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# A greener building may spell rent hike

## Landlords could pass on costs of energy overhaul projects to tenants

Mayor Bloomberg celebrated Earth Day yesterday by unveiling the "world's most comprehensive package" of legislation aimed at reducing greenhouse gas emissions from existing buildings. But without changes, this green initiative could end up costing 1 million rent-regulated tenants a different kind of green.

**"Tenants can't afford a permanent \$275-a-year rent increase."**  
Michael McKee, Tenants PAC

The proposal would mandate that owners of large buildings invest in energy efficiency improvements, which will pay for themselves in five years. While benefiting from reduced energy bills, a landlord might profit twice by passing on the initial cost as a "major capital improvement" (MCI) to a regulated apartment, warned tenant advocates yesterday. The permanent rent increase on each unit could add up to \$275 a year.

City Council Speaker Christine Quinn said the issue still had "to be ironed out," but was "easily resolvable." Bloomberg belittled the threat. A low-cost loan program "probably will have a provision where rent-controlled buildings don't get any increase in rents." That wouldn't affect landlords who opt not to participate in the loan program, cautioned Judith Goldiner of the Legal Aid Society. The mayor and the council have no power over MCI rules, which are determined by the state.

"They don't have an answer for this yet," Goldiner said. "Albany needs to do a technical fix so that a rent increase couldn't be passed onto tenants permanently."

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Your turn:



(0 comments)

