



Legislation Text

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Res. No. 2044

Resolution calling upon the New York City Rent Guidelines Board not to approve any rent increase for rent-stabilized apartments due to the state of the economy during the next “rent year” beginning on October 1, 2009.

By Council Members de Blasio, Brewer, Nelson and Palma

Whereas, The Rent Guidelines Board (RGB) voted on May 5, 2009 to give preliminary approval to rent increases for rent-stabilized apartments in a range of 2 percent to 4.5 percent for one-year leases and 4 percent to 7.5 percent for two-year leases; and

Whereas, The Rent Guidelines Board, since its inception in 1969, has never granted a rent freeze; and

Whereas, New York City’s housing stock is predominantly renter-occupied; and

Whereas, According to the 2008 *Housing and Vacancy Survey* (HVS), approximately 47.9 percent of the rental stock is rent-stabilized; and

Whereas, New York City continues to face a housing crisis, with the 2008 HVS reporting a Citywide vacancy rate of only 2.88 percent; and

Whereas, The 2008 *Housing and Vacancy Survey* reveals that the median household income in rent-stabilized units is \$36,000 per year, which is \$14,000 less than the median household income in unregulated, market-rate rental apartments, and \$34,000 less than median household income in owner-occupied units; and

Whereas, The 2008 *HVS* further reports that 29.4 percent of households in New York pay more than 50 percent of their household income for rent and utilities; and

Whereas, New Yorkers are facing rising expenses, such as a subway fare increase, and proposed increases in tuition and fees at the City University of New York; and

Whereas, The Rent Guidelines Board, in its *2009 Income and Affordability Study*, acknowledges that

the New York City economy is not in good shape, with a stagnant Gross City Product for 2008, and an increased unemployment rate of 5.5 percent, up from 4.9 percent in 2007; and

Whereas, The Consumer Price Index (CPI), which measures the change in the cost of typical household goods, increased 3.9% during 2008 versus 2.8% during 2007; and

Whereas, The rise in the CPI signifies a sharp rise in the rate of inflation and coupled with the rise in unemployment indicates that rent-stabilized tenants are having a hard time making ends meet in these tough economic times; and

Whereas, The Rent Guidelines Board is scheduled to take its final vote on June 23; and

Whereas, By instituting a rent freeze the RGB would provide a helping hand to rent-stabilized tenants and act as a stimulus for the New York City economy; now, therefore; be it

Resolved, That the Council of the City of New York calls upon the New York City Rent Guidelines Board not to approve any rent increase for rent-stabilized apartments due to the state of the economy during the next “rent year” beginning on October 1, 2009.

BJG  
LS # 7304  
6/17/09