

Author: Juan Gonzalez

**New York Daily News** - <http://www.nydailynews.com>

### **Renters in crisis: Reform needed now**

Wednesday, July 26th, 2006

Affordable housing is disappearing in New York City and government agencies are ignoring the crisis, a state Assembly committee was told this week by dozens of angry neighborhood leaders and housing experts.

"It's like a tsunami we can see on the horizon," said Kenneth Rosenfeld, director of legal services for the Northern Manhattan Improvement Corp. "If we don't change these housing laws, this wave of displacement and gentrification will continue."

Assemblyman Vito Lopez (D-Brooklyn), chairman of the Assembly's Housing Committee, convened a hearing Monday in response to a series of reports in this column on the Pinnacle Group LLC.

That series revealed that Pinnacle, one of the city's largest owners of rent-regulated units, filed 5,000 eviction proceedings in Housing Court during the past two years - one for every four of its tenants. The company then routinely doubled or tripled the rents for its vacated units after installing new kitchens and bathroom fixtures. The Daily News also found that in several cases, Pinnacle's higher rents were based on fictitious improvements it had claimed to the state's Division of Housing and Community Renewal.

State Attorney General Eliot Spitzer and Manhattan District Attorney Robert Morgenthau have since launched probes of the company's practices.

Company officials say all of its actions are legal.

"Pinnacle is a shining example of what goes on in this city on a regular basis," Jumaane Williams, executive director of Tenants & Neighbors, said at the hearing.

Tenant harassment and landlord abuse of rent laws have become epidemic during the city's booming real estate market, several community leaders and housing experts testified, largely because state and city agencies and the courts no longer protect tenants.

In Housing Court, for example, more than 90% of tenants facing eviction do not have a lawyer, while more than 90% of landlords do.

"No tenant should have to face the loss of his or her home without legal representation," Laura Abel, deputy director of the poverty program at New York University's Brennan Center for Justice, said Monday.

As for the state housing division, "no one expects it to take action on behalf of a tenant anymore," said state Sen. Eric Schneiderman (D-Manhattan).

But with Democrat Spitzer holding a huge lead in all the polls for this year's governor's race, housing advocates have begun to sense this is their best chance in more than a decade to strengthen tenant protections.

Among the key reforms urged at Monday's hearing were:

- Raise the vacancy decontrol threshold for rent-regulated apartments to \$5,000 a month. The current

\$2,000 threshold has not been changed since Albany lawmakers adopted it in 1993. These days, it's hard to find a one-bedroom apartment in most neighborhoods of this town for less than \$1,000 a month.

- Toughen enforcement against landlords who violate rent laws. Currently, the Housing and Community Renewal Division routinely approves rent increase applications for major capital improvements without checking if landlords actually made the improvement or if the costs claimed were appropriate. When renovating any empty apartment, a landlord doesn't even have to submit any documentation before doubling or tripling the rent - unless a tenant files an official challenge of that rent.

Several speakers urged reforms that would require random housing division audits of capital improvements and higher fines for landlords who file false paperwork or charge illegal rents.

- Create a level playing field in Housing Court by funding a program to ensure that all low-income renters get legal representation when they face possible eviction.
- Repeal the Urstadt Law that denies New York City the right to control its own housing regulations. Passed in 1971 under Gov. Nelson Rockefeller, the law specifically bars city officials from adopting stronger protections.

A few years ago, Mayor Bloomberg won a long fight to get control over our public school system. The same fight should be waged for the city to control its dwindling supply of affordable housing.

Unless drastic rent reforms come soon, poor and even working- and middle-class families won't be able to afford living in this great city.