Carter Booth, Chair Dan Miller, First Vice Chair Susan Kent, Second Vice Chair Bob Gormley, District Manager



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## COMMUNITY BOARD No. 2, MANHATTAN

3 Washington Square Village New York, NY 10012-1899

www.cb2manhattan.org

State Senator Brad Hoylman 322 Eighth Avenue, Suite 1700 New York, NY 1001

State Senator Brian Kavanagh 250 Broadway, Room 2011 New York, NY 10007

Assemblymember Deborah Glick 853 Broadway, Suite 2007 New York, NY 10003 Assemblymember Yuh-Line Niou 64 Fulton Street, Room 302 New York, NY 10038

May 28, 2019

Dear Elected Officials:

At its Full Board meeting on May 23, 2019, CB#2, Manhattan (CB2, Man.), adopted the following resolution:

\*Presentation by Peter Harrison, member of Housing Justice for All Coalition, regarding support of the Housing Justice for All Campaign's Universal Rent Control Legislative Platform.

## **WHEREAS:**

- **1.** Manhattan Community Board 2 contains 11,207 rent-stabilized apartments.
- 2. Community Board 2 has the highest number of rent-controlled units in the city at 2400 apartments. This is an important affordable housing resource in our neighborhoods. 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.
- **3.** Even in municipalities that have opted in, rent stabilization only applies to buildings with six or more units.
- **4.** Unlike market rate tenants, rent-stabilized tenants have a right to a renewal lease.
- 5. Since 1974, the rent laws have been weakened with loopholes that encourage tenant harassment and allow sudden and permanent rent hikes.
- **6.** Since 1994, the City has lost nearly 300,000 units of affordable, rent-stabilized housing.
- 7. New York State's renter protection framework will expire in June of 2019.
- **8.** One such amendment to the rent stabilization laws allowed for vacancy decontrol, a loophole that allows landlords to permanently deregulate apartments once the rent reaches \$2,733 a month and the current occupant leaves the unit.

- 9. Of the nearly 300,000 units of rent-stabilized housing that has been lost Citywide since 1994, 155,664 were due to high-rent vacancy decontrol.
- 10. Under the current rent stabilization laws landlords receive a 20% "statutory vacancy bonus" every time an apartment turns over. This bonus gives landlords a big incentive to harass and evict long-term tenants.
- 11. Under the current rent stabilization laws landlords are entitled to offer a preferential rent, which is a discounted rent that tenants pay when the legally registered rent (which, in some cases, may incorporate illegal rent hikes) exceeds the actual market value of the apartment.
- **12.** When tenants renew their leases, landlords can revert to the higher legal rent, leading to sudden and massive rent hike.
- 13. Under the current rent stabilization laws landlords can pass the cost of major capital improvements (MCIs) and individual apartment improvements (IAIs) to their tenants through an additional and permanent charge on top of a tenant's base rent.
- 14. Although in many of these building systems repairs are necessary—either because the components of a building's infrastructure exceed their useful life as defined by the Division of Homes and Community Renewal or due to years neglect by the landlord—many landlords often overstate the cost and extent of renovations because they can permanently pass the cost onto their tenants;
- 15. As rent stabilization only applies to buildings with six or more units, tenants in buildings with less than six units do not have the right to a renewal lease at limited rent increases set by a local price index to all tenant.
- 16. The bills to address these issues are referred to as "universal rent control," a phrase popularized by the Housing Justice for All Coalition.

## THEREFORE, BE IT RESOLVED THAT CB2:

- 1. Urges the passage of New York State Senate bills that:
  - A. Repeal vacancy decontrol (S2591/A1198)
  - B. Prevent preferential rents hikes (S2845/A4349)
  - C. Eliminate the vacancy bonus (S185/A2351)
  - D. Extend time for overcharge complaints (S4169/A5251)
  - E. Expand rent regulations to the rest of the state (remove geographic restrictions in the Emergency Tenant Protection Act) (S5040/A7046)
  - F. Limit rent hikes for rent-controlled tenants (S299A/A167)
  - G. Bring renters' rights to tenants in smaller buildings (\$2892/A5030)
  - H. Eliminate permanent rent hikes caused by major capital improvements (\$3693/A6322 and individual apartment increases (\$3770/A6465)
- 2. Therefore, be it also resolved that CB2 recommends that formerly rent-stabilized units that were deregulated using the aforementioned loopholes, as well as units that had been illegally deregulated by virtue of the J-51 tax benefit and were temporarily regulated as part of a court order but whose protections end when the J-51 tax benefit expires, be regulated.

Vote: Resolution Passed with 27 Board members in favor, 7 Board members opposed (R. Rothstein, C. Dawson, V. De La Rosa, R. Sanz, S. Aaron, L. Rakoff, J. Liff), and 5 abstentions (D. Raftery, R. Kessler, S. Smith, C. Flynn, G. Silvera Seamans).

Please advise us of any decision or action taken in response to this resolution.

Sincerely,

Carter Booth Chair

Community Board #2, Manhattan

Anita Brandt, Co-Chair

Land Use & Business Development Committee

Community Board #2, Manhattan

Frederica Sigel, Co-Chair

Land Use & Business Development Committee

Community Board #2, Manhattan

Frederice Sipel

CB/jt