

3326--D

2009-2010 Regular Sessions

I N S E N A T E

March 16, 2009

Introduced by Sens. STEWART-COUSINS, ADAMS, ADDABBO, DIAZ, DILAN, HASSELL-THOMPSON, HUNTLEY, KLEIN, KRUEGER, ONORATO, PARKER, PERALTA, 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 -- recommitted to the Committee on Housing, Construction and Community Development in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- 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

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

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1 result of the abrupt termination of rent and eviction regulation when
2 buildings exit the Mitchell-Lama program or when buildings cease to be
3 subject to project-based section eight contracts. The situation had
4 permitted speculative and profiteering practices and has brought about
5 the loss of vital and irreplaceable affordable housing for working
6 persons and families.

7 The legislature therefore declares that in order to prevent uncertain-
8 ty, potential hardship and dislocation of tenants living in housing
9 accommodations subject to government regulations as to rentals and
10 continued occupancy as well as those not subject to such regulations,
11 the provisions of this act are necessary to protect the public health,
12 safety and general welfare. The necessity in the public interest for the
13 provisions hereinafter enacted is hereby declared as a matter of legis-
14 lative determination.

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

18 C. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, NOTHING SHALL
19 PREVENT THE DECLARATION OF AN EMERGENCY PURSUANT TO SECTION THREE OF
20 THIS ACT FOR RENTAL HOUSING ACCOMMODATIONS LOCATED IN BUILDINGS OR
21 STRUCTURES COMPLETED OR SUBSTANTIALLY RENOVATED AS FAMILY UNITS ON OR
22 AFTER JANUARY FIRST, NINETEEN HUNDRED SEVENTY-FOUR: (I) WHICH HAVE OR
23 HAD BEEN OWNED, LEASED OR OPERATED BY A COMPANY ESTABLISHED OR OPERATING
24 UNDER ARTICLE TWO OF THE PRIVATE HOUSING FINANCE LAW, OTHER THAN A MUTU-
25 AL COMPANY, AND WHICH ARE NO LONGER OWNED, LEASED OR OPERATED BY SUCH
26 COMPANY BY REASON OF A VOLUNTARY DISSOLUTION PURSUANT TO SECTION THIR-
27 TY-FIVE OF SUCH LAW OR (II) WHICH WERE DEFINED AS COVERED PROJECTS
28 PURSUANT TO SECTION 8 OF THE UNITED STATES HOUSING ACT OF NINETEEN THIR-
29 TY-SEVEN, AS AMENDED, OR ANY SUCCESSOR STATUTE, AND ANY REGULATIONS
30 PROMULGATED THEREUNDER IN WHICH RENTAL HOUSING ACCOMMODATIONS RECEIVED
31 PROJECT-BASED RENTAL ASSISTANCE FROM THE UNITED STATES DEPARTMENT OF
32 HOUSING AND URBAN DEVELOPMENT PURSUANT TO CONTRACTS WITH THE OWNERS OF
33 SUCH BUILDINGS OR STRUCTURES WHICH EXPIRED OR WERE TERMINATED. THE
34 INITIAL LEGAL REGULATED RENT FOR HOUSING ACCOMMODATIONS LOCATED IN
35 BUILDINGS OR STRUCTURES THAT HAVE OR HAD BEEN OWNED, LEASED OR OPERATED
36 BY HOUSING COMPANIES OR THAT WERE COVERED PROJECTS PREVIOUSLY REGULATED
37 UNDER THE PRIVATE HOUSING FINANCE LAW OR UNDER FEDERAL LAW, SHALL BE THE
38 RENT CHARGED TO AND PAID BY THE TENANT IN OCCUPANCY ON JANUARY FIRST,
39 TWO THOUSAND SEVEN OR, FOR ACCOMMODATIONS VACANT ON SUCH DATE, THE MOST
40 RECENT RENT CHARGED TO AND PAID BY A TENANT PRIOR TO SUCH DATE, INCLUD-
41 ING ANY INCOME-RELATED SURCHARGES, AS ADJUSTED BY ALL APPLICABLE GUIDE-
42 LINES INCREASES AND OTHER INCREASES AUTHORIZED BY LAW, NOTWITHSTANDING
43 ANY WRITTEN LEASE OR AGREEMENT BETWEEN THE TENANT AND THE LANDLORD
44 ESTABLISHING OR AGREEING TO ANY INCREASES IN RENT ON OR AFTER JANUARY
45 FIRST, TWO THOUSAND SEVEN, PROVIDED NO LANDLORD SHALL BE REQUIRED TO
46 REFUND ANY RENT PAID BY A TENANT IN EXCESS OF SUCH ADJUSTED RENT.

47 S 3. The provisions of subdivision a of section nine of the emergency
48 tenant protection act of nineteen seventy-four or of subdivision a of
49 section 26-513 of the administrative code of the city of New York shall
50 not apply to any housing accommodation which became subject to the emer-
51 gency tenant protection act of nineteen seventy-four pursuant to the
52 provisions of subdivision c of section 5 of section 4 of chapter 576 of
53 the laws of 1974 or to any such housing accommodation otherwise subject
54 to the emergency tenant protection act of nineteen seventy-four by
55 reason of its location in a building completed or substantially reno-

1 vated as family units prior to January first, nineteen hundred seventy-
2 four.

3 S 4. This act shall take effect immediately and shall apply to housing
4 accommodations located in buildings or structures owned by housing
5 companies that dissolved on, before or after such date and to housing
6 accommodations in buildings or structures that were covered projects and
7 had contracts for rental assistance that expired or were terminated on,
8 before or after such date; provided that the amendments to section 5 of
9 the emergency tenant protection act of nineteen seventy-four made by
10 section two of this act shall expire on the same date as such act
11 expires and shall not affect the expiration of such act as provided in
12 section 17 of chapter 576 of the laws of 1974.