

# KEITH POWERS

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## THE COUNCIL OF THE CITY OF NEW YORK

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### Testimony of City Council Member Keith Powers Before the Rent Guidelines Board Wednesday, June 10, 2020

I would like to thank the members of the Rent Guidelines Board and Chair David Reiss 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 14<sup>th</sup> Street near the East River, extends as far west as Columbus Circle, and as far north as 98<sup>th</sup> Street and 5<sup>th</sup> Avenue. The neighborhoods I represent contain vastly different populations, but they all have a great need for more affordable housing.

While the erosion of affordable housing in this city is a longstanding problem, the stakes this year are significantly higher. COVID-19 has created unprecedented and unexpected levels of financial hardship for New Yorkers, particularly those who were already struggling to make ends meet. That is why I am respectfully requesting that the Rent Guidelines Board vote for a 0% increase on both one- and two-year leases.

As the Board highlighted in the supplement to the *2020 Income and Affordability Study*, job losses have skyrocketed since the beginning of the pandemic. In April, the state of New York lost more than 1.7 million private sector jobs.<sup>1</sup> Unemployment rates both nationally and in New York have since surged above 14%--the worst since the Great Depression.<sup>2</sup> Compared to claims during the same period last year, unemployment claims in New York City for the week ending May 16, 2020 rose by a staggering 2,206%.<sup>3</sup>

These numbers are enormous, and they are deeply distressing. Each of the over 2 million unemployment applications filed in the state of New York in recent months represents someone at risk of not being able to pay their rent, at risk of being evicted, at risk of becoming homeless.<sup>4</sup> Paying rent is one

<sup>1</sup> NYS Department of Labor, “NYS ECONOMY LOSES MORE THAN 1.7 MILLION PRIVATE SECTOR JOBS IN APRIL 2020,” May 21, 2020, <https://labor.ny.gov/stats/pressreleases/pruistat.shtm>.

<sup>2</sup> U.S. Bureau of Labor Statistics, “Employment Situation Summary,” May 8, 2020, <https://www.bls.gov/news.release/empsit.nr0.htm>.

<sup>3</sup> NYS Department of Labor, “Initial Claims Data,” May 21, 2020, <https://labor.ny.gov/stats/PDFs/Research-Notes-Initial-Claims-WF-5162020.pdf>.

<sup>4</sup> NYS Department of Labor, “New York State Department of Labor Announces Over \$10 Billion in Unemployment Benefits Paid to Over 2 Million New Yorkers During Covid-19 Pandemic; Pre-4/22

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of the concerns my office has heard about most frequently in recent months. The tenants who have contacted my office come from a wide variety of backgrounds--some have been laid off from their jobs while others have shuttered the businesses they own, some have been sick themselves and others took time off to care for a sick loved one--but what they have in common is that they cannot afford a rent increase.

We know that in regular circumstances, even a minor rent increase can land a tenant in housing court or on the streets, and we are now facing a crisis of greater magnitude than we have seen in our lifetimes. In just a few weeks, the current eviction moratorium will end, and a narrower moratorium will be implemented in its place. This new moratorium will still allow landlords to bring holdover evictions and will create additional burdens for tenants to demonstrate financial hardship. Especially given the absence of sufficient rental assistance on the federal and state levels, it is imperative that the Board freezes rents to prevent what housing experts are predicting will be an “avalanche of evictions” in coming months.<sup>5</sup>

The crisis we are facing requires solutions from all levels of government. The Rent Guidelines Board alone cannot solve these problems, but it does have the power to provide meaningful relief to the families living in the city’s approximately one million rent-stabilized units.<sup>6</sup> I ask that you use this power to do so.

Application Backlog Reduced to 7,580,” May 20, 2020,  
<https://www.labor.ny.gov/pressreleases/2020/may-20-2020.shtml>.

<sup>5</sup> Sarah Mervosh, “An ‘Avalanche of Evictions’ Could Be Bearing Down on America’s Renters,” *New York Times*, May 27, 2020, <https://www.nytimes.com/2020/05/27/us/coronavirus-evictions-renters.html>.

<sup>6</sup> Rent Guidelines Board, “About the RGB,” <https://rentguidelinesboard.cityofnewyork.us/about/>.