The New York Eimes

A Hotel's Immovable Women; Residents Evoke Allerton's Glory to Defy Developers

By NINA BERNSTEIN

Published: April 4, 1999

Past rows of vacant rooms, at the end of a corridor deep in the dust of demolition and renovation, a handwritten sign taped to the door of No. 701 is like a muffled cry: "Occupied. Please do not touch."

Here lives Suzanne Remy, one of the last residents of the Allerton Hotel for Women. In her time, Mademoiselle Remy created hats for Greta Garbo and Marlene Dietrich. She sold \$17,000 gowns at Bergdorf Goodman on commission. When the Germans occupied her native Paris 59 years ago, she worked the switchboard at the American Embassy.

Now, though her tenancy is protected by law, just staying put, she said, seems like an act of defiance. In her 8-by-10-foot room, with a broken faucet and a hot plate, Ms. Remy is part of a dwindling band of 48 residents who have withstood a campaign to drive them from the Allerton, a faded grande dame of single room occupancy at East 57th Street and Lexington Avenue that its owners hope to convert into a luxury hotel.

Like the better-known Barbizon, the 448-room Allerton opened in the 1920's as a genteel residential hotel for young ladies of good breeding and professional aspiration. As recently as the 1960's, it still had a marble staircase, grand pianos in the lobby, and white-gloved elevator maids who enforced the cardinal rule: no men above the third floor. But decades of neglect took their toll.

Today the hotel is hard-fought terrain in New York City's real estate wars. Tourist demand and a booming economy are driving the biggest surge of S.R.O. conversions since the early 1980's. For tenant advocates and landlords alike, the Allerton is a new testing ground for 15-year-old local laws that try to restrict the redevelopment of single room occupancies in an effort to stem homelessness and protect longtime residents from harassment.

Between 1990 and 1997, the Allerton's management waged an illegal campaign of lockouts and verbal abuse to oust tenants, most of them elderly or frail, from rent-regulated rooms, an administrative hearing officer for the city's Department of Housing Preservation and Development concluded late last year.

"Hotel employees shouting at tenants, cursing at tenants, referring to them as losers or crazy, screaming at tenants about rent in the street, following a tenant into a diner daily for several weeks and asking her about moving out, and threatening placement in a nursing home if tenants did not go away are examples of harassment," the hearing officer, Frances Lippa, wrote in a decision rendered Dec. 31, after hearing testimony over a 13-month period.

"Where could I go?" asked Ms. Remy, a tiny woman with a black organdy bow in upswept hair, perched on a floral bedspread piled with doctor bills and medicine for asthma, emphysema and glaucoma. Still chic after all these years (exactly how many, she would not say), she gave a small shrug at the water-damaged ceiling and mottled walls of the room where she has lived since 1984.

At \$153 a Week, A Relative Bargain

She pays \$153 a week, much more than the \$3.27-a-day charged for the room where the longest permanent resident, a former model, has lived for five decades, but low compared to the alternatives. Studios in the neighborhood start at \$1,195 a month, and at the Allerton, recently renamed the Habitat Hotel, modestly renovated rooms without private bath or toilet cost tourists \$75 a night.

Executives of Property Markets Group, a real estate investment company that took control of the hotel in 1997, say that whatever harassment the tenants endured under the previous management has nothing to do with them. Continuing renovations, including a new lobby, new pipes and electrical rewiring, represent major improvements in exchange for minor inconveniences, they say, not a form of harassment, as some tenants have charged.

The company pressed city housing officials to overrule the hearing officer and grant the hotel a "certificate of no-harassment," which is legally required before vacant rooms in an S.R.O. can be reconfigured into the upscale suites of a more lucrative tourist-class hotel. But last month, after most tenants refused to go along, the city denied the application. The hotel management must now wait three years before it can reapply and then must show that tenants were not harassed during that period. For now, only renovations that do not change the number of units are allowed.