

March 25, 2024

Senator Leroy Comrie
Legislative Office Building, Room 612
Albany, NY 12247

Assemblymember Kenny Burgos
Legislative Office Building, Room 538
Albany, NY 12248

Dear Senator Comrie and Assemblymember Burgos,

We write in strong opposition to S6352-C/A6772-A – a rent reset bill that would undermine the Housing Stability and Tenant Protection Act’s (HSTPA) provisions to prevent excessive rent hikes in rent stabilized apartments at vacancy.

New York Housing Conference recognizes the HSTPA limitations on major capital improvements (MCIs) and individual apartment improvements (IAIs) are inadequate to recoup the cost of improvements through rent increases. The minimal increases allowed are also temporary, which does not support financing. Lack of investment in the rent stabilized housing stock can eventually lead to deteriorating building conditions and impact the health & safety of tenants. With the median rent of a rent stabilized unit at \$1,500, 100% rent stabilized buildings face particular difficulty supporting repairs given rising costs.

We understand the need to support investment in rent stabilized apartments, especially those that are vacant after long term tenancies. The rent reset bill unfortunately goes too far in the other direction in allowing enormous rent increases, which would undermine affordability for thousands of renters. The bill would create a new, “local regulated housing restoration adjustment” that allows owners to reset the rent after renovating vacant units that were occupied by the same tenant for 10 or more years. The new regulated rent can’t exceed the section 8 voucher payment standard for units of the same size and zip code, unless the tenant is a voucher holder. Section 8 voucher payment standards are set between 90% to 110% fair market rent (FMR).

We believe this standard is far too broad. For a two-bedroom, the payment standard can be [as high as \\$3,027](#) compared to the \$1,500 median for rent stabilized units – more than a 100% increase. Further, a significant portion of the city is subject to exception payment standards that far exceed the citywide FMR, meant to create more access in high opportunity areas. It is unclear if the exception would apply to units in these zip codes. Payment standards in these areas reach as high as \$4,543 for a two-bedroom, which could result in even greater increases.

Rent stabilized tenants have a median household income of \$60,000 compared to the citywide renter median of \$70,000 and a quarter of them have incomes under \$25,000. New Yorkers living in rent stabilized apartments cannot afford such drastic rent increases. And when rent stabilized tenants already make up over 70% of eviction filings, we are extremely concerned that the potential to charge such high rents creates a new incentive for bad actors to pursue frivolous eviction cases against long term tenants.

While we recognize the limits on recouping investment in apartment upgrades and capital improvement are insufficient in HTSPA, we oppose this bill which would profoundly destabilize affordability for rent stabilized tenants. We welcome the opportunity to discuss alternative solutions that allow adequate investment in apartment improvements and upgrades and increase access for voucher holders while preserving affordability as much as possible.

Sincerely,

A handwritten signature in blue ink that reads "Rachel Fee". The signature is written in a cursive, flowing style.

Rachel Fee
Executive Director, New York Housing Conference