

New York Mayor De Blasio makes token gesture against evictions

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New York City mayor Bill de Blasio signed a new law on August 11 that is supposed to guarantee legal representation to low-income residents facing eviction from their apartments. As of 2014, when the law was first proposed, 90 percent of landlords had lawyers in eviction cases while only 10 percent of tenants had legal representation. The new law will not come into full effect until 2020.

In New York's extremely tight housing market, the city's big landlords are notorious for using illegal and at times brutal tactics to drive out tenants, especially those in rent-controlled or rent-stabilized apartments, in order to substantially increase rents and maximize profits. Those tenants who cannot afford legal representation are at an overwhelming disadvantage when confronted by the high-priced lawyers representing wealthy real estate interests. In 2015, for example, nearly 22,000 tenants suffered eviction from their homes.

The so-called progressive Democrat de Blasio, elected four years ago pledging to fight the city's extreme and growing inequality, is making a number of cosmetic and ineffectual moves regarding housing and homelessness, in order to burnish his credentials in advance of his coming re-election campaign. For example, in addition to this latest law, a few of the most notorious landlords have recently been subject to legal action.

Not only do landlords force out existing tenants, they also flagrantly violate existing regulations intended to moderate the rate at which apartment rents can be increased.

In one recent and especially telling example, Kushner Companies, a major real estate firm in New York, and the family firm of Jared Kushner, President Donald Trump's son-in-law and senior advisor, has been

accused of a "systematic effort to illegally overcharge tenants and remove affordable apartments from rent regulation."

The suit, brought by the non-profit Housing Rights Initiative (HRI), alleges that Kushner Companies buys existing buildings subject to city rent regulations and then uses brazen subterfuges to proceed as if most or all of the units are unregulated. In one case cited by HRI, Kushner bought a building in Brooklyn in which all the apartments were subject to rent stabilization (i.e. a limitation on the rate at which rents could be increased), but registered only 10 percent of the units as falling under the regulation.

The head of HRI cites one instance in which a Kushner-owned one-bedroom apartment in which the tenant was being charged \$2,500 per month but the legal rent was only \$1,100. According to the *New York Times*, Kushner owns more than 20,000 apartments and nearly 14 million square feet of office space.

A recent audit by New York State's Tenant Protection Unit (TPU) revealed that out of a sample of 1,100 landlords 40 percent were unable to justify their rents.

Supporters of the law on legal representation for poor tenants claim that it will result in a significant reduction in homelessness. This is highly unlikely. Or, at least, they say, it could "soften the blow" by various mitigative measures such as finding alternative housing for those losing their homes, a cosmetic solution at best. The real significance of this legislation must be viewed within the context of the city's ever-worsening crisis in homelessness and lack of affordable housing.

In recent years, homelessness in New York City has reached a record high. Approximately sixty-thousand people, the equivalent of a small city, now spend the night in homeless shelters and thousands more are

living on the streets, “in the rough.” Between 2010 and 2017, the numbers for families with children in shelters shot up by nearly 49 percent. The de Blasio administration’s efforts have had no substantial effect on the homelessness crisis in New York.

A recent study by the real estate web site EasyStreet reveals that for most of the population rents are rising twice as quickly as wages. The study showed that since 2010, while median rents rose by 3.9 percent a year, wages increased by only 1.8 percent. The rate of increase for the lowest rents, the bottom 20 percent, was the highest: 4.9 percent a year since 2010. At the same time, the lowest fifth of wage earners saw their incomes fall by 1.1 percent.

By contrast, the highest priced rentals rose only 3 percent per year over the same period while the wealth of the city’s elite grows ever greater. The result is that the cost of housing is becoming increasingly unaffordable for all but the wealthiest segments of the population.

The disparity between income and housing costs places working class tenants at a growing risk of economic catastrophe. A 2016 report by the Association for Neighborhood & Housing Development found that the savings of nearly 60 percent of city residents are insufficient to cover three months of basic household expenses. The level of poverty and its concentration in a growing number of neighborhoods is rising rapidly.

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The fundamental problem stems from ever-growing economic inequality caused by the crisis of the capitalist system. This is manifested in the twin phenomena of upwardly spiraling rents and stagnant or declining wages. Under these conditions, free legal representation for those facing eviction, no matter how effective in individual cases, will do little to stem the growing tide of homelessness.

In addition, funding for the promised legal services is in jeopardy. Twenty percent of Legal Services NYC’s funding, the agency that would provide legal representation to the poor in eviction cases, comes from the federal government’s Legal Services Corporation, the budget of which the Trump administration has promised to slash, as part of the overall assault on social services.



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