

Tenant

Inquilino

Housing for people, not profit

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Tenants Ask for Zero, Give Mayor an F Bloomberg's RGB Votes 3%, 5.75% Rent increases

By Steven Wishnia

The tenants demonstrating outside the Rent Guidelines Board final meeting at Cooper Union June 26 held up mock report cards grading Mayor Bloomberg's performance on 20 housing issues. He got an A on increasing the supply of market-rate housing; a C on stopping the conversion of Mitchell-Lama buildings to market-rate housing—and ten Fs, including four out of six in the area of rent regulations.

Inside, the RGB demonstrated why the mayor had earned those grades. With the five public members appointed by Bloomberg voting as a bloc, the board allowed increases of 3 percent on a one-year lease renewal and 5.75 percent on a two-year lease. As usual, there was no debate after RGB chair Marvin Markus proposed those guidelines.

"You don't know how they agree on a number. It happens behind the scenes. It's all a mystery," says tenant representative Ronald S. Languedoc, serving his first year on the board. Markus and the other public members, he says, formed a consensus "so they don't need to reach out to tenants and landlords and there doesn't need to be a lot of public debate about the increases." He suspects their strategy is to give increases big enough to "keep landlords content" so they won't push for the repeal of rent regulations.

The board also froze rents on SRO hotels by a 6-3 vote, with Markus joining the landlord representatives in dissent. It set the guidelines for lofts at 2.5 percent for a one-year lease and 5.25 percent for two years. The sublet surcharge will remain at 10 percent, and the "supplemental guideline"—what is considered a reasonable rent for vacant rent-controlled apartments going into stabilization—will be either the federal "fair market

rent" or 50 percent over the maximum base rent, whichever is greater.

As usual, the RGB rejected the rent freeze proposed by tenant representatives, 7-2, and turned down slightly larger increases proposed by the landlord representatives, also by 7-2.

Tenants, as usual, were irate, chanting "ZERO! ZERO!" the minute Markus finished reading the opening boilerplate. As landlord representative Steven Schleider adopted liberal-sounding rhetoric to justify his call for higher rents—"yes, housing should be affordable" and "we need to raise incomes"—the crowd, now swelled to more than 200 people, drowned him out with "BLAH, BLAH, BLAH." "A rent-stabilized apartment lease is not a birthright," Schleider declared.

"These board people don't understand any-



West Side tenants prepare for the RGB meeting.

thing," said a boiling Maria Gonzalez, president of the tenant association at Janel Towers, a Bronx Mitchell-Lama building where landlord Laurence Gluck is seeking massive "unique and peculiar" rent increases. "Once you could find an apartment in the Bronx. You can't any more. It's sickening that they want to do what they did to Manhattan to the other boroughs. Get the

poor out."

Two of her four grown sons have moved back in with her because they couldn't afford rent, she added, including one with his wife and three children.

The protests, however, were less rowdy than they were last year, when loud chants and homemade percussion instruments forced

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Markus to suspend the meeting. This year, attendees had to pass through a metal detector and have their bags searched. "So nobody brings in weapons," explained a security guard. There hasn't been an incident of someone bringing in a weapon in at least 15 years, he was told. "There's always a first time," he responded.

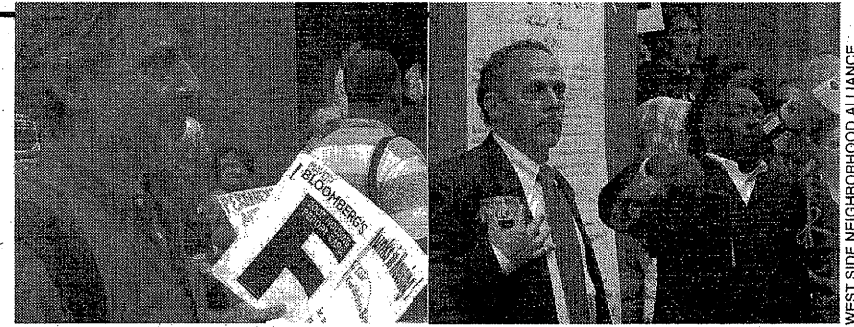
The most significant portent for the future may have come when tenant representative Adriene Holder proposed two provisos that would have denied landlords rent increases in a building if half or less of the apartments are occupied by rent-stabilized tenants, or if the building has more than five significant housing-code violations per unit.

"We all agree that the one-size-fits-all approach has to change," she said. "All of the relevant data shows us that landlords are doing really well."

The landlord representatives objected, with Magda Cruz arguing that the city Corporation Counsel had said that such provisos were beyond the RGB's jurisdiction. In a May 8 memo, the Bloomberg administration's legal department stated that barring rent increases for code violations would be an impermissible attempt to use the guidelines to enforce the housing code, and that limiting rent increases because other apartments in the building were deregulated would be an unconstitutional taking of private property and would deny landlords their legal right to decontrol apartments. On June 19, Legal Aid lawyer Judith Goldiner countered that such provisos

would be legal, saying that they fall within the board's mandate to protect New Yorkers in a housing emergency, to consider landlords' abilities to obtain a return on their investment when setting guidelines, and to ensure that owners who are getting rent increases justified by the cost of maintaining apartments are actually maintaining those apartments.

In any case, the board rejected those provisos, 7-2. Markus, however, ran with the concept. "We need precision well beyond what worked in 1969," he said. Though many apartments have gone up from vacancy increases and deregulation, he explained, "it's hard



"Prof" Jeff Gold gives Bloomberg an F. Kenny "Mayor Mike" Schaeffer and "head teacher" Anderson Fils-Aimé.

to ignore the fact that only certain owners are benefiting."

He suggested that the city adopt "an income-based approach" to setting rents, as long as administering it would not be too much of a burden on the state Division of

Housing and Community Renewal—because "it makes no sense" that a millionaire can pay \$900 a month for an apartment. Tenants paying less than the rent-stabilized median of \$844 should have their rents raised to 30 percent of their income, Markus argued, to avoid a situation where "the individual owner is forced to subsidize tenants."

If the issue of how to administer more specific provisions in the annual guidelines could be settled—and that is a major issue, as the DHCR has almost completely failed to protect tenants from illegal rent increases—it's likely that we'll see such proposals coming from the RGB, says Languedoc. They could include limits on increases for landlords who violate warranty of habitability or don't register their rents with the DHCR—but they could also include longevity increases, a revived "poor tax" surcharge on low-rent apartments, or a means test for tenants who pay lower rents.

"There seems to be a consensus that it's healthy to have this kind of debate," Languedoc says. "My main focus is to keep pushing the issue of the lack of affordable housing."

al alcalde una F

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añadió, incluido uno con su esposa y tres hijos.

Sin embargo, las protestas no estuvieron tan bulliciosas como en el año pasado, cuando coros ruidosos e instrumentos de percusión hechos en casa forzaron a Markus a suspender la reunión. Este año, los asistentes tuvieron que pasar por un detector de metales y dejar que se revisaran sus bolsas. “Para que nadie introduzca armas”, explicó un guardia de seguridad. Se le dijo que no ha ocurrido un incidente en el que alguien trató de llevar un arma adentro por al menos 15 años. “Siempre hay una primera vez”, contestó.

El presagio más importante para el futuro puede haber surgido cuando la representante de inquilinos Adriene Holder propuso dos restricciones que hubieran negado a los caseros aumentos de renta en un edificio si la mitad o menos de los apartamentos están ocupados por inquilinos con renta estabilizada o si el edificio tiene más de cinco importantes infracciones del código de vivienda en cada unidad.

derecho legal a desregular apartamentos. El 19 de junio, la abogada de Legal Aid Judith Goldiner contestó que tales restricciones sí serían legales, al decir que se hallan dentro del mandato de la junta para proteger a los neoyorquinos en una emergencia de vivienda, tomar en cuenta las posibilidades de los caseros para realizar ganancias en sus inversiones al fijar las pautas y asegurar que los caseros que reciben aumentos de renta justificados por el costo de mantener los apartamentos están realmente manteniendo tales apartamentos.

De todos modos, la junta rechazó las restricciones, 7 a 2. Sin embargo, Markus se entusiasmó con el concepto. “Necesitamos una precisión mucho más allá de lo que funcionó en 1969”, dijo. Aunque se ha elevado el precio de muchos apartamentos a causa de los aumentos de desocupación y desregulación, explicó, “es difícil hacer caso omiso del hecho que solamente algunos caseros se benefician”.

Sugirió que la ciudad adopte “una proposición basada en in-

gresos” para fijar las rentas, siempre y cuando administrarla no sea una carga demasiado pesada para la División de Vivienda y Renovación Comunitaria (DHCR), porque “no tiene sentido” que un millonario puede pagar \$900 al mes por un apartamento. A los inquilinos que pagan menos del valor medio de renta estabilizada de \$844, se les debe elevar la renta hasta un 30 por ciento de sus ingresos, sostuvo Markus, para evitar una situación en la que “el propietario individual se ve forzado a subvencionar a los inquilinos”.

Si se pudiera arreglar la cuestión de cómo administrar disposiciones más específicas en las pautas anuales—y esta es una cuestión importante, ya que la DHCR casi no ha protegido a los inquilinos en absoluto de aumentos de renta ilegales—es probable que veamos tales propuestas surgiendo de la RGB, dice Languedoc. Estas pueden incluir límites en aumentos para



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caseros que violan la garantía de habitabilidad o no registran sus rentas con la DHCR, pero también pueden incluir aumentos de longevidad, un “impuesto de pobres” restablecido en apartamentos de bajas rentas o una evaluación financiera de inquilinos que pagan rentas más bajas.

“Parece que hay un consenso de que es saludable tener este tipo de debate”, dice Languedoc. “Mi enfoque principal es seguir haciendo énfasis en la escasez de vivienda asequible”.