

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

## A Presentation/Discussion IPNTA Meeting April 28, 2010

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- 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.

