



Association for  
Neighborhood  
& Housing  
Development

ANHD  
50 Broad Street, Suite 1402  
New York, NY 10004  
Tel: (212) 747-1117

## **Testimony Before the New York City Council Committee on Housing and Buildings Regarding the 2023 Housing Vacancy Survey and Continuation of the New York City Rent Stabilization Law**

March 6, 2024

Thank you to Chair Pierina Sanchez and members of the Committee on Housing and Buildings for the opportunity to testify today on the state of New York City's housing vacancy, our housing emergency, and the continuing need for strong and robust rent stabilization. My name is Lucy Block, and I am the Senior Research and Data Associate at the Association for Neighborhood & Housing Development (ANHD).

### **About the Association for Neighborhood and Housing Development**

ANHD is one of New York City's lead policy, advocacy, and technical assistance and capacity-building organizations. We maintain a membership of 80+ neighborhood-based and citywide nonprofit organizations that have affordable housing and/or equitable economic development as a central component of their mission. We are an essential voice, bridging the power and impact of our member groups to build community power and ensure the right to affordable housing and thriving, equitable neighborhoods for all New Yorkers. We value justice, equity and opportunity, and we believe in the importance of movement building that centers marginalized communities in our work. ANHD turns 50 years old in 2024, and across five decades and five boroughs we have consistently focused on addressing New York's housing affordability crisis, displacement, and economic inequity to build community power.

ANHD's work directly supports the needs of our members who develop, manage, and organize to preserve affordable housing, and who fight to bring equity into low-wealth communities in New York City—especially communities of color. Our groups rely on us for technical assistance and capacity-building resources that allow them to maximize their resources, skills and impact. The support services, research, analysis, public education, and coalition building we do helps to identify patterns of local neighborhood experiences and uplift citywide priorities and needs. Our work translates into the capacity to win new programs, policies and systems that ensure the creation and preservation of deeply and permanently affordable housing, and economic justice.

As many will point out today, the newest vacancy numbers in New York City are alarming. There is a major overall decline in vacancy since the last Housing and Vacancy Survey (HVS) in 2021. Because of the citywide vacancy rate of 1.41% and many other indicators of a worsening housing emergency, we believe that the need to maintain strong rent stabilization for New Yorkers is amply clear.

**Our housing emergency and low vacancy rates are concentrated at the bottom and middle of the market, not the top.**

Many will claim that the new Housing and Vacancy Survey (HVS) results point to a need for an overall increase in housing supply by any means necessary: be they zoning amendments, government subsidy via tax exemptions, or other mechanisms.

We want to point to some of the more granular details in the newest HVS, and the fact that despite overall declines, the top end of our housing market maintains a vacancy rate that is monumentally higher than the vacancy rate of the housing that the vast majority of New Yorkers can afford.

- There are nine times as many units available in the top quarter of the market versus the bottom quarter (21,205 units available renting above \$2,400, versus 2,297 units below \$1,100)
- The vacancy rate of the top quarter of the market is 3.39%, three to eight times higher than any other segment of the market, all of which are below 1%.
- To get to a “healthy” vacancy rate of 5% across the board, we would need 7.5 times as many units renting below \$2,400 than above it.

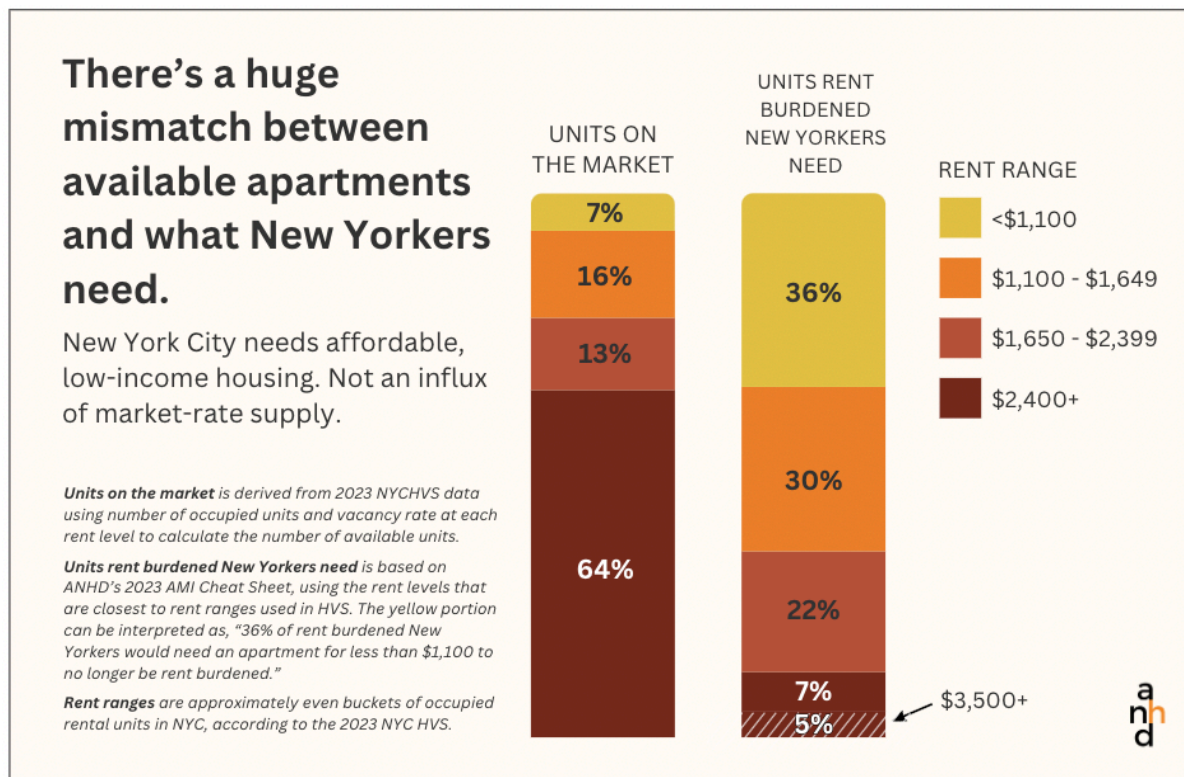
**The number of units needed in New York City varies greatly by rent range, and vacancy is concentrated at the top of the market.**

| Rent range        | Number of occupied units | Vacancy rate | Number of vacant units available for rent | Total number of vacant units needed for a 5% vacancy rate | Difference between available units and needed units |
|-------------------|--------------------------|--------------|---|---|---|
| < \$1,100         | 586,800                  | 0.39%        | <b>2,297</b>                              | <b>30,884</b>   | <b>28,587</b>                                       |
| \$1,100 - \$1,649 | 578,100                  | 0.91%        | <b>5,309</b>                              | <b>30,426</b>   | <b>25,117</b>                                       |
| \$1,650 - \$2,399 | 554,300                  | 0.79%        | <b>4,414</b>                              | <b>29,174</b>   | <b>24,760</b>                                       |
| \$2,400+          | 604,300                  | 3.39%        | <b>21,205</b>                             | <b>31,805</b>   | <b>10,601</b>                                       |
| Overall           | 2,324,000                | 1.41%        | 33,210                                    | <b>122,316</b>  | <b>89,106</b>                                       |

Data source: 2023 NYCHVS Selected Initial Findings. **Bolded** numbers were calculated by ANHD.

While vacancy has tightened overall, we miss the story if we don't examine the details of the numbers. The number of units available to rent in each of the HVS-defined rent ranges (which are split roughly into quartiles) varies dramatically. There are an estimated 21,205 units available to rent at the top end of the market, with a vacancy rate of 3.39%, but only 2,297 units available to rent at the bottom, with a vacancy rate of just 0.39%.<sup>1</sup> **We indeed have a vacancy crisis; but the true emergency lies in the availability of units for average New Yorkers, who can't afford new market-rate units.** In order to achieve a 5% vacancy rate across all segments of the market, we would need 7.5 times as many units below \$2,400/month than above it.

Using the typical 30% of income affordability standard, a \$2,400 two-bedroom apartment is affordable to a household making \$96,000 per year – slightly less than 80% AMI for a three-person household in 2023. While an estimated 36% of New York City renter households make above \$100,000,<sup>2</sup> those households constitute just 12% of the city's rent-burdened population.<sup>3</sup> The remaining 88% of the rent-burdened population makes less than that amount. Therefore, the top quarter of the rental market, with the highest vacancy rate of 3.39%, is affordable to approximately 12% of the city's rent-burdened population.



<sup>1</sup> To calculate the number of available rental units, we used the following formula for each rent range:  $a = bc \div (I - c)$  where  $a$  = the number of available units,  $b$  = the number of occupied units, and  $c$  = the vacancy rate.

<sup>2</sup> 2023 NYCHVS Selected Initial Findings,

<https://www.nyc.gov/assets/hpd/downloads/pdfs/about/2023-nychvs-selected-initial-findings.pdf>, Table 14.

Note: according to ANHD's 2023 AMI Cheat Sheet, 40.5% of the New York City renter population makes at least \$101,680, which we consider to be a similar estimate.

<sup>3</sup> ANHD, 2023 AMI Cheat Sheet, <https://anhd.org/report/2023-ami-cheat-sheet>.

Furthermore, most new units are much more expensive than \$2,400 – apartments on the market had a median rent of \$3,500/month or higher throughout 2023.<sup>4</sup> A \$3,500 apartment is affordable to just 4.7% of New York City’s rent-burdened population.

The HVS results also show us how our housing crisis continues to disproportionately impact people of color and immigrant New Yorkers. 47% of renters with a Black householder<sup>5</sup> were rent burdened (with 28% of households severely rent burdened), followed by 46% of foreign-born households (with 27% of households severely rent burdened), and 45% of Hispanic households (with 27% of households severely rent burdened).<sup>6</sup> Even more starkly, 23% of Black households, 21% of households of two or more races, and 20% of Hispanic households reported more than three housing problems, compared to just 9% of White and Asian households.<sup>7</sup>

The Selected Initial Findings of the HVS tell a clear story. Of all available vacant units, the vast majority are concentrated at the highest end of the rental market, which has the lowest share of New York City’s rent-burdened population. The median available unit has a rent that less than 5% of our city’s rent-burdened population can afford. So who are \$3,500 apartments serving, and what are they doing to alleviate our housing crisis?

**We must focus our policies and resources on the preservation of affordable low-income housing, including strong protections to keep low-income tenants in their homes, and plan for and develop new deeply and permanently affordable housing for those who most need it.**

While we do not have enough of it, our rent stabilized housing stock is a fundamental source of affordability for millions of tenants, and even more so since harmful loopholes were closed in 2019. Median rents of occupied rent-stabilized apartments are three-quarters of market-rate apartments: \$1,500 versus \$2,000. Without a doubt, the **City Council must extend our rent stabilization laws, one of the core mechanisms for low- and middle-income New Yorkers to remain in our city.**

We must expand and creatively use existing operating subsidies such as Section 8 and CityFHEPS vouchers to prevent evictions and secure homes for people experiencing homelessness. This means implementing the CityFHEPS package that the City Council has championed, fighting source of income discrimination, and expanding the overall voucher pool. We appreciate the City Council’s determination to ensure the package’s full implementation. **We hope to continue working alongside the Council to exercise every means at our disposal – including enforcement of source of income discrimination and expanded funding – to enable New Yorkers to use vouchers to access safe, secure, and permanent housing.**

---

<sup>4</sup> NYC Comptroller Brad Lander, Spotlight: New York City’s Rental Housing Market, January 17, 2024.

<https://comptroller.nyc.gov/reports/spotlight-new-york-citys-rental-housing-market>

<sup>5</sup> The race, ethnicity, and origin of renter households is defined by that of the respondent to the survey, also called the “householder” or “head of household” (see Appendix A, p.82).

<sup>6</sup> 2023 NYC HVS Selected Initial Findings, Table 18.

<sup>7</sup> Ibid, Table 16.

**The City Council must defend Right to Counsel**, one of our best ways to protect tenants who are facing eviction and displacement and may have viable options to stay in their homes, including one-shot deals and vouchers. New York City's Right to Counsel has been gravely weakened by an unwillingness by the courts to slow cases until eligible tenants can obtain representation that they are entitled to, resulting in over 46,000 tenant households that have faced eviction alone.<sup>8</sup> Underfunding is also a major source of the problem, which is why the city must **fully fund Right to Counsel with at least \$351 million this year**. The Office of Civil Justice (OCJ), which was created to implement Right to Counsel, has instead taken a back seat and done little to advocate for tenants' rights to representation. In addition to full funding, **we urge the City Council to publicly support the Right to Counsel Coalition's demands to OCJ, Chief Judge Rowan Wilson, the Office of Court Administration, and the state legislature**.

We urge the City Council to prioritize the development of housing for those who most need it via policy and allocation of capital dollars. We need more capital subsidies for permanently and deeply affordable housing and more resources for mission-driven and community-controlled developments that New Yorkers want and that best align with their needs. We need to make sure that our public resources and our public land go to where they are needed most and to actors who will steward those resources in the best interests of our communities. Given the clear need and lack of availability of units under \$2,400 per month, **our city's subsidy programs must prioritize housing at this level, which the market is simply not inclined to address on its own**. This could include updated term sheets, further use of income-averaging, and new options to include project-level operating subsidy to make lower rents sustainable.

**We also ask the City Council to pass the Community Land Act**, which will provide communities with more tools to fight speculation, develop responsibly, and move distressed buildings into the hands of responsible community stewards.

Thank you for providing the opportunity to testify today and to the New York City Council for its leadership and commitment to true solutions to our housing affordability crisis. We look forward to ongoing work to make sure our city can be a place for low- and middle-income New Yorkers to thrive.

If you have any questions or for more information, do not hesitate to contact Lucy Block at [lucy.b@anhd.org](mailto:lucy.b@anhd.org).

\*\*\*\*

---

<sup>8</sup> Right to Counsel Coalition and ANHD, NYC Eviction Crisis Monitor.  
<https://www.righttocounselnyc.org/nycrcrisismonitor>.