



Richard R. Lewis, Chairperson  
Ebenezer Smith, District Manager

## Community Board 12 - Manhattan Washington Heights & Inwood

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May 10<sup>th</sup>, 2019

The Honorable Andrew M. Cuomo  
Governor of New York State  
NYS State Capitol Building  
Albany, NY 12224

Hon. Carl Heastie  
Speaker of NYS Assembly  
1446 East Gun Hill Road  
Bronx, NY 10469

Hon. Andrea Stewart-Cousins  
Temporary President NYS Senate  
188 State Street Room 907  
Albany, NY 12247

### **Re: Resolution Recommending Legislation Rent Regulations & Enhanced Tenant Protections**

Dear Governor Andrew M. Cuomo, Assembly Member Carl Heastie, Senator Andrea Stewart-Cousins:

At the General Meeting on Tuesday, April 23, 2019, with a vote of 35 in favor, 0 opposed, 0 abstention, Community Board 12 Manhattan, passed the following resolution recommending the need for several housing reforms during this legislature session.

- Whereas: The need for affordable housing is a deep crisis.
- Whereas: New York States rent regulation laws will sunset on June 15, 2019. The Legislature has an obligation to renew and improve these rent laws.
- Whereas: These laws currently have significant loopholes landlords can use to displace low-income and long-term residents for higher-income newcomers.
- Whereas: Nearly half of NYC's rental stock is rent regulated. 85% of CB12 housing stock are rent stabilized units. From 2007 to 2014, CB12 lost 4,844 rent-stabilized units (6% of stabilized buildings).
- Whereas: 921,000+ renter households, or 44 percent of renters, in NYC pay at least 30 percent of their income in rent. 462,000 families and single adults in NYC – more than half of rent-burdened New Yorkers – are severely rent burdened (pay at least 50 percent of income in rent).

- Whereas: 26 percent of rent stabilized leases in CB12 have preferential rents allowing for large increases upon renewal triggering displacement.
- Whereas: The median increase between preferential and maximum allowable rents increased by 55% citywide from 2008 to 2015. The gap in Manhattan was \$800+.
- Whereas: **Major capital improvements** (MCIs) allow landlords to permanently increase rents up to 6 percent for any building-wide improvement. Current law relies on landlords self-reporting, allowing false claims and exaggerated costs.
- Whereas: **Individual apartment improvements** (IAs) also allow permanent rent increases with no distinction between cosmetic and necessary repairs or regard for previous neglect.
- Whereas: **Vacancy bonus** allows an owner to often increase rents up to 20% plus .06% for each year of the previous tenancy. This amount is 7 times more than any rent increase approved by the Rent Guidelines Board (RGB) in the previous 5 years.
- Whereas: The combined MCIs, IAs & Vacancy Bonus typically happen between tenancies with a vacancy bonus to destabilize a unit.
- Whereas: **Vacancy decontrol** permanently removes units from the rent-stabilized stock. Once a unit reaches the level set by state law (currently \$2,733.75), landlords can raise rents at their own discretion and/or not renew the tenant's lease. Between 1994 and 2016, 284,301 units were lost city-wide.
- Whereas: Ending high-rent/high-income vacancy decontrol will disproportionately benefit higher-income households. When vacated, these units will continue to be stabilized and likely be rented by households of similar means. Over the last 3 years, middle- and upper-income households have accounted for 60% of all who moved into stabilized units with rents of \$2,000 per month. Current high-income tenants in regulated units gain even greater savings in future years if market rents continue to grow faster than RGB increases.

Whereas: The current decontrol threshold rent (\$2,733.75) would be affordable (30% of their income) for households earning at least \$111,000 annually. Keeping high-rent units regulated will continue to provide benefits to the higher-income households who can afford to pay higher rents while doing little to address rent burdens faced by the lowest-income households. Eliminating high-rent vacancy decontrol while leaving other decontrol provisions in place may encourage property owners to pursue other paths toward deregulation. (Before high-rent vacancy decontrol was established in 1993, the most common method for removing units from regulation was condo/co-op conversion.)

Whereas: DHCR relies solely on landlords self reporting in regards to rents, MCIs, IAs, and Vacancy bonuses with little to no effective oversight.

Whereas: New York has **two systems of rent regulation**. Rent stabilization, which impacts the majority of rent regulated tenants, and rent control, which applies to about 40,000 people. Under the “Maximum Base Rent” system for rent control, tenants can face up to a 7.5% rent increase annually — much higher than the yearly adjustments for rent stabilized tenants. This is confusing and arbitrary.

Whereas: A bill protecting **good cause eviction** (or just cause eviction) protection tied to unconscionable rent increases would expand tenant rights, providing protection to all NYS tenants(including buildings with less than 6 units and buildings built after 1974). Good cause eviction could establish a right to a renewal lease at limited rent increases set by a local price index to all tenants, be it

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Resolved: Manhattan's Community Board 12 calls upon Senator Robert Jackson and Assembly members Carmen de la Rosa and Al Taylor to pursue the following agenda for renewing and expanding NYS rent laws:

- Eliminate MCIs, preferential rents, vacancy bonuses, vacancy decontrol, IAI's, MBR
- All current leases with preferential rents assigned should become that tenants legal registered rent
- Re-regulate units that have been lost to vacancy decontrol
- Remove the 4 year statute of limitations for rent overcharge
- Require that leases include all information on LLCs and corporations involved in ownership and management of buildings and real estate and
- "Good cause" eviction legislation to bring renters rights to tenants in smaller buildings.

Sincerely,



Richard Lewis  
Chairperson

Hon. Bill de Blasio, Mayor  
Hon. Jumaane Williams, Public Advocate  
Hon. Scott M. Stringer, Comptroller  
Hon. Gale Brewer, Borough President  
Hon. Brian Benjamin, State Senator  
Hon. Brian Kavanagh, State Senator

Hon. Robert Jackson, State Senator  
Hon. Al Taylor, Assembly Member  
Hon. Carmen De La Rosa, Assembly Member  
Hon. Ydanis Rodriguez, Council Member  
Hon. Mark Levine, Council Member  
Hon. Steven Cymbrowitz, Assembly Member