

3326--A

2009-2010 Regular Sessions

I N S E N A T E

March 16, 2009

Introduced by Sens. STEWART-COUSINS, ADAMS, ADDABBO, DIAZ, HASSELL-THOMPSON, HUNTLEY, KLEIN, KRUEGER, MONSERRATE, ONORATO, PERKINS, SAVINO, SCHNEIDERMAN, SERRANO, SQUADRON, STAVISKY -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the emergency tenant protection act of nineteen seventy-four, in relation to limited-profit housing companies and other buildings or structures which received project-based rental assistance

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Legislative findings and declaration of emergency. The
2 legislature hereby finds and declares that the serious public emergency
3 which led to the enactment of the existing laws regulating residential
4 rents and evictions continues to exist; that such laws would better
5 serve the public interest if certain changes were made thereto, includ-
6 ing extending to certain cities, towns and villages the authority to
7 provide for the regulation of rents and evictions with regard to housing
8 accommodations that cease or have ceased to be regulated pursuant to
9 article 2 of the private housing finance law, known as the Mitchell-Lama
10 law, or pursuant to project-based section eight contracts entered into
11 with the federal government.

12 The legislature further recognizes that severe disruption of the
13 rental housing market has occurred and threatens to be exacerbated as a
14 result of the abrupt termination of rent and eviction regulation when
15 buildings completed or substantially renovated as family units on or
16 after January first, nineteen hundred seventy-four exit the Mitchell-
17 Lama program or when buildings cease to be subject to project-based
18 section eight contracts. The situation had permitted speculative and
19 profiteering practices and has brought about the loss of vital and irre-
20 placeable affordable housing for working persons and families.

21 The legislature therefore declares that in order to prevent uncertain-
22 ty, potential hardship and dislocation of tenants living in housing

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 accommodations subject to government regulations as to rentals and
2 continued occupancy as well as those not subject to such regulations,
3 the provisions of this act are necessary to protect the public health,
4 safety and general welfare. The necessity in the public interest for the
5 provisions hereinafter enacted is hereby declared as a matter of legis-
6 lative determination.

7 S 2. Section 5 of section 4 of chapter 576 of the laws of 1974 consti-
8 tuting the emergency tenant protection act of nineteen seventy-four is
9 amended by adding a new subdivision c to read as follows:

10 C. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, NOTHING SHALL
11 PREVENT THE DECLARATION OF AN EMERGENCY PURSUANT TO SECTION THREE OF
12 THIS ACT FOR RENTAL HOUSING ACCOMMODATIONS LOCATED IN BUILDINGS OR
13 STRUCTURES WHICH WERE OWNED BY A COMPANY ESTABLISHED UNDER ARTICLE TWO
14 OF THE PRIVATE HOUSING FINANCE LAW, OTHER THAN A MUTUAL COMPANY, WHICH
15 ARE NO LONGER OWNED BY SUCH COMPANY BY REASON OF A VOLUNTARY DISSOLUTION
16 PURSUANT TO SECTION THIRTY-FIVE OF SUCH LAW OR FOR RENTAL HOUSING ACCOM-
17 MODATIONS LOCATED IN BUILDINGS OR STRUCTURES DEFINED AS COVERED PROJECTS
18 PURSUANT TO SECTION 8 OF THE UNITED STATES HOUSING ACT OF NINETEEN THIR-
19 TY-SEVEN, AS AMENDED, OR ANY SUCCESSOR STATUTE, AND ANY REGULATIONS
20 PROMULGATED THEREUNDER IN WHICH RENTAL HOUSING ACCOMMODATIONS RECEIVED
21 PROJECT-BASED RENTAL ASSISTANCE FROM THE UNITED STATES DEPARTMENT OF
22 HOUSING AND URBAN DEVELOPMENT PURSUANT TO CONTRACTS WITH THE OWNERS OF
23 SUCH BUILDINGS OR STRUCTURES WHICH EXPIRED OR WERE TERMINATED. THE
24 INITIAL LEGAL REGULATED RENT FOR HOUSING ACCOMMODATIONS LOCATED IN
25 BUILDINGS OR STRUCTURES THAT WERE OWNED BY HOUSING COMPANIES OR THAT
26 WERE COVERED PROJECTS PREVIOUSLY REGULATED UNDER THE PRIVATE HOUSING
27 FINANCE LAW OR UNDER FEDERAL LAW, SHALL BE THE RENT CHARGED TO AND PAID
28 BY THE TENANT IN OCCUPANCY ON JANUARY FIRST, TWO THOUSAND SEVEN OR, FOR
29 ACCOMMODATIONS VACANT ON SUCH DATE, THE MOST RECENT RENT CHARGED TO AND
30 PAID BY A TENANT PRIOR TO SUCH DATE, INCLUDING ANY INCOME-RELATED
31 SURCHARGES, AS ADJUSTED BY ALL APPLICABLE GUIDELINES INCREASES AND OTHER
32 INCREASES AUTHORIZED BY LAW. THE PROVISIONS OF SUBDIVISION A OF SECTION
33 NINE OF THIS ACT OR OF SUBDIVISION A OF SECTION 26-513 OF THE ADMINIS-
34 TRATIVE CODE OF THE CITY OF NEW YORK SHALL NOT APPLY TO ANY HOUSING
35 ACCOMMODATION WHICH BECAME SUBJECT TO THIS ACT PURSUANT TO THE
36 PROVISIONS OF THIS SUBDIVISION.

37 S 3. Notwithstanding any provision of law to the contrary, in a city
38 having a population of one million or more, the New York city rent
39 stabilization law of nineteen hundred sixty-nine may be amended by local
40 law or ordinance to provide for the regulation of rents and evictions
41 and the enforcement of such rent stabilization law with regard to hous-
42 ing accommodations made subject to such law by a declaration of emergen-
43 cy made pursuant to this act.

44 S 4. This act shall take effect immediately and shall apply to housing
45 accommodations located in buildings or structures owned by housing
46 companies that dissolved on, before or after such date and to housing
47 accommodations in buildings or structures that were covered projects and
48 had contracts for rental assistance that expired or were terminated on,
49 before or after such date; provided that the amendments to section 5 of
50 the emergency tenant protection act of nineteen seventy-four made by
51 section two of this act shall expire on the same date as such act
52 expires and shall not affect the expiration of such act as provided in
53 section 17 of chapter 576 of the laws of 1974.