

**Metropolitan Council on Housing
NYS Tenants & Neighbors Coalition**

April 23, 2007

Mayor Michael Bloomberg
City Hall
New York, New York 10007

Dear Mayor Bloomberg,

We write to lodge a strong protest against your continuing to allow Marvin Markus to serve as chair of the New York City Rent Guidelines Board.

Mr. Markus is very knowledgeable about housing. But the way that he conducts RGB meetings and uses the power of the chair is completely inappropriate.

We find it surprising that he still holds his office after the intemperate and injudicious conduct Mr. Markus displayed last year, when at one RGB meeting he lost his temper tantrums and began screaming obscenely at a witness – an incident that landed in print. While this incident was the most dramatic of his many outbursts, it was not out of character. The way he treats tenants who appear before the board is consistently unacceptable. He is rude, condescending, arrogant, and high handed.

It was the disrespectful behavior that Marvin Markus visited on tenants last spring that resulted in the decision by more than three dozen tenant and community organizations working in coalition to disrupt the final vote. When so many people feel disrespected and disenfranchised, when their legitimate complaints are ignored and even ridiculed, when it is

clear that the process in which they are being asked to participate is a sham, then they will react.

It is very clear that Marvin Markus is not an appropriate choice to serve as chair of this board which holds life and death power over the household budgets of more than one million hard-pressed families who rent their homes.

The current crop of public members, none more so than the chair, fail the test in that they do not understand that the purpose of the rent stabilization system is to **keep rents affordable** – not only for current residents but for future ones as well – not to protect the profits of landlords who according to last year’s RGB staff report are on average netting 38 cents on the dollar (2006 Income and Expense Study, prepared by RGB staff, available on the RGB website, www.housingnyc.com).

The other public members consistently defer to Mr. Markus instead of making their own decisions. Some of the public members speak about our “housing affordability crisis,” but then they go along with Mr. Markus in adopting rent increases at the top of the justifiable range. Five years ago, when landlords’ operating costs actually decreased for the first time ever in the history of the rent stabilization system, Mr. Markus nevertheless engineered rent increases of 2 and 4 percent.

Last year you removed the only truly thoughtful and competent public member, Martin Zelnik. Of course, we understand that you probably did not directly make this decision, but Mr. Zelnik was the only public member that Marvin Markus could not control. As a result, we suspect that Mr. Markus worked with your appointments office to remove him. A shame, as Mr. Zelnik is exactly what a public member of the Rent Guidelines Board should be.

Mr. Markus exercises inordinate control over the entire process of setting rent guidelines. The scenario goes like this: Mr. Markus allows

the two tenant members to make one motion, which fails on a vote of 2-7, and allows the two landlord members to make one motion, which also fails 2-7. Mr. Markus then makes a motion, *as chair*, that wraps all “apartment” items the RGB considers into one omnibus motion, which then passes with the other four public members voting with him. It is difficult for tenants in the audience to avoid drawing the conclusion that the public members’ votes had been committed in advance.

Worse: for the past three years Mr. Markus has manipulated the preliminary vote by proposing a range of possible rent increases, instead of actual numbers. Last year, for example, his motion for preliminary guidelines (which passed) was for a range of 3 to 6.5 percent for one-year lease renewals, and a range of 5 to 8.5 percent for two-year lease renewals.

There is an enormous difference between a 3 percent increase and a 6.5 percent increase for one-year lease renewals. The “range” undermines the spirit of notice and comment embodied in the City Administrative Procedures Act, and in administrative law in general. The public cannot effectively comment on a moving target. This is bad policy, at least, and of dubious legality. And yet the four other public members go along with this maneuver, instead of working to put preliminary numbers out there so the public can comment on them.

Past RGB chairs have allowed other members of the board, not only landlord and tenant members but public members as well, to make a series of motions for the guidelines over the course of the meeting. This process can actually be useful, allowing board members to engage in discussion and debate, although it takes a longer time for a final result.

But the preliminary and final votes of the last three years have had all the hallmarks of a charade and a done deal. Is it any wonder tenants see this entire process as a sham?

We urge that you, Mr. Mayor, attend the May 7 preliminary vote and the June 22 final vote, in order for you to understand exactly what a sham the RGB process is under Mr. Markus. The board's decisions affect some 2.7 million residents of New York City who live in rent-regulated apartments.

Finally, we also must urge you, Mr. Mayor, to reverse a decision Mr. Markus has made to hold the May 7 preliminary RGB vote and the June 22 final RGB vote at 10:00 am, instead of 5:00 pm which has been the practice for many years. This is an obvious ploy on the part of Mr. Markus to prevent working tenants from attending.

When the two tenant members of the RGB objected to this change, Mr. Markus announced that the time of the vote was "the prerogative of the chair" and that he did not intend to reconsider the decision. The other four public members sat silent.

Your administration can do better.

Sincerely,

Jenny Laurie
Met Council on Housing
Coalition

Natasha Winegar
NYS Tenants & Neighbors

cc: Deputy Mayor Dan Doctoroff
Andrea Shapiro Davis
Members of the NYC Rent Guidelines Board