

RSA Reporter

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Data & Advocacy Led Tenant Activists to Support RGB Increases

Higher one and two-year stabilized rents below what buildings need, but still among largest increases in a decade.

After all the tenant activist rallies for zero increases and all the protests and all the calls for a rent rollback, it was the tenant representatives on the Rent Guidelines Board (RGB) that provided the critical votes for increases on one and two-year stabilized leases.

They voted for a 3% on one-year leases and split increases on two-year leases of 2.75% and then an additional 3.2% because, if they didn't, the numbers and your advocacy would have required higher (desperately needed) increases. They essentially admitted this dynamic in their remarks the night of the vote - "we are voting for the lowest increases we could get."

Those City Councilmembers who stormed the stage and disrupted the vote on preliminary increase ranges have been curiously silent after their tenant allies on the RGB itself needed to vote for rent increases. Data and economics have a way of quieting ridiculousness.

The RGB's own data provided a detailed outline of the difficulties stabilized building owners face. It was your testimony that filled in the picture with authentic voices. RSA's testimony, alongside other owner groups, added detail to the picture.

One day before the vote, the New York Post ran a column from RSA the title of which summed up our position - "Do the math, Rent Board: Let NYC landlords charge enough to pay their bills."

Two RGB public members - Doug Apple and Arpit Gupta - voted against the increase compromise because, we believe, they knew that higher increases were needed. RSA met with both Apple and Gupta and found them engaged and interested in both larger economic trends and the day-to-day costs of building ownership. The two other public members - Alex Schwartz and Christina DeRose - voted for the successful proposal along with new Board Chairman Nestor Davidson.

All the industry trade groups connected with Chairman Nestor Davidson for frank and plain conversations about the importance of the RGB's deliberations, our members' needs and the tragic dysfunction of state politics that forces these annual rent increase discussions into such a position of prominence.

Owner members Christina Smyth and Rob Ehrlich were stalwart voices in all proceedings. Working with them was as easy as it was professional and honest. They were targets of vitriol and intimidation and they handled it all with class and quiet dignity. Their remarks the evening of the vote made a strong case for the highest possible increases. In all deliberations they advocated for common sense economic needs.

Did City Hall weigh in other than the Mayor's initial criticism of the 7% preliminary vote top range on two years? Probably.

The approved split percentages on two-year leases feels like

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something the RGB Chairman, who is a law professor and university department head and internationally known urban affairs scholar, would suggest and that City Hall would see value in (two small numbers “better” than one larger). The Mayor can also claim, correctly, that he did more for owners than what the activists and professional left were clamoring for, often violently.

Staff changes in City Hall left it unclear who was providing advice on housing policy, but their sensitivity to the numbers was borne out by media coverage which referenced this year’s increases as the “highest in a decade.”

In many ways, the same data that forced 32BJ to an owner-leaning reopener in the Bronx is what compelled the tenant RGB members to accommodate increases.

Stabilized building owners needed higher increases. Anything lower than inflation adjusted increases matching expenses is government-forced disinvestment. So then this year’s increases are a peculiar sort of win considering which RGB members voted for the deal. The data did drive their deliberations, in fact it drove the tenant RGB members into the arms of two public members and a consensus-seeking new Chairman.

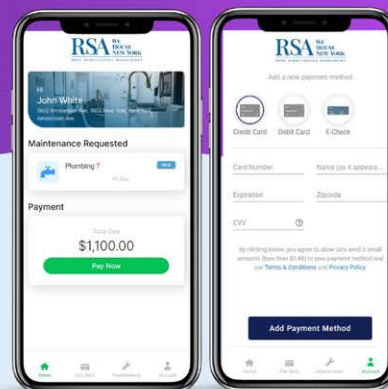
Think about it. RSA’s advocacy, *your advocacy*, shaped a policy environment in which tenant militants voted for owner increases.

Sometimes success looks different than initially envisioned. We work in a vast gray area where we need to be comfortable with the criticisms hurled at us and where our shoulders need to bear the weight of the compromises other can’t admit they need to make. That’s our job.

Of course we will continue to highlight that this is a broken system that harms owners and tenants and the city. This process should be separate and apart from politics. Owner increases should be hand in hand with generous government support of tenants in economic distress and some sort of special assessment on affluent tenants. It shouldn’t be a venue for TikTok politics or social media viral videos for Councilmembers.

Ultimately, the health of New York’s affordable housing economy depends on you – the private providers of a public benefit. The system is broken, so we’ll keep fighting it (remember our federal court challenge awaiting Supreme Court review) while we also continue to work within it. ■

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