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**Testimony of Kenneth Rosenfeld, Director of Legal Services for
the Northern Manhattan Improvement Corporation (NMIC) to the
Legislative Forum on Rent Regulation:**

May 24, 2011
Albany, New York

Thank-you Senator Espaillat for the opportunity to speak to
this legislative forum on the current status of rent regulation
in New York State.

My name is Kenneth Rosenfeld and I am the Director of Legal
Services at Northern Manhattan Improvement Corporation and a
rent stabilized tenant in New York City. From 1993 to 1999 I
was a tenant member of the New York City Rent Guidelines Board
and I have spent my entire career protecting tenants, and
particularly rent stabilized tenants from landlord abuses and
the unfairness and inequities of our current rent regulation
system.

In 1979 I moved into my building, a five story walk-up
tenement with 12 apartments, on Manhattan's Westside. At the
time all of those apartments were either rent controlled or rent
stabilized and the building was populated by a diverse group of
long term tenants. Today there are only two rent stabilized
apartments left and a one bedroom vacant apartment in this still

5 story walk up tenement rents for \$3,000 a month. This is the result of the present rent stabilization system and indicative of the destructive and detrimental effect the current system has on our neighborhoods and diverse communities.

Rent stabilization's purpose is to moderate and adjust an otherwise completely skewed, lopsided economic rental housing environment. An environment where landlords would otherwise hold all the cards and the unrelenting drive for excessive and obscene profit would force massive displacement and homelessness to people of all classes and backgrounds.

Rent stabilization is the single most important housing program in New York State. It protects, even if inadequately, all tenants under its umbrella, over 1 million households, approximately 2.5 million people in New York City and the surrounding counties. For the most part, rent stabilization does stabilize tenancies by assuring that tenants will receive lease renewals and be able to continue to stay in their homes. It is supposed to, but presently does not, assure that new tenancies, for new families and singles are protected in the same way. And finally, it theoretically moderates rent increases while affording landlords an acceptable return on investment.

This return on investment it does all too well. Witness

the extreme interest shown in the last decade by new investment in rent stabilized housing. This investment is coming from Wall Street, hedge funds and foreign money. **These interests invest because they made profits on rent stabilized buildings and on rent stabilized rents.**

It is the avowed goal of landlords and the real estate lobby to destabilize the system in order to increase their profits and remove tenant protections from New York City, Westchester, Nassau and Rockland counties. By flooding the state with money, landlords and the real estate lobby have in the past purchased damaging loopholes in the rent stabilization system. They are attempting to do the same today. In the meantime they have now thrown over 1 million households into a state of unnecessary, extreme stress. The fear of losing all protections on June 15, 2011, 23 days from now, when the law sunsets, is already causing damage to the emotional and psychological well being of middle class, working class and poor households. Where will they go when the lease ends and the landlord removes them from their apartments in the hopes of gaining outlandishly high rents simply because the landlord can and will do so? These families, 2.5 million people, will have no place to move to because the rent will be prohibitively high!

Housing is not a new car or copper or gold or stocks where

you can wait to obtain these items when the prices go down.

This is because 1) the rents never go down and, 2) you cannot survive without a place to live.

What skewed and sick political calculation allows for over 2.5 million people to be placed in jeopardy of homelessness and displacement this way? In this time of natural and humane made calamities, economic crises, unemployment, cut backs, layoffs, war and terror how can any decent feeling human being play this kind of political chicken and gamesmanship with the lives of so many? And for no good purpose, whatsoever.

Let's stop the play of nice words and the charade over rent regulations and rent stabilization. People, our families, friends and neighbors are worried sick over the fate of their homes, when they need not be. When the least we can do is make them secure and protected on this front.

It is time to move on to real problem solving for this state, and time to say no to the landlords' money, money made on profit from owning and managing rent stabilized housing.

Close the loopholes, strengthen the law, and for the simple decency and humanity's sake PASS RENT STABILIZATION NOW.

Thank-you for listening.