

The Fate Of Rent Regulation

by {ga=rwebber}

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With the current rent laws set to expire this month, the New York State legislature will soon decide the immediate future of rent regulation. Albany's decision -- on whether and how to extend the laws enacted in 1997 -- coincides with the recent release of a report on the city's rent stabilized housing stock.

The Rent Guidelines Board has published "[Changes to the Rent Stabilized Housing Stock in New York City, 1994-2002](#)" (in pdf format) which shows a net decrease of almost 43,000 rent stabilized apartments in New York City. Over 24,000 apartments lost regulation because of vacancy decontrol, a provision which deregulates a rent stabilized apartment if, when vacated, the allowable rent for the new tenant reaches \$2000.

As Gotham Gazette has explained ("[The Battle Over Rent Regulation](#)") tenant advocates would like the state legislature to remove this provision this year. "Tenants understand that without the repeal of vacancy decontrol, the rent regulation system will be lost in ten to fifteen years," said Jenny Laurie, director of the [Met Council on Housing](#), a tenants' rights organization.

Met Council, like most other tenant organizations, supports a bill that has been passed by the State Assembly, though not by the Senate, which repeals vacancy decontrol and adds other tenant-friendly provisions. The bill would lower the allowable rent increase upon vacancy from 20 percent to 10 percent; tighten up the landlord's personal use allowance, and ensure that apartments leaving other subsidy programs, such as Mitchell Lama and Section 8, would become rent stabilized.

The bill, said Laurie, "would preserve the stock of affordable housing that we have right now. It's not going to add to it, but at least it is going to stop the hemorrhaging of affordable housing."

It seems unlikely, however, that the legislators will pass that bill. Both Governor George Pataki

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and State Senate majority leader Joseph Bruno have recently said they would like to see the 1997 laws renewed without changes. Their position seems closely aligned to that of the real estate lobby.

“Important reforms were enacted in 1997,” said Marilyn Davenport, senior vice president of the [Real Estate Board of New York](#), which represents the interests of real estate professionals to the city, state, and federal governments. “They are not something you need to do every time you enact the laws.”

Still, Republican state senators from New York City, where about half of all renters are protected by rent laws, are hoping to convince Bruno of the need for at least a few pro-tenant alterations.

Most importantly, the senators, Olga Mendez, Martin Golden, Frank Padavan, Guy Velella, Serphin Maltese, and John Marchi would like to raise the vacancy decontrol threshold from \$2,000 to \$2,500. While tenant advocates would welcome that change, they want more.

“I support the way the law worked before the changes were made in the 90s,” said Laurie, of Met Council on Housing. “I would like to see expanded rent regulation and the preservation of housing that is affordable to the bulk of the city’s median households.”

Landlord groups, of course, would oppose more rent laws. “We’d love to see them abolished,” said Davenport. “We feel they harm the housing market and the overall supply. But this is not something we are actively pushing for in this legislative session because it probably isn’t realistic this year.”

Insiders believe that the continuation of the 1997 laws is the most likely outcome when the legislature finally addresses the issue. “From what I’m hearing, my feeling is that the laws will stay as they are now,” said Mike Nieves, director of state legislation for the City Council in Albany. “Tenants are saying, ‘Don’t make it worse than 1997.’ I don’t think they are going to make it worse.”

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Rebecca Webber is a journalist who has covered housing issues for Gotham Gazette since July 2000.