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**CSS REPORT SHOWS HOW WEAKENED RENT LAWS
ARE HURTING LOW-INCOME NEIGHBORHOODS**

**Rents Rising As Regulated Apartments Become Scarcer in
Upper Manhattan, Brooklyn, and Queens**

New research from the Community Service Society of New York (CSS) shows that a controversial provision allowing the deregulation of rent-stabilized apartments is having a surprisingly strong effect on low-income tenants and neighborhoods.

The provision, known as vacancy decontrol, allows for the deregulation of apartments when their legal rents reach \$2,000 a month during a vacancy. Because other provisions allow for large increases during a vacancy, any vacant apartment can be deregulated in this way. At the time that the provision was passed, its proponents argued that it would only affect high-rent areas of Manhattan below Harlem, but the CSS study shows that it is also affecting neighborhoods in Upper Manhattan, Brooklyn, and Queens.

“This report should put to rest once and for all the notion that vacancy decontrol doesn’t matter for low-income neighborhoods in Harlem and Washington Heights, or in boroughs other than Manhattan,” said David R. Jones, president of CSS. “In fact, it suggests that vacancy decontrol is part of the reason why so many low-wage working households, especially people of color, are being pushed out of their neighborhoods all across the city.”

Working with recently released data from the U.S. Census Bureau’s New York City Housing and Vacancy Survey (HVS), CSS calculated that fewer and fewer households are able to find and move into rent-regulated apartments. In Upper Manhattan, the likelihood that families moving in the years just prior to the 2008 HVS would find a place in one of the original rent-regulated apartments was 14 percent lower than it was for families moving just prior to the 2002 survey. In the inner-ring neighborhoods of Northwest Queens, North Brooklyn, and Brownstone Brooklyn, families’ chances of finding a place in one of the original regulated apartments fell by six percent. And even in lower-rent, outer-ring neighborhoods, there was a significant decrease.

This effect is partially balanced by the creation of new regulated apartments by subsidy and tax-exemption programs. But the new rent-regulated apartments do not truly replace the lost regulated ones, both because there are fewer of them and because their rents are typically much higher.

These changes are contributing to a rapid rise in rents across the city. The fastest increases in rent are now found in the city’s inner ring of gentrifying neighborhoods. Rents for recent movers rose by

51 percent over the six-year period in Upper Manhattan and by 39 percent in inner Queens and Brooklyn, compared to only 29 percent for Manhattan below Harlem.

The CSS report also examines the change in the total number of regulated apartments. Unfortunately, because the HVS is a sample survey, it does not make it possible to measure the loss with any precision. The report concludes that, from 2005 to 2008, New York City lost between 29,597 and 100,000 rent-regulated apartments, primarily due to vacancy decontrol. This means that between 3 and 10 percent of the stock was lost in three years.

Rent-regulated housing is the single most important component of New York City's housing stock for low-wage workers. More than a million low-income people (in households with incomes below twice the poverty line) live in rent-regulated housing, compared to a little over half a million in public and subsidized housing combined.

"Destabilized Rents: The Impact of Vacancy Decontrol on Low-Income Communities," was written by CSS housing policy analysts Victor Bach and Thomas Waters. A copy of the report can be found at <http://www.cssny.org/research/housing/>

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For 160 years, the Community Service Society of New York has been the leading voice on behalf of low-income New Yorkers and continues to advocate for the economic security of the working poor in the nation's largest city.