



*Villager photos by Elisabeth Robert*

Above, Councilmember Rosie Mendez spoke on the stoop of 47 E. Third St. at Saturday's rally. Below, Terri Cook, from Stuyvesant Town, was one of many residents who came to the rally.

## Tenants are united under one roof to fight against eviction

By Sarah Ferguson

The relentless gentrification of the East Village and Lower East Side sparked a bit of popular revolt this past weekend.

On Saturday, nearly 400 people rallied outside 47 E. Third St., where a wealthy couple is seeking to turn the entire rent-stabilized building into their own private mansion.



People cheered from inside police barricades set up on both sides of the block, as politicians lined up to denounce the new owners, Alistair and Catherine Economakis, for attempting to use the so-called owner-occupancy provision to take over the entire building.

Many fear that if the Economakis couple succeeds in emptying 47 E. Third, it will pave the way for similar mass evictions across the city, as new wealth fuels new standards of greed.

We will not be moved! declared Rosie Mendez, the East Village councilmember, speaking out, she said, as both an elected official and a neighbor of the tenants on E. Third, some of whom have lived in the building for 30 years.

When no one wanted to live in this community, we stayed here. We made the community what it is today, Mendez said, her voice rising in indignation. Now, everybody wants to live here, and you know what? You can join us, but you can't get rid of us!

As Mendez spoke, musicians were staging a sit-in at the Downtown music club Tonic on Norfolk St. to protest its closing in the face of rent hikes that the clubs managers say they could no longer bear.

Saturday's simultaneous protests were indicative of the outrage felt by longtime residents who fear their culture and homes are being sacrificed to the whims of the market.

There's definitely a feeling that this neighborhood is under siege, said Steve Herrick, director of the Cooper Square Committee, which helped organize the rally on E. Third St., which drew tenant advocates from across the city. People see if these tenants here lose, its going to open the door for other building owners to do the same thing.

The fight at 47 E. Third took on new urgency in February when the Appellate Division of New York State Supreme Court ruled that there is no limit to the number of apartments an owner can take over for personal use in a rent-regulated building.

State law says owners may take over one or more units for personal habitation, and the Appellate Division found that one or more could just as well mean all the apartments in a building, just as long as the owner proves his or her good faith intention to actually live there.

The tenants are now seeking to appeal that ruling to the Court of Appeals, the states highest court, though there is no guarantee that the court will hear the case.

State and city lawmakers are now urging Governor Eliot Spitzer, Attorney General Andrew Cuomo and the State Division of Housing and Community Renewal to intervene.

Earlier this month, 28 state and city legislators sent a letter to Cuomo former secretary of the federal Department of Housing and Urban Development warning that the Appellate Divisions dreadful ruling at 47 E. Third could undermine D.H.C.R.s ability to enforce the states Rent Stabilization Law and Code.

Its just a cheap shortcut to getting a townhouse, said Bethany Jankunis, chief of staff to Assembly member Deborah Glick, who initiated the letter. It's much cheaper to buy a rent-stabilized building and convert it into your own private townhouse than it is go out and buy one, Jankunis noted.

For many, the battle at 47 E. Third has become a symbol of the broader assault on tenant protections in New York City, as landlords step up luxury conversions, and once-sacrosanct middle-class complexes like Stuyvesant Town and Peter Cooper Village go up for sale.

Outside 47 E. Third, the elected officials were preaching to the converted.

I'm here even though I don't represent here, because what's going on on this block is the same trend and pattern of abuse that's going on all over this city, said State Senator Liz Krueger, whose district covers from Gramercy Park to the Upper East Side.

Krueger made a familiar plea for the repeal of the Urstadt Law, which gives legislators in Albany authority over the city's rent regulations.

With a new governor in office and the State Senate just two seats away from a Democratic majority, enacting such a repeal might finally be possible, Krueger noted.

She was followed by Manhattan Borough President Scott Stringer, who urged the passage of a statewide affordable housing bond act, along with tougher inclusionary zoning rules, to ensure that all these big towers going up in the neighborhood come with a bigger quotient of low-income housing and community services.

I'm getting a little tired of landlords using personal-use exemptions as a way of throwing people out of this city, Stringer added, speaking of the situation at 47 E. Third. Its not personal use. Its personnel eviction, and we all know it.

## **Widespread problem**

And its not just happening in Manhattan. Dave Powell, an organizer with the Fifth Avenue Committee in Brooklyn, told the crowd of a similar owner-occupancy case at 533 Bergen St., where four families are facing eviction by a young couple with two children who want to make the entire eight-unit building their home.

Other landlords are employing multiple tools to empty out rent-regulated buildings. At 345 E. Fifth St., Steve Chabra is one of four remaining tenants fighting to block owner Steven Croman from pursuing a so-called phony demolition case to oust them.

The Rent Stabilization Law allows an owner to cancel the leases of rent-regulated tenants if he intends to demolish the entire building. But in 2002, state officials at D.H.C.R. redefined demolition to include gut renovation of the interior apartments throwing open the door for luxury conversions as a means to decontrol.

At 345 E. Fifth, Croman is seeking to convert 14 tiny studio and railroad apartments into seven luxury rentals. He has also added a sixth-floor duplex and penthouse replete with libraries, balconies and multiple bathrooms.

The annual rent will be higher than the salary of many a New York family. Who can afford to live

here? Chabra demanded.

(Croman, Chabra noted, has already effectively used the owner occupancy provision to empty a 23-unit building on E. 72nd St. by claiming he and his extended family plan to live there. All of the tenants there took buyouts.)

The whole world is watching, New York, as you evict us with deceit and trickery and loopholes, Chabra charged. Evicting an entire class of society is not just, and its not right.

“Save the tenements, and fight the mansions!,” he shouted to boisterous cheers from the crowd.

At nearby 515 E. Fifth St., tenant Monty Schapiro just succeeded in fending off a SLAPP (Strategic Lawsuit Against Public Participation) suit filed by his landlord, Ben Shaoul, who initially tried to use D.H.C.R.s substantial demolition clause to evict tenants there.

Shaoul later withdrew his demolition application with D.H.C.R., though Schapiro says the extensive interior renovations Shaoul undertook throughout the building have become another means to harass out the tenants.

City records show that the buildings ownership entity, 515 E. Fifth St. LLC, has accrued more than \$40,000 in violations since the work began. Schapiro and the other tenants are now demanding that the city rescind approval for the sixth-floor extension and luxury penthouse that Shaoul added, which they say exceeds the blocks current zoning.

Schapiro says Shaoul sued him because of the complaints he made to D.H.C.R., the buildings department and Community Board 3, which culminated in a walkthrough inspection of the building with Stringer, Mendez and other city officials last May.

Steve Solomon, a spokesperson for Shaoul and his company, Magnum Management, said the company felt harassed by Schapiro’s complaints but agreed to settle the SLAPP suit.

Solomon denied the penthouse was illegal, saying it was filed in the same way dozens of vertical extensions are done in this city.

He said Magnum was working closely with H.P.D. [the Department of Housing Preservation and Development] to resolve the outstanding violations to everyone’s satisfaction, and added that the complaints were symptomatic of every tenant group undergoing renovation and conversion in the city.

That’s what worries Schapiro. At the rally, he called for the creation of a citywide tenants union to demand better protections from both D.H.C.R. and the city’s Department of Buildings.

Affordable housing is not a tax incentive for developers, Schapiro said. Its a basic human right!

## **Stuy Town rally**

In a similar vein, Mendez and longtime tenant organizer Michael McKee announced plans for a big “Hands across Stuyvesant Town” demonstration on May 23 to protest rent hikes at the complex, which was sold last fall for \$5.4 billion, and which is now 30 percent market rate. The protest marks the launch of a “New York Is Our Home!” campaign backed by tenant groups, labor unions and the Working Families Party.

Its not just rent-regulated housing that’s under threat, McKee told the crowd. Its every piece of affordable housing we have.

Miriam Garcia, who has lived at 47 E. Third for 30 years and raised two sons there, spoke of the strain of fighting a nearly four-year eviction battle.

Since the Economakis clan took over the property, five tenants have taken undisclosed settlements and one died, allowing the Economakises to combine six empty apartments into a duplex and triplex. Alistair and Catherine Economakis and their two children and nanny are slated to move in later this month.

“We saved the neighborhood because of our hard work, and this is the thanks we get?” asked Garcia, who works as a teacher’s assistant for children with special needs. My older son is disabled and lives with me, Garcia said. He tells me, Mom, I don’t want to be homeless. If I lose my home, where am I going to go?

How can they put profits before people? Garcia demanded.

## **Web site spins story**

As Garcia spoke, a pair of young women distributed counter-leaflets entitled 47 East 3rd Street: Be Informed!

The leaflets, penned by Alistair Economakis, purported to present the facts behind his family’s legal case, echoing a Web site ([www.economakis.com](http://www.economakis.com)) Economakis recently created entitled The Other Side of the Story: 47 East 3rd Street.

On the Web site, Economakis lays out his vision to create a home for his children, where they can thrive, learn and co-habit together for years to come in the heart of New York City, similar to the extended-family arrangement that he currently shares at his wife’s family brownstone in Brooklyn.

Economakis says the tenants at 47 E. Third have ignored repeated efforts to reconcile the matter amicably through buyouts and offers to relocate them to suitable apartments in the neighborhood.

Specifically, his fact sheet claims that a year ago, he offered to allow six of the remaining nine rent-stabilized tenants to remain if three others agreed to move out, so that Economakises could unify the two separate living spaces they have thus far carved out in the building.

Economakis says he offered the three tenants comparable apartments in the neighborhood at the same rent the tenants were paying with rent-stabilized protections and/or financial compensation.

Nobody would be worse off; they’d probably be better off, Economakis explained to The Villager. They’d be in better apartments.

But Economakis would not say if that offer was still on the table. In fact, the two letters sent by his attorneys last June did not say anything about relocating the three tenants, and only pledged to arrive at a mutually acceptable financial settlement.

The letters also warned that the offer would expire in two weeks if the tenants did not move to settle immediately, even though one of the tenants being asked to move was out of the country at the time.

Economakis would not say whether he was willing to revive the offer. The remaining tenants call his claims duplicitous and say they’ve never been offered more than \$20,000 apiece, which at this stage would barely compensate them for their legal fees. (For the tenants’ side of the story, see their Web site, [www.47e3.org](http://www.47e3.org).)

We’re not interested in negotiating away our homes to them, said Barry Paddock, who has lived in the building for 15 years. We think there’s a legal principle at stake here that’s important for everybody.

Economakis declined to specify any settlement amounts he’s offered or to say what he felt would be reasonable. But he insists he’s fighting for principle, too.

I'm just a guy who's trying to move into a building he owns with his family, he said. And I'm following the law.