<u>NEWS (/NEWS)</u>

# These Crown Heights Residents Saw Their Rents DOUBLE Last Fall

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MAY 22, 2015 3:30 P.M. • <u>74 COMMENTS</u>





Crown Heights Assemblymembers Walter Mosley and Diana Richardson address tenants outside of 285 Schenectady Ave. yesterday

#### These Crown Heights Residents Saw Their Rents DOUBLE Last Fall - Gothamist

Since last fall, long-time tenants in rent-stabilized 285 Schenectady Avenue and neighboring 1646 Union Street in Crown Heights have been battling with their landlord over the sudden and extreme increase in their rents—in some instances as much as 120%—due to a revocation of their preferential rent status.

Yesterday, about 20 tenants and neighborhood allies rallied outside of 285 Schenectady to demand that their landlord, Michael Schultz of Renaissance Reality Group (https://www.renrlty.com), make their affordable rents permanent.

Natasha Creese has lived in a three-bedroom at 285 Schenectady Avenue for 25 years. She currently shares the apartment with three adult siblings, her 18-year-old son, and her five-year-old niece. Last year, her rent was \$991 a month. Then, in October, she got a notice from Renaissance, her new landlord, that her rent had leapt to \$2,182.

"Nobody told us that we had been paying a preferential rent," Creese told us yesterday.

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In retaliation to the sudden rent spike, and with support of the Crown Heights Tenants Union, all of the tenants in both buildings have decided not to sign their new leases. Creese told us, "It was not hard to get everyone to agree. The landlord is trying to get us as tired as possible." She added that if she's forced to pay, "I would have to start looking for something else."

Renaissance has filed suit against 15 of the tenants for failing to sign.

According to current rent stabilization laws in New York state, landlords can offer preferential rent—a rent that is even lower than the legal amount—to tenants in regulated apartments. It's an appealing concept, until you learn that landlords have the right to revoke the rent as they choose, on the occasion of the annual lease renewal. From Curbed (http://ny.curbed.com/archives/2012/05/13/preferential\_rent\_when\_you\_get\_it\_and\_how\_you\_keep\_it.php):

Before 2001, once a tenant was given preferential rent, it continued throughout the tenancy. However, there have been a number of court decisions over the last decade, and the policy as it stands now is that an owner can charge the higher legal regulated rent once the lease expires or the tenant vacates the apartment.

This loophole is one that many tenant advocates deem unfair. They are pushing for it to be closed come June, when the state's rent regulation laws go up for renewal.

Kerri White, the director of organizing and policy for the <u>Urban Homesteading Assistance Board (http://uhab.org)</u>(UHAB), helped organize yesterday's rally. This is how she interprets the sudden instatement of legal rents: "Preferential rents allow landlords to essentially put money in the piggy bank while they wait for gentrification to hit. These landlords know that even if they can't charge \$2,200 for an apartment right now," as soon as a neighborhood like Crown Heights starts to gentrify, "they can turn on a dime and clear out the lower and moderate income people." Once the long-time tenants are out of the way, the units can be filled with tenants who can afford the legal rent.

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South Brooklyn Legal Services (http://www.sbls.org) is representing all fifteen tenants in housing court, and lawyer Sarah Telson told us this afternoon that she thinks there's hope for the residents to stay in their homes.

"We think that the rent stabilization code states that for these particular tenants, in this particular building, the landlord isn't allowed to raise the rent," she said. "Unfortunately, that's not the case across the city." UHAB is quick to stress that if stricter rent laws pass this summer, the 63 families across the two Renaissance buildings would no longer face eviction.

After yesterday's rally, five tenants and three representatives from local tenant advocacy groups drove out to Coney Island to present a letter at the Renaissance offices, asking Schultz to keep the rents where they are. This is the third such letter the tenants have sent to their landlord.

White, who helped deliver the letter, described the scene: One tenant stepped up to the building's buzzer, which is under video surveillance, and requested entry to pay his rent. When the door buzzed open, the rest of the group entered with him. They approached Schultz in the lobby. "It did not go well," she admitted.

According to White, Schultz agreed to meet with each tenant individually, but refused to meet with the union as a group. White recalls that he referred to the group as "a circus in the streets."

Reached by phone, a representative of Renaissance Realty refused to comment.

## <u>#CROWN HEIGHTS (/TAGS/CROWN-HEIGHTS)</u> <u>#GENTRIFICATION (/TAGS/GENTRIFICATION)</u>

## #RENAISSANCE REALITY GROUP (/TAGS/RENAISSANCE-REALITY-GROUP)

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