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Assembly Passes Rent-Regulation Revisions Opposed by Landlords

By [JEREMY W. PETERS](#)

ALBANY — The Legislature on Monday took the first step toward a sweeping revision of the state's rent-regulation laws.

The Democratic-led Assembly passed a broad package of legislation designed to restrain increases on rent-regulated apartments statewide. The legislation would essentially return to regulation tens of thousands of units that were converted to market rate in recent years.

In addition, the legislation would reduce to 10 percent, from 20 percent, the amount that a landlord can increase the rent after an apartment becomes vacant; limit the owner's ability to recover a rent-regulated apartment for personal use; and increase fines for landlords who are found to have harassed their tenants as a way of evicting them.

The legislation would also repeal the Urstadt Laws' provision that in 1971 effectively took away most of New York City's authority to regulate rents and transferred it to the state. Opponents of the legislation are concerned that the [New York City Council](#), known for its pro-tenant leanings, would enact laws that are unfavorable to landlords.

"For too long, representatives from upstate New York have had too much control over how New York City governs its housing policy," the City Council speaker, [Christine C. Quinn](#), said. "By repealing the Urstadt Laws, we can restore home rule and put authority back where it belongs — in the hands of the local legislature."

The legislation is one of the first big policy initiatives taken up in Albany since Democrats assumed control of both chambers in January. The Senate, which for decades was controlled by Republicans, was widely viewed as an ally of the real estate industry.

New York City has about one million rent-regulated apartments. Tensions have run high in recent years as developers have taken aggressive steps to convert some units to market-rate apartments to increase revenue.

The city's biggest landlord interests, which have lobbied in earnest against the legislation, strongly objected to the Assembly's action on Monday.

"This is going to be very devastating," said Joseph Strasburg, president of the [Rent Stabilization Association](#), a group that represents thousands of landlords and real estate agents in the city. "New York City is the last big city in the country that has any strong form of rent regulation. And at a time when we have an economic recession,

when rents are actually going down, this will put another nail in the coffin.”

But Democrats in Albany cheered what they said was a step toward making living in New York more affordable for working families.

“It’s a matter of fairness,” said Jonathan L. Bing, an assemblyman who represents the Upper East Side. “We’re trying to give people a way to live out their lives in the neighborhoods they’ve been calling home for decades.”

Linda B. Rosenthal, an assemblywoman who represents the Upper West Side, said that unless rent-regulation laws were changed, middle class people were at risk of being driven out of the city.

“Pretty soon we’re going to end up with a city of the very poor and the very rich,” Ms. Rosenthal said. “Our social fabric will have been torn apart. And that is not what we want in the city of New York.”

While the legislation has support among Senate Democrats, Majority Leader [Malcolm A. Smith](#) has said he will not take up rent regulation until the state’s budget problems have been addressed. Mr. Smith has indicated that once a budget is passed — presumably by March 31, when the fiscal year ends — he will be open to debating the issue.

Mr. Smith’s office released a statement on Monday saying that while Senate Democrats have “long been committed to protecting middle-income families by improving rent-regulation laws,” they were now “actively engaged in the executive budget hearings.”

Still, with the Senate split 32-30 between Democrats and Republicans, few are predicting that the legislation will pass easily. “With such a narrow majority in the Senate, every bill of importance will take a lot of negotiating,” Mr. Bing said.

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