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Speaker Christine C. Quinn's Testimony before the Rent Guidelines Board (RGB)

On May 5th, the Rent Guidelines Board began the process of deciding the fate of the city's rent-stabilized residents.

Most years, you can set your watch to the results – the RGB hikes rents despite howls from the crowd of tenants who fear they will lose their homes. This year's preliminary vote was no exception – the RGB suggested hikes of 2% to 4.5% for one-year leases and 4% to 7.5% for two-year leases.

It's time for the rubber stamp RGB to end its longstanding practice of catering to landlords. This year, rent-stabilized tenants deserve to have their rents frozen at the current levels, so they, too, can successfully guide their families through these uncertain economic times.

A rent freeze would be the first such action for the board. But difficult times call for unprecedented measures.

The numbers are on our side. In 2007, the average net income per month for a landlord on a rent-stabilized unit was more than \$400. In a small building with 6 units, that's nearly \$30,000 in annual profit after operating expenses.

Keep in mind that profit margin reflects a year when fuel costs hit an all-time high. Fuel costs have since decreased 10%, meaning profits on rent-stabilized apartments are larger now than they were two years ago.

In fact, according to the "2009 Income and Expense Report" released by the RGB last month, "revenues have outpaced expenses to the extent that average monthly net operating income was worth 17.2% more in 2007 than it was in 1990, after adjusting for inflation."

To put it another way — landlords are doing better today than at any time in recent history.

In many neighborhoods across our city, rent-stabilized apartments are the last enclaves of lower- and middle-income New Yorkers. All told, we're talking about more than a million New Yorkers that are affected by each and every increase.

But rather than considering themselves fortunate, most residents live in fear of being forced out of their homes, either through the predictable ritual before the RGB or through possible harassment by landlords eager to cash in on the housing crunch at the expense of the very people who make this such a desirable place to live.

While the economic crisis has affected everyone, including landlords, common sense will tell anyone that the people at the bottom of the city's economy will undoubtedly be hit the hardest by this recession.

They are the ones working without a safety net, the ones who could be forced out onto the street if the RGB stands by its business-as-usual policy of hiking rents.

Providing rent relief now will provide a lifeline to these families and act as a stimulus for our local economy. Money that was being set aside for the annual increase would instead go toward food, clothes and doctor's appointments.

Freezing rents at the current level will give working families a helping hand and won't break the bank for landlords. Beyond dollars and cents, it's just the right thing to do.

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