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## Rent Board Proposes Increases Despite the Complaints of Tenants

By [MANNY FERNANDEZ](#)

The board that oversees rents for New York City's one million rent-stabilized apartments proposed a range of rent increases on Tuesday, disappointing tenants and their supporters, who say the recession warrants a rent freeze.

In a preliminary vote, the city's Rent Guidelines Board proposed increases of 2 percent to 4.5 percent for one-year leases and 4 percent to 7.5 percent for two-year leases. Last year, the board approved its highest set of rent increases since 1989 — 4.5 percent on one-year leases and 8.5 percent on two-year leases. The board will hold two public hearings, on June 15 and June 17; it is to take a final vote at a meeting June 23.

Landlords have argued that the board's rent increases in recent years have been outpaced by the rising operating costs of rent-stabilized units. Tenants and some elected officials, meanwhile, have called on the nine-member board to freeze rents for rent-stabilized units, citing rising unemployment, falling median household incomes and growing numbers of tenants in housing court facing eviction for nonpayment of rent.

"This would be an appropriate year to do that," Wasim Lone, a tenant organizer with the nonprofit group Good Old Lower East Side, said of the rent freeze. "This is the worst recession we've seen since [the Great Depression](#) of the 1930s."

A report released last month by the board's staff found that operating costs for rent-stabilized buildings increased 4 percent from April 2008 to last month; the increase was 7.8 percent in the corresponding period in 2007-8. The report also found that the 4 percent increase was offset by decreases in fuel oil and insurance costs.

The City Council speaker, [Christine C. Quinn](#), said in an interview that she would urge the board to impose a rent freeze, in part because of the impact of the recession on tenants as well as the report showing that operating costs had not risen significantly. "We can create some relief for tenants without creating an

unfair burden for landlords,” Ms. Quinn said. “We believe even with a rent freeze, landlords would continue to make a profit. They would just make a smaller profit.”

Since the board was established in 1969, it has never approved a rent decrease or a rent freeze.

Joseph Strasburg, president of the Rent Stabilization Association, which represents thousands of owners of rent-stabilized apartments, said he was disappointed by the preliminary range of increases approved on Tuesday, adding that small property owners had been hard-hit by the economy and had struggled to pay property taxes, water and sewer bills and fuel costs. He said the group was opposed to any rent freeze.

“Ten percent of my membership may not survive by this time next year,” Mr. Strasburg said, referring to small property owners. “We discovered in early fall that they were still paying off their winter fuel bills.”

The final vote last year was a rowdy affair, marked by shouting matches between landlords and tenants, many of whom had sneaked in plastic whistles and blew them at ear-ringing volume during the proceedings. In contrast, the meeting on Tuesday at the Great Hall at [Cooper Union](#) in the East Village was sparsely attended. The audience numbered about 100, most of them tenants or tenant organizers.

The meeting gave rise to divergent views on who was suffering the most during tight economic times — tenants or landlords. Steven J. Schleider, a member of the Rent Guidelines Board who represents owners, said that 1 in 10 properties was distressed because rents did not cover expenses. Adriene L. Holder, a board member representing tenants, said the severity of the recession, including rising unemployment, called for the board to adopt no rent increase.

“People cannot shoulder these types of increases being proposed,” Ms. Holder said.

Last year, the board approved a controversial supplemental rent increase for tenants who had lived in their units for six years or more, and a range of similar increases were approved on Tuesday. Owners of buildings with those tenants have the option of charging them the approved increases, or a \$20 to \$45 monthly increase for one-year leases or \$40 to \$75 for two-year leases, whichever is greater.

Two legal aid groups, the [Legal Aid Society](#) and Legal Services NYC, sued the board over the supplemental increase last year; the case is pending.

On Tuesday, to the howls of the tenants in the audience, the board voted 6-to-3 to

approve the range of proposed increases and the range of supplemental increases.

Much of the discussion between board members leading up to the vote centered on last year's deliberations. Tenants and their supporters last year said that the supplemental increase should not have been voted on, because it was not part of the tentative range of increases the board had previously approved. The board's chairman, Marvin Markus, said at the time that the board had authorized supplemental increases in previous years and that the board's actions were within the law.

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