



THE COUNCIL OF THE CITY OF NEW YORK

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****FOR IMMEDIATE RELEASE****

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COUNCIL MEMBER CHIN PRAISES JUDGE FOR AWARDING BACK-RENT TO RENT- STABILIZED TENANTS

Judge rules against landlord who over-charged tenants while taking 421(g) tax break

NEW YORK – On Monday, in a win for rent-stabilized tenants citywide, the New York State Supreme Court ruled against a landlord who over-charged tenants of 50 Murray Street while taking advantage of the 421(g) tax abatement. Early this year, tenants of 50 Murray Street filed a lawsuit after their landlord, Bistricher’s Clipper Equity, initiated substantial rent hikes. In her decision, Justice Carol Edmead affirmed that the units are subject to rent-stabilization, and that the landlord’s rent increases were unlawful. Justice Edmead then ordered that a Judicial Hearing Officer or Special Referee determine the amount of damages to be awarded to the tenants, which include back-rent and attorney fees.

“This is a major victory that sends a strong signal to landlords who think they can exploit loopholes in the law to make a quick buck and harm tenants,” said **Council Member Margaret S. Chin**. “Programs like 421(g) were created to fix our affordable housing crisis in New York City and incentivize building owners to provide rent-stabilized units for working families. We cannot allow landlords to skirt the law and take advantage of their tenants, and Justice Edmead made the right call to hold this building owner accountable. I thank the tenants for their courageous organizing, and the Public Advocate and team of lawyers for their hard work to have these tenants’ voices heard. This is a win for tenant rights and a vital step towards keeping our affordable housing truly affordable.”

The 421(g) Tax-Incentive Program was designed to incentivize developers to create more affordable housing in Lower Manhattan. It offers financial benefits like real estate tax exemptions and abatements to convert commercial buildings, or portions of buildings, into residential units. In return, all the rental units must be subject to Rent Stabilization.

Last year, Council Member Margaret S. Chin joined an amicus brief with Public Advocate Letitia James and 36 other elected officials against the landlord of 90

West Street who wrongfully deregulated rent-stabilized units while receiving the 421(g) tax benefit.

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