Survey of Rent Stabilized Apartment Units in Lower Manhattan

Prepared by

Manhattan Community Board 1

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Contents

Executive Summary 2

Background of Survey 3

Why Care About Rent Stabilized Apartments? 3

What Tenants Should Know About Rent Stabilized Apartments 4

What Should I Know Before Signing a Lease? 5

Deregulation Due to Tenant Income Level or Vacancy 5

List of Rent Stabilized Units in Lower Manhattan 8

Map with Locations of Stabilized Units .....**Error! Bookmark not defined.**

Acknowledgments 10

Executive Summary

This report is intended as a resource for anyone seeking a rent stabilized apartment in the district. It is also intended to serve as a brief primer about rent stabilization. We hope that it will help tenants take advantage of opportunities to move into regulated apartments. By making this information available, CB1 seeks to encourage a stable population of long-term residents.

Community Board 1 (CB1) enjoys considerable affordable and rent stabilized housing. Nevertheless, some units are rapidly approaching their expiration dates with approximately 1055 units (18% of total stabilized affordable units) expiring within the next five years. For the purposes of this report, we focused on larger buildings that consist of 40 or more stabilized units, where the building isn't up for sale bringing the units into condo ownership. When controlling for these variables, we found that there are roughly 5,865 stabilized units, representing approximately 17% out of the 34,494 total housing units within the District according to the U.S. Census American Community Survey 2012 5-year estimates.

The distribution of these units is as follows: Financial District, 2,565 units (44% of total stabilized units); Battery Park City, 1,395 units (24% of total stabilized units); Civic Center/Seaport, 1,547 units (26% of total stabilized units); Tribeca, 358 units (6% of total stabilized units). Included in this total, as of June 2014, there are 753 affordable, stabilized rental units, which range from low-income to middle-income rent restriction bands in CB1 available through lottery. These affordable units have helped maintain diversity and build community in our district.

It is important to point out that the approximate 992 units in 70 Battery Place, 400 Chambers, and 41 River Terrace were not included in this analysis since their stabilization protection period ends before the publication of this report. In addition, the approximate 1,700 units at Gateway Plaza in Battery Park City were not included in the database since their stabilization ended for new tenants in July 2009. However, anecdotal evidence estimates roughly half of the Gateway units remain stabilized through a private contractual agreement between the Gateway ownership and the Battery Park City Authority, which limits rent increases to those permitted under rent stabilization. While the residential complex is not a rental property under official NYC rent stabilization guidelines and tenants in residence on or before June 30, 2009 are protected by a private contractual agreement.

It is a priority of Community Board 1 (CB1) to ensure that the existing rent stabilized units in the District are preserved and that development of new stabilized housing units continues. We voice our concern about building owners attempting to leave programs that require rents in their buildings to remain subsidized as well as the expiration of taxation incentives for stabilized apartments. We hope the city works to ensure that Lower Manhattan remains a community that allows its stabilized renters the protections they need to grow roots in our community.

Background of Survey

In 2008 CB1 completed a survey that documented the dramatic population changes that have taken place in Lower Manhattan in recent years. The study raised questions about how rental residents are maintaining their footing in the area, settling into the community, and effecting positive change. CB1 wanted to know how many rent stabilized housing units exist in the district, and whether more could be done to make their availability better known to those current and future District residents wishing to become more knowledgeable about the state and quantity of stabilized units with our community.

To address these questions, CB1 conducted another research project in April and May 2009, updated in 2012 and now in 2015, to locate and catalogue rent stabilized apartments in the district. This report presents the data resulting from this research in a table that lists rent stabilized buildings and a map that charts their locations.

The research effort was initiated and led by CB1 member Tom Goodkind. Julien P. Schmitz (2014) and Jeff Sun (2015), the Urban Planning Fellows serving at CB1, and Diana Switaj, Director of Land Use and Planning, for Community Board 1 worked with Tom on this 2015 revision. For the original writing in 2009, Tom and Fellow Kasey LaFlam supervised a team of volunteers that included other CB1 members and district residents, and for the 2012 revision, the CB1 Housing Committee helped to collect data with support from CB1 staff members.

Why Care About Rent Stabilized Apartments?

The availability of rent stabilized apartments is critical to neighborhood stability and diversity. CB1 is strongly committed to retaining as many of these

units as possible, and believes that many more units should be protected from unaffordable rent increases at the end of a lease term.

Rent stabilization gives occupants the right to tenure and protects them from sharp rent increases. Such legal protections help build a community, as people are not forced out of their homes on account of the rapidly increasing costs of rental units.

Rent stabilization also protects tenants from harassment by landlords. Tenants in rent stabilized buildings have the legal right to renew leases, unless they have violated lease terms. Rent increases are monitored and limited to amounts directed by the Rent Guidelines Board, a nine-member board appointed by the Mayor.

Even if a building is converted to a co-op or condo, tenants in rent stabilized buildings are usually allowed to remain and renew leases. Those over the age of 62 receive additional protections, unless they decide to leave voluntarily.

What Tenants Should Know About Rent Stabilized Apartments

Tenants have the right to ask if a building is rent stabilized, and the law requires that the landlord reply truthfully. Landlords are required to register their rent stabilized units with the New York State Division of Housing and Community Renewal (DHCR) in order to be eligible for rent increases determined by the Rent Guidelines Board.

If an apartment is rent stabilized, the landlord must include a statement with the lease that explains the tenant's rights. The landlord must also disclose how much the previous tenant paid in rent, and must explain the reason for any increase.

If this information is not provided with the lease, a tenant may request it from the landlord. If the landlord does not comply, the tenant can complain to DHCR at (718) 739-6400 or (212) 961-8930.

DHCR has publicly-disclosed information available about the stabilization status of buildings. If you live in an apartment that you believe should be rent stabilized but is not, you should contact DHCR. If your landlord has knowingly been increasing your rent more than is allowed by law, you may be owed what you were overcharged.

What Should I Know Before Signing a Lease?

- Many rent stabilized units are in buildings in which stabilization is tied to a tax abatement program with time limits. In these instances the owner receives a tax abatement that comes with a requirement to keep rents stabilized for the duration of the tax benefit.
- It is important to know before signing a contract whether a unit is eligible for destabilization due to an expiring abatement, which must be stated in both the initial and renewal leases, in standard font. If the landlord fails to include this information in the lease, the tenant may be able to retain the benefits of stabilization.
- Landlords are required to provide direct answers about the stabilization status of units. If they refuse, tenants have legal recourse by reporting to DHCR.
- Since rent increases are stabilized, prospective tenants should protect themselves by obtaining a copy of the lease rider on the stabilized unit to find out the amount of rent paid by the previous tenant.
- Tenants also have the right to ask:
    - why the unit is stabilized
    - what is the current total number of stabilized units existing in the building

Deregulation Due to Tenant Income Level or Vacancy

Most of NYC's 1 million-plus rent stabilized housing units cost less than $2,500 a month, making them affordable to households earning less than $90,000 a year according to HUD's definition of housing affordability (costing no more than 30% of family income).

In 1969, NYC enacted rent stabilization, a system that now covers over 1 million units, and limits rent increases to amounts set annually by the New York City Rent Guidelines Board as a compromise between building owners and tenants. The rent increase limit contributes to neighborhood stability through

protecting tenants, providing the security that residents need to invest in their community, and further preserving community character.

In some buildings, some units are stabilized while others are not because stabilization status is a function of the rent and income levels of previous and present tenants. In such buildings, if a household income exceeded $200,000 for the two prior years and a unit's stabilized rent rises above $2,500 per month, the landlord can petition to have it removed from stabilization. A landlord can also petition for deregulation of a vacant unit when the rent exceeds $2,500.

In June 2003, a New York State law passed which allows owners of rent stabilized units to charge "preferential rent" (a rent less than the legally permitted stabilized rent). Upon lease renewal, owners can begin charging any amount up to the registered legal (stabilized) rent including the year's Rent Guidelines Board allowable increase.

Most of CD1's 5,800-plus available rent stabilized units are luxury apartments stabilized because of tax benefits given to developers. Although most of these units are too expensive for low- or middle-income households, many of the buildings with these units also have a percentage of affordable units that are also rent stabilized and remain stabilized for as long as the owner receives tax benefits, typically 30 years.

List of Rent Stabilized Units in Lower Manhattan

The following is a list of stabilized units in Lower Manhattan with information about buildings in which they are located and rents as of July 2014.

The data was compiled from online databases maintained by the City of New York and the Municipal Art Society. Since the DHCR website states that inclusion on the list is not conclusive in identifying stabilization status, volunteers made an additional effort to phone the property owners and management companies of buildings with 40 or more units to confirm the status of apartments.

In doing so in 2009, they discovered that many of the units on the original list had been converted to condos or co-ops, and that some buildings that had once been stabilized have since been destabilized. As noted earlier, this often occurs in

buildings that received tax benefits provided through tax abatement or other programs, which may have time limits to the stabilization requirement.

As of January 2015, the study identified approximately 5,865 stabilized units in CB1. The information presented in this document, however, is time sensitive and subject to numerous outside variables, so the inventory will require frequent updating. Also, it was collected by unpaid volunteers and so may contain some inaccuracies. CB1 will therefore rely on the public, and particularly those who use the data, to provide us with updates or corrections. This effort will also depend on those living in small rent stabilized buildings of less than 40 units, which were not surveyed for this study.

Notes

1. One-bedroom monthly rent and price per square foot per month. If more than one rate was given, the mean was used. Utilities: KEY: N* - the renter pays electricity but no other utilities (water, gas, heat, etc.)

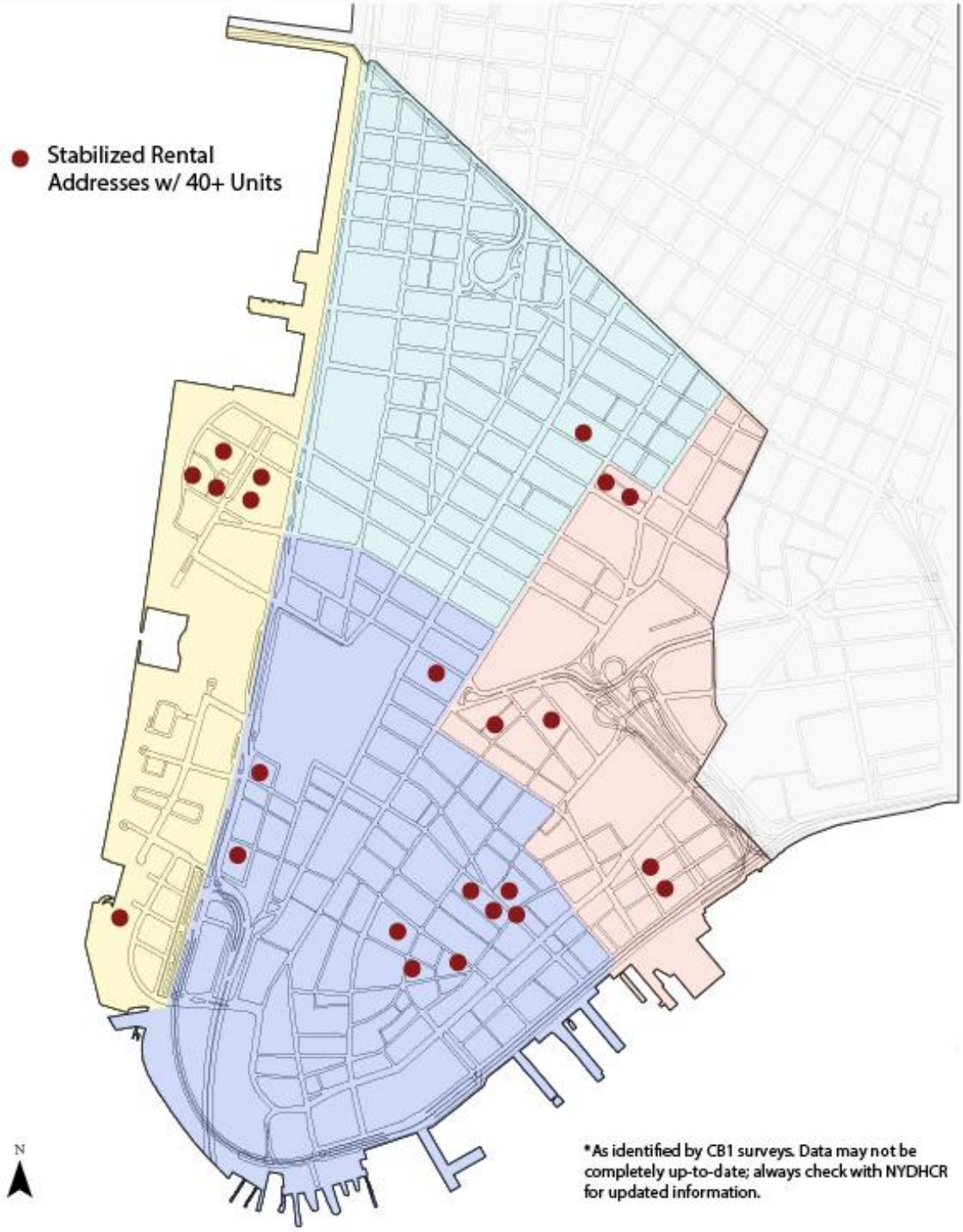
2. Estimate year when stabilization ends. Contact building management for further information.

3. These units are conversions from office to residential use, financed with Liberty Bonds along with 421-g tax abatements. When converted for rental these abatements require mandatory stabilization. As of this writing, the following conversions were not fully rent stabilized: 95 Wall Street, 10 Hanover Square, 63 Wall Street, 90 West Street, 90 West Street, 38 Murray Street, 100 Maiden Lane, 87 John Street, 84 William Street, 53 Park Place: a total of 3,409 units. Residents of these buildings may request stabilization by filing the following form: http://www.nyshcr.org/Forms/Rent/ra89.pdf.

4. The column stating the number of units represents the number of rent stabilized units that could be available for incoming tenants in that building. The approximate 1,700 units at Gateway Plaza in Battery Park City were not included in the database since their stabilization protection ended for new tenants in July 2009. As of August 2014, 70 Battery Place, 400 Chambers, and 41 River Terrace are up for sale and will likely be converted to market rate condominiums. Should the sale be completed, these buildings will grandfather in some existing rent stabilized units, until expiration or until the current renters leave. These 992 units were not included in the database.

Address	Management	Apartment Name	Telephone	#Units (note 4)	Monthly cost - 1bdrm (note 1)	Est Stab End Date	Additional Info
10 Barclay St.	Glenwood Realty	Barclay Towers	212 430-5900	402	4295	2029	Liberty Bond 421-a
50 Battery Pl.	Dematteis Battery Park	South Cove Plaza	212-786-2803	102	2750	2018	Low Income Housing Tax Credit (LIHTC) and 80/20
101 Worth St.	Forest City Ratner	111 Worth Street	212-766-1300	330	3,300	2024	
20 Exchange Pl.	Metro Loft Mgmt	20X	212-937-6790	87	4113	2029	Liberty Bond 421-g 350 units (see note 3)
213 Front St.	Yarrow LLC	217 Front Street	917 291-5499	29	3750	2026	Liberty Bond 421-a
214 Front St.	Yarrow LLC	214 Front Street	917 291-5499	6	3750	2026	1/2 of 13 Protected- Liberty Bond 421-a
2 Gold St.	TF Cornerstone	2 Gold Street	212-222-4653	650	3375	2026	Liberty Bond 421-a
84 Leonard St.	Waterton Residential	88 Leonard	866-979-7132	358	4375	2029	Liberty Bond 421-a
10 Liberty St.	Glenwood	Liberty Plaza	877-842-5333	287	3995	2026	Liberty Bond 421-a
100 Maiden Ln.	Maiden Lane Properties	100 Maiden Lane	212-797-0100	340	3359	2019	Liberty Bond 421-a
200 North End Ave.	Milstein Prop. / Milford Mgmt.	Liberty Luxe	212-945-4200	282	4800	2043	Liberty Bond 421-a
211 North End Ave.	Albanese	Verdesian	212-227-0222	253	4,488	2028	Liberty Bond 421-a
300 North End Ave.	Milstein Prop. / Milford Mgmt.	Liberty Green	212-945-4200	191	4,575	2043	Liberty Bond 421-a
325 North End Ave.	Related	Tribeca Green	212-693-0001	274	4,295	2034	LIHTC & 80/20
201 Pearl St.	Rockrose	201 Pearl Street	212-222-4653	189	3,675	2030	Liberty Bond 421-a
20 River Terrace	Albanese	The Solaire	212-227-0222	293	5,725	2017	Liberty Bond
95 Worth St.	Manhattan Skyline Mgmt.	The Saranac	347-992-6931	115	3195	2025	
8 Spruce Street	Forest City Ratner	New York by Gehry	212-877-2220	906	4,496	2031	Liberty Bond 421-a
37 Wall Street	Skyline Developers	37	212-385-8990	290	4,473	2020	Liberty Bond 421-g (see note 3)
59 Wall St.	Crest	63 Wall Street	212 344-6363	118	3,095	2018	Liberty Bond 421-g 472 units (see note 3)
90 Washington St.	The Moinian Group	90W	212-785-9090	100	4295	2016	Liberty Bond 421-g 400 units (see note 3)
90 West St.	Brack Capital RE	90 West Street	212-587-9090	102	3,550	2019	Liberty Bond 421-g 410 units (see note 3)
133 Nassau St.	Friedman Management	The Lara	212-227-8181	161	3500	2033	Liberty Bond 421a
			TOTAL	5,865			

MCD1 STABILIZED RENTAL UNITS*



*As identified by CB1 surveys. Data may not be completely up-to-date; always check with NYDHCR for updated information.

Please contact Community Board 1 if you have any corrections, updates or comments pertaining to this study

man01@cb.nyc.gov
(212) 442-5050

Sources for data and information:

- New York State Division of Housing and Community Renewal
  http://www1.dhcr.state.ny.us/BuildingSearch/Default.aspx
- New York City Rent Guidelines Board
  http://www.nyc.gov/html/rgb/home.html

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