

# RSA Reporter

WE HOUSE NEW YORK

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## Nothing Matters More Than What You're Dealing With. *It Informs Everything We Do.*

The front page of the Reporter is typically about the pressing issues of the day impacting the rent stabilized real estate community and economy. With so much happening all at once, and all of it still uncertain, we have to ask: *Where do we start?*

- Our statewide efforts to oppose reckless Good Cause Eviction?
- Our work to explain to the Rent Guidelines Board why the owners of stabilized buildings desperately need the highest possible rent adjustment?
- The status of our federal lawsuit challenging rent stabilization laws as unconstitutional?
- Our partnering with other owner groups throughout New York to combat reckless policy suggestions and support responsible ones?
- RSA's increasingly prominent role in national conversations about affordable housing?
- Political dynamics in Albany, in City Hall and around the state?

The answer is this: We start with all of the above because all the work we do is about you.

RSA's diverse membership isn't an academic exercise. You're not a talking point. Every experience of every member matters and needs to be heard.

So we asked you and your owner colleagues to send in brief paragraphs about the difficulties you're facing. We'll be sharing these stories – your stories – with the Rent Guidelines Board and with policy makers.

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### Here is some of what you shared:

*The 16-apartment building I own in Queens has predominantly rent stabilized tenants. It was built in the 1920s, thus, it is 100 years old. The maintenance and upkeep costs on this old building have outstripped the annual rent increases from the RGB. In addition, insurance, taxes, and fuel costs have also far exceeded the allowed rent increases over the same period. The math is simple; if this trend of expense growth far exceeding revenue growth continues, the building will soon generate annual losses and the annual losses will only grow larger in the future. The building will decay and the residents, unfortunately, will see their quality of life impacted. — **George T., Queens***

*All my expenses to run this six family house have risen dramatically. My electric, gas, water, real estate taxes, insurance & repairs have risen anywhere from 20% to 40%. My rents don't cover the rising operating costs. — **Arleen, Bushwick, Brooklyn***

*We own a 94 year old building near Parkchester and a 64 year old building near Westchester Square. We have seen a 20% increase in Con Ed natural gas heating bills since 2022 and a 20% increase in fire and liability insurance over the same time period. The buildings need increasing amounts of repairs as they age. Also new requirements added by the city in the past 5 years (e.g. gas line inspections, lead paint compliance) make it increasingly difficult especially for small owners to carry their buildings. — **Mary B., Parkchester & Westchester Square, Bronx***

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## Nothing matters more than what you're dealing with... (Cont'd From Cover...)

*I am a small building owner in Manhattan. The limitations on rent with ever increasing expenses, not to mention higher mortgage rates, is destroying the balance sheet of the building. I am coming out of pocket to make repairs. Capital improvement items are out of the question. The draconian limitations forced upon small building owners is destroying the viability of the housing stock in NYC. These laws are destroying the City. — Ken S., Upper East Side, Manhattan*

*I both manage and own properties in Brooklyn. The RGB vote of miniscule increases over the last few years has basically been tantamount to forcing landlords to be responsible for the “financial crisis” and the “homeless crisis”. Not one landlord in my portfolio is a big financially sound corporate mogul. My clients were hard working immigrants who came to this country and worked for years to buy a piece of real estate so that they had something for themselves and their families. NYC has all but caused anyone with the title “landlord” to be a discriminated class. We aren't heard in the courts causing arrears to explode, we aren't heard by our Council People or Elected Officials. How do landlords support mortgages, taxes, utilities, repairs, Local Laws? Myself and my clients are struggling to keep tenants and lawmakers happy while going broke. — Paula Z., Brooklyn*

*I have been a small landlord in Little Italy in Manhattan for over 20 years. The rent laws passed in June 2019 decimated my business and income. My buildings are over 80% rent stabilized with many rents below \$500 a month. There is no upside in any of these units anymore and they cost more to run on a monthly basis than we take in, but somehow my real estate taxes go up 10 % a year ( the same for insurance ). Income capped and expenses rising year after year is a bad recipe for building owners and tax receipts for the city. — Brian R., Little Italy, Manhattan*

*My building has 10 units, most of which are rent stabilized. We had to replace the roof as well as perform other sizable repairs on this 150 year old building. Property taxes have escalated to over \$70,000.00 despite not being able to raise rents by a single dollar for almost a decade. Costs for heating, insurance, materials and labor have also skyrocketed. And some of our tenants are paying far less money in rent than it even costs to maintain their apartments. Some of our tenants work in corporate jobs, making well into the six figures, own vacation homes and cars, but pay as little as 25% of market rent.*

*Given the above, it is becoming economically infeasible to maintain the building. — Alan C., Greenwich Village, Manhattan*

*Costs have been rising well beyond income for my building in Soho. The deBlasio rent freezes and the recent minimal RGB increase have made it impossible to do more than barely maintain basic costs. Improvements are out of the question. — Lou B., Manhattan*

*I own a ten unit multi-family property on the Upper West Side. This property has been in my family for 45-plus years. The operating costs for my property have dramatically skyrocketed ever since the beginning of the pandemic and I don't see an end in sight. I am sadly now seriously considering putting my property up for sale as these costs have become unmanageable. I feel like NYC has taken away any value in my property and all I am left with is exorbitant taxes and insurance premiums. Not only has my property decreased in value, but the city has also raised my real estate taxes by 13%. What NYC is doing to homeowners/private landlords like myself is cruel, unfair and unjust. — Amay F., Upper West Side, Manhattan ■*

## SPECIAL JUNE RSA VIRTUAL MEMBERSHIP MEETING

**Thursday, June 8, 2023 at 4:00PM-5:30PM, Online Via Zoom**

This Virtual Membership Meeting is an opportunity for owners to discuss the upcoming Rent Guidelines Board vote. All paid RSA members are welcome to attend.

To register, please call **212-214-9243** or email **mrodriguez@rsanyc.org**. Pre-registration is required and will close at noon the day before the date of the meeting.