

THE REAL DEAL

NEW YORK REAL ESTATE NEWS

With evictions clock ticking, tenant advocates throw Hail Mary

“Good cause” backers push for passage before moratorium lapses Jan. 15

New York /January 05, 2022 08:00 AM

By Suzannah Cavanaugh



Gov. Kathy Hochul, Sen. Julia Salazar, Housing Justice For All's Cea Weaver (Getty Images, NY State Senate, Housing Justice for All, iStock)

In just 10 days New York’s nearly two-year ban on evictions will likely be history. For landlords, Jan. 15 cannot come soon enough.

When the latest extension of the moratorium lapses, owners will finally have a legal route to reclaim their property and an estimated \$2 billion in back rent from nonpaying tenants.

But that mid-January day also looms as a boogeyman for landlords.

Tenant advocates, while resigned to the moratorium’s sunset, see it as an opportunity to push through a permanent eviction protection that would also limit rent increases statewide.

On Friday, the state Senate will hold a virtual hearing on the so-called good cause eviction legislation introduced in 2019 by Sen. Julia Salazar, who said in a statement she is “optimistic that the bill will move forward soon.”

“I never like to count my chickens before they hatch, but we feel pretty good about the progress we’re making with the legislature on this bill,” said Cea Weaver, campaign coordinator of the tenant group Housing Justice For All, which [launched a push](#) for good cause in November. No Assembly hearing has been scheduled.

Unlikely as it might seem for lawmakers to pass such a sweeping law only two weeks into the legislative session, the [staggering rise of Covid cases](#) — the initial impetus for the eviction ban — combined with fears of mass evictions could be a compelling argument.

“Anything can happen in Albany,” Weaver said. “We want good cause to be in place by the time the moratorium expires. That is a priority.”

State legislators and real estate groups say another extension is likely off the table. As one political insider explained, that would take a lot of political capital, and lawmakers have other goals.

Still, 12 landlord groups wrote to Gov. Kathy Hochul and the legislature Monday night to lay out why the eviction ban is no longer needed. The letter writers, including the Real Estate Board of New York and the Rent Stabilization Association, argued that other protections, such as the year of no eviction that rent relief applicants receive, are sufficient.

They even recommended the state continue the [Tenant Safe Harbor Act](#), which covers Covid-related hardship but is set to lapse on Jan. 15, through the end of June.

For Weaver, who helped pass the 2019 rent law overhaul that shocked landlords, those are inadequate substitutes for good cause.

“We need Kathy Hochul’s support and the Assembly to follow,” she said. “There are some clear next steps.”

The bill would give tenants the right to a lease renewal in most instances and offer those whose rent increased over 3 percent or 150 percent of the inflation rate, whichever is higher, a defense against eviction for nonpayment.

To evict or recoup arrears, a landlord would have to “convince a judge that the higher rent increase was justified,” said Mark Mishler, legislative director to Salazar.

The bill is far from the blanket ban on evictions now in place. Under good cause, owners would still be able to file for eviction if a tenant did not pay.

But in New York City, where rent soared nearly 11 percent last year after falling in 2020, according to apartment rental agency [Dwellsy](#), the real estate industry says good cause would deal another financial blow to owners who have [struggled to cover](#) maintenance costs with pandemic-depleted rent rolls.

“Between rising taxes and water and sewer bills, that’s what makes rents go up,” said Frank Ricci, executive vice president of the Rent Stabilization Association. “So putting a cap on what an owner can charge will ultimately limit the income available to an owner to maintain the housing. It will be a slow death for the building.”

Weaver said the bill would be an “exit ramp” for the moratorium and supplement the Tenant Safe Harbor Act, which lets tenants challenge an eviction over rent missed between March 2020 and Jan. 15, 2022, by claiming economic hardship. Landlords can still win a monetary judgment.

Democrats control both houses of the legislature, which will begin its session online Monday. That leaves just five days to push through good cause before the ban expires, then get the governor on board. Hochul has [yet to take a stance](#) on the legislation, and moderate Democrats might wish to avoid putting her on the spot as she runs for election. Republicans do not support the bill.

Hochul, a moderate running for election this year, would need to weigh tenant votes against the potential for good cause to motivate a pro-landlord Republican constituency that surprised Democrats in November by flipping seats in Nassau County and winning four New York City Council races.

Good cause eviction “will be a tipping point for the legislature in 2022; it will determine how far to the left Albany is willing to go to support socialist policies rather than focus on fiscally sound policies that spur economic development,” said Kyle Strober, executive director of real estate trade group Association for a Better Long Island.

He said the legislation is being pushed by a “vocal minority of socialists in New York City.”

“Should Albany continue to placate this vocal minority with a far-left agenda, we will most likely see the 2022 elections mimic the 2021 elections,” Strober predicted.