



# The Liberty Bonds hotel

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**LOWER MANHATTAN.** In the aftermath of 9/11, the federal government stepped up to rebuild Lower Manhattan with the Liberty Bonds program.

Built with \$110 million in Liberty Bonds, Tribeca Green in Battery Park City has 274 rent-stabilized apartments. But just two years after opening, some of those apartments are now earning nearly double their stabilized rents as hotel suites.

U.S. Rep. Jerrold Nadler, who learned of the building from a Metro investigation, called the developer's deal with two corporate housing providers an abuse of the Liberty Bonds program.

"If this is true, it certainly does not follow the spirit of the law, and may not follow its letter,

## How 9/11 funds built a rent-stabilized apartment building that's now putting people up for \$335 a night

either," he said.

Congress created \$8 billion in Liberty Bonds to provide low-cost financing to developers in Lower Manhattan. New York State then dedicated \$800 million of the tax-exempt bonds to construct rental apartments.

In 2003, the Related Companies claimed an eighth of those residential bonds to build Tribeca Green. A bit more than 5 percent of units were set aside as affordable for moderate-income families, and all of the building's apartments entered the state's rent-stabilization program.

Yet when you Google Tribeca Green, you may find a listing with Furnished Quarters or BridgeStreet Worldwide. Both

### Doubly rewarded

By allowing all the apartments to be rent-stabilized, Tribeca Green received a 20-year tax abatement. The city's Dept. of Finance estimates the building's 2007 property taxes at \$5.3 million; instead, Related will make a \$447,300 payment in lieu of taxes this year to Battery Park City.

corporate-housing firms offer temporary digs in apartment buildings across the city.

A landlord can lease a rent-stabilized apartment to a company, said James Plastiras of the state's Division of Housing and Community Renewal, but a tenant sub-

leasing that apartment can raise the rent by only 10 percent.

In a Sept. 8 e-mail, Furnished Quarters offered unit 5G at Tribeca Green — a two-bedroom, two-bath apartment — at a rate of \$335 a night for at least 30 days starting Nov. 5. The stabilized rent for apartment 5G is \$5,235 a month. Furnished Quarters is charging \$10,050.

Furnished Quarters chief operating officer Dene Nui denied the firm leases stabilized apartments.

"You can't take a stabilized-rent unit," Nui said. "That wouldn't make any sense — then there wouldn't be any rent-stabilized units in the city."

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