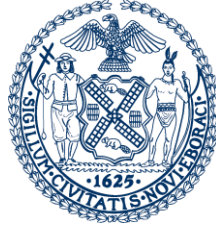


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Testimony of City Council Member Keith Powers Before the Rent Guidelines Board Tuesday, June 19, 2018

I would like to thank the members of the Rent Guidelines Board and Chairwoman Roberts for the opportunity to testify before you today. My name is Keith Powers and I am the City Council Member for the Fourth District in Manhattan. The district I represent begins at Stuyvesant Town and Peter Cooper Village on 14th Street near the East River, extends as far west as Columbus Circle, and as far north as 98th Street and 5th Avenue. The neighborhoods I represent contain vastly different populations, but they all have a great need for more affordable housing.

The tenants of my district and across New York City are in desperate need of relief. I am respectfully requesting the Rent Guidelines Board vote for a 0% increase on one or two year leases. A rent freeze would not only help struggling tenants remain in their apartments, but it would strengthen the rent stabilization system that is constantly under attack. Recommending a 2.75% increase, as indicated in the Board's preliminary vote for one year leases, could have disastrous long-term consequences for affordable housing in New York.

The Rent Guidelines Board's report on the *Changes to the Rent Stabilized Housing Stock in NYC in 2017* notes that there was a net gain of 4,387 units citywide. While this is indisputable, it does not quite lay out the full picture to what has happened to rent stabilized units in Manhattan. Manhattan contains only 20% of the units added in 2017 but accounted for 56% of the units lost. Conversely, Brooklyn received 56% of the stabilized units added while losing only 21% of the units subtracted last year.¹ Additionally, the average monthly rent of initially registered rent units in Manhattan was a staggering \$5,821.²

The rent stabilization system has been under assault for decades. New York City lost almost 291,000 stabilized units between 1994 and 2017 while adding fewer than half that number at 143,446 total. That net loss of 147,512 represents a figure that would comprise the 4th largest city in New York State on its own.³

¹ NEW YORK CITY RENT GUIDELINES BOARD, *Changes to the Rent Stabilized Housing Stock in New York City in 2017*, May 24, 2018 at 9.

² *Ibid.* at 12.

³ *Ibid.* at 9.

In my home neighborhood of Stuyvesant Town and Peter Cooper Village, we know firsthand about the importance of rent stabilization. Our community would not be possible without the regulation and protection of rents. Any rent increase recommended by the Rent Guidelines Board would be compounded by the perpetual payments added onto rent for Major Capital Improvements (MCIs). Charges for MCIs can last long beyond the date when their accumulation would have essentially paid for the improvements themselves. Until the laws governing this are altered, the additional cost must be weighed into any decision made by this board.

In the last decade, our city's homeless population has nearly doubled. According to the Coalition for the Homeless, the number of individuals within the shelter system or living on the street almost doubled from 33,285 in June 2008 to 62,974 in March 2018.⁴ The homelessness epidemic is a crisis that will only be exacerbated by a rent increase. The City is placing numerous resources into combatting forces that are accelerating homelessness and I implore you not to add to those causes.

Though my district is home to some of the wealthiest zip codes in the country, we still have thousands of rent stabilized tenants in need of relief. It is imperative that this board protects rent stabilized tenants and the system which has allowed so many of them to make our city what it is today. Thank you for giving me the opportunity to testify here today.

⁴ COALITION FOR THE HOMELESS ADVOCACY DEPARTMENT, *New York City Homeless Municipal Shelter Population, 1983-Present*, May, 2018.