TESTIMONY In Regards to New York State Bill A. 7526

PRESENTED BEFORE: THE NEW YORK CITY COUNCIL COMMITTEE ON HOUSING AND BUILDINGS

PRESENTED BY: Akina Younge URBAN JUSTICE CENTER

June 10, 2015

Good morning. My name is Akina Younge and I am a paralegal and the intake/outreach coordinator for the Community Development Project of the Urban Justice Center. I am here today to show that the Urban Justice Center does not support New York State Assembly Bill A. 7526 because it lacks a full repeal of vacancy deregulation. We have worked for low-income tenants in this city for over a decade, and in all our work we understand that the only way to curb displacement, harassment, and eviction of rent regulated tenants is to fully repeal vacancy deregulation.

The Community Development Project formed in September 2001 to strengthen the impact of grassroots organizations in New York City's low-income and other excluded communities. Our work is informed by the belief that real and lasting change in low-income, urban neighborhoods is often rooted in the empowerment of grassroots, community institutions. For more than 10 years, CDP has offered legal services and support on housing issues to community non-profits, group cases, and individuals in low-income NYC neighborhood.

The Housing Practice Area of CDP has sued hundreds of landlords on behalf of thousands of NYC residents to help preserve the affordable housing stock in NYC. In these cases we see the persistence of the temptation of vacancy deregulation. When we worked with Cooper Square Committee and tenants of Samy Mafar buildings to file a case on negligent construction, we

saw that the case existed because the temptation of vacancy deregulation enticed Mafar to demolish apartments and evict tenants with future profits in mind, above the safety of current tenants. When we recently filed a case with GOLES and tenants at 444 East 13th Street for harassment, we know that this case exists because of the landlord's buyout offers and threats of calling immigration are all with the temptation of vacancy deregulation and higher profit margins in mind. When I spoke to a tenant at our clinic at CASA, a senior with an alleged preferential rent, who said he could not afford his apartment with the landlord's 35% rent increase, I saw how the landlord was using the preferential rent loophole as an opportunity for vacancy deregulation after vacancy bonuses, IAIs, and MCIs if only this tenant would leave.

Vacancy deregulation is the prize for all landlords in gentrifying neighborhoods. As long as this prize exists, landlords will continue to use the same tactics to evict tenants and raise rents — even if the vacancy bonus is lower, even if MCIs are a temporary surcharge, even if IAIs are a permanent surcharge, landlords will still have the incentive to displace tenants, hoping that they can use the legal mechanisms that allow them raise rents and eventually deregulate their apartments. Raising the vacancy deregulation rent threshold is just a false and ultimately meaningless show of support. It does nothing to dismantle the root cause of harassment and displacement and instead just gives landlords a new number to aim for.

Without language that supports a full repeal of vacancy decontrol, we cannot support the New York State Assembly's bill A. 7526. With language that unequivocally repeals vacancy deregulation, A. 7526 would receive our full support.

Thank you for your time.



Testimony by New York Legal Assistance Group (NYLAG) before New York City Council Committee on Housing and Buildings:

Preconsidered Res. No. ___, Resolution calling upon the New York State Senate to pass and the Governor to sign A.7526, in relation to strengthening rent regulation.

June 10, 2015

Chair Williams, Council Members, and staff, good morning and thank you for the opportunity to testify about the Presconsidered Resolution calling upon the New York State Senate to pass, and the Governor to Sign, A. 7526, in relation to strengthening rent regulation. My name is Rafaela Zapata and I am a Housing Paralegal at the New York Legal Assistance Group, a nonprofit law office dedicated to providing free legal services in civil law matters to low-income New Yorkers. NYLAG serves immigrants, seniors, the homebound, families facing foreclosure, renters facing eviction, low-income consumers, those in need of government assistance, children in need of special education, domestic violence victims, persons with disabilities, patients with chronic illness or disease, low-wage workers, low-income members of the LGBTQ community, Holocaust survivors, veterans, as well as others in need of free legal services.

I am testifying in support of the aforementioned resolution and in support of extending and strengthening New York's rent regulation laws.

Poverty in New York is rampant and the homeless population, including thousands and thousands of children, is at an all-time high. Approximately, 60,000 New Yorkers, including 25,000 children, currently reside in shelter¹. Neighborhoods are gentrifying at an unprecedented rate. The Section 8 waitlist is still closed. And the rental amounts for FEPS eligibility are unrealistically low. These many and various pressures on New York City tenants make this an especially crucial moment to maintain affordable rents for rent-stabilized families, allowing them to remain in their homes and communities.

To that end, in addition to maintaining affordable housing stock and regulating rents, I would like to emphasize that stabilized housing also provides <u>stability</u> for families, the vast majority of whom are low income. Neighborhoods are also stabilized, in that stabilized tenants have the right to renew their leases every year or every two years, unlike market housing where tenants have little to no protection from being evicted upon the expiration of their lease.

NYLAG's Housing Project represents tenants in Housing Court and before various agencies in the five boroughs. Currently, most of our cases are in Queens, where we have a satellite office in the Queens Housing Court that works with hundreds of tenants every year. In Queens, we see many cases where non rent-stabilized clients are constantly forced to move from one apartment to another, often annually leaving neighborhoods, friends, family, support services, and medical providers, and forcing children to constantly change schools. We also see a lot of these families unable to find

¹ See "Thousands of New Yorkers living in dangerous 'cluster units' as homeless population tops 59,000, a record high," <u>New York Daily News</u>, February 1, 2015, available at http://www.nydailynews.com/new-york/nyc-homelss-population-tops-59k-record-high-article-1.2099150.

alternate housing once their leases expire and, as such, they are brought to Housing Court where they are sometimes able to gain some time to move, but often, even with additional time, are unable to find alternate housing and end up entering the shelter system. It is clear that there is an inadequate amount of affordable housing available, and as the rent stabilization program ages, and stabilized units are continuously lost, this crisis will worsen.

Therefore, we support the passage of this Resolution and extending, as well as strengthening, the Rent Stabilization laws. We support making any MCI surcharge temporary, reducing the amount of the current vacancy percentage increase, lowering the annual percentage increases in rent controlled apartments to align with stabilized ones, and returning deregulated units back into rent stabilization. However, we would also urge the Council to support eliminating all vacancy decontrol, and think about how to roll back rents that are already too high in conjunction with the State and other matters that affect rents and small landlords' investments in our affordable housing stock. At the same time, it should be recognized that personal financial gain cannot outweigh the human right to housing.

In conclusion, we support the strengthening of the rent stabilization laws and the resolution before the Council today. We welcome the opportunity to further discuss or comment on these matters in the future.

Thank you for the opportunity to testify today.

Respectfully submitted,

Rafaela Zapata Paralegal

THE COUNCIL THE CITY OF NEW YORK

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