

The Park West Tenant

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The Newsletter of the Park West Village Tenants' Association

www.PWVTA.org

March 2008

RENT OVERCHARGE REPORT

The Park West Village Rent Overcharge Report of December 17, 2007, published in the February edition, contained several errors, especially in mistated percentages that differ from the correct version here:

Park West Village Rent Overcharge Report corrected February 23, 2008

The Rent Stabilization Law (RSL) allows landlords to charge various increases to new tenants including: a vacancy increase (18% for one year leases; 20% for two year leases) and another smaller increase (.006%) when the former rent stabilized tenant has lived in the apartment for eight years or more multiplied by the number of years that the tenant has occupied the apartment. When apartments are renovated, the law additionally allows the owner to pass along 1/40 of certain renovation costs. These are the legal allowances under the RSL.

Since 2000, inflated renovation costs have been passed on to new tenants in the three rental buildings of 784, 788 and 792 Columbus Avenue within Park West Village. The current owners, Lawrence Gluck of Stellar Management and Joseph Chetrit of The Chetrit Group, purchased the Park West Village commercial and rental properties from the Helmsleys and took over management in March 2000. Rental overcharge of newly rented apartments soon followed. The owners have charged many new tenants above \$2,000 which removes the apartments from rent stabilization and leaves the tenants with fewer legal protections; one bedroom apartments rent for \$2,500

RENT OVERCHARGE REPORT

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784, 788, & 792 COLUMBUS AVE

MCI RENT INCREASES

On Jan 31, 2008, the New York State Department of Housing and Community Renewal (DHCR) approved a further increase of 75 cents per room in the basic monthly rent of rent-stabilized apartments at 784, 788, and 792 Columbus Avenue.

This increase, for hallway carpeting, was granted in response to a PAR ("petition for administrative review") filed by the PWVTA and a PAR filed by the landlord of rent increases previously granted by DHCR for roof, boiler/water tank, and elevator upgrades but denied for other items, including hallway upgrade. The PWVTA challenged the

MCI RENT INCREASES

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Wednesday, March 26 7:30 pm ANNUAL MEMBERSHIP MEETING

Ryan Health Center, 97 Street near Columbus Ave

- Christine Quinn, City Council Speaker
- Melissa Mark-Viverito, Councilmember

NOTE: The PWVTA Executive Board voted to postpone the election until we have a full slate of officers.

Saturday, June 7 11:30am - 2 pm CRUISE AROUND MANHATTAN!

- ◇ Bateaux New York Cruise
- ◇ Serving lunch on glass-enclosed boat
- ◇ Sightseeing cruise to music!
- ◇ Exciting fun for friends & neighbors!
- ◇ More info in the PWVTA information flyer, or write info@pwvta.org.



BATEAUX NEW YORK

CHURCH HOSTS COMMUNITY MEETING

Pastor Heidi Neumark of Trinity Lutheran Church at 168 West 100 Street announces a Community Meeting **Thursday, April 3, at 7:00 pm** to discuss the church, what will become of it, impact in the



surrounding Park West Village neighborhood, and other concerns.

Email hneumark@gmail.com with any comments or questions. You can also visit <http://www.trinitylutheran-nyc.org/> for more information.

amounts previously approved. The landlord challenged exclusion of the hallway upgrade.

In a decision that consolidated the two petitions, DHCR denied the PAR filed by PWVTA, thereby confirming the rent increases for roof, boiler/water tank, and elevator upgrades, and DHCR approved the landlord's PAR in part, thereby reversing DHCR's earlier denial of a rent increase for hallway carpeting.

By the time this report is distributed, your rental bills will probably reflect the new basic rent along with a retroactive charge.

The only way to challenge a PAR decision by an administrative agency is to file an Article 78 petition in the state Supreme Court within 60 days of the decision. An Article 78 challenge is very expensive. To analyze the likelihood of success, PWVTA retained a tenant law firm to review the file and relevant law. Our counsel's opinion was that it was unlikely that PWVTA could win an Article 78 challenge. The Executive Board will vote on whether to pursue an Article 78 petition at its next meeting, on March 17.

Meanwhile, because the administrative path has reached its end, all rent-stabilized tenants except those on SCRIE or DRIE must now pay the additional rent increase and all retroactive amounts due (limited, however, to a maximum of 6% of base rent per month). Tenants on SCRIE or DRIE are exempt from MCI increases, provided they inform the appropriate agency, but they will be required to pay an additional security deposit for the MCI.

Note to SCRIE and DRIE tenants: To inform the appropriate agency make a copy of the MCI rent increase notice, put your SCRIE or DRIE docket number on it, and mail the copy with your docket number to Department for the Aging, SCRIE Program, 2 Lafayette Street, New York, NY 10007-1392, or NYC Department of Finance, DRIE Exemptions, 59 Maiden Lane, 20th floor, New York, NY 10038. PWV



Photo by Nina Berman July 25, 2007

**PWVTA IS
ONLINE!**

VISIT US:
www.pwvta.org

PHOTOS

INFO & MORE!

We remember the February fun!

Park West Village Tenants' Association
P.O. Box 20399, Park West Finance Station, New York, NY 10025-0399 212-662-2610 info@PWVTA.org

VALENTINE'S PARTY & FUNDRAISER

Wednesday, February 13th 7:30 – 9:00 p.m.
Ryan Health Center Conference Room
110 West 97th Street (west of Columbus Ave.)

🍷 **MEET & GREET YOUR NEIGHBORS WITH LOVE!**

🍷 **LIGHT SUPPER – YOU'LL LOVE THE FOOD!**

🍷 **DRINKS & DESSERT – LOVE CHOCOLATE CAKE?**

🍷 **QUIZ WITH PRIZES – LOVE TO WIN?**

🎵 **MUSIC – EVERYBODY LOVES MUSIC!**

🎨 **WEAR RED! – WE LOVE YOU IN RED!**

VALENTINE'S PARTY REPORT: FUN AND FUNDS FOR ALL!

With all the construction changes and problems facing tenants and owners, we welcomed the chance to get together and socialize with neighbors we haven't seen in a while.

We entered the room amid a sea of red balloons with streamers joyously hanging from the ceiling. We enjoyed Chinese, Indian, and Middle Eastern food, topped-off with Lois Hoffmann's Special Chocolate Pound Cake near the end of the evening.

Entertainment included quizzes modeled loosely on NPR's program *Wait Wait... Don't Tell Me!* [**below**] presenting us with chuckles and chortles. Contestants were awarded prizes from neighborhood merchants — a delicious platter of food from Mani Market and a gift basket from Columbus Natural Foods. A bottle of rosé champagne from Columbus Avenue Spirits was awarded as a door prize.

What a good opportunity to have fun while raising funds for the work of the PWVTA — we expect to repeat these get-togethers often, based on popular demand!

• **Quiz example:** Who said it? ~ about the Columbus Avenue construction:

“The construction of 4 buildings on Columbus Avenue in the former Park West Village is a great boon to the neighborhood.”

- A) Mayor Michael Bloomberg
- B) Diana Taylor, Mayor Bloomberg's mistress
- C) Moe Aziz, Gotham construction manager
- D) Ratatouille, the rat who is the star of the movie that bears his name.

to \$2,800 and well over \$3,000 for two bedrooms. Other smaller units (studios) may remain below the \$2,000 ceiling but quickly reach the \$2,000 level due to rapid turnover, vacancy allowance loopholes in the RSL (there are no restrictions on how often the allowance may be charged), as well as pass-along of inflated renovation charges.

Tenants who remain covered under rent stabilization have been offered one year leases in violation of the RSL (if the apartment is rent stabilized, the tenant has a right to choose either a one year or two year lease.) Turnover throughout the three buildings occurs frequently, allowing the owners to rapidly increase the rents. Further, when tenants file complaints, they may only go back four years from the date of filing to establish the base rent upon which increases may be legally added. Apartments have been lost to rent stabilization because tenants have not filed and subsequent tenants have been penalized as well.

Starting in 2000, with the help of PWVTA volunteers, some tenants obtained the rent histories for their apartments from the New York State Division of Housing and Community Renewal (DHCR) which administers the RSL and filed rent overcharge complaints to the DHCR based on inflated renovation costs.

In November 2000, the Park West Village Tenants' Association wrote to New York State Attorney General Spitzer noting a pattern of continuing overcharge. PWVTA requested that the AG's office investigate this pattern throughout the three buildings. Discussions were held and information continuously provided from 2001 to 2005 to the AG's office and to DHCR about the growing number of cases and the pattern of overcharge they demonstrated. Neither DHCR nor the AG's office chose to make an overall investigation, but in 2004, DHCR decided to consolidate 25 of the by-then approximately 60 cases that had been filed, demonstrating rent overcharges in apartments in the three buildings.

The consolidated case was filed May 25, 2004. Other cases filed with DHCR were handled as individual cases.

Twenty-two of the 25 cases consolidated by DHCR were represented by PWVTA. PWVTA's rent overcharge committee oversaw the negotiations. Vivian Dee, PWVTA President during this period, Winifred Armstrong, Emily Margolis, aided by Florence Wagener, Albina DeMeio and Dean Heitner made up the PWVTA team.

A number of tenants hired an independent licensed engineer to estimate the costs of the owner's improvements to their apartments. Based on his expertise, knowledge of materials and labor costs, the engineer showed that improvements

claimed in the contractor's invoice had not been made and that the owner's charge for improvements was in most cases double or even triple the engineer's estimated cost. These engineers' reports were sent to DHCR as part of the tenants' answer to the owners' response to the rent overcharge complaints.

These 22 cases which PWVTA hoped would establish a pattern of overcharge and lead to a thorough investigation by DHCR, were finalized in a settlement agreement with the landlord in June, 2005. The tenants agreed that the particulars of their individual settlements would not be made public and that fraud would not be charged. A settlement was signed in June, 2005, and the DHCR Commissioner's order issued August 4th.

Rents were rolled back in 24 apartments (1 tenant withdrew in a private settlement.). Sixteen of the 24 were returned to rent stabilization; the other 8 continued as rent stabilized but rents were reduced.

The owners continue to overcharge new tenants and the rental office in 2006 openly stated the rent for one bedroom apartments in 784, 788 and 792 started at \$2,100. Tenants also continue to file rent overcharge complaints. PWVTA does not represent these tenants but does provide technical assistance to those who request our help through the process. DHCR continues to investigate and rule on their cases.

Tenants who have reported back to PWVTA after winning their cases have had their rents reduced and have also been awarded damages (in awarding damages, DHCR acknowledges that the actions of the owners were willful.)

PWVTA continues to press DHCR to investigate the pattern of overcharges in 784, 788 and 792 Columbus Avenue, but have been told that each tenant must file individually, a long and arduous process, in some cases taking years before tenants recover the money owed them.

Either tenant or owner can file a DHCR Petition for Administrative Review (PAR), appealing the initial decision of the DHCR Overcharge Unit.

Additionally, in some cases, court proceeding in the form of an Article 78 action delay the process further.

There is no question that tenants continue to be overcharged and that affordable housing is rapidly being lost in PWV. Additionally some of the tenants paying above \$2,000 (market rate with limited legal protections) whose cases remain unresolved have been denied new leases and have had to hire attorneys for court proceedings in order to stay in their apartments until final decisions are made in Housing Court.

Make 311 Work for You!

If you see or hear a violation at the Columbus or Amsterdam Avenue construction sites:

- (1) Call 311, and be sure to get a complaint #
- (2) Send an email to CALL311@earthlink.net to add your complaint to our list.

WELCOME NEW TENANTS

Did you know that the 784, 788 and 792 Columbus Avenue buildings – a part of Park West Village – are RENT STABILIZED? That means that there may be a legal rent for your apartment. That legal rent may be less than you are paying now! Even if you signed an agreement not to challenge your rent, that agreement is not valid.



Interested in finding out more? Call the Park West Village Tenants' Association Hotline: 212-662-2610. You'll be more than welcomed!

ALL WELCOME!

New Members, Renewing Members, Renters, and Owners. Please join us in supporting your organization. Let's all work together! Condo owners can join as ASSOCIATE MEMBERS. Please send us the coupon below!

www.PWVTA.org

Some 23 PWV residents volunteered to help build our new website, review its use and appearance, and increase its value for all our neighbors & online visitors.

We try to keep building it better, with features that help make it uncomplicated and ever more useful for our diverse community. We're learning together to keep up with the varied needs we have to keep our pages fresh and useful. And we enjoy doing it!

You too can help by joining our Web Subcommittee: WebMatters@pwvta.org. We serve as a key part of the PWVTA Communications Committee, which publishes the newsletter you're reading now. We welcome your ideas, information, suggestions, and photos: Communications@pwvta.org — *and Thanks In Advance!*

The PWVTA Executive Board usually meets on the third Monday of the month. Any member of the Association is welcome to attend the meeting. If you have something to contribute, call the PWVTA Hotline at 212-662-2610 in advance to be put on the agenda under new business.

Produced by the PWVTA Communications Committee. Contributors: Judith Bloch, Francine Brewer, Dean Heitner, Lois Hoffmann, Dorri Jacobs, Emily Margolis, Daphne Myers, Miriamne Spector, and Chuck Tice. To help report, edit, compose, design, or distribute, call the PWVTA Hotline: 212-662-2610 or write: info@pwvta.org.



JOIN YOUR NEIGHBORS – RENEW NOW!

PLEASE RETURN THIS MEMBERSHIP / ASSOCIATE MEMBERSHIP COUPON TO YOUR BUILDING REPRESENTATIVE OR MAIL TO:

Park West Village Tenants' Association
P.O. Box 20339, Park West Finance Station, New York, NY 10025-0339

Name: Building: Apt.: Phone:

Rent-stabilized tenant Market-rate tenant Renting from private owner Owner Email:

Check for 2008 membership dues enclosed, **payable to PWVTA**. \$40. Other* \$.....

Check for 2008 associate membership dues enclosed, **payable to PWVTA** \$35....

Check includes additional contribution to Legal fund. Amount:

*If you cannot make full \$40 payment of your annual dues, please pay what you can.

Your membership card will be delivered to you.