BIG CITY

Wars Over Regulation of Rent Are Only a Sideshow

By GINIA BELLAFANTE
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With a certain regularity, New Yorkers are given the opportunity to engage in a satisfyingly maddening if futile pastime: decrying the obscenities of rent regulation.

Kirsten Luce for The New York Times
Jeanne and James D. Harmon Jr. are seeking to overturn the city's rent-stabilization laws.

The narratives present themselves readily: Last year we learned that for nearly two decades, Faye Dunaway had a rent-stabilized apartment on the Upper East Side for which she paid about $1,000 a month. Many of us know someone, or know someone who knows someone, who has managed to live a Woody Allen life in a sprawling West Side classic-six for monthly carrying costs that would seem only minimally to exceed the cable bill. In some of these instances, the lucky jerk unfairly receiving the city's largess has managed to save up so much money that August will find him at his second place in the Berkshires or the South of France.

These accounts allow us to regard instances of lunacy and system failure as representative of the norm. The latest case to command attention, ignite furies and lend credence to these particular urban mythologies revolves around the efforts of a former federal prosecutor, James D. Harmon Jr., to overturn the city's rent-stabilization laws based on personal grievance. Mr. Harmon and his wife, Jeanne, as my colleague Anemona Hartocollis has reported, are the owners of a brownstone on West 76th Street, off Central Park, and have three rent-stabilized apartments in their building, one of them occupied by a tenant who pays $951.22 a month for a one-bedroom. During the past two decades, the Harmons claim in court documents, they have been effectively financing the $1,500 monthly mortgage payments the tenant makes on her Long Island weekend home.

If the tenant were a puppeteer or a composer of avant-garde operettas, we could rationalize her good fortune by arguing that the city ought to be a place hospitable to eccentric creativity. But, indefensibly, the Harmons' tenant, The Wall Street Journal reported last week, toils in the remunerative and mundane realm of executive recruiting.

The couple have lost two prior legal battles to reverse the laws that keep their tenants in place. Currently, though, Mr. Harmon is in the middle of petitioning the United States Supreme Court to hear his case, in part on the

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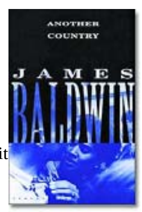

In honor of the long-awaited return of "Mad Men" on March 25, the Big City Book Club is getting in the spirit of 1960s Manhattan. Our next selection is James Baldwin's 1962 novel, "Another Country," which chronicles the descent of the jazz drummer Rufus Scott.

Baldwin recreates the world of Greenwich Village bohemians for an examination of race, emotional denial, professional rivalry, tortured marriages and other subjects that the AMC series has mined so well. Join us for an online conversation April 4 at a new time, from 7 to 10 p.m.

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Kirsten Luce for The New York Times

TEST CASE The landlords want help from the Supreme Court.

grounds that the state's rent-regulation statutes violate the due process clauses of the 5th and 14th Amendments. The past week had the city, the state and Mr. Harmon, who is representing himself along with co-counsel, filing briefs to the court, which will presumably decide on it soon. And this coming week, the City Council is expected to ask the state to renew the regulations, and the state is expected, as usual, to comply.

That makes Mr. Harmon angry. "Either there is such a thing as private property or there isn't," he told me. "I'm 68; my wife is 67. We'd like to plan for our future such as it might be."

While it requires virtually no effort to sympathize with someone in his position, this kind of story and the conversations it generates tend to obscure the fact that rent stabilization and rent control, despite profound flaws and inefficiencies, do not disproportionately benefit the affluent. According to an analysis of the most recent city data, which date to 2008, by New York University's Furman Center for Real Estate and Urban Policy, the median income of a New Yorker in a rent-stabilized apartment is $36,000 a year; in Manhattan, it is $50,000.

"Certain types of stabilization can create more integrated communities," the Harvard economist Edward Glaeser, author of the book "Triumph of the City," said to me recently. "New York is a more diverse place because of rent stabilization, and I say that as a staunch and steadfast enemy of rent stabilization."

Of the city's 1,063,000 rent-regulated units, approximately 41,000 are in the hands of households making $150,000 a year or more. If we hired private investigators to examine the ranks of those households, we would surely find egregious abuses of the system — unmarried lawyers making $350,000 salaries — but we would presumably also find families of five living on less than half of that. (And it hardly bears remarking that $175,000 in New York City is not the same as $175,000 in Jackson, Miss.)

Moreover, according to the city data, approximately 240,000 rent-controlled and rent-stabilized units are occupied by those making $15,000 or less a year.

What a fixation with rent regulation often does is deflect our attention from other policies and economic perversions that keep New York City's housing from being affordable to a broad stretch of its population. More than half of New Yorkers, whether they are in rent-stabilized apartments or those priced at market rates, spend above 30 percent of their income on rent, according to the Furman Center; 25 percent to 30 percent has long been the guideline. Nearly a third of those in rent-stabilized apartments are paying more than 50 percent in rent. A few weeks ago, I wrote about a formerly homeless man whose salary was insufficient to pay for a $963-a-month one-bedroom apartment in an undesirable part of the South Bronx.

In his provocative new e-book, aptly titled "The Rent Is Too Damn High," the Slate columnist Matthew Yglesias points to, among other things, all the zoning restrictions that keep New York and other cities from growing taller and accommodating greater numbers.

It is easy to walk around a neighborhood like Cobble Hill in Brooklyn and never think about the extent to which rows and rows of beautifully preserved, untouchable low-rise brownstones contribute to the city's perennial housing shortage. And, anyway, it's a lot more fun to blame Faye Dunaway.

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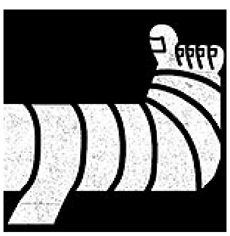

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