

Tenants General Meeting • February 28th 7:00-8:30pm • 310 Greenwich St, 2nd Flr Commun Rm

Tenants' Fight for Affordable Rents at IPN

As our readers know, the J-51 litigation, which we hoped would lower rents for many residents, is over and the landlord has prevailed. Long term tenants (pre-July 2004) are still protected by the agreement negotiated between the landlord and the tenants association in March 2004. And the fight to protect and preserve affordable housing continues. But the courts have ended this particular fight to keep IPN rent regulated.

BACKGROUND

Until 2004 IPN was a rent regulated Mitchell-Lama complex. Its owners received a J-51 tax reduction beginning in 1998; the J-51 rules require owners to maintain regulated rents. IPN's owners never told tenants about the tax reduction. The tenants association learned of this tax benefit and made it public in 2006. IPN's owner immediately negotiated a backroom deal with New York City's housing agency (HPD) and paid the city the amount of taxes that were reduced for 2004 to 2006. Tenants sued in state court demanding that the courts apply the law requiring rent regulation to IPN.

LITIGATION HISTORY

In 2010 the lower court judge said that J-51 did not allow for retroactive payment of a tax reduction and that IPN must be rent stabilized. The owner appealed. New York's intermediate appellate court ruled for the landlord saying that former Mitchell-Lama landlords could retroactively pay taxes previously reduced under J-51. IPN tenants were joined by elected representatives and other tenant organizations in asking New York's highest court to hear an appeal of the intermediate court's decision. In October 2012 the Court of Appeals refused to hear the appeal. As a result, the mid-level court's decision stands and former Mitchell-Lama landlords may retroactively pay taxes previously reduced under J-51. This decision can negatively impact thousands of tenants in current Mitchell-Lama de-

velopment where landlords are receiving J-51 tax reductions. It also allows IPN's landlord to continue collecting millions of dollars in federal subsidies, a benefit to the landlord which is being challenged in a federal court case.

THE FEDERAL COURT CASE

The pending federal case was brought by an individual tenant and by the United States attorney challenging the landlord's continuing receipt of millions of dollars in direct federal subsidy for pre-2004 low income tenants. Several hundred pre-2004 low income tenants continue to pay between \$400 and \$1200 in rent – while the federal government kicks in up to \$4,000 or more per month which goes directly into the landlord's pocket. Notably, none of these apartments were renovated or upgraded but the government pays the rate that is paid for market rate apartments which have been rehabbed. If IPN was rent stabilized these low income tenants could afford to pay their own rent; and if not, they would also have access to programs designed to assist low-income tenants. With rent stabilization there would be no multimillion dollar federal subsidy of IPN's landlord and federal money could be used to fund affordable housing.

CURRENT STATUS

The Court of Appeals decision does not change apartment or garage rents; it has no impact on the 2004 agreement protecting rents for long term tenants. Read the agreement at www.ipnta.org. All leases and rent rules defined by that agreement continue in effect. For LAP leases, for three years beginning in 2013, annual rent increases will be based on rent stabilization increases plus an additional 3.3 percent per year, followed by annual rent increases based on rent stabilization plus 1 percent per year after that.



The Tenant Association has been working with the Departments of Health and Sanitation on the rodent issue around IPN.



So far, the D.O.S. put barriers in many of the planting areas to prevent the building of nests.

Walking Dogs – We've gotten a lot of complaints: we love our dogs and we also love our gardens and streets. Letting your dogs use the



planters to relieve themselves is unacceptable, both to the gardeners who are volunteers, the plants and the rest of us who appreciate our gardens. It's the law that people pick up after their dogs. Aside from the obvious, it's a health hazard both for humans AND other dogs - passing bacteria and parasites from dog to dog. Thanks for helping us clean up this mess.

Roaches Please rinse your recycling items and place in compactor room in blue containers. Kitchen garbage must go down the shoot – so please use appropriate sized bags. **WE DO GET ROACHES** from kitchen garbage left in the compactor rooms and they will soon migrate to your apartment. Once that starts, it's hard to control. Let's all work together on this. Thanks.



(Over)

We would like to wish everyone a happy and healthy new year. It's time to renew your annual membership in the Independence Plaza (North) Tenants Association (IPNTA). If you are new to Independence Plaza, welcome aboard. Membership is for the fiscal year, January through December.

IPNTA is the organization that advocates on behalf of all residents. Though the primary focus of the tenants association has been landlord/tenant issues, it has expanded over the years by advocating for and protecting tenants during serious emergency issues, working within the community on vital services, and taking on quality of life issues. Without a tenants association, residents would have to fend for themselves. The strength of IPNTA is its membership!

Please join IPNTA today by completing this membership form and including your membership dues (via personal check or credit card). Place the form and payment in an envelope and drop it in the IPNTA box at the front desk of your building lobby (NOT THE RENT BOX). Townhouse residents may use any of the IPNTA lobby boxes, or may contact the Townhouse Vice President, Alan Howard (917 328-0531), to make other arrangements.

LEGAL FUND

We are always collecting donations for our legal fund. We are suggesting at least \$50.00 per apartment. Please check our website, www.ipnta.org, for ongoing issues.

IPNTA MEMBERSHIP/LEGAL FUND APPLICATION:

(Please Print Clearly)

PLEASE INDICATE YOUR ANNUAL MEMBERSHIP DUES and any legal funds that are enclosed:

Membership : _____ (\$25.00 per person per year)
Senior/disabled membership: _____ (\$15.00 per person per year) **Legal funds:** _____

NAME(S): _____

ADDRESS: _____ APT.#: _____

CONTACT TELEPHONE(s): _____

EMAIL ADDRESS: _____

If not already registered for our email updates, please add your address by checking here: _____

Check made payable to IPNTA enclosed: amount: _____ OR

Credit Card: please check if: Visa: ___ Mastercard: ___ AMEX: ___ Discover: ___

Credit card number: _____ Expiration: _____

Signature: _____

I would like to be a floor captain/volunteer : _____ (check if yes)

Membership dues and legal fund can be combined in one check. Please indicate amounts for each. If you have already contributed for 2013, thank you for your support!