

CITIZENS BUDGET COMMISSION

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CBC RELEASES “NINE FACTS NEW YORKERS SHOULD KNOW ABOUT RENT REGULATION”

Report Finds That Rent Regulations in New York City Are Not An Effective Method To Assist Lower Income Households

New York, NY – June 23, 2009 – The Citizens Budget Commission (CBC) today released a report, “Nine Facts New Yorkers Should Know About Rent Regulation.” It was prepared in connection with likely State legislative consideration of rent regulation in New York City and presents facts that should be taken into account in future discussions of rent regulation. The nine facts, discussed in greater detail in the full report (which is available at www.cbcny.org), are:

- More than one million occupied housing units are subject to rent regulation, representing about one-third of the city’s total occupied housing inventory and about one-half of all renter-occupied housing in the city.
- New York is the only major city in the country to have continuously maintained rent regulation since World War II, although the system has undergone significant changes.
- The number of units subject to rent regulation has been declining slowly.
- For about 28 percent of the households in regulated units, or more than 290,000 households, the legal regulations do not substantially lower the rent they pay.
- Rent regulation has a disproportionately strong impact on households in Manhattan.
- The income distribution of households in regulated units is lower than that of households citywide, but many higher income households occupy regulated units.
- Rent regulation does not make rents affordable for most low income households occupying regulated units.
- Many lower income households are not housed within the regulated sector, nor do they benefit from any government housing programs.
- Vacancy rates among regulated units are unusually low due to the tendency for tenants receiving the benefits to stay longer and for any vacant units to rent quickly.

“This report lays out facts that are often ignored in the highly charged debates about rent regulation,” said CBC President Carol Kellermann. “The truth is that rent regulation is not a very effective method of assisting lower income households, and that’s a fact that should be addressed.”

Founded in 1932, the Citizens Budget Commission is a nonpartisan, nonprofit civic organization devoted to influencing constructive change in the finances and services of New York City and New York State governments.