

Resolution of the Progressive Caucus of the NYSDC
Calling Upon Governor Cuomo,
the NYS Assembly and Senate to
Reform Rent Regulations and Preserve Affordable Housing
May 2015

Whereas we value the diversity of a community in which people of different income levels, backgrounds and job skills live; and

Whereas to preserve the ability of middle class and low income residents to live in the great cities of New York -- cities they and their parents and grandparents helped to create -- we must preserve, as well as create, affordable housing; and

Whereas 2.5 million New Yorkers depend on rent stabilization and rent control for protections against steep rent increases and evictions without cause; and

Whereas a tenant who does not live in a rent regulated apartment can be evicted from their apartment at the end of his/her lease without any reason, no matter how long the tenant has lived there; and

Whereas the rent regulation laws that govern rent control, stabilization, and vacancy decontrol are up for renewal this June; and

Whereas existing rent regulations represent a weakened version of previous rent regulations; and

Whereas a straight extender of the rent regulation laws in their current weakened form will not stop the permanent and rapid loss of rent controlled and stabilized housing in New York; and

Whereas the current law permits an apartment that is vacated with a legal regulated rent (Rent Stabilization) or maximum rent (Rent Control) of \$2,500 or more per month to qualify for permanent deregulation, and therefore for permanent removal from all rent regulation, and move the rent to "market rate" -- a practice known as vacancy decontrol; and

Whereas vacancy decontrol, has already cost New York City and the suburban counties of Nassau, Westchester and Rockland Counties an estimated 300,000 apartments that have been removed from rent and eviction protections and are no longer affordable; and

Whereas the preferential rent loophole now allows a landlord of a rent stabilized unit to rent to a new tenant at a "preferential" rent which is lower than the legal rent, and then later offer the tenant a renewal lease based on the legal rent, hitting tenants with huge rent increases, sometimes several hundred dollars a month, thus forcing them to vacate; The owner then imposes another 20 percent statutory vacancy bonus and engages in this deceitful practice all over again with a new tenant, while steadily moving the legal rent closer to the \$2,500 per month threshold for vacancy decontrol; and

Whereas the current Major Capital Improvement (MCI) rent increase system permits landlords who spend money on repairs or improvements to the building to then permanently increase rents far beyond the original cost so that even when the repair or improvement is are paid for, it is never removed from the tenants' rent but is instead a permanent rent increase;

Therefore Be It Resolved that existing NYS rent regulation does not effectively preserve affordable housing in New York; and

Be It Further Resolved that the New York State Democratic Committee supports passage of real rent reform and calls upon Governor Cuomo, the NYS Assembly and NYS Senate to pass this June real rent reform legislation including:

The Repeal Vacancy Decontrol, Bill A.1865-A/ S.04474 sponsored by Assemblymember Linda B. Rosenthal and Senator Andrea Stewart-Cousins, which would repeal vacancy deregulation and save hundreds of thousands of units of affordable housing;

Reform of the Preferential Rent Loophole by requiring that preferential lease renewals be offered based on the original lower rate, and only allowing landlords to jump up to the legal regulated rent upon vacancy;

Reform of MCI Rent Increases by turning such increases into temporary surcharges, rather than permanent additions to the rent, so that when a building-wide improvement is paid off, the surcharge would no longer be factored into the rent.