecen en el cuadro son los incrementos máximos que los dueños de edificios pueden cobrar legalmente por los apartamentos de renta estabilizada en la ciudad de Nueva York. Son válidos para todos los contratos que comienzan dentro del período de doce meses a partir del 1ro. de octubre de 2002. Los incrementos de alquiler basados en las pautas para la renovación del contrato de 1 o 2 años pueden cobrarse solamente una vez durante el período cubierto por dichas pautas, y deben ser aplicados a la renta legal estabilizada para el 30 de septiembre de 2002. Las cantidades que aparecen en el cuadro y los incrementos para los apartamentos vacíos no se aplican a los apartamentos que estaban sujetos a renta controlada en aquella fecha. No se permite la sobrecarga también conocido como el «impuesto de pobres.»

**Los Contratos para Apartamentos Vacíos o Nuevos** En junio de 1997, el gobernador George Pataki, al intentar destruir la regulación de rentas, forzó cambios que les dieron a los caseros una sobrecarga muy grande por los apartamentos vacíos. Una cláusula de la "Reforma al Acta de Regulación de Renta" de 1997 permite que los nuevos alquileres sean incrementados en un porcentaje obligatorio: 20% para un contrato de dos años, y por un contrato de 1 año, 20% de incremento menos la diferencia en el tope de renovación para los contratos de 1 y 2 años. La nueva ley permite también incrementos adicionales para los apartamentos vacíos donde no se habían cobrado incrementos por desocupación por ocho años o más.

**Exceso de Cobro** Los inquilinos deben estar al tanto de que muchos caseros van a aprovecharse de la complejidad de estas regulaciones y subvenciones, así como del poco conocimiento de los inquilinos del historial de renta de sus apar-

tamentos, para cobrar un alquiler ilegal. Una vez que el inquilino haya tomado posesión del apartamento, puede escoger entre llenar un formulario de queja de exceso de cobro de renta con la oficina de la División de Vivienda y Renovación Comunal (DHCR), o disputar la cantidad de la renta en la corte de vivienda de la ciudad para que se determine cuál es el alquiler legal.

Si un posible inquilino da muestras de conocer sus derechos, lo más probable es que el casero no firmará ningún contrato con tal inquilino. Los caseros evitan contratar con inquilinos que les pueden dar problemas. El exceso de cobro de alquiler es muy común. Todos los inquilinos deben luchar contra posibles excesos de cobro. Obtenga y llene un formulario *Form RA-89* con la oficina de DHCR para determinar el alquiler correcto en los archivos oficiales. Llame a la DHCR a (718) 739-6400 para obtener un formulario, o búsquelo en el sitio [www.dhcr.state.ny.us](http://www.dhcr.state.ny.us).

**La Apelación de la Renta de Mercado Justa** Otro tipo de exceso de cobro sucede fre-

cuentemente cuando se vacía un apartamento que previamente estaba sujeto a renta controlada y se alquila con renta estabilizada. La Junta de Regulación de Renta (RGB) establece anualmente lo que ellos llaman el "Tope Especial de la Renta de Mercado Justa," el cual es empleado por la DHCR para bajar las rentas de mercado injustas de los inquilinos que llenan el formulario llamado "Apelación a la Renta Justa de Mercado" (FMRA). Según la Orden 34, es la Renta de Mercado Justa de HUD o un 50% sobre la renta base máxima. Ningún inquilino de un apartamento de renta estabilizada que fue descontrolado el 1ro de abril de 1984 o después debe dejar de poner a prueba la llamada "Renta Legal Inicial Regulada" (renta de mercado) que los caseros cobran cuando hay descontrol del apartamento. Use el formulario de DHCR *Form RA-89*. Indique claramente que su queja es tanto una queja de "Apelación a la Renta Justa de Mercado" como de "exceso de cobro." La corte de vivienda no puede tomar decisión sobre una Apelación de Renta de Mercado. Apartamentos vacíos que antes

estaban controlados en edificios que se han convertido en cooperativas o condominios no se vuelven estabilizados y no satisfacen los requisitos para la Apelación de la Renta Justa de Mercado.

**Exención de Incrementos para las Personas de Mayor Edad:** Las personas de 62 años o más que viven en aparta-

mentos estabilizados y cuyos ingresos familiares anuales son de \$20,000 o menos, y que pagan (o enfrentan un incremento de alquiler que los forzaría a pagar) una renta de un tercio o más de sus ingresos, pueden tener derecho al programa de Exención de Incrementos para las Personas de Mayor Edad (SCRIE, por sus siglas en inglés), si aplican al Departamento de la Ciudad de Nueva York Sobre las Personas de Mayor Edad, cuya dirección es: SCRIE Unit, 2 Lafayette Street, NY, NY 10007. Si el alquiler actual de un inquilino que tiene derecho a este programa sobrepasa un tercio del ingreso, no se lo puede reducir, pero es posible evitar incrementos de alquiler en el futuro. Obtenga el formulario de SCRIE por llamar al (212) 442-1000.

#### Unidades de Desván (Lofts)

Los incrementos legales sobre la renta base para las unidades de desván son de un 1 por ciento por un contrato de un año y un 2 por ciento por un contrato de dos años. No se permiten incrementos para las unidades de desván vacías.

#### Hoteles y Apartamentos de una Sola Habitación

No habrá ningún aumento de la renta este año para los apartamentos de hotel de Clase A, casas de habitaciones, hoteles de clase B (de 30 habitaciones o más), hoteles de una sola habitación, y las casas de habitaciones (Clase B, 6-29 cuartos). No se permiten incrementos para apartamentos vacíos.

#### La Desregulación de Rentas Altas y Altos Ingresos

(1) Los apartamentos que legalmente se alquilan por \$2,000 o más por mes y que se desocuparon entre el 7 de julio de 1993 y el 1ro. de octubre de 1993, o en o desde del 1ro de abril de 1994 son sujetos a la desregulación. (2) La misma desregulación se les aplica, para el mismo período establecido en (1), a los apartamentos que legalmente pagan \$2,000 o más mensualmente aunque no se desocupen, si el ingreso total de la familia es más de \$175,000 en los dos años consecutivos previos. Para cumplir los requisitos de esta segunda forma de desregulación, el casero tiene que enviarle un formulario de certificación de ingreso al inquilino entre el 1ro de enero y el 1ro de mayo, así como someter dicho formulario al DHCR y conseguir su aprobación.

Para pautas previas, llame a la RGB al 212-385-2934 o busque el sitio [www.housingnyc.com](http://www.housingnyc.com).

Tipo de Contrato	Renta Legal Actual	Contrato de 1 Año	Contrato de 2 Años	
<b>Renovación del Contrato</b>	Todas	2%	4%	
<b>Contratos para Apartamentos Vacíos</b>	Más de \$500	Incrementos por desocupación cobrados en los últimos 8 años	18%	20%
		Incrementos por desocupación no cobrados en los últimos 8 años	0.6% por el número de años desde el último incremento por estar vacío, más el 18%	0.6% por el número de años desde el último incremento por estar vacío, más el 20%
	Menos de \$300	Incrementos por desocupación cobrados en los últimos 8 años	18% + \$100	20% + \$100
		Incrementos por desocupación no cobrados en los últimos 8 años	0.6% por el número de años desde el último incremento por estar vacío, + 18% + \$100	0.6% por el número de años desde el último incremento por estar vacío, + 20% + \$100
	Renta de \$300 a \$500	Incrementos por desocupación cobrados en los últimos 8 años	18% o \$100, lo que sea mayor	20% o \$100, lo que sea mayor
		Incrementos por desocupación no cobrados en los últimos 8 años	0.6% por el número de años desde el último incremento por estar vacío, mas 18%, o \$100, lo que sea mayor	0.6% por el número de años desde el último incremento por estar vacío, mas 20%, o \$100, lo que sea mayor

## RGB

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ner, como “miembro de la mayoría,” una reconsideración. Surgió un coro de “no a otro voto.” Un hombre gritó “¡Corrupto!” En este momento, con el voto negativo de Markus, la congelación pasó 5 a 4.

Era la primera vez que la RGB había rescindido un incremento preliminar para los hoteles, comentó Terry Poe del Proyecto de Leyes sobre SROs del Lado Oeste (West Side SRO Law Project).

Esto preparó el escenario para el debate sobre las rentas de apartamentos. El representante de los inquilinos David Pagan, señalando que este año es la primera vez que el índice de precios de costos operativos (PIOC, por sus siglas en inglés) de la RGB mostraba la disminución de gastos de los caseros, propuso una reducción de rentas, 3.5 por ciento para contratos de un año y 1.75 para contratos de dos años. “A los propietarios les fue bien el año pasado,” recaló. “Aun así, buscamos excusas para aumentos de 2 por ciento o más.”

Holder ofreció una letanía de cifras para apoyar una disminución: Los ingresos de los caseros han aumentado un 3.5 por ciento; sus ingresos netos antes de la deuda aumentaron hasta el 44 por ciento del total; tres octavos de los niños de la ciudad viven en la pobreza; hay una cifra record de 33 mil personas en refugios para desamparados. “No hay base ni en la lógica ni en la política para incrementar las rentas este año,” dijo. “Esto influye en todos los aspectos de nuestra vida aquí en la ciudad de Nueva York. La RGB no ha hecho más que pasar por alto la incapacidad de los inquilinos para pagar sus rentas.”

Pero mientras los inquilinos en la multitud coreaban, la junta votó 7 a 2 contra la disminución. Entonces Holder y Pagan lo intentaron otra vez, proponiendo una disminución ligeramente más pequeña, 2.3 por ciento y 1 por ciento, con los mismos resultados. También se encontraron votando solos cuando propusieron una congelación de rentas.

El representante público David Rubenstein – en tal vez su primera contribución a un debate público en sus tres períodos con la RGB – dijo que votaría contra la congelación porque el “PIOC principal” de los caseros (costos de operación sin costos de combustible) aumentó este año. Esto se convirtió en un mantra común entre los representantes públicos para justificar sus votos, con Carmody y Starobin ofreciendo explicaciones similares.

La gran diferencia de este año fue la cantidad de debate de los representantes públicos que no fueron el presidente. Durante el gobierno de Giuliani, los cuatro de ellos siempre permanecían mudos mientras los representantes de los inquilinos y los caseros hicieron propuestas quijotescas para sus lados respectivos, y después endosaron un incremento promedio sin una palabra de discusión. Mientras se enojaban constantemente por la amplia creencia que nada más

dieron la aprobación automática para incrementos dictados por Giuliani, su comportamiento no mostró nada para desmentirla. Este año, Rivera mantuvo la mayor parte del argumento para un incremento de 0 por ciento en los SROs, señalando que ningún propietario de hoteles se había presentado para testificar a favor de un incremento.

El debate fue más acalorado en el tema de pautas especiales, la renta que la Agencia Estatal de Vivienda y Renovación de la Comunidad (DHCR, por sus siglas en inglés) considera justa para apartamentos de renta controlada que se desocupan. “Un apartamento que se pone fuera de los controles de renta es demasiado,” dijo Holder.

Agustín Rivera le dijo a la multitud que él endosaría una pauta especial más baja que la presentada el año pasado, porque el desregulación de rentas altas, grandes incrementos a mejoramiento capital y de renovación, y los incrementos en apartamentos vacíos dictados por la ley de 1997 habían conducido a la completa desregulación de muchos apartamentos. “Le preguntamos a la DHCR si ellos inspeccionan las mejoramientos en cada uno de los apartamentos, y nos dijeron que no,” argumentó. Uno de los representantes de los caseros, añadió, le había dicho que “no importa qué cantidad fijemos para los apartamentos de Manhattan, porque de todos modos van a estar fuera del sistema de controles.”

Esto enojó a los representantes de los caseros, con Vincent Castellano denunciándolo como “irrelevante.” Castellano disfruta evidentemente provocar a los inquilinos en el público, haciéndoles callar a gritos durante el testimonio público y declarando repetidamente que “la vivienda en Nueva York se encuentra entre las más asequibles de la nación.”

Finalmente, la RGB votó 6 a 3 por la propuesta de Marvin Markus para fijar las pautas especiales a 50 por ciento sobre la Renta Base Máxima o a la “renta justa de mercado” federal para el área metropolitana, lo que sea mayor. Holder argumentó que la norma federal era demasiado alta para muchos vecindarios, mientras Markus declaró que era demasiado baja. Rivera, el único representante público que votó con los inquilinos en este tema, dijo que fue irrelevante porque “DHCR elige la renta más alta en el edificio” como su norma para evaluar si habrá un exceso de cobro.

El remplazo de Ed Hochman por Markus como presidente de la RGB refleja las diferencias entre Mike Bloomberg y Rudy Giuliani. Hochman parecía desear tener el carisma autoritario de Giuliani, perdiendo los estribos rápidamente cuando las cosas se ponían difíciles. El estilo de Markus es más administrativo y legal; les dijo de manera condescendiente a los ruidosos inquilinos, “No están ayudando a su causa.” Pero en asuntos de importancia parece tan a favor de los caseros como lo era Hochman. Markus se enfure-

ció tanto por la votación para no elevar las rentas en hoteles SRO, dijo Holder a *Newsday*, que “gritó y regañó a los representantes públicos tras bambalinas.”

Y para los inquilinos de apartamentos el resultado final fue el mismo: otro incremento de renta. A pesar del debate, Pagan y Holder se encontraron solos votando contra las pautas finales. Al mismo tiempo que los inquilinos coreaban “¡Ver-güenza!”, todos los representantes públicos y de los caseros dijeron “Sí” al 2

por ciento para un año y 4 por ciento para dos años, más un 10 por ciento de sobrecarga en subarrendamientos. Starobin justificó su voto por los incrementos diciendo que las cifras que mostraban la disminución en los costos de los caseros fueron “mal interpretadas,” que “el PIOC principal aumentó de manera importante.” Dijo que estaba en contra de un incremento mayor porque los caseros están ganando dinero con los incrementos al desocupar y por renovación, aunque los propietarios menores están sufriendo pérdidas. “Estoy atónito por lo que la gente está pagando de renta,” añadió.

Los inquilinos, quienes están gastando cada vez una mayor parte de sus ingresos en rentas aun mayores – tratando de cubrir rentas mensuales de cuatro cifras con salarios semanales de tres, inclu-

so bastante fuera de “el corazón de Manhattan” – a lo mejor no sentirán tanta simpatía en torno a los gastos de los caseros. Para Holder, el tema principal es una renta al alcance del bolsillo. “No podemos dejar de decirlo,” dijo después de la reunión. “Vince Castellano dijo, ‘Hablemos del

inquilino promedio.’ Bien, el inquilino promedio con renta estabilizada gana \$27,000 al año. El 12 por ciento de los caseros poseen 70 por ciento de los edificios. Se necesita una corrección.”

La votación deja a los inquilinos preguntándose que harán a continuación. “No hay manera de endulzar esto: nos dejaron pelados una vez más, a pesar de las estadísticas y el escenario del mejor caso para favorecer una disminución de las rentas,” escribió el organizador de Met Council Dave Powell en un correo electrónico dirigido a los activistas. “Obviamente necesitamos otra manera de afrontar este ritual anual.”



“Rentas demasiado altas”

SUSAN POWELL

## Federal Court Reads Landlords Tenants' Rights

By Alex Ulam

Rent debt collectors can no longer send tenants a notice of eviction without also informing them of their rights to challenge that debt, a federal judge ruled last month.

The decision clarifies the landmark 1998 case of *Romea v. Heiberger & Associates*, which extended to tenants the rights of consumers under the Federal Debt Collections Practices Act. The *Romea* ruling required that debt collectors, upon issuing a 72-hour notice that they will begin eviction proceedings for unpaid rent, give tenants notice of their rights to challenge their debt within 30 days. They must also give tenants written evidence that they actually owe the debt, should they request it.

Since that decision, however, some debt collectors and landlords have tried to skirt those requirements by having the landlord sign the eviction notices. The landlords, they claim, are not debt collectors, so the federal law does not apply. The result: Tenants unnecessarily spend time and money fighting their eviction in housing court.

But that practice will no longer fly, ruled Judge Richard Conway Casey of the Southern District Court in June. Responsibility for informing residents of their rights lies with whoever prepares the eviction notice, said Casey, whether it's a debt collector or a landlord.

In this latest case, debt collectors at the firm of Kucker, Kraus & Bruh argued that they did not have to give tenants Robert and Jessica Dowling notice of their rights because their landlord, the Missionary Sisters of the Sacred Heart, signed the eviction notice for their Gramercy Park apartment. However, because attorneys at Kucker, Kraus & Bruh both prepared and mailed the notice, the judge found the firm had violated federal law.

The new ruling will improve conditions for tenants who are being treated unfairly, said Robert Sokolski, the Dowlings' attorney. Rather than having to miss work to go to court, he said, a tenant can prove he does not owe rent simply by mailing the collector a cancelled check.

One landlord advocate called the decision “bogus.” “It is merely more costly for landlords to pay their attorneys for multiple notices and more confusing for tenants to receive more notices,” said Dan Margulies, executive director of the Community Housing Improvement Program.

Sokolski insists, however, that there is nothing confusing about the law: “If it's confusing to tenants, then it's a violation and the debt collector has done something wrong.”

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# West Side Stadium: Why It's a Bad Idea

By George Spelvin

When the United States Olympic Committee (USOC) visited New York earlier this month to evaluate the city as a site for the 2012 Summer Olympics with a West Side Stadium, Manhattan neighborhood groups came out protesting.

The USOC's visit was its last prior to selecting a US city to advance to the international level of competition for the 2012 Olympic Games. The local organizing committee, NYC2012, has refused to consider any sites for a stadium other than the West Side rail yards. And although Mayor Bloomberg stated in January there was no money for new "baseball stadiums" and only "not this year," he is supporting the West Side stadium plans originally advanced by former Mayor Rudolph Giuliani.

NYC2012's plan calls for a stadium over the rail yards (between 30th and 34th streets, 10th and 12th avenues), to be used for the Olympics and as a football stadium for the New York Jets. These days Deputy Mayor Dan Doctoroff, founder of NYC2012, is claiming it's not really a stadium, but merely an "expansion of the Jacob Javits Convention Center" exhibition space. But no one is fooled.

Integral to NYC2012's plans is the largest land-grab since the days of Robert Moses—a massive development scheme for up to 20 million square feet of office space (approximately 20-30 skyscrapers) west of Ninth Avenue, extending the #7 subway line to the Javits, new stations for Metro North and the Long Island Railroad, moving Madison Square Garden further west, and a host of other "improvements" to create a new "Central Business District" of corporate campuses and luxury housing on the West Side.

Using eminent domain and even more funny use of air rights, the real beneficiaries won't be residents of the West Side, but Doctoroff's pals (and sometimes business partners) like developers Steve Ross (Related Companies) and Howard Milstein. Doctoroff reportedly tried a similar scheme once before in Nassau County when he held a minority

interest in the Islanders hockey team.

A major problem with this scheme wrapped in apple-pie-motherhood-patriotism is that the vibrant Clinton and Chelsea neighborhoods stand in the way. While they are mixed-use in character, they hardly resemble the "derelict" and "blighted" areas as described by NYC2012. Indeed, many small businesses in the area provide critical support services for larger Manhattan corporations.

Estimates are that an additional 200,000 people could pour into Manhattan every day, resulting in more traffic jams and a larger strain on city services, and devastating the nearby residential neighborhoods. The nearby Penn South (not-for-profit coop) and Elliot-Chelsea Houses (public housing) complexes could end up with pressures to privatize. Residential and commercial displacement would be on a scale not seen in decades.

The cost to the public—for the stadium, extending the #7 subway line to reach it, and other infrastructure—would be billions of dollars, and could easily defer other capital-project priorities, such as the Second Avenue subway, the East Side connector and various proposed projects relating to the rebuilding of lower Manhattan. At a time when the city coffers are almost empty and the city/state debt burden is rising to 20 cents on the dollar, the last thing the city needs is a stadium in Manhattan.

Much of the infrastructure proposed by NYC2012 (and echoed by plans from the Jets and the Department of City Planning) on the West Side anticipates the use of governmental tax-free bonds—up to \$5 billion worth—secured by future tax revenues (tax-increment financing) from developments they claim might not otherwise occur. But such tax revenues, speculative at best, would be decades in the future, and would most likely be undercut by tax abatements, tax appeals, and public funding of the incentives for commercial tenants that accompany many new developments.

To generate sufficient taxes to pay for the city's

portion of the stadium, the subway extension, the covering of the massive rail yards, etc., taxes would need to be at a level where it would be uneconomical to build on the West Side, especially when competing with other areas that have (or can quickly develop) alternative office space: Downtown, New Jersey, Brooklyn, Long Island City and other developing areas in the region.

It could divert revenue from the city's core needs, including basic services or building much-needed new schools. Increased aggregate debt burden could affect the city's bond rating and force higher interest costs. And those costs would come right out of the city's treasury, not some benevolent football-team owner.

Underneath the hype of Olympic glory, the cost to the city would be staggering.

On June 29, State Senators Tom Duane and Liz Krueger, Assembly member Richard N. Gottfried,

and Councilmembers Christine Quinn and Gale Brewer spoke at a press conference outside the hotel where the USOC members planned to stay. "You must change this flawed plan," participants urged the USOC not to consider any plan that included a Manhattan stadium. Sponsors included the Clinton Special District Coalition, Metropolitan Council on Housing, Chelsea Coalition on Housing, Coalition for a Livable West Side, East Side Tenants Coalition, Ludlow Street Block Association, Chelsea Owners and Tenants for Neighborhood Preserva-

tion, 45th and 51st Street Block Associations, and the Committee for Environmentally Sound Development.

Above all, it was stressed, is that the impact of the Olympic Games must be considered, not only the direct impact on the West Side, but on the pocket-books of taxpayers throughout the city and on deferred projects elsewhere.



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# Williamsburg Discrimination Settlement?

By Matt Pacenza

In the latest chapter of a 26-year legal saga challenging racial discrimination in south Williamsburg housing projects, the city Housing Authority and Hispanic and Hasidic advocacy organizations last month reached a settlement that will toughen monitoring of tenants moving in and out of the buildings, and require that more black and Hispanic families be moved in.

The agreement settles an action brought by the Puerto Rican Legal Defense Fund, which first sued the city over housing discrimination in 1976. In its most recent challenge, PRLDEF argued that NYCHA's lax monitoring doomed an earlier agreement that was supposed to bring more Hispanic and black families into three predominantly Hasidic housing projects: Bedford Gardens, Jonathan Will-

iams Plaza and Taylor-Wythe Houses. The city's lack of oversight amounted to "an informal policy of replacing Hasidic families with Hasidic families and maintaining strict racial quotas," said Marty Needelman, chief counsel for Brooklyn Legal Services Corporation A, who worked on the lawsuits until 1995.

Both NYCHA and PRLDEF confirmed they'd reached an agreement, but would not comment until the settlement is formally approved by the courts.

Under the agreement, NYCHA will offer Section 8 housing vouchers to the first 150 families who volunteer to leave their homes in the three housing developments and look for affordable apartments on the open market. The agency agreed to then rent those empty apartments

primarily to minority families from Williamsburg on the city's long waiting list for public housing. In addition, the settlement mandates that the city notify both PRLDEF and the United Jewish Organization of Williamsburg—which has been advocating on behalf of the Hasidic families in the buildings—each time an apartment transfer takes place.

Minority families and advocates have been battling with NYCHA over their Williamsburg housing policies for decades. When PRLDEF first filed suit, the group alleged that the city was granting preference to Hasidic applicants for open apartments in the three buildings. They discovered that, at that time, the Housing Authority had quotas to fill between 60% and 75% of the apartments with white tenants. In 1978, a federal judge or-

dered the Housing Authority to stop using quotas, but PRLDEF continued its litigation, seeking a remedy for previous decades of discrimination. Its first agreement with the city, reached in 1980, temporarily gave preference to black and Hispanic families seeking open apartments, and moved to ultimately make the approval process color-blind.

That did not quite happen, though. Nine years later, they returned to court and got the city to agree to place nonwhite families in the next 190 available apartments.

While NYCHA did fulfill that requirement, the ratio of Hasidic to Hispanic families remained the same, according to Needelman. So in 2000, PRLDEF returned to court to pursue the latest deal. Needelman is cautiously optimistic about the outcome: "It's very disappointing that the city and the Housing Authority didn't get the message that discrimination and favoritism in housing aren't acceptable. And now? We shall see."

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## Attention All On-line!

If you have an e-mail address, join the Met Council "ACTIVE! list." We'll send you alerts about demonstrations, hearings and other activities. Simply send us a message, subject heading "subscribe", to: [active@metcouncil.net](mailto:active@metcouncil.net)

## NYC Rent Guidelines Board Adjustments (Order No. 34)

for Rent Stabilized Leases commencing Oct. 1, 2002 through Sept. 30, 2003, including the Pataki vacancy bonuses adopted by the State Legislature on June 19, 1997

This rent guidelines table shows the maximum increases landlords in New York City can legally charge for rent stabilized apartments on all leases commencing in the twelve-month period beginning October 1, 2002. Increases in rent based on the 1- or 2-year renewal guidelines can be charged only once during the period covered by the guidelines, and must be applied to the legal stabilized rent on September 30, 2002. The above guidelines and vacancy bonuses do not apply to an apartment which was rent controlled on that date. There is no low rent supplement, a.k.a. poor tax, allowed.

### Sublease Allowance

Landlords can charge a 10 percent increase during the term of a sublease that commences during this guideline period.

### Vacancy Leases

In June 1997, Governor George Pataki, as a part of his efforts to destroy rent regulation, forced changes that gave landlords large vacancy bonuses. Provisions of his Rent Regulation Reform Act of 1997 allow the rents of apartments to rise by a statutory percentage: 20 percent for a 2-year lease, and 20 percent minus the difference between the 1- and 2-year renewal guidelines for 1-year leases. The new law also allows additional vacancy increases for apartments which have had no vacancy allowance in eight or more years.

### Rent Overcharges

Tenants should be aware that many landlords will exploit the complexities of these guidelines and bonuses, and the tenant's unfamiliarity with the apartment's rent history, to charge an illegal rent. The tenant can choose between filing an overcharge

Lease Type	Current Legal Rent		One-year Lease	Two-year Lease
<b>Renewal Leases</b>	All		2%	4%
<b>Vacancy leases</b>	More than \$500	Vacancy allowance charged within last 8 years	18%	20%
		No vacancy allowance charged within last 8 years	0.6% times number of years since last vacancy allowance, plus 18%	0.6% times number of years since last vacancy allowance, plus 20%
	Less than \$300	Vacancy allowance charged within last 8 years	18% plus \$100	20% plus \$100
		No vacancy allowance charged within last 8 years	0.6% times number of years since last vacancy allowance, plus 18% plus \$100	0.6% times number of years since last vacancy allowance, plus 20% plus \$100
	Rent \$300 to \$500	Vacancy allowance charged within last 8 years	18% or \$100, whichever is greater	20% or \$100, whichever is greater
		No vacancy allowance charged within last 8 years	0.6% times number of years since last vacancy allowance, plus 18%, or \$100, whichever is greater	0.6% times number of years since last vacancy allowance, plus 20%, or \$100, whichever is greater

complaint with the Division of Housing and Community Renewal or challenging the rent in Housing Court to get a determination of the legal rent.

A prospective tenant who expresses knowledge of their rights will probably not be given a lease to sign. Landlords avoid renting to tenants who may be troublesome. Overcharging is very common. Every tenant should challenge possible overcharge. With DHCR, obtain and fill out *Form RA-89* to determine the correct rent from official records. Call DHCR at (718) 739-6400 to obtain the form or go to: [www.dhcr.state.ny.us](http://www.dhcr.state.ny.us)

### Fair Market Rent Appeal

Another type of overcharge frequently occurs at the time that a previously rent controlled apartment becomes vacant and is re-rented as a stabilized unit. The Rent Guidelines Board an-

nually sets what they call the "Special Fair Market Rent Guideline" that is used by DHCR to lower unfair market rents for tenants who file the Fair Market Rent Appeal (FMRA). Under Order 34, it is HUD Fair Market Rent or 50% above the maximum base rent. No stabilized tenant of an apartment that was decontrolled on or after April 1, 1984 should fail to challenge the so-called Initial Legal Regulated Rent (market rent) that landlords charge upon decontrol. Use DHCR *Form RA-89*. Indicate clearly that your complaint is both a complaint of "overcharge" and "Fair Market Rent Appeal." The Housing Court cannot determine a Fair Market Rent Appeal. Formerly controlled vacant apartments in buildings converted to co-ops or condos do not become stabilized and are not eligible for a Fair Market Rent Appeal.

### Senior Citizen Rent Increase Exemption

Rent stabilized seniors, 62 years or older, whose disposable annual household income is \$20,000 or less and who pay (or face a rent increase that would cause them to pay) one-third or more of that income in rent may be eligible for a Senior Citizen Rent Increase Exemption (SCRIE) if they apply to the NYC Dept of the Aging, SCRIE Unit at 2 Lafayette Street, NY, NY 10007. If an otherwise eligible tenant's current rent level is already above one-third of income, it cannot be rolled back, but future rent increases may be avoided. Obtain the SCRIE application form by calling (212) 442-1000.

### Loft Units

Legalized loft unit increases above the base rent are 1 percent for a one-year lease and 2

percent for two years. No vacancy allowance is permitted on vacant lofts.

### Hotels and SROs

There will be no rent increases this year for Class A apartment hotels, lodging houses, Class B hotels (30 rooms or more), single room occupancy (SROs) hotels, and rooming houses (Class B, 6-29 rooms). No vacancy allowance is permitted.

### High-rent, High-income Deregulation

(1) Apartments legally renting for \$2,000 or more a month that became vacant from July 7, 1993 through October 1, 1993, or on April 1, 1994 and thereafter are subject to deregulation. (2) The same deregulation applies in the time periods set forth in (1) above to apartments legally renting for \$2,000 or more a month without their becoming vacant if the total household income exceeds \$175,000 in each of the prior two consecutive years. To be eligible for this second form of deregulation, the landlord must send an income certification form to the tenant between January 1 and May 1 and file it with and get the approval of DHCR.

For previous guidelines call the RGB at 212-385-2934 or go to [www.housingnyc.com](http://www.housingnyc.com).



# Lease Renewal Disputes: A Guide

By William Rowen

With six and a half years of landlord-sympathetic control of the state rent regulatory agency, the Division of Housing and Community Renewal, under Governor Pataki, tenants must watch their step as never before.

At least once every two years, rent-stabilized tenants renew their leases. The landlord must offer a new lease between 90 and 150 days before the old one expires. If the landlord doesn't offer it on time, the tenant can have the renewal date be either the day after the old lease expires or 90 days after the offer.

Frequently, the landlord pulls a fast one and tries to get the tenant to sign a lease that violates one or more of their rights. For example, a renewal lease may be offered late, and/or have a unlawful commencement date; be retroactive and require the tenant to pay a retroactive rent hike; include unlawful riders or request information that is strictly the tenant's private business; exclude the required "tenants' rights rider"; either misapply the applicable rent adjustments or use the wrong base rent; or be treated as in force by the landlord without the tenant receiving a copy signed by the landlord or his agent. A Rule: Do not agree to go to the landlord's office to renew your lease, or to demands for your immediate signature at your door.

Generally, stabilized leases must be renewed on the same terms, or better terms for the tenant, as the lease they signed when they moved in. So that means if a landlord either inserts clauses or riders that are to his advantage, or excludes previous provisions that were beneficial to the tenant, those changes are null and void, and not enforceable when a dispute arises. Of course, the problem with this is that many a tenant considers the entire current lease to be valid, whether it is or not. A Rule: Analyze every aspect of the renewal offer carefully early in the 60-day consideration period.

The law allows only two landlord-oriented provisions added to a renewal lease: (1) the right to adjust the lease terms or rent by order of the DHCR or the Rent Guidelines Board, and (2) the imposition of the subsequently adopted rent guideline when the lease is executed during a period when the guideline is unknown or pending final adoption. These provisions are preprinted on the two-page state-authorized form (RTP-8) that is the *only* renewal form allowed under rent stabilization. A Rule: Don't agree to unauthorized riders, give the landlord private information, or accept any renewal form other than the RTP-8.

Tenants should realize that they don't lose any rights by not having a current lease. Their rights are in the rent laws. Leases under rent stabilization are superfluous landlord-oriented documents superimposed onto the rent-stabilization laws to provide

landlords with the opportunity to intimidate their tenants. The chief intimidation is, of course, the fear of eviction growing out of the commonplace belief that, without a lease, the tenant loses the right of security of tenure.

Rent-controlled tenants know better. Because that law does not tie rent adjustments in any way to leases, most landlords never bother to ask the rent-controlled tenant to renew their lease, although the landlord has the right to in the law. Landlord lobbyists added leases to the bill that created rent stabilization to empower landlords. Without leases, rents of all stabilized tenants could be adjusted annually or biannually without the trouble, pain and abuse. Nothing else would change, and landlords would lose a big weapon.

So the question for the rent-stabilized tenant becomes: How can I prevent my landlord from using this "lease renewal" process—think "lease intimidation" process—as a bludgeon to take away my rights? First, know or inform yourself of your rights. Second, seek the information you need when the landlord makes the renewal offer, not at the last minute when your 60-day consideration period is about up. Third, respond to the landlord's tricks in a way that leaves a paper trail that says you are pursuing your rights. A Rule: Seek help from trustworthy sources—a citywide tenants association like Met Council, a local tenants organization, a pro-tenant local legislator, or a tenant (not landlord) lawyer, if you can afford one. Beware of advice from DHCR.

What if the landlord does not send you a renewal offer? The law says he cannot raise your rent, and that his duty to offer you a renewal simply continues. The tenant has no obligations until the landlord makes a proper offer. A tenant without a lease renewal becomes a month-to-month stabilized tenant with the same rights, and one advantage: The rent stays the same as under the expired lease. A Rule: Don't pay any unauthorized rent hikes tacked on to your rent bill as a month-to-month tenant.

Back to a landlord's improper renewal offer. Besides writing to your landlord to register your objections to the lease offer, you may want to file a complaint with the DHCR on their Form RA-90, Tenant's Complaint of Owner's Failure to Renew Lease and/or Failure to Furnish a Copy of a Signed Lease. This is usually only advisable when the dispute threatens to go to Housing Court. DHCR decisions often ignore the tenant-protection provisions in the law and code. However, filing with DHCR shows an extra level of seriousness on your part to resolve the issues in your favor, even if you distrust DHCR. A Rule: Always retain copies of all documents, and use regular mail with smaller landlords and managing agents; they often will not accept certified mail, as it usually means trouble. Certified is good with DHCR.

It is potentially an evictable offense to ignore a lease offer. In the past, few landlords, and very few judges, wanted to enforce the tenant's failure to renew a lease rule through eviction. But times,

if you hadn't noticed, have changed, and all those tenants with desirable apartments and even remotely affordable rents are targets in the great landlord rush to decontrol any vacant apartment rentable for \$2,000 or more a month. More common landlord claims are illegal subletting and non-primary residence.

In a recent case, a tenant tried to escape eviction by claiming the landlord had no right to give notice of non-renewal of lease on the grounds of non-primary residence because the tenant had no current lease. The tenant had refused to sign the prior renewal lease offer because the landlord had used her married name on the form. But the tenant then commenced to pay the rent increase authorized by the lease she refused to sign. A state appeals court found that the tenant had a lease because of her agreement to the increase, without a fully-executed or "delivered" document. You can't have it both ways.

If you dispute a renewal, you can't agree to other parts not in dispute to prove your "good faith." This may "deem" the lease you dispute into existence. In fact, the rent-stabilization code changes adopted in December 2000 allow a lease to go into effect by the tenant merely ignoring the renewal offer, if the landlord lets them stay—though the landlord also has the option to commence an eviction action in court. The lesson here is to dispute improper lease-renewal offers right away and in writing. Don't give the landlord the opportunity to define the dispute his way.

## Charas Finds New Home: Housing Authority Wants Lot

In its struggle to find a new home, CHARAS, the East Village community center that suffered a highly publicized eviction in December, now finds itself up against a city plan for the very thing the group established itself on nearly three decades ago: developing affordable housing.

The New York City Housing Authority (NYCHA) recently issued a request for proposals to develop two new apartment houses on vacant lots on East Seventh and Ninth streets. The plan, which also includes renovations of the city's three Fabria House buildings on 11th Street, would produce at least 58 one- to three-bedroom apartments. Thirty-nine of those homes will be reserved for tenants with Section 8 vouchers, which allow their low-income holders to pay just 30% of their income on rent. (Fabria tenants, who have long endured their buildings' faulty plumbing and wiring along with deteriorating stairways and fire escapes, will get first dibs.) The remaining 19 apartments will rent for market rate. The winning developer will get a 99-year lease on the properties.

This plan came as a shock to CHARAS. Since the group lost its

community center, which the city auctioned off to developer Gregg Singer for \$3.15 million in 1998, its members have hoped to build a new, smaller center on the old schoolyard next door to their former home on Ninth Street, the very lot NYCHA now wants developed. Community Board 3 and CHARAS maintain that the board issued the group site control of the property a year and a half ago. The Housing Authority, however, asserts that the mayor gave the agency control of the site in March 2000.

To continue its support of the community center, the community board's housing committee last month voted to send NYCHA a letter asking that the agency remove the Ninth Street lot from its plans.

"We have to build housing, but we also need a community facility," said CHARAS executive director Carlos "Chino" Garcia, noting that his group helped reconstruct the first sweat-equity low-income building in the city in 1973. His current plan, which he estimates would cost about \$5 million, would include a theater, community rooms, computer labs and artists' space.

But the city says it is moving full steam ahead with its housing plans. This project is invaluable, said NYCHA spokesperson Howard Marder, because it "preserves 39 units at no cost to NYCHA or the city, and it furthers the goal of deconcentrating poverty by creating a mixed-income development." This development would mark the first time the agency has built housing that mixes Section 8 and market-rate apartments. Bids are due by September 13, and NYCHA plans to relocate the 27 families currently living in Fabria to the housing development of their choice, or to give them Section 8 vouchers to live elsewhere. Renovations are slated for completion in January 2005, and the new buildings in August of that year.

Before construction gets underway, however, NYCHA will first need to go through the city's land-use-review process to get approval to build on the vacant lots. The first stop: Community Board 3. CB3's housing committee plans to invite NYCHA officials to present their plan to the board at its July meeting.

— Jill Grossman

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# RGB

*continued from page 1*

poverty; a record 33,000 people in homeless shelters. "There is no basis in logic or public policy for a rent increase this year," she said. "It's an issue in every aspect of our lives here in New York City. The RGB has all but ignored the inability of tenants to pay rents."

But as the tenants in the crowd chanted, the board voted 7-2 against the rollback. Holder and Pagan then tried a slightly smaller rollback, 2.3% and 1%, with the same result. They also found themselves voting alone when they proposed a rent freeze.

Public member David Rubinstein—in perhaps his first contribution to public debate in his three seasons on the RGB—said he would vote against the freeze because landlords' "core PIOC" (operating expenses without fuel costs) was up this year. That was a common mantra among the public members to justify their votes, with Carmody and Starobin offering similar explanations.

The amount of debate from the public members other than the chair was the biggest difference this year. During the Giuliani administration, the four of them would invariably sit mute while tenant and landlord representatives offered up quixotic proposals for their respective sides, then endorse an increase somewhere in the middle without a word of discussion. While they were often angered by the widespread belief that they were simply rubber-stamping increases dictated by Giuliani, their behavior did nothing to disprove it. This year, Rivera carried most of the argument for a 0% increase on the SROs, pointing out that not one hotel owner had shown up to testify in favor of an increase.

The debate was most heated on the issue of special guidelines, the rent the state Division of Housing and Community Renewal considers fair for rent-controlled apartments becoming vacant. "One apartment taken out of rent controls is too many," said Holder.

Agustin Rivera told the crowd that he would endorse a lower

special guideline than the one given last year, because high-rent decontrol, major-capital-improvement and renovation increases, and the 1997 law's vacancy increases had led to many apartments being completely deregulated. "We asked DHCR if they monitor individual apartment improvements, and they said they don't," he argued. One of the landlord representatives, he continued, had told him, "It doesn't matter what number we set for Manhattan apartments, because they're going out of controls anyway."

That angered the landlord representatives, with Vincent Castellano denouncing it as "irrelevant." Castellano clearly enjoys baiting the tenants in the audience, frequently shouting them down during public testimony and repeatedly declaring that "New York's housing is among the most affordable in the nation."

Ultimately, the RGB voted 6-3 for Marvin Markus' proposal, to set the special guidelines at either 50% above the Maximum Base Rent or the federal "fair-market rent" for the metropolitan area, whichever is greater. Holder argued that the federal standard was too high for many neighborhoods, while Markus claimed that it was too low. Rivera, the only public member to vote with tenants on the issue, said it was irrelevant because "DHCR chooses the highest rent in the building" as its standard for assessing whether there is an overcharge.

Markus' replacing Ed Hochman as RGB chair mirrors the differences between Mike Bloomberg and Rudy Giuliani. Hochman seemed to wish he had Giuliani's authoritarian charisma, losing his

temper easily when things got rowdy. Markus' style is more managerial and legalistic, condescendingly telling loud tenants "you're not helping your cause." But on matters of substance, he appears



SUSAN POWELL

as pro-landlord as Hochman was. Markus was so enraged by the vote not to raise SRO hotel rents, Holder told *Newsday*, that he "screamed and yelled at the public members in the back room."

And for apartment tenants, the ultimate result was the same: another rent increase. Despite the debate, Pagan and Holder found themselves alone in voting against the final guidelines. As tenants chanted "Shame," the public and landlord members all said yes to 2% for one year and 4% for two years, plus a 10% surcharge on sublets.

Starobin justified his vote for the increases by saying that the figures showing landlords' costs down

were "misinterpreted," that "core PIOC took a very significant jump." He said he was against a bigger increase because landlords are making money on vacancy and renovation increases, though smaller owners are losing ground. "I'm astounded at what people are paying for rents," he added.

Tenants, who are spending ever-higher proportions of their incomes on ever-higher rents—trying to cover four-figure monthly rents with three-digit weekly paychecks, even well outside "core Manhattan"—might not be that sympathetic to landlord expenses. For Holder, affordability is the main issue. "We've got to keep letting them know," she said after the meeting. "Vince Castellano says, 'let's talk about the average tenant.' Well, the average rent-stabilized tenant makes \$27,000 a year. Twelve percent of landlords own 70 percent of the buildings. There needs to be a correction."

The vote leaves tenants wondering what to do next. "There's no way to sugar-coat this: we got soaked once again, despite 'best case' statistics/scenario in favor of a rent rollback," Met Council organizer Dave Powell wrote in an e-mail to activists. "Obviously a new approach to this annual ritual is needed."

## WHERE TO GO FOR HELP

### LOWER EAST SIDE BRANCH at

Cooper Square Committee  
61 E. 4th St. (btwn. 2<sup>nd</sup> Ave. & Bowery)  
**Tuesdays ..... 6:30 pm**  
**Note: This office closes for the month of August.**

### CHELSEA COALITION ON HOUSING

Covers 14<sup>th</sup> St. to 30<sup>th</sup> St., 5<sup>th</sup> Ave. to the Hudson River.  
322 W. 17<sup>th</sup> St. (basement), CH3-0544  
**Thursdays ..... 7:30 pm**

### GOLES (Good Old Lower East Side)

525 E. 6<sup>th</sup> St. (btwn. Aves. A & B) Lower East Side tenants only, 212-533-2541.

### HOUSING COMMITTEE OF RENA

Covers 135<sup>th</sup> St. to 165<sup>th</sup> St. from Riverside Dr. to St. Nicholas Ave., 544 W. 157<sup>th</sup> St. (basement entrance).  
**Thursdays ..... 8 pm**

### LOWER MANHATTAN

**LOFT TENANTS**  
St. Margaret's House, Pearl & Fulton Sts., 212-539-3538  
**Wednesdays ..... 6 pm-7 pm**

### VILLAGE INDEPENDENT DEMOCRATS

26 Perry St. (basement), 212-741-2994  
**Wednesdays ..... 6 pm-7:30 pm**

### WEST SIDE TENANTS UNION

200 W. 72<sup>nd</sup> St. Room 63; 212-595-1274  
**Tuesday & Thursday ..... 2-5 pm**  
**Tuesday and Wednesday ... 6-7:45 pm**



# METROPOLITAN COUNCIL ON HOUSING

*Met Council is a citywide tenant union.*

*Our phones are open to the public Mondays, Wednesdays & Fridays from 1:30 to 5 p.m.*

*We can briefly answer your questions, help you with organizing or refer you to other help.*

## 212-979-0611

## Join Met Council

Membership: Individual, \$25 per year; Low-income, \$15 per year; family (voluntary: 2 sharing an apartment), \$30 per year. Supporting, \$40 per year. Sustaining, min. of \$100 per year (indicate amount of pledge). For affiliation of community or tenant organizations, large buildings, trade unions, etc. call 212-979-6238.

My apartment is  controlled  stabilized  unregulated  other \_\_\_\_\_

I am interested in volunteering my time to Met Council. Please call me to schedule times and duties. I can  counsel tenants,  do office work,  lobby public officials,  attend rallies/protests.

Name \_\_\_\_\_

Address \_\_\_\_\_ Apt. No. \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Home Phone Number \_\_\_\_\_ Email \_\_\_\_\_

Send your check or money order with this form to:  
Metropolitan Council on Housing, 339 Lafayette St., NY, NY 10012