

# New York Housing Conference

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Carol Lamberg, *Co-Chair*



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Proposed Fair Market Rents for the Housing Choice Voucher Program and Moderate Rehabilitation Single Room Occupancy Program Fiscal Year 2009

To the Office of General Counsel:

Response to Change in Fair Market Rents Proposed for New York City

The cost of operating housing in New York City went up significantly last year. Property taxes, fuel, and water rates and labor costs have gone up and there no decreases at all on any budget lines. The most recent study by the New York City Rent Guidelines Board cites an overall increase in operating costs of 5.1 per cent from 2006 to 2007, and this year's study called for increases of 4.5 per cent for a one year lease and 8 percent for a two year lease. The board based this on a seven percent increase this year. Every index showed a significantly upward trend. Even worse, no one has factored in the increased cost of fuel and electric. Therefore it defies reason to propose lower Fair Market Rents for the New York area. There are very low vacancy rates in New York, currently 3.09 per cent. The housing market is still very strong, and rents keep going up in every neighborhood. Section 8 Voucher holders compete with others in a tight market. Landlords have choices and will not rent to Voucher holders unless they can at least cover their costs. It is hard to understand why the Fair Market Rents were adjusted downwards. After looking at the implementation studies, it could be that the sample happened to include lower rents than the norms. Further, it is unlikely that the 20 per cent increase upon vacancy for rent regulated apartments was taken into account. Finally, it is strange that the Metropolitan Area is defined to exclude neighboring high rent suburbs like Nassau and Suffolk and to include Putnam and Rockland Counties, which are far away and which have depressed markets.

We propose an increase of 10 per cent, as opposed to the decrease of about \$5 per month on most sized units proposed by HUD. It is really beyond belief to think that rents in New York City have gone down.

The New York Housing Conference is composed of affordable housing developers, nonprofit organizations, managers, attorneys and advocate organizations, all dedicated to supplying adequate affordable housing for all New Yorkers. The members include expertise in every aspect of development and management. We urge you to revise the proposed Fair Market Rent schedules.

Sincerely,

John Kelly  
Co-Chair

Carol Lamberg  
Co-Chair