



NEW YORK STATE SENATOR

Thomas K. Duane

Demanding Fair Calculation of Reregulated Rents at ST/PCV and Other Illegally Deregulated Apartments

THOMAS K. DUANE April 19, 2011

In late March, I joined New York State Assemblymember Brian Kavanagh and New York City Councilmember Dan Garodnick in spearheading a letter signed by 77 Federal, State and City elected officials to the Office of Housing Preservation at New York State Homes and Community Renewal (HCR), which had been asked to review the application of the rent laws in light of the State Court of Appeals ruling in *Roberts v. Tishman Speyer Properties, L.P.* As you may recall, the Court found that the landlords in that case had illegally deregulated thousands of apartments even though they were receiving generous tax benefits through the J-51 tax abatement program. While HCR was addressing the fate of tenants in Stuyvesant Town and Peter Cooper Village, the method settled upon in this case will likely be used in the many other instances in which landlords have illegally deregulated units, and could affect as many as 40,000 apartments throughout New York City.

Regrettably, on April 18, HCR advised the Court that it would be too complicated for it to devise a general formula to respond to the Judge's request, and it suggested that the Court may wish to appoint a Special Referee to undertake the task. However, HCR it did reaffirm the fact that the former market rate units in Stuyvesant Town and Peter Cooper Village, and by extension other units deregulated despite the building's participation in the J-51 program, are now re-stabilized. I will continue to work with my colleagues to ensure that landlords

refund all the money they received from tenants as a result of their circumvention of the law, and that as legal regulated rents in these units are reestablished, landlords are not allowed to charge more than they would have if their units had remained continuously subject to rent regulation.