

3285--B

2015-2016 Regular Sessions

I N S E N A T E

February 4, 2015

Introduced by Sens. SQUADRON, HOYLMAN -- 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 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the administrative code of the city of New York, the emergency tenant protection act of nineteen seventy-four and the emergency housing rent control law, in relation to adjustment of maximum allowable rent

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

1 Section 1. Subparagraph (e) of paragraph 1 of subdivision g of section
2 26-405 of the administrative code of the city of New York, as amended by
3 section 15 of part B of chapter 97 of the laws of 2011, is amended to
4 read as follows:
5 (e) The landlord and tenant by mutual voluntary written agreement
6 agree to a substantial increase or decrease in dwelling space or a
7 change in the services, furniture, furnishings or equipment provided in
8 the housing accommodations. An adjustment under this subparagraph SHALL
9 BE TEMPORARY UNTIL SUCH INCREASE OR MODIFICATION HAS BEEN PAID FOR AND
10 shall be equal to [one-fortieth, in the case of a building with thirty-
11 five or fewer housing accommodations, or one-sixtieth, in the case of a
12 building with more than thirty-five housing accommodations where such
13 adjustment takes effect on or after September twenty-fourth, two thou-
14 sand eleven,] ONE EIGHTY-FOURTH of the total cost incurred by the land-
15 lord in providing such modification or increase in dwelling space,
16 services, furniture, furnishings or equipment, including the cost of
17 installation, but excluding finance charges AND COSMETIC IMPROVEMENTS,
18 provided further that an owner who is entitled to a rent increase pursu-
19 ant to this subparagraph shall not be entitled to a further rent

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

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1 increase based upon the installation of similar equipment, or new furni-
2 ture or furnishings within the useful life of such new equipment, or new
3 furniture or furnishings. The owner shall give written notice to the
4 city rent agency of any such adjustment pursuant to this subparagraph;
5 or

6 S 2. Subdivision g of section 26-405 of the administrative code of the
7 city of New York is amended by adding a new paragraph 8 to read as
8 follows:

9 (8) (A) WITHIN ONE HUNDRED TWENTY DAYS OF THE EFFECTIVE DATE OF THIS
10 PARAGRAPH, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE A
11 SCHEDULE OF REASONABLE COSTS FOR UPGRADES AND IMPROVEMENTS THAT MAY BE
12 CLAIMED AS A BASIS FOR AN ADJUSTMENT OF RENT PURSUANT TO SUBPARAGRAPH
13 (E) OF PARAGRAPH ONE OF THIS SUBDIVISION. THE SCHEDULE OF REASONABLE
14 COSTS SHALL EXCLUDE COSMETIC IMPROVEMENTS. THE SCHEDULE OF REASONABLE
15 COSTS SHALL BE BASED ON THE AVERAGE COSTS FOR SIMILAR UPGRADES OR
16 IMPROVEMENTS MADE TO COMPARABLE PROPERTIES LOCATED IN EACH COUNTY,
17 SUBJECT TO THE PROVISIONS OF THIS CHAPTER, AND SHALL BE UPDATED AT LEAST
18 ONCE EVERY TWO YEARS. NO INCREASE IN RENT SHALL BE COLLECTIBLE UNDER
19 SUBPARAGRAPH (E) OF PARAGRAPH ONE OF THIS SUBDIVISION BASED UPON COSTS
20 THAT EXCEED THE REASONABLE COSTS SET FORTH IN THE SCHEDULE, UNLESS
21 APPROVED BY THE DIVISION PURSUANT TO SUBPARAGRAPH (B) OF THIS PARAGRAPH.

22 (B) WITHIN THIRTY DAYS OF THE SIGNING OF A MUTUAL VOLUNTARY WRITTEN
23 AGREEMENT INCLUDING A RENT INCREASE PURSUANT TO SUBPARAGRAPH (E) OF
24 PARAGRAPH ONE OF THIS SUBDIVISION THAT INCLUDES IMPROVEMENTS THAT EXCEED
25 THE SCHEDULE OF REASONABLE COSTS PURSUANT TO SUBPARAGRAPH (A) OF THIS
26 PARAGRAPH, THE LANDLORD WILL FILE WITH THE DIVISION OF HOUSING AND
27 COMMUNITY RENEWAL AN EXPLANATION OF HOW THE RENT WAS COMPUTED, AND ALL
28 DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUD-
29 ING BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS
30 CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED AND A STATEMENT THAT ANY
31 INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS
32 PERMITTED BY LAW. UPON RECEIPT OF ALL DOCUMENTS SUBMITTED BY THE LAND-
33 LORD, AND AFTER GIVING THE TENANT AN OPPORTUNITY TO RESPOND, THE DIVI-
34 SION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN ORDER APPROVING OR
35 DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART.

36 (C) WITHIN THIRTY DAYS OF THE SIGNING OF A MUTUAL VOLUNTARY WRITTEN
37 AGREEMENT INCLUDING A RENT INCREASE THAT EXCEEDS TEN PERCENT OF THE
38 MAXIMUM COLLECTIBLE RENT, THE LANDLORD WILL FILE WITH THE DIVISION OF
39 HOUSING AND COMMUNITY RENEWAL AN EXPLANATION OF HOW THE RENT WAS
40 COMPUTED, AND ALL DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH
41 INCREASE, INCLUDING BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND
42 SIGNED CONTRACTS CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED AND A
43 STATEMENT THAT ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE
44 WITH ADJUSTMENTS PERMITTED BY LAW. UPON RECEIPT OF ALL DOCUMENTS
45 SUBMITTED BY THE OWNER, AND AFTER GIVING THE TENANT AN OPPORTUNITY TO
46 RESPOND, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN
47 ORDER APPROVING OR DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART. BASED
48 UPON SUCH DETERMINATION, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL
49 SHALL ORDER A REFUND TO THE TENANT EQUAL TO THE AMOUNT COLLECTED IN
50 EXCESS OF THE RENT APPROVED BY THE DIVISION OF HOUSING AND COMMUNITY
51 RENEWAL.

52 (D) NO INCREASE IN RENT SHALL BE COLLECTIBLE UNDER SUBPARAGRAPH (E) OF
53 PARAGRAPH ONE OF THIS SUBDIVISION UNTIL:

54 (1) THE LANDLORD HAS PROVIDED THE TENANT WITH A WRITTEN NOTICE,
55 INCLUDING AN EXPLANATION OF HOW THE RENT IN THE MUTUAL VOLUNTARY WRITTEN
56 AGREEMENT HAS BEEN COMPUTED, AND THE SPECIFIC AMOUNTS OF ALL EXPENDI-

TURES SUPPORTING A RENT INCREASE UNDER SUBPARAGRAPH (E) OF PARAGRAPH ONE OF THIS SUBDIVISION; AND

(2) THE LANDLORD HAS FILED WITH THE DIVISION OF HOUSING AND COMMUNITY RENEWAL AN EXPLANATION OF HOW THE RENT WAS COMPUTED, AND ALL DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUDING, BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS ENTERED INTO CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED, AND A STATEMENT THAT ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS PERMITTED BY LAW.

(E) NO INCREASE SHALL BE COLLECTIBLE UNDER SUBPARAGRAPH (E) OF PARAGRAPH ONE OF THIS SUBDIVISION WHERE THE DIVISION OF HOUSING AND COMMUNITY RENEWAL HAS DETERMINED THAT THE OWNER IS NOT MAINTAINING ALL BUILDING-WIDE REQUIRED SERVICES OR ALL REQUIRED SERVICES WITH RESPECT TO THE AFFECTED HOUSING ACCOMMODATION, OR WHERE THERE ARE CURRENT OR OUTSTANDING HAZARDOUS VIOLATIONS OF ANY MUNICIPAL, COUNTY, STATE OR FEDERAL LAW WHICH RELATE TO THE MAINTENANCE OF SUCH SERVICES.

S 3. Paragraph 13 of subdivision c of section 26-511 of the administrative code of the city of New York, as amended by section 16 of part B of chapter 97 of the laws of 2011, is amended to read as follows:

(13) provides that an owner is entitled to a TEMPORARY rent increase where there has been a substantial modification or increase of dwelling space or an increase in the services, or installation of new equipment or improvements or new furniture or furnishings provided in or to a tenant's housing accommodation, UNTIL SUCH MODIFICATION OR INCREASE HAS BEEN PAID FOR, on written tenant consent to the rent increase. In the case of a vacant housing accommodation, tenant consent shall not be required.

(A) The [permanent] TEMPORARY increase in the legal regulated rent for the affected housing accommodation shall be [one-fortieth, in the case of a building with thirty-five or fewer housing accommodations, or one-sixtieth, in the case of a building with more than thirty-five housing accommodations where such permanent increase takes effect on or after September twenty-fourth, two thousand eleven,] ONE EIGHTY-FOURTH of the total cost incurred by the landlord in providing such modification or increase in dwelling space, services, furniture, furnishings or equipment, including the cost of installation, but excluding finance charges AND COSMETIC IMPROVEMENTS.

(B) Provided further that an owner who is entitled to a rent increase pursuant to this paragraph shall not be entitled to a further rent increase based upon the installation of similar equipment, or new furniture or furnishings within the useful life of such new equipment, or new furniture or furnishings.

S 4. Subdivision c of section 26-511 of the administrative code of the city of New York is amended by adding a new paragraph 15 to read as follows:

(15) (A) WITHIN ONE HUNDRED TWENTY DAYS OF THE EFFECTIVE DATE OF THIS PARAGRAPH, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE A SCHEDULE OF REASONABLE COSTS FOR UPGRADES AND IMPROVEMENTS THAT MAY BE CLAIMED AS A BASIS FOR AN ADJUSTMENT OF RENT PURSUANT TO PARAGRAPH THIRTEEN OF THIS SUBDIVISION. THE SCHEDULE OF REASONABLE COSTS SHALL EXCLUDE COSMETIC IMPROVEMENTS. THE SCHEDULE OF REASONABLE COSTS SHALL BE BASED ON THE AVERAGE COSTS FOR SIMILAR UPGRADES OR IMPROVEMENTS MADE TO COMPARABLE PROPERTIES LOCATED IN EACH COUNTY, SUBJECT TO THE PROVISIONS OF THIS CHAPTER, AND SHALL BE UPDATED AT LEAST ONCE EVERY TWO YEARS. NO INCREASE IN RENT SHALL BE COLLECTIBLE UNDER PARAGRAPH THIRTEEN OF THIS SUBDIVISION BASED UPON COSTS THAT EXCEED THE REASONABLE COSTS

1 SET FORTH IN THE SCHEDULE, UNLESS APPROVED BY THE DIVISION PURSUANT TO
2 SUBPARAGRAPH (B) OF THIS PARAGRAPH.

3 (B) WITHIN THIRTY DAYS OF THE SIGNING OF A VACANCY LEASE INCLUDING A
4 RENT INCREASE PURSUANT TO PARAGRAPH THIRTEEN OF THIS SUBDIVISION THAT
5 INCLUDES IMPROVEMENTS THAT EXCEED THE SCHEDULE OF REASONABLE COSTS
6 PURSUANT TO SUBPARAGRAPH (A) OF THIS PARAGRAPH, THE LANDLORD WILL FILE
7 WITH THE DIVISION OF HOUSING AND COMMUNITY RENEWAL AN EXPLANATION OF HOW
8 THE VACANCY RENT WAS COMPUTED, AND ALL DOCUMENTS NECESSARY TO SUPPORT
9 THE COLLECTION OF SUCH INCREASE, INCLUDING BUT NOT LIMITED TO, CANCELLED
10 CHECKS, INVOICES AND SIGNED CONTRACTS CONTEMPORANEOUSLY WITH THE
11 IMPROVEMENTS ALLEGED AND A STATEMENT THAT ANY INCREASE ABOVE THE PREVI-
12 OUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS PERMITTED BY LAW. UPON
13 RECEIPT OF ALL DOCUMENTS SUBMITTED BY THE LANDLORD, AND AFTER GIVING THE
14 TENANT NAMED IN THE VACANCY LEASE AN OPPORTUNITY TO RESPOND, THE DIVI-
15 SION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN ORDER APPROVING OR
16 DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART.

17 (C) WITHIN THIRTY DAYS OF THE SIGNING OF A VACANCY LEASE INCLUDING A
18 RENT INCREASE THAT EXCEEDS TEN PERCENT OF THE RENT CHARGED TO THE PREVI-
19 OUS TENANT, THE LANDLORD WILL FILE WITH THE DIVISION OF HOUSING AND
20 COMMUNITY RENEWAL AN EXPLANATION OF HOW THE RENT WAS COMPUTED, AND ALL
21 DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUD-
22 ING BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS
23 CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED AND A STATEMENT THAT ANY
24 INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS
25 PERMITTED BY LAW. UPON RECEIPT OF ALL DOCUMENTS SUBMITTED BY THE OWNER,
26 AND AFTER GIVING THE TENANT NAMED IN SUCH VACANCY LEASE AN OPPORTUNITY
27 TO RESPOND, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN
28 ORDER APPROVING OR DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART. BASED
29 UPON SUCH DETERMINATION, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL
30 SHALL ORDER A REFUND TO THE TENANT EQUAL TO THE AMOUNT COLLECTED IN
31 EXCESS OF THE RENT APPROVED BY THE DIVISION OF HOUSING AND COMMUNITY
32 RENEWAL.

33 (D) NO INCREASE IN RENT SHALL BE COLLECTIBLE UNDER PARAGRAPH THIRTEEN
34 OF THIS SUBDIVISION UNTIL:

35 (I) THE LANDLORD HAS PROVIDED THE TENANT WITH A WRITTEN NOTICE,
36 INCLUDING AN EXPLANATION OF HOW THE RENT IN THE VACANCY LEASE HAS BEEN
37 COMPUTED, AND THE SPECIFIC AMOUNTS OF ALL EXPENDITURES SUPPORTING A RENT
38 INCREASE UNDER PARAGRAPH THIRTEEN OF THIS SUBDIVISION; AND

39 (II) THE LANDLORD HAS FILED WITH THE DIVISION OF HOUSING AND COMMUNITY
40 RENEWAL AN EXPLANATION OF HOW THE VACANCY RENT WAS COMPUTED, AND ALL
41 DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUD-
42 ING, BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS
43 ENTERED INTO CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED, AND A
44 STATEMENT THAT ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE
45 WITH ADJUSTMENTS PERMITTED BY LAW.

46 (E) NO INCREASE SHALL BE COLLECTIBLE UNDER PARAGRAPH THIRTEEN OF THIS
47 SUBDIVISION WHERE THE DIVISION OF HOUSING AND COMMUNITY RENEWAL HAS
48 DETERMINED THAT THE OWNER IS NOT MAINTAINING ALL BUILDING-WIDE REQUIRED
49 SERVICES OR ALL REQUIRED SERVICES WITH RESPECT TO THE AFFECTED HOUSING
50 ACCOMMODATION, OR WHERE THERE ARE CURRENT OR OUTSTANDING HAZARDOUS
51 VIOLATIONS OF ANY MUNICIPAL, COUNTY, STATE OR FEDERAL LAW WHICH RELATE
52 TO THE MAINTENANCE OF SUCH SERVICES.

53 S 5. Paragraph 1 of subdivision d of section 6 of section 4 of chapter
54 576 of the laws of 1974, constituting the emergency tenant protection
55 act of nineteen seventy-four, as amended by section 18 of part B of
56 chapter 97 of the laws of 2011, is amended to read as follows:

(1) there has been a substantial modification or increase of dwelling space or an increase in the services, or installation of new equipment or improvements or new furniture or furnishings, provided in or to a tenant's housing accommodation, on written tenant consent to the rent increase. In the case of a vacant housing accommodation, tenant consent shall not be required.

(A) The [permanent] TEMPORARY increase in the legal regulated rent for the affected housing accommodation shall be [one-fortieth, in the case of a building with thirty-five or fewer housing accommodations, or one-sixtieth, in the case of a building with more than thirty-five housing accommodations where such permanent increase takes effect on or after September twenty-fourth, two thousand eleven,] ONE EIGHTY-FOURTH of the total cost incurred by the landlord in providing such modification or increase in dwelling space, services, furniture, furnishings or equipment, including the cost of installation, but excluding finance charges AND COSMETIC IMPROVEMENTS.

(B) Provided further that an owner who is entitled to a rent increase pursuant to this paragraph shall not be entitled to a further rent increase based upon the installation of similar equipment, or new furniture or furnishings within the useful life of such new equipment, or new furniture or furnishings.

(C) THE OWNER SHALL GIVE WRITTEN NOTICE TO THE DIVISION OF HOUSING AND COMMUNITY RENEWAL AND THE TENANT NAMED IN A VACANCY LEASE ON FORMS PRESCRIBED BY THE DIVISION OF ANY SUCH ADJUSTMENT PURSUANT TO THIS PARAGRAPH AND THE FAILURE TO PROVIDE SUCH WRITTEN NOTICE AS PROVIDED HEREIN SHALL PRECLUDE THE COLLECTION OF ANY SUCH ADJUSTMENT. SUCH NOTICE MUST INCLUDE A DETAILED BREAKDOWN OF THE NATURE AND COST OF ANY IMPROVEMENTS UNDERLYING AN INCREASE IN RENT UNDER THIS PARAGRAPH AND A STATEMENT THAT ANY INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS PERMITTED BY LAW. THE OWNER SHALL FILE WITH THE DIVISION OF HOUSING AND COMMUNITY RENEWAL ALL DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUDING, BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS ENTERED INTO CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED.

S 6. Subdivision d of section 6 of section 4 of chapter 576 of the laws of 1974, constituting the emergency tenant protection act of nineteen seventy-four, is amended by adding a new paragraph 6 to read as follows:

(6) (A) WITHIN ONE HUNDRED TWENTY DAYS OF THE EFFECTIVE DATE OF THIS PARAGRAPH, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE A SCHEDULE OF REASONABLE COSTS FOR UPGRADES AND IMPROVEMENTS THAT MAY BE CLAIMED AS A BASIS FOR AN ADJUSTMENT OF RENT PURSUANT TO PARAGRAPH ONE OF THIS SUBDIVISION. THE SCHEDULE OF REASONABLE COSTS SHALL EXCLUDE COSMETIC IMPROVEMENTS. THE SCHEDULE OF REASONABLE COSTS SHALL BE BASED ON THE AVERAGE COSTS FOR SIMILAR UPGRADES OR IMPROVEMENTS MADE TO COMPARABLE PROPERTIES LOCATED IN EACH COUNTY, SUBJECT TO THE PROVISIONS OF THIS ACT, AND SHALL BE UPDATED AT LEAST ONCE EVERY TWO YEARS. NO INCREASE IN RENT SHALL BE COLLECTIBLE UNDER PARAGRAPH ONE OF THIS SUBDIVISION BASED UPON COSTS THAT EXCEED THE REASONABLE COSTS SET FORTH IN THE SCHEDULE, UNLESS APPROVED BY THE DIVISION PURSUANT TO SUBPARAGRAPH (B) OF THIS PARAGRAPH.

(B) WITHIN THIRTY DAYS OF THE SIGNING OF A VACANCY LEASE INCLUDING A RENT INCREASE PURSUANT TO PARAGRAPH ONE OF THIS SUBDIVISION THAT INCLUDES IMPROVEMENTS THAT EXCEED THE SCHEDULE OF REASONABLE COSTS PURSUANT TO SUBPARAGRAPH (A) OF THIS PARAGRAPH, THE LANDLORD WILL FILE WITH THE DIVISION OF HOUSING AND COMMUNITY RENEWAL AN EXPLANATION OF HOW

1 THE VACANCY RENT WAS COMPUTED, AND ALL DOCUMENTS NECESSARY TO SUPPORT
2 THE COLLECTION OF SUCH INCREASE, INCLUDING BUT NOT LIMITED TO, CANCELLED
3 CHECKS, INVOICES AND SIGNED CONTRACTS CONTEMPORANEOUSLY WITH THE
4 IMPROVEMENTS ALLEGED AND A STATEMENT THAT ANY INCREASE ABOVE THE PREVI-
5 OUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS PERMITTED BY LAW. UPON
6 RECEIPT OF ALL DOCUMENTS SUBMITTED BY THE LANDLORD, AND AFTER GIVING THE
7 TENANT NAMED IN THE VACANCY LEASE AN OPPORTUNITY TO RESPOND, THE DIVI-
8 SION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN ORDER APPROVING OR
9 DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART.

10 (C) WITHIN THIRTY DAYS OF THE SIGNING OF A VACANCY LEASE INCLUDING A
11 RENT INCREASE THAT EXCEEDS TEN PERCENT OF THE RENT CHARGED TO THE PREVI-
12 OUS TENANT, THE LANDLORD WILL FILE WITH THE DIVISION OF HOUSING AND
13 COMMUNITY RENEWAL AN EXPLANATION OF HOW THE RENT WAS COMPUTED, AND ALL
14 DOCUMENTS NECESSARY TO SUPPORT THE COLLECTION OF SUCH INCREASE, INCLUD-
15 ING BUT NOT LIMITED TO, CANCELLED CHECKS, INVOICES AND SIGNED CONTRACTS
16 CONTEMPORANEOUSLY WITH THE IMPROVEMENTS ALLEGED AND A STATEMENT THAT ANY
17 INCREASE ABOVE THE PREVIOUS RENT IS IN ACCORDANCE WITH ADJUSTMENTS
18 PERMITTED BY LAW. UPON RECEIPT OF ALL DOCUMENTS SUBMITTED BY THE OWNER,
19 AND AFTER GIVING THE TENANT NAMED IN SUCH VACANCY LEASE AN OPPORTUNITY
20 TO RESPOND, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL SHALL ISSUE AN
21 ORDER APPROVING OR DISAPPROVING SUCH INCREASE IN WHOLE OR IN PART. BASED
22 UPON SUCH DETERMINATION, THE DIVISION OF HOUSING AND COMMUNITY RENEWAL
23 SHALL ORDER A REFUND TO THE TENANT EQUAL TO THE AMOUNT COLLECTED IN
24 EXCESS OF THE RENT APPROVED BY THE DIVISION OF HOUSING AND COMMUNITY
25 RENEWAL.

26 (D) NO INCREASE SHALL BE COLLECTIBLE UNDER PARAGRAPH ONE OF THIS
27 SUBDIVISION WHERE THE DIVISION OF HOUSING AND COMMUNITY RENEWAL HAS
28 DETERMINED THAT THE OWNER IS NOT MAINTAINING ALL BUILDING-WIDE REQUIRED
29 SERVICES OR ALL REQUIRED SERVICES WITH RESPECT TO THE AFFECTED HOUSING
30 ACCOMMODATION, OR WHERE THERE ARE CURRENT OR OUTSTANDING HAZARDOUS
31 VIOLATIONS OF ANY MUNICIPAL, COUNTY, STATE OR FEDERAL LAW WHICH RELATE
32 TO THE MAINTENANCE OF SUCH SERVICES.

33 S 7. Clause 5 of the second undesignated paragraph of paragraph (a) of
34 subdivision 4 of section 4 of chapter 274 of the laws of 1946, consti-
35 tuting the emergency housing rent control law, as amended by section 25
36 of part B of chapter 97 of the laws of 2011, is amended to read as
37 follows:

38 (5) the landlord and tenant by mutual voluntary written agreement
39 agree to a substantial increase or decrease in dwelling space or a
40 change in the services, furniture, furnishings or equipment provided in
41 the housing accommodations; provided that an owner shall be entitled to
42 a TEMPORARY rent increase UNTIL SUCH MODIFICATION OR INCREASE HAS BEEN
43 PAID FOR where there has been a substantial modification or increase of
44 dwelling space or an increase in the services, or installation of new
45 equipment or improvements or new furniture or furnishings provided in or
46 to a tenant's housing accommodation. The [permanent] TEMPORARY increase
47 in the maximum rent for the affected housing accommodation shall be
48 [one-fortieth, in the case of a building with thirty-five or fewer hous-
49 ing accommodations, or one-sixtieth, in the case of a building with more
50 than thirty-five housing accommodations where such permanent increase
51 takes effect on or after September twenty-fourth, two thousand eleven,]
52 ONE EIGHTY-FOURTH of the total cost incurred by the landlord in provid-
53 ing such modification or increase in dwelling space, services, furni-
54 ture, furnishings or equipment, including the cost of installation, but
55 excluding finance charges AND COSMETIC IMPROVEMENTS provided further
56 that an owner who is entitled to a rent increase pursuant to this clause

1 shall not be entitled to a further rent increase based upon the instal-
2 lation of similar equipment, or new furniture or furnishings within the
3 useful life of such new equipment, or new furniture or furnishings. The
4 owner shall give written notice to the commission of any such adjustment
5 pursuant to this clause; or

6 S 8. This act shall take effect on the ninetieth day after it shall
7 have become a law; provided that:

8 (a) the amendments to section 26-405 of the city rent and rehabili-
9 tation law made by sections one and two of this act shall remain in full
10 force and effect only as long as the public emergency requiring the
11 regulation and control of residential rents and evictions continues, as
12 provided in subdivision 3 of section 1 of the local emergency housing
13 rent control act;

14 (b) the amendments to section 26-511 of chapter 4 of title 26 of the
15 administrative code of the city of New York made by sections three and
16 four of this act shall expire on the same date as such law expires and
17 shall not affect the expiration of such law as provided under section
18 26-520 of such law;

19 (c) the amendments to section 6 of the emergency tenant protection act
20 of nineteen seventy-four made by sections five and six of this act shall
21 expire on the same date as such act expires and shall not affect the
22 expiration of such act as provided in section 17 of chapter 576 of the
23 laws of 1974;

24 (d) the amendments to section 4 of the emergency housing rent control
25 law made by section seven of this act shall expire on the same date as
26 such law expires and shall not affect the expiration of such law as
27 provided in subdivision 2 of section 1 of chapter 274 of the laws of
28 1946; and

29 (e) effective immediately, the division of housing and community
30 renewal is authorized to and shall promulgate all rules, regulations and
31 standards necessary to implement the provisions of this act.