

**Statement of John T. Maher, Esq.**

**at the June 17th, 2021 Meeting of the New York City Rent Guidelines Board**

I am a Tenant and attorney who works on Housing Justice cases. I addressed the Board in 2018 at Cooper Union where I presented case studies of obscene Return on Investment (ROI) by landlords who were then granted a further rent increase by the Board. I can not be present tonight due to a medical procedure.

As you sit on the dais, the federal discount rent stands at 0.25%. The economy is not in danger and rental market rent increases are a trailing indicator. Do not make them into a leading indicator by increasing rents by 1.0%, or you invert common sense and sound economic policy.

Through the Long Year of COVID-19 landlords with large and small have received unfair benefits including: stimulus payments, mortgage moratoriums, debt rescheduling, and a NYS subsidy mechanism for reimbursement of tenant rental arrears – all while retaining a legal right to collect all arrears. In brief, landlords have been paid off the top, are doing well – and have saved on maintenance during COVID, and now want a bigger bonus in the form of a 1% rent increase which tenants can not afford.

There is propaganda being disseminated to perpetuate a “small landlord suffering myth.”

First, small landlords are viewed as targets for acquisition by larger landlords, many of whom are represented on the RGB tonight. This rollup will produce more large landlords who will wield greater market power and push for even larger subsidies in the form of rent increases.

Second, in the recently laughed out of court landlord’s federal lawsuit challenging the eviction moratoriums, *Chrysafis v Marks*, 21-cv-02516 (E.D.N.Y.), the only small landlord named as a plaintiff were Brandie LaCasse, who detailed a domestic drama of her own making involving her ex-boyfriend and children in the ritzy upstate enclave of Rhinebeck, NY; and Betty Cohen, a coop shareholder in New York City. I argue that housing nonpaying former love interests in Rhinebeck does not qualify as reason to impose a multi-million dollar regressive rent increase in New York City and neither does renting out a coop unit as an investment.

Third, however much imaginary landlord suffering is scripted into this proceeding, it can not obscure the fact that landlords fared disproportionately better during COVID-19 than tenants.

No matter what details are unique to each building or tenancy, the constants are that landlords have maintained ownership of the building and the right to rent, while tenants are responsible for all rent and have cycled into debt and despair and received, at best, a few stimulus checks which might cover 2 month's worth of COVID 19 era rent.

Fourth, within the last year many landlords have begun adding to tenant misery by warehousing vacant apartments in the hope of somehow deregulating them or registering as high a legal regulated rent as possible (See, <https://therealdeal.com/2021/03/08/manhattan-landlords-warehousing-units-in-down-market/> ; <https://www.fox5ny.com/news/nyc-warehousing-empty-apartments> sites checked 7/17/2021). Pro landlord Fox news reports a 50% warehousing rate. This creates artificial scarcity, fails to promote cash flow and a vigorous economy, and screws tenants. I personally represent tenants in Upper Manhattan where landlords are warehousing apartments, refusing to stipulate to interim use & occupancy payments, and refusing to allow tenants with expiring leases to negotiate a rent discount. RGB must not reward economic gamesmanship by landlords.

Fifth, the landlord suffering myth is belied by the recent Mayor De Blasio appointee to the Rent Guidelines Board. I first met the Appointee in a terrible case of tenant suffering where he represented a large landlord. My client as an asthmatic tenant who was forced to live with small waterfalls when it rained and large areas of toxic mold at all times. Her possessions were destroyed, and her health suffered from the damp growing mold as the leak went unabated. She withheld rent after her demands for repairs went unheeded and her ceiling collapsed and walls began to crumble due to the torrents of rain. The Appointee and his associate refused immediate repairs, and only partially relented after HPD showed up to make emergency roof repairs. A perusal of the Appointee's ECOURTS cases that he represents mostly large landlords several of whom are accused of terrible conditions causing misery to renters. That is who is sitting on the RGB and attempting to justify a rent increase on top of the Year of COVID 19 tenant suffering.

Just say no to a rent increase this year. It is unearned, unjust and fiscally unwise.

Please vote with your hearts and your heads against perpetuating an unjust system of rent increase. 1% is too much in a system which penalized black and brown and the working class. Vote "NO INCREASE."