



THE COUNCIL OF  
THE CITY OF NEW YORK

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## **Speaker Adrienne Adams' Testimony to Rent Guidelines Board on Proposed Rent Increases for Rent Stabilized Apartments**

May 30, 2024

New York City is facing a housing affordability crisis, making it difficult for working families to remain in our city and resulting in the departure of far too many low- and middle-income families.<sup>[1]</sup> It is our responsibility to ensure that New Yorkers of all backgrounds and socio-economic statuses can raise their families, live safely, and age with dignity in our great city. Tenants in rent-stabilized apartments cannot afford to absorb rent increases that will undermine their housing security. For the stability of our communities, I implore you to consider the precarious conditions facing many of the City's nearly one million rent-stabilized tenants and avoid rent increases at a scale that will negatively impact New Yorkers and our neighborhoods.

As Speaker of the New York City Council, I have prioritized addressing the housing crisis and increasing the number of affordable homes for New Yorkers, setting expectations for every district to equitably contribute to the development of housing. [My Housing Agenda to Confront the City's Crisis](#), released in December 2022, sets out comprehensive and practical changes that can be made to equitably address the housing shortage. The Council continues to work with our colleagues at all levels of government and stakeholders to achieve these critical goals. However, this crisis must be tackled from all angles, and that requires the Rent Guidelines Board (RGB or "the Board") safeguarding New Yorkers' abilities to afford apartments that allow them to live and work in the city.

According to the most recent NYC Housing and Vacancy Survey, the City's vacancy rate is at a mere 1.41 percent, which is one of the lowest rates since the survey was created in 1965.<sup>[2]</sup> The dire vacancy rate is even more alarming for the most affordable apartments, with a vacancy rate of less than one percent.<sup>[3]</sup> The limited affordable housing stock is continuing to shrink and over the past 30 years, New York City has experienced a net loss of 600,000 units that offer rents under \$1,500 per month.<sup>[4]</sup> Many of the city's renters are also severely burdened by their housing costs, spending more than half of their income alone on rent.<sup>[5]</sup>

RGB's 2024 Income and Affordability Study highlights the burdens placed on tenants and further emphasizes the need to protect residents from unreasonable rent increases. In 2023, the Consumer Price Index increased 3.8 percent and average rent costs rose 5.7 percent in the New York City metropolitan area, increasing the overall cost of monthly

household expenses.<sup>[6]</sup> The average inflation-adjusted wages were down 6.1 percent in roughly the same period, according to the most recent data available.<sup>[7]</sup> According to a recent analysis by WNYC/Gothamist, “New York City rents are rising seven times faster than wages, making it harder for low- and middle-income residents to find affordable living arrangements”.<sup>[8]</sup>

Renters are also now more at risk of losing their homes, with evictions continuing to increase across the city. Last year, non-payment filings in Housing Court increased by 23.5 percent and evictions rose by 195.4 percent.<sup>[9]</sup> This places more residents at risk of homelessness, which continues to increase pressure on the City’s shelter system. This is demonstrated by the continued growth of the Department of Homeless Services’ daily shelter population.<sup>[10]</sup> Unbridled increases of rent stabilized apartments would push even more New Yorkers to the brink of eviction and homelessness, a crisis our city cannot afford.

The City is already struggling with record-high homelessness, representing the highest levels since the Great Depression,<sup>[11]</sup> with Black and Latino New Yorkers disproportionately impacted.<sup>[12]</sup> Moreover, inflation continues to rise and has negatively and inequitably affected these same populations.

This enormous housing burden, along with such low vacancy rates, leaves the city’s rent-stabilized tenants in a very precarious position. Even a modest increase in rents for these tenants could put them at risk of being evicted and result in them losing their homes. The Rent Guidelines Board’s proposed increases of 2 – 4.5 percent for one-year leases and 4 – 6.5 percent for two-year leases are unreasonable. They would put tenants at an increased risk of displacement with few other affordable rental options available.<sup>[13]</sup> Considering these dire circumstances, there is a moral imperative for the Board to protect renters and avoid such rent increases.

As you prepare for your final vote, I urge you to consider the grim facts contributing to the City’s housing crisis: rent-stabilized tenants experience rent burden at higher rates than market-rate tenants and are dealing with an increase in the cost of living. There are very few housing options for working-class families, as the vacancy rate for the lowest rent tiers is extremely low. While I believe that small building owners and landlords deserve targeted protections and support, your decision’s impact on a broad range of tenants will affect the long-term health and stability of our city.

The City’s rent-stabilized tenants have had to absorb rent increases over the past few years, and they cannot afford the compounded effect of additional increases at a level that will put them at risk of losing their homes. We need to stem the mass exodus of low- and middle-income families who are fleeing the city because of a lack of affordable housing. New York City depends on their contributions to our economy and communities, and we cannot incur further losses. For the future of our city, and the well-being of all residents, I urge you to vote in the best interest of our city, limiting rent increases and safeguarding housing security for hard-working New Yorkers.

<sup>[1]</sup> Fiscal Policy Institute “Who is Leaving New York? Part 1: Income Trends”, available at: <https://fiscalspolicy.org/wp-content/uploads/2023/12/FPI-Migration-One-Page.pdf>, p. 3.

<sup>[2]</sup> U.S. Census Bureau “2023 New York City Housing and Vacancy Survey”, available at: <https://www.nyc.gov/assets/hpd/downloads/pdfs/about/2023-nychvs-selected-initial-findings.pdf>, p. 21.

<sup>[3]</sup> *Ibid*, p. 21.

<sup>[4]</sup> *Ibid*, p. 19.

<sup>[5]</sup> *Ibid*, p. 55.

<sup>[6]</sup> New York City Rent Guidelines Board “2024 Income and Affordability Study”, April 11, 2024, available at: <https://rentguidelinesboard.cityofnewyork.us/wp-content/uploads/2024/04/2024-IA-Study.pdf>, p.5.

<sup>[7]</sup> *Ibid*, p.9.

<sup>[8]</sup> David Brand “NYC rents are rising 7 times faster than wages, report finds”, *Gothamist*, May 8, 2024, available at: <https://gothamist.com/news/nyc-rents-are-rising-7-times-faster-than-wages-report-finds>.

<sup>[9]</sup> New York City Rent Guidelines Board “2024 Income and Affordability Study”, April 11, 2024, available at: <https://rentguidelinesboard.cityofnewyork.us/wp-content/uploads/2024/04/2024-IA-Study.pdf>, p. 30.

<sup>[10]</sup> *Ibid*, p.28.

<sup>[11]</sup> [New York City Rent Guidelines Board “2024 Summary of Proposed Apartment/Loft & Hotel Guidelines \(2024-25\)”](https://rentguidelinesboard.cityofnewyork.us/2024-summary-of-proposed-guidelines/), available at: <https://rentguidelinesboard.cityofnewyork.us/2024-summary-of-proposed-guidelines/>.

<sup>[12]</sup> Coalition for the Homeless “Basic Facts About Homelessness: New York City”, available at: <https://www.coalitionforthehomeless.org/basic-facts-about-homelessness-new-york-city/>.

<sup>[13]</sup> *Ibid*.