

RENT AND RAVE

Immig tenants cheer big win in state settlement

Gov. Cuomo's Division of Housing and Community Renewal will announce Wednesday that a major New York City

real estate firm has agreed to submit to an outside monitor for three years and to compensate Spanish-speaking tenants it improperly forced to vacate its rent-stabilized apartments.

The unusual settlement comes after a seven-month investigation by the agency's tenant protection unit into the practices of Castellani Real Estate Partners, owner of 49 state-regulated buildings in Harlem, Washington Heights, the South Bronx and Brooklyn.

The probe, which included first-ever subpoenas by the housing division of a landlord's entire financial records, was sparked after a Daily News report in May that Castellani's management company was demanding to see the passports or proof of citizenship as well as pay stubs of all tenants — even those who had valid leases.



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The firm threatened to evict within 30 days anyone who didn't comply, and it pressured dozens of tenants, most of them immigrants from Mexico and Ecuador, to sign vacate agreements.

State law does not permit a landlord to demand proof of citizenship or income from a tenant who already has a valid lease.

"This settlement serves as a reminder to landlords that there will be real consequences if they try to intimidate their tenants based on their background, citizenship or legal status," Cuomo (pictured) said in a statement.

Castellani is a private investment firm run by brothers Paul and

John Salib. The firm admits no wrongdoing under the settlement. It agrees, however, to overhaul its tenant practices, to retrain all of its employees and to pay the costs of the independent monitor.

In addition, the firm will create a \$100,000 fund to compensate or "assure the return of tenants that had been wrongfully removed from their homes," a Housing and Community Renewal Division spokesman said.

The settlement "resolves the various legal issues that were in dispute," Castellani's attorney, Blaine Schwadel, said.

Many of Castellani's buildings were recently acquired in neighborhoods that have undergone rapid gentrification.

The division's probe found the firm's private offering to investors promised such high rates of return that its goals could be met only by emptying the buildings and sharply raising rents.



Last spring, tenants from several Castellani buildings held a series of protests. Led by the nonprofit group Movement for Justice in El Barrio, they produced reams of documents to back up their claims of landlord intimidation.

"Ever since we banded together and spoke out, things have gotten better for us," Maria Aguirre, a tenant in a Castellani building on Teller Ave. in the Bronx, said.

For so long, even under Democratic governors like Eliot Spitzer and David Paterson, the housing division was a toothless agency that ignored abusive landlords.

But with the tenant protection unit created by Cuomo two years ago, that seems to be changing.

"Tenants didn't have to wait for court proceedings, lengthy depositions or any of the other legal mechanisms that could have tied them up for years," said division Deputy Commissioner Richard White. "This sends a clear message (to landlords) . . . that we are watching."