

STATE OF NEW YORK

9123--A

IN SENATE

April 29, 2024

Introduced by Sen. GONZALEZ -- 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 multiple dwelling law, in relation to the status of an interim multiple dwelling unit as a protected occupant's primary residence

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Legislative findings. The legislature hereby finds and
2 declares that the findings in section 280 of the multiple dwelling law
3 are reaffirmed; that the decision from the Appellate Division, First
4 Department, in One Double Nine Dashing LLC v New York City Loft Board et
5 al. (2022) misinterpreted the relationship of primary residence to
6 continued occupancy of potential protected occupants under article 7-C
7 of the multiple dwelling law; that the unique illegal living arrange-
8 ments of potential protected occupants prior to loft law coverage, with-
9 out rent and eviction protections and without the applicability of mini-
10 mum housing maintenance standards, necessitates a regulatory approach
11 which is not always the same as for other rent-regulated tenants; that
12 the loft board properly concluded that the primary residence requirement
13 in the statute is prospective from an application for protected occupan-
14 cy or from registration of the unit with the loft board; that the loft
15 board properly considered all relevant evidence and rejected a position
16 that statements on tax returns alone are determinative in making deter-
17 minations regarding primary residence; that prior to Dashing (2022)
18 neither the courts nor the loft board has looked at statements made on
19 tax returns as controlling when evaluating issues of primary residence
20 for loft tenants; that most loft tenants use for business purposes
21 significant portions of their lofts, which the loft law envisions as
22 being legalized and covered as joint live/work spaces; and that it is
23 necessary for the legislature to correct the misinterpretation in Dash-
24 ing (2022) and to clarify, and to codify in the law, what has been loft
25 board policy and precedent based on the current law, loft board rules,

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

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1 and the loft board's delegated expertise for evaluating primary resi-
2 dence of potential protected occupants in possible interim multiple
3 dwelling units.

4 § 2. Paragraph (i) of subdivision 2 of section 286 of the multiple
5 dwelling law, as amended by chapter 4 of the laws of 2013, is amended
6 and a new subdivision 14 is added to read as follows:

7 (i) Prior to compliance with safety and fire protection standards of
8 article seven-B of this chapter, residential occupants qualified for
9 protection pursuant to this article shall be entitled to continued occu-
10 pancy, provided that, subsequent to the application for protected occu-
11 pancy with the loft board or a court of competent jurisdiction or regis-
12 tration with the loft board of the occupant's unit pursuant to this
13 article, the unit is their primary residence, and shall pay the same
14 rent, including escalations, specified in their lease or rental agree-
15 ment to the extent to which such lease or rental agreement remains in
16 effect or, in the absence of a lease or rental agreement, the same rent
17 most recently paid and accepted by the owner; if there is no lease or
18 other rental agreement in effect, rent adjustments prior to article
19 seven-B compliance shall be in conformity with guidelines to be set by
20 the loft board for such residential occupants within six months from the
21 effective date of this article.

22 14. In determining whether a unit qualifies for coverage pursuant to
23 this article, whether an occupant qualifies for protection under this
24 article, or whether a registered interim multiple dwelling unit is a
25 protected occupant's primary residence for all purposes under this arti-
26 cle, no single factor shall be solely determinative, including, without
27 limitation, statements made or actions taken in relation to federal,
28 state or city tax returns. Evidence which may be considered shall
29 include, but not be limited to, specification by an occupant of an
30 address other than such unit as a place of residence on any tax return,
31 motor vehicle registration, driver's license or other document filed
32 with a government agency. No waiver of rights otherwise protected by
33 this subdivision, made prior to the effective date of this subdivision,
34 shall be accorded any force or effect. Any landlord-tenant relationship
35 severed contrary to this subdivision prior to the effective date of this
36 subdivision shall be restored to a tenant still in possession on such
37 effective date.

38 § 3. This act shall take effect immediately, and shall apply to all
39 pending actions or proceedings, including appeals.