

Attention All Tenants: Why IPN Should Have Been Rent Stabilized Beginning on June 29, 2004

A Presentation/Discussion IPNTA Meeting April 28, 2010

- 1975 IPN became part of New York State's Mitchell-Lama affordable housing program
- 1998 IPN's owner gets J-51 Real Estate tax reduction in exchange for making improvements. All leases must explain that the J-51 tax reduction requires rent regulation. This requirement was not mentioned in any IPN lease.
- 2002 Laurence Gluck/Stellar buys IPN - plans to leave Mitchell Lama program. IPN tenants needed protection: they were older, lower income, and had lived here for a long time (since before there was a place called "Tribeca.")
- 2004 Mar - IPNTA reaches agreement with Gluck/Stellar to protect tenants
- 2004 Jun - IPN leaves Mitchell-Lama. J-51 tax reduction continues for two more years.
- 2005 Jul - IPNTA *discovers* J-51 tax reduction and writes a letter to Stellar Management. Stellar replies with a threatening letter under every apartment door.
- 2005 Dec - Seven market rate tenants take J-51 case to NY Supreme court.
- 2006 Mar - After private meetings with Stellar, HPD revokes IPN's J-51 back to June 28, 2004.
- 2007 Sep - NY Supreme Court wonders if HPD "inadvertently" allowed J-51 benefits in 2004-2005
- 2008 May - J-51 plaintiffs ask court to send case to DHCR (NYS agency in charge of rent stabilization)
- 2009 Jul - NY Supreme Court asks DHCR to decide J-51 case.
- 2009 Oct - NYS's highest court rules that landlords receiving J-51 benefits cannot exempt apartments from rent regulation laws.

Oct - United States Attorney joins suit demanding Stellar Management refund millions of dollars to the federal government for rent subsidies wrongly paid for "sticky vouchers."
- 2010 Mar - DHCR COPS OUT! Says HPD's 2006 retroactive revocation of benefits means that beginning June 28, 2004 IPN was not stabilized.

WHAT HAPPENS NEXT?

Supreme Court judge must decide whether IPN became rent stabilized beginning on June 29, 2004 – after leaving the Mitchell-Lama program.

