

7881

2013-2014 Regular Sessions

I N A S S E M B L Y

June 7, 2013

Introduced by M. of A. ROSENTHAL -- read once and referred to the
Committee on Housing

AN ACT to amend the administrative code of the city of New York and the
emergency housing rent control law, in relation to the establishment
of rent adjustments; and repealing certain provisions of the adminis-
trative code of the city of New York relating thereto

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

1 Section 1. Subdivision a of section 26-405 of the administrative code
2 of the city of New York is amended by adding a new paragraph 10 to read
3 as follows:
4 (10) (A) NOTWITHSTANDING ANY CONTRARY PROVISIONS OF THIS SUBDIVISION,
5 EFFECTIVE JANUARY FIRST, TWO THOUSAND FOURTEEN, MAXIMUM RENTS FOR HOUS-
6 ING ACCOMMODATIONS SUBJECT TO THIS CHAPTER SHALL NO LONGER BE ESTAB-
7 LISHED PURSUANT TO THE OPENING PARAGRAPH OF PARAGRAPH FOUR OF THIS
8 SUBDIVISION.
9 (B) EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH, THE RENT GUIDE-
10 LINES BOARD ESTABLISHED PURSUANT TO SECTION 26-510 OF THIS TITLE SHALL
11 ESTABLISH ANNUAL RATES OF RENT ADJUSTMENT FOR THE CLASS OF HOUSING
12 ACCOMMODATIONS SUBJECT TO THIS CHAPTER, IN THE MANNER PROVIDED BY SUCH
13 SECTION. THE FACT THAT THE HOUSING ACCOMMODATION IS SUBJECT TO THIS
14 CHAPTER MAY NOT BE CONSIDERED AS A FACTOR IN DETERMINING THE RATE OF
15 RENT ADJUSTMENT. NOT LATER THAN OCTOBER FIRST, TWO THOUSAND THIRTEEN,
16 AND NOT LATER THAN OCTOBER FIRST ANNUALLY THEREAFTER, THE RENT GUIDE-
17 LINES BOARD SHALL FILE WITH THE CITY CLERK AND THE DIVISION OF HOUSING
18 AND COMMUNITY RENEWAL ITS FINDINGS ESTABLISHED IN CONSIDERATION OF THE
19 ECONOMIC FACTORS LISTED IN SUBDIVISION B OF SECTION 26-510 OF THIS
20 TITLE, AND SHALL ACCOMPANY SUCH FINDINGS WITH A STATEMENT OF THE MAXIMUM
21 RATE OR RATES OF RENT ADJUSTMENT, IF ANY, FOR ONE OR MORE CLASSES OF
22 ACCOMMODATIONS SUBJECT TO THIS CHAPTER AUTHORIZED FOR THE ADJUSTMENT OF
23 THE MAXIMUM RENT OF THE HOUSING ACCOMMODATION FOR THE TWELVE MONTH PERI-

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

LBD09961-04-3

1 OD COMMENCING JANUARY FIRST, TWO THOUSAND THIRTEEN AND FOR EACH SUCCEED-
2 ING TWELVE MONTH PERIOD.

3 (C) EFFECTIVE JANUARY FIRST, TWO THOUSAND FOURTEEN, THE MAXIMUM
4 COLLECTABLE RENT IN EFFECT AS OF DECEMBER THIRTY-FIRST, TWO THOUSAND
5 THIRTEEN PLUS AN AVERAGE OF THE PREVIOUS FIVE YEARS OF ONE-YEAR RENT
6 INCREASES ON STABILIZED APARTMENTS AS ESTABLISHED BY THE RENT GUIDELINES
7 BOARD, PROVIDED THAT A LANDLORD SHALL NOT COLLECT ANY RENT INCREASE OR
8 ADJUSTMENT OTHERWISE COLLECTIBLE UNDER SUBPARAGRAPH (B) OF THIS PARA-
9 GRAPH UNLESS AND UNTIL THE FIRST RENT PAYMENT DATE AFTER THE LANDLORD
10 CERTIFIES TO THE CITY RENT AGENCY THAT ALL RENT IMPAIRING VIOLATIONS, AS
11 DEFINED BY SECTION THREE HUNDRED TWO-A OF THE MULTIPLE DWELLING LAW, AND
12 AT LEAST EIGHTY PER CENTUM OF ALL OTHER VIOLATIONS OF THE HOUSING MAIN-
13 TENANCE CODE OR OTHER STATE OR LOCAL LAWS THAT IMPOSE REQUIREMENTS ON
14 PROPERTY AND WHICH WERE RECORDED OR ISSUED AGAINST THE PROPERTY ON JULY
15 FIRST, TWO THOUSAND TWELVE, OR JULY FIRST OF THE YEAR PRECEDING THE
16 ADJUSTMENT, WHICHEVER IS LATER, HAVE BEEN CLEARED, CORRECTED OR ABATED
17 AND THE LANDLORD HAS RECEIVED AN ORDER OF ELIGIBILITY FROM THE CITY RENT
18 AGENCY THAT THE VIOLATION CLEARING REQUIREMENTS SET FORTH ABOVE HAVE
19 BEEN MET AND FURTHER AUTHORIZING THE LANDLORD TO COLLECT ANY RENT
20 INCREASE OR ADJUSTMENT AUTHORIZED PURSUANT TO SUBPARAGRAPH (B) OF THIS
21 PARAGRAPH, AND THE LANDLORD HAS SERVED SUCH ORDER UPON THE TENANT RESID-
22 ING IN THE HOUSING ACCOMMODATION AND THAT THE LANDLORD HAS MAINTAINED
23 ALL ESSENTIAL AND REQUIRED SERVICES PURSUANT TO SECTION 2102.3 OF THE
24 NEW YORK CITY RENT AND EVICTION REGULATIONS. THE RENT GUIDELINES BOARD
25 SHALL ANNUALLY ISSUE INFORMATIONAL MATERIAL SETTING FORTH THE MAXIMUM
26 RATES. ANY HOUSING ACCOMMODATION FOR WHICH A RENT INCREASE PURSUANT TO
27 PARAGRAPHS THREE AND FOUR OF THIS SUBDIVISION HAS TAKEN EFFECT ON OR
28 AFTER JULY FIRST, TWO THOUSAND THIRTEEN SHALL NOT BE SUBJECT TO AN
29 INITIAL RENT ADJUSTMENT PURSUANT TO THIS SUBPARAGRAPH UNTIL JANUARY
30 FIRST, TWO THOUSAND FIFTEEN.

31 (D) MAXIMUM RATES OF RENT ADJUSTMENT SHALL NOT BE ESTABLISHED MORE
32 THAN ONCE ANNUALLY FOR ANY HOUSING ACCOMMODATION SUBJECT TO THIS CHAPTER
33 WITHIN THE RENT GUIDELINES BOARD'S JURISDICTION. ONCE ESTABLISHED, NO
34 SUCH RATE SHALL BE ADJUSTED BY ANY SURCHARGE, SUPPLEMENTARY ADJUSTMENT,
35 REOPENER OR OTHER MODIFICATION.

36 (E) NOTHING CONTAINED IN THIS PARAGRAPH SHALL ALTER, RESTRICT OR
37 IMPAIR AN OWNER'S RIGHT TO ESTABLISH THE INITIAL REGULATED RENT FOR
38 ACCOMMODATIONS SUBJECT TO THIS CHAPTER WHICH BECOME VACANT.

39 S 2. Paragraph 5 of subdivision a of section 26-405 of the administra-
40 tive code of the city of New York is amended to read as follows:

41 (5) Where a maximum rent established pursuant to this chapter on or
42 after January first, nineteen hundred seventy-two, is higher than the
43 previously existing maximum rent, the landlord may not collect more than
44 [seven and one-half percentum increase] AN AVERAGE OF THE PREVIOUS FIVE
45 YEARS OF ONE-YEAR RENT INCREASES ON STABILIZED APARTMENTS AS ESTABLISHED
46 BY THE RENT GUIDELINES BOARD from a tenant in occupancy on such date in
47 any one year period, provided however, that where the period for which
48 the rent is established exceeds one year, regardless of how the
49 collection thereof is averaged over such period, the rent the landlord
50 shall be entitled to receive during the first twelve months shall not be
51 increased by more than [seven and one-half percentum over the previous
52 rent and additional annual rents shall not exceed seven and one-half
53 percentum of the rent paid during the previous year] AN AVERAGE OF THE
54 PREVIOUS FIVE YEARS OF ONE-YEAR RENT INCREASES ON STABILIZED APARTMENTS
55 AS ESTABLISHED BY THE RENT GUIDELINES BOARD. Notwithstanding any of the
56 foregoing limitations in this paragraph five, maximum rent shall be

1 increased if ordered by the agency pursuant to subparagraphs (d), (e),
2 (f), (g), (h), (i)[, (k), (l),] OR (m) [or (n)] of paragraph one of
3 subdivision g of this section. [Commencing January first, nineteen
4 hundred eighty, rent adjustments pursuant to subparagraph (n) of para-
5 graph one of subdivision g of this section shall be excluded from the
6 maximum rent when computing the seven and one-half percentum increase
7 authorized by this paragraph five.] Where a housing accommodation is
8 vacant on January first, nineteen hundred seventy-two, or becomes vacant
9 thereafter by voluntary surrender of possession by the tenants, the
10 maximum rent established BY THE RENT GUIDELINES BOARD for such accommo-
11 dations may be collected.

12 S 3. Subparagraphs (k), (l) and (n) of paragraph 1 of subdivision g of
13 section 26-405 of the administrative code of the city of New York are
14 REPEALED.

15 S 4. Section 4 of chapter 274 of the laws of 1946, constituting the
16 emergency housing rent control law, is amended by adding a new subdivi-
17 sion 9 to read as follows:

18 9. NOTWITHSTANDING ANY CONTRARY PROVISIONS OF THIS LAW, EFFECTIVE
19 JANUARY FIRST, TWO THOUSAND FOURTEEN, EXCEPT AS OTHERWISE PROVIDED IN
20 THIS SUBDIVISION, THE RENT FOR HOUSING ACCOMMODATIONS SUBJECT TO THIS
21 CHAPTER LOCATED IN THE COUNTIES OF WESTCHESTER, ROCKLAND AND NASSAU
22 SHALL BE ADJUSTED AS FOLLOWS:

23 (A) THE COUNTY RENT BOARDS ESTABLISHED PURSUANT TO SECTION 4 OF THE
24 EMERGENCY TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, SHALL ESTAB-
25 LISH ANNUAL RENT ADJUSTMENTS FOR THE CLASS OF HOUSING ACCOMMODATIONS
26 SUBJECT TO THIS CHAPTER LOCATED IN THE COUNTIES OF WESTCHESTER, ROCKLAND
27 AND NASSAU, IN THE MANNER PROVIDED BY SUCH SECTION. THE FACT THAT THE
28 HOUSING ACCOMMODATION IS SUBJECT TO THIS LAW MAY NOT BE CONSIDERED AS A
29 FACTOR IN DETERMINING THE RATE OF RENT ADJUSTMENT. NOT LATER THAN OCTO-
30 BER FIRST, TWO THOUSAND THIRTEEN, AND NOT LATER THAN OCTOBER FIRST ANNU-
31 ALLY THEREAFTER, THE COUNTY RENT BOARDS SHALL FILE WITH THE COMMISSION
32 THEIR FINDINGS ESTABLISHED IN CONSIDERATION OF THE ECONOMIC FACTORS
33 LISTED IN SUBDIVISION B OF SECTION 4 OF THE EMERGENCY TENANT PROTECTION
34 ACT OF NINETEEN SEVENTY-FOUR, AND SHALL ACCOMPANY SUCH FINDINGS WITH A
35 STATEMENT OF THE MAXIMUM RATE OR RATES OF RENT ADJUSTMENT, IF ANY, FOR
36 ONE OR MORE CLASSES OF ACCOMMODATIONS SUBJECT TO THIS LAW WITHIN SUCH
37 COUNTIES AUTHORIZED FOR THE ADJUSTMENT OF THE MAXIMUM RENT OF THE HOUS-
38 ING ACCOMMODATION FOR THE TWELVE MONTH PERIOD COMMENCING JANUARY FIRST,
39 TWO THOUSAND FOURTEEN, AND FOR EACH SUCCEEDING TWELVE MONTH PERIOD.

40 (B) EFFECTIVE JANUARY FIRST, TWO THOUSAND FOURTEEN, THE MAXIMUM RENT
41 COLLECTIBLE FROM THE TENANT SHALL BE AN AVERAGE OF THE PREVIOUS FIVE
42 YEARS OF ONE-YEAR RENT INCREASES ON STABILIZED APARTMENTS, AS ESTAB-
43 LISHED BY THE RENT GUIDELINES BOARD. HOWEVER, NO SUCH INCREASE PURSUANT
44 TO PARAGRAPH (A) OF THIS SUBDIVISION SHALL BE AUTHORIZED UNTIL THE EXPI-
45 RATION OF TWELVE MONTHS FROM THE EFFECTIVE DATE OF ANY RENT ADJUSTMENT
46 AUTHORIZED PURSUANT TO REGULATIONS ADOPTED FOR RENT ADJUSTMENTS TO
47 COMPENSATE FOR UNAVOIDABLE INCREASED COSTS OF OPERATIONS AS PROVIDED FOR
48 UNDER THIS LAW.

49 (C) MAXIMUM RATES OF RENT ADJUSTMENT SHALL NOT BE ESTABLISHED MORE
50 THAN ONCE ANNUALLY FOR ANY HOUSING ACCOMMODATION SUBJECT TO THIS LAW
51 WITHIN A BOARD'S JURISDICTION. ONCE ESTABLISHED, NO SUCH RATE SHALL BE
52 ADJUSTED BY ANY SURCHARGE, SUPPLEMENTARY ADJUSTMENT, REOPENER OR OTHER
53 MODIFICATION.

54 (D) NOTHING CONTAINED IN THIS PARAGRAPH SHALL ALTER, RESTRICT OR
55 IMPAIR AN OWNER'S RIGHT TO ESTABLISH THE INITIAL REGULATED RENT FOR
56 ACCOMMODATIONS SUBJECT TO THIS LAW WHICH BECOME VACANT.

1 S 5. This act shall take effect immediately; provided that the amend-
2 ments to section 26-405 of the city rent and rehabilitation law made by
3 sections one and two of this act shall remain in full force and effect
4 only as long as the public emergency requiring the regulation and
5 control of residential rents and evictions continues, as provided in
6 subdivision 3 of section 1 of the local emergency housing rent control
7 act; and provided that the amendments to section 4 of the emergency
8 housing rent control law made by section four of this act shall expire
9 on the same date as such law expires and shall not affect the expiration
10 of such law as provided in subdivision 2 of section 1 of chapter 274 of
11 the laws of 1946.