

Battles Loom Over Rent-Controlled NYC Apartments

With the sale last year of a large number of the city's public housing units, the battle over New York City's subsidized housing was brought into stark relief. Indeed, last year's sale of the Manhattan apartment complexes was not only the largest sale of city land ever, it was part of a larger trend. Over the past several Republican administrations in City Hall, and even before that, the city has been steadily reducing their responsibilities in the public housing sector.

The problem has become especially acute as housing prices began to soar in the latest housing boom. Property values became so high that the city felt more and more pressure from landlords to raise the ceilings on monthly rentals in rent-controlled apartments.

Now however, as the economy is beginning to tank, a whole world of hurt is starting to come down on the pocketbooks of those living in rent controlled apartments.

As if that weren't enough, oil prices are going to be killing residents and landlords of NYC apartments this years.

So, while rents haven't decreased by all that much, the cost of owning and operating a [New York City apartment](#) building has.

In fact, the increased pressure on both sides of the subsidized NYC apartment battle could end up being the first instance of a return to stagflation leading to a major political fight in the coming years. As both the demand for public housing and the cost of supplying it increases, something will have to give way in the current set of political battles over public housing policy.

If recent history is any indication, the city will end up moving further in the direction of pushing its poor and middle class families further and further to the borders of the city.

It would take an administration in city hall that is considerably to the left of the past several mayoralities to reverse this trend in the make up of [NYC apartments](#).

In the current political climate, this looks unlikely. However, if the NYC economy continues to do well in comparison to the rest of the country's, then there the funds will be available to the city in order to increase subsidies to both tenants and landlords.

That is to say, the city could, in effect, offset both the rising fuel prices and the upward pressure on rental rates. The question, however, is whether or not the political will is going to be there come decision time.

And that, unlike most variables in the housing market, will be up to the voters.

About the Author

Nicholas Adams Judge is a freelance writer specializing in business, politics and economics. He holds a B.A. in political science and will begin his PhD studies in political economy and public opinion next fall. He has studied economics and political science at a number of different institutions, both here and in the U.K., including Amherst College, Warwick University, Oxford University and the University of Massachusetts-Amherst. [New York City apartment](#)

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