

Rally to crush demolition law



Downtown Express photo by Helayne Seidman

Steve Chabra, a tenant at 345 E. Fifth St., at the rally

By Lincoln Anderson

In a united front, a phalanx of local elected officials came together in a City Hall steps press conference last Thursday to denounce “phony demolitions,” which they say unscrupulous landlords are now using to evict tenants from rent-regulated apartments. The politicians joined tenants at risk from so-called demolition evictions in charging that landlords, the State Division of Housing and Community Renewal and the courts have been “twisting” the law to allow landlords to evict all the tenants in rent-regulated buildings if they apply to do gut renovations of the buildings’ interiors.

Two Downtown politicians, Assemblymember Deborah Glick and City Councilmember Rosie Mendez are teaming up to introduce state and city legislation to close what they say is the latest loophole being exploited by landlords eager to maximize their profits.

Glick’s bill seeks to amend the city’s administrative code to read: “ ‘Demolish’ means the complete razing of the entire building, including all exterior walls, in order to construct a new building with the same or greater number of rental housing units.”

The local law Mendez proposes would require D.H.C.R., within five days of granting a permit to demolish rent-regulated housing, to notify in writing the community board and city councilmember for the district in which the project is located.

According to the findings of a “Phony Demolition Task Force” Glick and Mendez have created, the demolition provision of the Rent Stabilization Law was intended to permit



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owners to remove tenants in order to demolish old, dilapidated single-room-occupancy apartments or loft buildings and replace them with new housing. But in today's hot real estate market, they say, landlords are using demolitions to evict tenants from structurally safe buildings to turn them into luxury housing or extended-stay hotels.

"This just goes really to the housing crisis that we're seeing," Mendez said. "It goes to the change in the rent laws that we saw to allow deregulation. Now they're trying massive demolition. Now they found a loophole in the law and they're using it. It's a big issue."

"Over the 16 years I've been in office, I've seen a variety of tactics used to harass or evict tenants out of their homes," Glick said. Owner-occupancy eviction is another of these tactics, she said.

Under owner-occupancy eviction, a landlord applies to take over entire multiunit buildings, allegedly for his own personal or family use. This was attempted at 47 E. Third St., but tenants on March 6 won a ruling in State Supreme Court blocking landlords Alistair and Catherine Economakis from evicting them. The Economakises have said they plan to appeal.

While the 47 E. Third St. ruling is giving tenants hope, landlords have been encouraged to discover that D.H.C.R. in some cases doesn't even require hearings for demolition-eviction applications, lopping years off the process and allowing landlords to fast-track the gut renovations and evictions.

Steve Chabra, one of four remaining tenants at 345 E. Fifth St., told how Steve Croman, under demolition eviction, has been trying to clear the building in hopes of turning 14 rent-regulated apartments into seven luxury apartments, while adding a penthouse and duplex.

"And we tenants, we're forced to hire a lawyer to navigate the loopholes of D.H.C.R.," Chabra said. "All because Mr. Croman wants to destroy affordable housing. Strong-arm tactics, the disruptive work, then claiming whole buildings for personal use, now phony demolitions," Chabra said, listing the various ways landlords have tried to deregulate New York City apartments by forcing tenants out. "And tomorrow, who knows what's next?"

The 345 E. Fifth St. tenants have found help in Good Old Lower East Side, the tenant advocacy group, which has been organizing them.

The demolition task force — consisting of 20 elected officials, 10 housing advocacy groups and several tenants — has identified roughly a dozen "phony demolitions" and is investigating the validity of dozens of others.

Among other buildings that have been threatened by "phony demolition" are 131 Duane St. in Tribeca, 7 Dutch St. 329 W. 22nd St. in Chelsea, 450 W. 50th St. in Hell's Kitchen, 515 E. Fifth St. in the East Village and 253 Elizabeth St. in Little Italy. The last two buildings are owned by Ben Shaoul of Magnum Management. Shaoul applied for demolition for 515 E. Fifth St. shortly after purchasing it last year; but, in the face of public pressure, hasn't followed through on the application and instead is renovating the building with the few remaining tenants in place. At 253 Elizabeth St., Shaoul also applied for demolition, and the tenants received notices from D.H.C.R. telling them they'd have to leave. But Shaoul soon began construction around the four remaining tenants — without even following through on the demolition. Faced with unlivable conditions from the construction, the remaining tenants recently negotiated buyouts.

"We have to hold this city," said State Senator Martin Connor. "We don't want to end up like Paris, where the poor and working people live far outside the city and have to bear the burden to come far in to work."

Tenants facing eviction hope things will change if Eliot Spitzer wins the governorship. "In a little over 230 days, we will have a new governor," said Assemblymember Richard Gottfried. "Hopefully, we'll do a real housecleaning at D.H.C.R."

Also at the press conference were State Senator Tom Duane, Assemblymembers Sylvia Friedman and Jonathan Bing, Borough President Scott Stringer, Councilmembers Alan Gerson, Dan Garodnick and Gale Brewer and Tribeca District Leader Jean Grillo.

Magnum Management did not return calls for comment. Jim Capalino, who has spoken on behalf of Magnum and Shaoul in the past, declined to comment.

“He doesn’t do P.R. for Shaoul,” said an assistant at Capalino’s P.R. firm. “We’re his government-relations advisor.”

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