



# 2020 ANNUAL REPORT

OFFICE OF RENT ADMINISTRATION



**Homes and  
Community Renewal**

Andrew M. Cuomo, Governor  
RuthAnne Visnauskas, Commissioner/CEO





# 2020 ANNUAL REPORT

## OFFICE OF RENT ADMINISTRATION

Executive Summary	4
Letter from the Commissioner/CEO	5
About the Office of Rent Administration	6
Office of Rent Administration's Structure	7
Tenant Protection Unit	9
Contact Us	11
Key Metrics of the Rent Regulated System	12
Key Metrics in Tabular Format	13
Key HCR Senior Staff	14
Data Definitions and Technical Notes	17
Glossary of Terms	19
Underlying Data Used to Calculate Key Metrics	23

Andrew M. Cuomo, Governor  
RuthAnne Visnauskas, Commissioner/CEO

## Executive Summary

The landmark Housing Stability and Tenant Protection Act (HSTPA) of 2019 enacted sweeping changes to state law, greatly strengthening tenant protections for New Yorkers. One of these changes was a commitment to increasing transparency by reporting on several key metrics about New York State's rent regulated system each year.

New York State Homes and Community Renewal's (HCR) Office of Rent Administration (ORA) oversees New York's rent control and rent stabilization programs, covering nearly one million apartments in 46,000 buildings across New York City and its suburbs.

A year after implementing much of HSTPA, ORA is finding new ways to serve tenants who suffered significant hardship during the global COVID-19 pandemic. The office enhanced its communications efforts and created new ways to conduct day-to-day business over the internet. NYS Rent Connect, which was launched last year, has proven to be an even more valuable resource in the wake of COVID-19. The Rent Connect system provides an online self-help assistant that has modernized and simplified how certain tenants and building owners interact with ORA staff.

This year ORA organized virtual public hearings with stakeholders, held online meetings with individual tenants and landlords, and created new procedures to ensure in-person meetings could continue, in accordance with safety protocols, in its five New York City-based Borough rent offices and a Westchester County district office.

ORA has also made crucial changes to its Annual Rent Registration Online (ARRO) updates and Individual Apartment Improvements (IAI) reporting system, improving how this important information is collected.

In 2020, ORA also held emergency hearings regarding regulations that established a reasonable cost schedule for major capital improvements made in rent registered apartments and addressed questions from community stakeholders about implementation of these regulations.

And HCR's Tenant Protection Unit (TPU) continues to play an instrumental role in preserving renters' rights by detecting and curtailing patterns and practices of landlord fraud and harassment through audits, investigations and legal actions.

The following report will highlight ORA and TPU's work. It also includes a detailed overview of the rent-regulated stock, including insights into rent stabilized apartments, including average rent increases, application data for major capital improvements, and resolved overcharge complaints.

## Letter from the Commissioner/CEO

For much of 2020, the public health and economic recovery from COVID-19 has been the primary concern for state government agencies. At HCR, we are acutely aware that the pandemic has made New Yorkers who were already housing insecure even more vulnerable to losing their homes.

The work of our Office of Rent Administration and Tenant Protection Unit has never been more important and our responsibility to communities across the state has never been more necessary.

Under Governor Andrew Cuomo's leadership, and in partnership with the Legislature, HCR is enforcing the laws governing rent regulation so that they work more efficiently. Throughout the quarantine and through each phase of the NY Forward reopening plan, ORA and TPU staff have played a significant role in providing New Yorkers the help they needed.

The following report is a testament to how the agency has endeavored to better serve tenants who have suffered significant hardship due to the pandemic. We have enhanced communications; developed online application access; and improved NYS Rent Connect, our online self-help assistant that modernizes and simplifies how tenants and owners of rent regulated units interact with our staff.

While 2020 has been a challenge for everyone, I'm proud that our staff has found ways to enhance its services and make it easier and more efficient for tenants and owners to interact with the agency.

I want to thank Deputy Commissioner Woody Pascal, Acting Deputy Commissioner Greg Fewer, and ORA and TPU staff for their steadfast commitment to preserving affordable housing in New York State. Their dedication is a perfect example of the "New York Tough" attitude and the efforts necessary to overcome the effects of this pandemic



RuthAnne Visnauskas, Commissioner/CEO

# About the Office of Rent Administration

## ORA MISSION

ORA is committed to administering New York State's rent laws in order to maintain decent, affordable housing for millions of New Yorkers. The laws and regulations are designed to provide owners an adequate return on investment while protecting tenants from unlawful rent increases, harassment, and illegal evictions in a market with a persistent shortage of quality, affordable rental housing. As the administrator of the laws and custodian of all rent registration records, ORA is responsible for responding to applications and legitimate inquiries from tenants and owners of the nearly one million regulated apartments in New York City and other parts of the state.

## TPU MISSION

The Tenant Protection Unit preserves renters' rights by detecting and curtailing patterns and practices of landlord fraud and harassment through audits, investigations and legal actions. The TPU also encourages compliance with the law by informing tenants and owners of their rights and responsibilities under rent regulation.

## HIGHLIGHTS OF 2020

### VIRTUAL PUBLIC HEARINGS

In response to the Governor's directive to make every effort to keep New Yorkers safe and mitigate the spread of COVID-19, and pursuant to Executive Order 202-1, which allowed for the suspension of the public officers law, the Nassau, Westchester and Rockland county Rent Guidelines Boards public hearings were held virtually and transcripts are posted on the HCR website under: <https://hcr.ny.gov/rgb-hearings>

### STATE ADMINISTRATIVE PROCEDURE ACT

On September 9, 2020 ORA held emergency hearings regarding regulations to establish a reasonable cost schedule for major capital improvements (MCI) and surrounding procedures for its implementation. This hearing was held virtually; transcripts and other material are posted on the HCR website under: <https://hcr.ny.gov/regulatory-information>.

### NEW INDIVIDUAL APARTMENT IMPROVEMENT NOTIFICATION APPLICATION

In February 2020, HCR unveiled its new online service within the Owner Rent Regulation Applications system (ORRA) for building owners to report information concerning Individual Apartment Improvements (IAs) for apartments subject to Rent Stabilization or Rent Control.

## NYS Rent Connect Visit [rent.hcr.ny.gov](https://rent.hcr.ny.gov)

**Tenants, owners, and their representatives can complete applications online related to:** Lease issues; Overcharge complaints; Defective conditions in apartments; Owner's application to restore rent.

**Major Capital Improvement cases** Responses to open MCI cases can now be filed online; Tenants, owners, and their representatives can estimate the impact of an MCI increase on the monthly rent amount using the MCI Payment Estimator tool.

**NYS Rent Connect Assistant** A self-help tool offering easy access to records and forms, current rent increase information, and other general information.



# Office of Rent Administration's structure

The Office of Rent Administration is made up of four bureaus:

## Stabilized Tenancy and Rent Review Bureau

The STARR Bureau processes overcharge, lease renewal, fair market rent appeal, and improper eviction complaints from tenants. The bureau also processes applications pertaining to owner occupancy, demolition or substantial rehabilitation as well as requests for reconsideration of Petitions for Administrative Review (PAR).

**OVERCHARGE UNIT** – Processes overcharge complaints, lease violation complaints and fair market rent appeals.

**OWNER EVICTION UNIT** – Processes substantial rehabilitation applications where the owner alleges that the building was substantially rehabilitated on or after January 1, 1974, as well as applications by owners seeking permission to refuse to renew leases based upon the fact that they plan to demolish the building.

**REQUESTS FOR RECONSIDERATION** – The laws and regulations permit the Division of Housing and Community Renewal (DHCR) to reconsider a case on application of either party to a proceeding, or on its own initiative and upon notice to all affected parties where the DHCR finds that such order was the result of fraud, illegality or irregularity in a vital matter.

## Property Management Bureau

The Property Management Bureau processes building-wide owner applications for rent increases based on Major Capital Improvements (MCI), hardship rent increases, tax abatement offsets, and owner applications for modification of building-wide services. The bureau also processes tenant applications related to the maintenance of both individual apartment and building-wide services, tenant complaints of harassment, and tenant complaints of non-compliance with ORA orders. In addition, the bureau makes administrative determinations where the legal rent or other facts are in dispute, in doubt or unknown. The bureau also oversees the Inspections Unit for ORA.

**MAJOR CAPITAL IMPROVEMENT UNIT** – Processes applications from owners who have made building-wide improvements such as the replacement of boilers, roofs, and windows. The improvements must be for the “operation, preservation and maintenance of the building” and must meet all other criteria established for an MCI rent increase. The MCI unit reviews applications for all rent regulated buildings throughout New York City and in Nassau, Rockland and Westchester counties, auditing the scope of work and costs of projects.

**MULTI-SERVICES UNIT** – Responsible for many case types:

- Tenant complaints of service reductions located outside of New York City;
- Cases where the rent or status of an apartment is in controversy;
- Tax abatement offsets which order owners who have received MCI rent increases and J-51 tax abatements to share a portion of the tax abatement with tenants; and
- Administrative Investigation where unannounced inspections result in orders requiring owners to make repair

### **PAR UNIT –**

Each of the case processing bureaus has a Petitions for Administrative Review (PAR) unit which processes Administrative Appeals. A tenant, owner or other interested party, has a right to file a PAR challenging the correctness of any order issued by a Rent Administrator.

The STARR Bureau's PAR Unit is staffed by attorneys who review appeals of the orders issued by the Overcharge Unit and Owner Eviction Unit. Additionally, appeals of orders issued by ORA's Rent Control/Emergency Tenant Protection Act (EPTA) Bureau are also processed by the PAR Unit.



**SERVICES UNIT** – Processes tenant applications for rent reductions based upon defective conditions. This includes situations in which the owner has failed to provide or maintain services or equipment in the apartment and/or building wide.

**COMPLIANCE UNIT** – Pursues recalcitrant owners who do not comply with agency orders, requires owners to make repairs or issue leases as ordered, and issues civil penalties. Owners who do not comply are referred to the Enforcement Unit for prosecution and formal hearings which can result in fines.

**ENFORCEMENT UNIT** – Staffed by attorneys, the Enforcement Unit pursues owners who are non-compliant to agency orders. The Unit investigates, and if necessary, prosecutes complaints of tenant harassment by the owner. Where an owner has been found guilty of harassment, civil penalties may be imposed. In most cases, staff attorneys can resolve the issues brought forward and have collected fines from owners. In 2019, total penalties were more than \$194,000.

**INSPECTIONS UNIT** – Conducts field inspections of housing accommodations throughout the five counties of New York City as well as Rockland, Westchester and Nassau counties. Field inspections are conducted to examine and evaluate housing

## **Rent Information Bureau**

The bureau maintains a centralized telephone Rent Info Line and answers approximately 2,000 calls and responds to more than 1,500 emails per month. The bureau maintains five New York City-based Borough Rent Offices and a Westchester County District Rent Office that, due to COVID concerns, now serve walk-in visitors by appointment only. These offices also assist the public daily by providing information and forms by telephone. The Westchester office also processes applications for senior citizens and disability rent increase exemptions for tenants in Westchester and Nassau counties.

The bureau's Records Access Unit also responds to several hundred requests a month for access to various records from owners, tenants and authorized representatives. This unit also processed more than 300 court-ordered subpoenas annually.

In addition, the bureau's Rent Registration Unit processes incoming registrations and amendments submitted by owners. The unit also works very closely with New York City agencies that have specific registration requirements for 421-a buildings entering the rent stabilization system. This unit has improved access to registration reports needed by owners by enhancing access to reports for apartment rent histories that can be self-generated.

The Rent Information Bureau is also responsible for creating printed material such as applications and information on owner and tenant rights, as well as providing access to apartment and building rent registration information. Staff continue to attend community and legislator-sponsored meetings, now held online, answering questions and providing general information

**IMPROVED TRANSLATION SERVICES** – The Rent Information Bureau operates the ORA phone line (833) 499-0343, which now offers clients a wide range of recorded messages that address frequently asked questions. Callers who need to talk to an information agent can use translation services in more than 100 languages. Vital documents are translated into the seven foreign languages other than English that are most frequently spoken in New York State – Spanish, Traditional Chinese, Russian, Italian, Haitian-Creole, Korean, and Bengali. Under the Governor's new language access policy, vital documents will soon also be translated into Arabic, Italian, Polish, and Yiddish.



# Rent Control/Emergency Tenant Protection Act Bureau

Rent Control/ETPA Bureau contains the Cyclical Cases Unit, the Owner Individual Unit and the Research and Analysis Unit. The bureau also provides services to the Nassau, Rockland and Westchester Rent Guidelines Boards.

**MAXIMUM BASE RENT (MBR) SYSTEM** – Rent Control limits the rent an owner may charge for an apartment and sets restrictions on the ability of owners to evict tenants. Tenants are also entitled to receive essential services. Owners are not required to offer renewal leases, as tenants are considered “statutory” tenants. In New York City, rent control operates under the MBR system. The MBR is established for each apartment and adjusted every two years to reflect changes in operating costs. Owners, who certify that they are providing essential services and have removed violations (if any) are entitled to raise rents based on the average of the last five years increases for rent stabilized renewal leases, as set by the Rent Guidelines Board. Tenants may challenge the proposed increase on the grounds that the building has violations or that the owner’s expenses do not warrant an increase.

**CYCLICAL CASES UNIT** – This unit processes Maximum Base Rent (MBR) cases as well as challenges filed by owners and tenants.

**OWNER INDIVIDUAL UNIT** – The Owner Individual Unit processes rent control overcharge complaints as well as filings for rent increases.

**RESEARCH AND ANALYSIS UNIT** – Provides the Cyclical Cases Unit with the biennial MBR Standard Adjustment Factor and responsible for providing statistical support to the Nassau, Rockland and Westchester counties

## Emergency Tenant Protection Act –

Outside of New York City, rent stabilization laws and regulations covers certain localities in Nassau, Westchester, and Rockland counties through the Emergency Tenant Protection Act (ETPA). Generally, it applies to buildings with six or more apartments. Any locality in New York State can enact rent stabilization if they issue “a declaration of emergency” regarding available apartments. Also, municipalities may limit ETPA to buildings of a specific size, for example buildings with 20 or more units.

Per the enactment of the HSTPA on June 14, 2019, any locality in New York State can enact rent stabilization if “a declaration of emergency” regarding available apartments is made in the subject locality pursuant to the ETPA of 1974. “A declaration of emergency” can be made based on the kind of vacancy rate cited.

## Tenant Protection Unit

The Tenant Protection Unit (TPU), created in 2012, proactively enforces the rent regulation laws in New York State by investigating leads and referrals from tenants, advocates, partners in city and state government, and using its own forensic analysis capabilities.

Currently, the TPU has three primary mechanisms for shielding tenants from harassment and preserving their rights:

- The Registration Initiative;
- Audits of claimed Individual Apartment Improvements (IAIs); and
- Legal investigations of alleged tenant harassment.

### REGISTRATION INITIATIVE

The TPU’s on-going registration compliance initiative seeks to recapture illegally deregulated units by identifying buildings that have failed to file their annual registration. To date, the initiative has returned more than 88,000 rent regulated units to the rent rolls.



### **AUDITS OF INDIVIDUAL APARTMENT IMPROVEMENTS (IAIS)**

The TPU's IAI Audit Initiative successfully weeds out fraudulent IAIs and unlawful rent increases. Where an unusual IAI rent increase is identified, the TPU's audit team will supporting records supporting the claimed rent increase and, when appropriate, work with the landlord to have any overcharges due to the tenant paid and the apartment registration corrected. When a settlement cannot be reached, the TPU can file an overcharge case with ORA.

The audit of IAIs has resulted in the recovery of more than \$5.3 million in overcharged rent for unsuspecting tenants.

### **LEGAL INVESTIGATIONS**

The TPU conducts complex legal investigations and has entered into several comprehensive portfolio-wide settlement agreements with landlords who were systematically harassing rent-regulated tenants. Since 2012, the TPU has opened hundreds of investigations including several high-profile matters that were litigated, referred to law-enforcement partners, resulted in the issuance of the TPU subpoenas, or lead to rent audits. The TPU is litigating a comprehensive complaint against a large private landlord alleging systemic violations of the rent regulations designed to harass tenants and exploit money from vulnerable tenants. In addition to its enforcement activities, the TPU works with community organizers, legal services organizations, and tenant groups to hold tenant workshops and resource fairs to educate tenants about their rights under the rent regulation laws. ORA suggest the removal of the owner's name. The comprehensive complaint has not been completely adjudicating.

In 2020 the TPU launched a preferential rent initiative which examines potential violations of the preferential rent laws. To date, the TPU has reviewed over 4,000 apartment registrations in this initiative, resulting in the correction of hundreds of



## Contact US

The Borough and District Rent Offices provide information and assistance to tenants and owners of rent controlled and rent stabilized apartments. Tenants can request registered rent histories of their apartment as well as information about cases that may affect their rent. In addition, they can access fact sheets and forms on many topics including rent overcharges, leases, services and security deposits.

Owners can request registered rent rolls for the building, case information and related copies of orders. They can also receive technical assistance in completing rent registration forms and applications pertaining to MCIs, rent restoration, and MBR reports.

Due to COVID-19 protocols and precautions, service at this time will be provided to visitors to the office **BY APPOINTMENT ONLY**. For details on the new Procedural Guidance for Office Visits and related guidance please see: <https://hcr.ny.gov/system/files/documents/2020/06/bro-notice-of-reopening.pdf>

### **Bronx Borough Rent Office**

1 Fordham Plaza, 4th floor  
Bronx, New York 10468

### **Lower Manhattan Borough Rent Office**

25 Beaver Street, 5th Floor  
New York, New York 10004

### **Upper Manhattan Borough Rent Office**

Adam Clayton Powell, Jr. State Office Building  
163 West 125th Street, 5th Floor  
New York, New York 10027

### **Brooklyn Borough Rent Office**

55 Hanson Place, 6th floor  
Brooklyn, New York 11217

### **Queens Borough Rent Office**

Gertz Plaza  
92-31 Union Hall Street, 6th Floor  
Jamaica, New York 11433

### **Westchester County Rent Office**

75 South Broadway, 3rd Floor  
White Plains, New York 10601

## TPU is Here to Help

To contact the TPU, call 212-872-0788 or email: [TPUinfo@nyshcr.org](mailto:TPUinfo@nyshcr.org).



## Key Metrics of the Rent Regulated System

HSTPA enacted sweeping changes to state law, greatly strengthening tenant protections for New Yorkers. One of these changes include a new commitment to increased transparency by reporting on key metrics about the rent regulated system each year. These metrics provide a snapshot of the current rent regulated stock and illuminate trends over time as reporting increases.

As required by Part L of the HSTPA, reporting of key metrics covers unit registrations for the three fiscal years immediately preceding the release of this report; this corresponds to registration years 2017, 2018, and 2019. MCI and overcharge case data are presented by state fiscal year for SFY2017-18, 2018-19, and 2019-20. The TPU's investigations are presented for calendar years 2017, 2018, and 2019.

The following table includes datapoints for the 14 required metrics, where available. A detailed description of the datapoints, including data definitions, can be found in the Data Definitions and Technical Notes section.

# Key Metrics in Tabular Format

Rent Law Metrics	Data-point #	Datapoints	Reporting Geography	Registration Year 2017 SFY2017-18	Registration Year 2018 SFY2018-19	Registration Year 2019 SFY2019-20
(i) the number of rent stabilized housing accommodations within each county;	1	RS units by county	Bronx County	224,088	224,418	211,120
			Kings County	259,915	262,242	239,529
			New York County	268,773	268,321	256,870
			Queens County	163,422	163,674	159,314
			Richmond County	8,429	8,670	8,336
			Nassau County	7,953	7,626	6,848
			Rockland County	2,107	2,148	2,156
			Westchester County	29,529	28,871	26,594
			New York State	964,216	965,970	910,767
			(ii) the number of rent controlled housing accommodations within each county;	2	RC units	New York State
(iii) the number of applications for major capital improvements filed with the division, the number of such applications approved as submitted, the number of such applications approved with modifications, and the number of such applications rejected;	3	MCI applications filed	New York State	1,179	1,342	828
	4	MCI applications approved as submitted	New York State	238	295	96
	5	MCI applications approved with modifications	New York State	731	662	257
	6	MCI applications rejected	New York State	120	82	275
(iv) the median and mean value of applications for major capital improvements approved;	7	Median value of approved MCI applications	New York State	\$118,511	\$112,700	\$107,650
	8	Mean value of approved MCI applications	New York State	\$207,233	\$255,839	\$209,870
(v) the number of units which were registered with the division where the amount charged to and paid by the tenant was less than the registered rent for the housing accommodation;	9	RS units with preferential rents	New York State	281,910	290,630	296,518
(vi) for housing accommodations that were registered with the division where the amount charged to and paid by the tenant was less than the registered rent for the housing accommodation, the median and mean difference between the registered rent for a housing accommodation and the amount charged to and paid by the tenant;	10	Median preferential rent discount	New York State	\$446	\$468	\$490
	11	Mean preferential rent discount	New York State			
				\$858	\$902	\$946
(vii) the median and mean registered rent for housing accommodations for which the lease was renewed by an existing tenant;	12	Median legal rent for RS units with lease renewal	New York State	\$1,369	\$1,400	\$1,463
	13	Mean legal rent for RS units with lease renewal	New York State			
(viii) the median and mean registered rent for housing accommodations for which a lease was signed by a new tenant after a vacancy;	14	Median legal rent for RS units with vacancy lease	New York State	\$1,723	\$1,768	\$1,875
	15	Mean legal rent for RS units with vacancy lease	New York State	\$2,069	\$2,200	\$2,347
				\$2,861	\$2,984	\$3,165
(ix) the median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy;	16	Median increase in legal rent in units with vacancy lease (\$)	New York State	\$201	\$217	\$238
	17	Median increase in legal rent in units with vacancy lease (%)	New York State	10%	10%	10%
	18	Mean increase in legal rent in units with vacancy lease (\$)	New York State	\$300	\$300	\$285
				19%	26%	18%
(x) the median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy, where the amount changed to and paid by the prior tenant was the full registered rent;	20	Median increase in legal rent in units with vacancy lease and no previous pref. rent (\$)	New York State	\$170	\$189	\$217
	21	Median increase in legal rent in units with vacancy lease and no previous pref. rent (%)	New York State	10%	11%	14%
				22	Mean increase in legal rent in units with vacancy lease and no previous pref. rent (\$)	New York State
	23	Mean increase in legal rent in units with vacancy lease and no previous pref. rent (%)	New York State	24%	26%	23%
	24	Median increase in legal rent in units with vacancy lease and previous pref. rent (\$)	New York State	\$240	\$249	\$260
(xi) the median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy, where the amount changed to and paid by the prior tenant was less than the registered rent;	25	Median increase in legal rent in units with vacancy lease and previous pref. rent (%)	New York State	6%	6%	6%
	26	Mean increase in legal rent in units with vacancy lease and previous pref. rent (\$)	New York State	\$307	\$326	\$352
	27	Mean increase in legal rent in units with vacancy lease and previous pref. rent (%)	New York State	12%	27%	11%
(xii) the number of rent overcharge complaints processed by the division;	28	Count of overcharge complaints processed	New York State	1,177	1,119	666
(xiii) the number of final overcharge orders granting an overcharge;	29	Count of overcharges orders granted	New York State	521	399	206
(xiv) the number of investigations commenced by the tenant protection unit, the aggregate number of rent stabilized or rent controlled housing accommodations in each county that were the subject of such investigations, and the dispositions of such investigations.	30	Count of investigations commenced by TPU*	New York State	785	3,525	2,121
			Bronx County	3,938	3,997	1,940
			Kings County	3,119	5,483	3,520
			New York County	2,083	6,773	2,480
			Queens County	1,085	1,980	1,963
			Richmond County	128	72	11
			Nassau County	33	114	0
			Rockland County	12	0	0
			Westchester County	228	756	512
			New York State	10,626	19,175	10,426
	31	Disposition of TPU investigations	New York State			

NOTE: All registration data are as of March 31, 2020. As a result of lags in reporting, previously reported numbers (i.e. previous Annual Reports) are updated to reflect latest data as of March 31, 2020.

\* Reported on a calendar year basis (reporting years are 2017, 2018, 2019)



## Key HCR Senior Staff

### **RuthAnne Visnauskas - Commissioner/CEO - NYS Homes and Community Renewal**

In February 2017, Governor Cuomo appointed RuthAnne Visnauskas Commissioner and Chief Executive Officer of New York State Homes and Community Renewal, the agency charged with carrying out the Governor's unprecedented five-year Housing Plan that is creating and preserving more than 100,000 affordable homes and 6,000 supportive homes across New York.

RuthAnne previously served as HCR's Executive Deputy Commissioner for Housing Development, where she was responsible for strategic leadership and oversight of multi-family housing finance programs, the State of New York Mortgage Agency, the Mortgage Insurance Fund, the Office of Community Renewal, and the Office of Faith-Based Community Development Services.

Prior to joining HCR, RuthAnne was managing director of the Housing Advisory Board for the Robin Hood Foundation, New York's largest poverty-fighting organization. The Housing Advisory Board was established to fund initiatives to advance the quantity and quality of affordable housing for low-income New Yorkers. RuthAnne also held several key positions at the New York City Department of Housing Preservation and Development, including the role of Commissioner from September 2013 to February 2014.

She received a Bachelor's degree in urban studies from the University of Pennsylvania and holds a Master's degree in urban planning from the Robert F. Wagner School of Public Service at New York University.

### **Betsy Mallow - Executive Deputy Commissioner/COO - NYS Homes and Community Renewal**

Betsy Mallow is Executive Deputy Commissioner and Chief Operating Officer for HCR. In her role, Betsy oversees the Office of Rent Administration (ORA), the Office of Professional Services, and the Office of Research and Strategic Analysis.

Prior to joining HCR, Betsy served as Deputy Executive Director at the Governor's Office of Storm Recovery (GOSR), overseeing New York State's recovery from Superstorm Sandy, Hurricane Irene and Tropical Storm Lee. Prior to her role at GOSR, she served as Deputy Director of the New York Office for the White House Task Force on Sandy Rebuilding.

Previously, Betsy was a consultant at the Boston Consulting Group. Betsy holds an MBA from Harvard University and an undergraduate degree from Brown University.

### **Linda Schechter Manley - General Counsel**

Linda Schechter Manley is General Counsel for HCR where she is responsible for the agency's Legal Division, the Tenant Protection Unit, the Office of Economic Opportunity and Partnership Development, the Fair and Equitable Housing Office and Internal Controls.

Prior to joining HCR in January 2016 as Deputy General Counsel, Linda was Legal Director at Lawyers Alliance for New York, providing legal services to nonprofit organizations focused on affordable housing, economic development and social services.

Linda previously practiced law at the firms Jones, Day, Reavis & Pogue and Weil, Gotschal & Manges, and also served as a law clerk to the Hon. Loretta A. Preska in the Southern District of New York.

She received her J.D. from Fordham University School of Law and B.A. magna cum laude from State University of New York at Albany.

### **Woody Pascal - Deputy Commissioner of HCR's Office of Rent Administration**

Woody Pascal is the Deputy Commissioner of ORA where he oversees the day-to-day operations of the office's four bureaus and ensures effective intra-agency coordination. Most recently, he led the Office's successful efforts to introduce online services and expand access to applications, as well as upgrade communications with owners and tenants. Additionally, he developed a new agency web-based data system and cross training opportunities with the New York City Department of Housing Preservation & Development.

Prior to joining Homes and Community Renewal as the Special Assistant to the Commissioner, Woody served as the Chief Executive Officer of the New York State Liquor Authority and held a variety of senior staff positions in the New York State Senate, New York State Assembly, and New York City Council. He also served as acting unit head for the Office of Fair Housing and Equal Opportunity, monitoring the progress of access to Fair Housing initiatives.

Woody is a Haitian-American and a founding member of the Haitian Roundtable, an organization comprised of Haitian-American professionals who are committed to civic engagement as well as philanthropic endeavours benefiting Haiti, Haitian organizations, and causes.

Woody is a graduate of the John Jay College of Criminal Justice.

### **Gregory C. Fewer, Acting Deputy Commissioner, Tenant Protection Unit**

Greg Fewer is a seasoned veteran of HCR. In his previous assignment as the Director of Policy and Legislative Liaison his work encompassed: the drafting of new regulations and legislation; the review of court decisions and pending bills for potential impact on agency operations; acting as agency liaison to federal, state, and local government officials; representing the HCR Commissioner at public forums; and supervising a staff of attorneys and paralegals in the drafting of formal agency opinion letters on behalf of the Commissioner. He also served as the Director of the Administrative Review Unit of the Major Capital Improvement Bureau where he supervised a staff of attorneys and paralegals in the adjudication of administrative appeals of landlords and tenants.

Greg was a member of the U.S. Armed Forces, serving in the Army, Air Force, Navy and National Guard. He recently retired from the Army Reserve with the rank of Colonel. He was mobilized to active duty from 2004-2006 and served as the officer-in-charge, JAG Desk, Crisis Action Team, Army Operations Center in the Pentagon. From 2009-2013 he was again mobilized to serve as the deputy director of operations for the Office of the Military Commissions – Convening Authority, Department of Defense, in Washington, DC and Guantanamo Bay, Cuba. In 2016, Greg was the recipient of the City & State Honoring Veterans Award.

Mr. Fewer received a JD from New York Law School and a BA in English from St. Francis College.

## ORA Senior Staff

**Woody Pascal**, Deputy Commissioner  
Office of Rent Administration

**Bruce Falbo**, Bureau Chief  
Rent Information Bureau

**John D. Lance**, Bureau Chief  
Stabilized Tenancy and Rent Review (STARR) Bureau

**Sarah L. McCray**, Deputy Bureau Chief  
Stabilized Tenancy and Rent Review (STARR) Bureau

**Anthony J. Tatano**, Bureau Chief  
Property Management Bureau

**April Gray-Huertas**, Deputy Bureau Chief  
Property Management Bureau

**Simone-Marie L. Meeks**, Assistant Commissioner  
Rent Control/ETPA

**Michael Berrios**  
Sr. Executive Assistant to the Deputy Commissioner

**Cherell Beddard**, Special Counsel  
Office of Rent Administration

## TPU Senior Staff

**Gregory C. Fewer**, Acting Deputy Commissioner  
Tenant Protection Unit

**Lewis Gray**, Director  
Audit/Investigatory

**Argyro Boyle**, Acting Legal Director  
Legal

**Harvey Akerman**, Director  
Forensic Analysis

## ORSA Senior Staff

**Simon McDonnell**, Director  
Office of Research and Strategic Analysis

**Courtney Wolf**, Deputy Director  
Office of Research and Strategic Analysis

**Kellen Byrnes**, Senior Data Scientist  
Office of Research and Strategic Analysis





# Data Definitions and Technical Notes

The Housing Stabilization and Tenant Protection Act of 2019, Section L, enumerates fourteen metrics to be included in tabular format for each of the three fiscal years preceding the date the report is due. This iteration of the report includes rent registration data for registration years 2017, 2018, and 2019, which corresponds to registrations that would have been submitted during State Fiscal Years 2016-17, 2017-18, and 2018-19, respectively. Registration years capture lease information (where applicable) for leases that are effective on April 1 of the registration year and lease start dates must be prior to April 2 of the registration year. All registration data is as of March 31, 2020. For case-related metrics, which includes data related to Major Capital Improvements (MCIs) and rent overcharges, data are presented for State Fiscal Years 2016-17, 2017-18, and 2018-19. Tenant Protection Unit (TPU) investigations data are presented for calendar years 2017, 2018, and 2019.

## Data Definitions

The metrics, as enumerated in the law and as presented in this report, are defined and described below.

- i. The number of rent stabilized housing accommodations within each county. Rent stabilized housing accommodations are defined as rent stabilized units registered in annual registrations with DHCR Office of Rent Administration (ORA), excluding exit registrations. This data is presented by county and for New York State.
- ii. The number of rent controlled housing accommodations within each county. The current rent registration system does not collect information on rent controlled units. The U.S. Census Bureau's New York City Housing Vacancy Survey provides estimates of rent controlled units within New York City. Those estimates can be found at <https://www.census.gov/programs-surveys/nychvs.html>.
- iii. The number of applications for major capital improvements filed with the division, the number of such applications approved as submitted, the number of such applications approved with modifications, and the number of such applications rejected. The number of MCI applications filed are defined as the number of applications filed within the given fiscal year. The number of applications approved as submitted, approved with modifications, and rejected are defined as those applications which were processed and closed within the given fiscal year and which were granted as submitted, granted in part, or denied, respectively. Due to variations in processing times for MCI applications, the sum of applications granted, granted in part, and denied may not equal the number of applications filed in a relevant fiscal year.
- iv. The median and mean value of applications for major capital improvements approved. These values are defined as the median and mean of total approved costs for MCIs that were granted or granted in part in the relevant fiscal year.
- v. The number of units which were registered with the division where the amount charged to and paid by the tenant was less than the registered rent for the housing accommodation. The report presents the number of units with preferential rents; units with preferential rents are defined as occupied rent stabilized units that are registered with a preferential rent amount that is less than the registered legal rent amount in the relevant registration year. See also additional technical notes for legal and preferential rent amounts, below.
- vi. For housing accommodations that were registered with the division where the amount charged to and paid by the tenant was less than the registered rent for the housing accommodation, the median and mean difference between the registered rent for a housing accommodation and the amount charged to and paid by the tenant. The report presents the median and mean difference between the registered preferential and legal rent amounts for occupied rent stabilized units that are registered with a preferential rent amount that is less than the registered legal rent amount for the relevant registration year. See also additional technical notes for legal and preferential rent amounts, below.
- vii. The median and mean registered rent for housing accommodations for which the lease was renewed by an existing tenant. The report presents the median and mean registered legal rent amounts for occupied rent stabilized units where a lease was signed within the twelve months prior to April 2 of the relevant registration year and at least one tenant was recorded as being the same person on both the prior and relevant registration year for the unit. See additional technical notes

for information on tenant information and tenant matching methodologies, below. See also additional technical notes for legal and preferential rent amounts, below.

viii. The median and mean registered rent for housing accommodations for which a lease was signed by a new tenant after a vacancy. The report presents the median and mean registered legal rent amounts for occupied rent stabilized units where a lease was signed within the twelve months prior to April 2 of the relevant registration year and no tenant name in the relevant registration year records matches tenant name in the prior registration year records for the unit. See additional technical notes for information on tenant information and tenant matching methodologies, below. See also additional technical notes for legal and preferential rent amounts, below.

ix. The median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy. The report presents the median and mean difference, in dollars and percent, in the legal registered rent amounts for the relevant and prior registration years for units that were registered as occupied rent stabilized units in both registration years, where a lease was signed within the twelve months prior to April 2 of the relevant registration year, and no tenant name in the relevant registration year records matches tenant name in the prior registration year records for the unit. See additional technical notes for information on tenant information and tenant matching methodologies, below. See also additional technical notes for legal and preferential rent amounts, below.

x. The median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy, where the amount changed to and paid by the prior tenant was the full registered rent. The report presents the median and mean difference, in dollars and percent, in the legal registered rent amounts for the relevant and prior registration years for units that were registered as occupied rent stabilized units in both registration years, where a lease was signed within the twelve months prior to April 2 of the relevant registration year, where no tenant name in the relevant registration year records matches tenant name in the prior registration year records for the unit, and where there was not a registered preferential rent in the prior registration year. See additional technical notes for information on tenant information and tenant matching methodologies, below. See also additional technical notes for legal and preferential rent amounts, below.

xi. The median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy, where the amount changed to and paid by the prior tenant was less than the registered rent. The report presents the median and mean difference, in dollars and percent, in the legal registered rent amounts for the relevant and prior registration years for units that were registered as occupied rent stabilized units in both registration years, where a lease was signed within the twelve months prior to April 2 of the relevant registration year, where no tenant name in the relevant registration year records matches tenant name in the prior registration year records for the unit, and where there was a registered preferential rent in the prior registration year. See additional technical notes for information on tenant information and tenant matching methodologies, below. See also additional technical notes for legal and preferential rent amounts, below.

xii. The number of rent overcharge complaints processed by the division. The report presents the total number of overcharge orders issued in the relevant fiscal year.

xiii. The number of final overcharge orders granting an overcharge. The report presents the total number of overcharge applications granted in the relevant fiscal year.

i. The number of investigations commenced by the tenant protection unit, the aggregate number of rent stabilized or rent controlled housing accommodations in each county that were the subject of such investigations, and the dispositions of such investigations. These metrics are reported on a calendar year basis.<sup>(1)</sup> The report presents TPU's investigation totals comprised of registration compliance initiative investigations, audits of registered legal regulated rents, and comprehensive legal investigations. This data is presented by county and for New York State. <sup>(2)</sup> For registration compliance initiative investigations, the aggregate number of rent stabilized or rent controlled housing accommodations in each county that were the subject of such investigations are reported in the year in which they registered. <sup>(3)</sup> The dispositions of investigations are unable to be disclosed due to the nature of ongoing investigations.

# Technical Notes

**Registered Legal and Preferential Rent Amounts.** For the purposes of this report, a small number of registration records are omitted from mean, median, and year-over-year rent amount calculations to ensure calculable and interpretable results and to remove overtly errant records.

*Monthly/Weekly Rent Amounts.* Rent amounts are reported by landlords or their agents and may be reported as monthly or weekly amounts, with a small minority reported as weekly. All rent amounts in this report are reported as monthly amounts. Statistical analyses of legal rent amounts that are reported as weekly suggest that they are often flagged erroneously. Converting them to monthly amounts would likely result in exceptionally high rent values that would skew calculations, especially at the mean. Therefore, units with legal rent amounts that are reported as weekly are omitted from all calculations of rent amounts, as well as counts of units with preferential rents, with one exception: Single Room Occupancy (SRO) units. SROs are defined as units in rooming houses and hotels and are not required to have a kitchen or bathroom in each unit.<sup>1</sup> Because these units are often occupied by transient residents, rents are most often collected on a weekly basis. Analyses of legal rent amounts in units flagged as SROs reported as weekly suggest that these are, in fact, weekly rents. Therefore, these observations are included in calculations and converted to monthly rents using the formula  $[\text{RENT AMOUNT}] \times 52/12$ . Additionally, units with both legal and preferential rent amounts and are in disagreement between monthly and weekly payment (e.g. the legal rent is reported as a weekly amount and the preferential rent is reported as a monthly amount) are omitted from all rent amount calculations, as well as counts of units with preferential rents. In total, omissions due to monthly/weekly rent amount issues account for approximately 0.1 percent of registered units annually.

*Legal Rents Less Than \$1.* Some registered units have registered legal rent amounts that are close to, or \$0. Including these units in calculations of year-over-year changes in rents can lead to extreme values that are not representative of actual changes in the stock or uninterpretable results such as infinity percent changes. Therefore, units with legal rent amounts of less than \$1 are omitted from all rent amount calculations. This omission accounts for less than 0.2 percent of registered units annually.

**Tenant Matching to Determine New and Existing Tenants.** The current rent registration system does not explicitly collect data on the continuity of tenancy for all units in the system across registration years. To identify new and existing tenants, HCR matched tenant names and IDs across registration years for the same unit. Due to variability in how landlords and their agents may enter these data from one year to the next, matching results are typically not be 100 percent accurate. Review of a sampling of 2,000 units matched between registration years 2016 and 2017 demonstrated an estimated 98 percent accuracy in identifying new or existing tenants using this tenant matching methodology.

## Glossary of Terms

**421-a Tax Incentive Program:** Created in 1970 - Offers tax exemptions to qualifying new multifamily properties containing three or more rental units. Apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Thus, 421-a tenants share the same tenancy protections as stabilized tenants and initial rents approved by HPD are then confined to increases established by the Rent Guidelines Board.

**Demolition** – At a minimum, demolition is the complete gutting of a building’s interior while leaving only the exterior walls intact. At a maximum, it is the complete razing of a building to the ground.

**Disability Rent Increase Exemption (DRIE)** - A program which freezes the rent of a New York City tenant or tenant’s spouse

who is disabled (defined as receiving either Federal Supplemental Security Income, Federal Social Security Disability Insurance, US Department of Veterans Affairs disability pension or compensation, or Disability-related Medicaid) and living in a rent regulated apartment. To currently qualify for this benefit, you must be 18 years or older, have a combined household income that is \$50,000 or less and spend more than one-third of your monthly household income on rent.

**Emergency Tenant Protection Act of 1974 (ETPA)** - Chapter 576 Laws of 1974 - In Nassau, Rockland and Westchester counties, rent stabilization applies to non-rent controlled apartments in buildings of six or more units built before January 1, 1974 in localities that have declared an emergency and adopted ETPA. In order for rents to be placed under regulation, there has to be a rental vacancy rate of less than 5% for all or any class or classes of rental housing accommodations. Some municipalities limit ETPA to buildings of a specific size, for instance, buildings with 20 or more units. Each municipality declaring an emergency and adopting local legislation pays the cost of administering ETPA (in either Nassau, Rockland or Westchester County). In turn, each municipality can charge the owners of subject housing accommodations a fee (up to \$20 per unit per year).

**Fair Market Rent** - The fair market rent is the rent charged to the first stabilized tenant after the vacancy of a rent controlled tenant, subject to challenge in a Fair Market Rent Appeal.

**Fair Market Rent Appeal** - A challenge to the first rent stabilized rent after rent control which must be filed within 90 days after the tenant receives the initial apartment registration.

**Guideline Rent Increases** - The percentage increase of the Legal Regulated Rent that is allowed when a new or renewal lease is signed. This percentage is determined by the NYC or County Rent Guidelines Board for renewal leases signed between October 1 of the current year and September 30 of the following year.

**Harassment** - A course of action intended to force a tenant out of his or her apartment or cause a tenant to give up rights granted to the tenant by the Rent Stabilization or Rent Control Laws. No owner, or owner's representative, may interfere with a tenant's privacy, comfort or quiet enjoyment of the tenant's apartment.

**Heat and Hot Water** - By law building owners must provide all tenants with the following levels of heat and hot water:

Heat During the heating season: October 1 through May 31

- Between 6 a.m. and 10 p.m., heat must register at least 68 degrees Fahrenheit when the outside temperature falls below 55 degrees;

- Between 10 p.m. and 6 a.m., heat must register at least 62 degrees Fahrenheit. Hot Water (24 hours a day, 365 days a year)

Hot Water: (24 hours a day, 365 days a year)

- Hot water must register at or above a constant temperature of 120 degrees at the tap.

**Housing Maintenance Code** - The code, enforced by the New York City Department of Housing Preservation and Development, provides for protection of the health and safety of apartment dwellers by setting standards for the operation, preservation and condition of buildings.

**Individual Apartment Improvements** - An increase in rent based on increased services, new equipment, or improvements. This increase is a NYS policy and is in addition to the regular annual Rent Guidelines Board increases for rent stabilized apartments and Maximum Base Rent increases for rent controlled apartments. If owners add new services, improvements, or new equipment to an occupied rent regulated apartment, owners of rent regulated units can add in buildings with 35 units or less, the amount the rent can be increased for an IAI is limited to 1/168th of the cost of the improvement. In buildings with more than 35 units, the amount the rent can be increased for an IAI is limited to 1/180th of the cost of the improvement. The IAI rent

increase for improvements collected after June 14, 2019 is temporary and must be removed from the rent in 30 years, and the legal rent must be adjusted at that time for guideline increases that were previously compounded on a rent that included the IAI. Initial Apartment Registration - Registration that occurs when an apartment first becomes subject to the registration requirements of the rent stabilization law. A copy of the registration form must be served on the tenant.

**J-51 Tax Incentive Program** - A New York City program under which, in order to encourage development and rehabilitation, property tax abatements and exemptions are granted. In consideration of receiving these tax abatements, and at least for the duration of the abatements, the owner of these buildings agree to place under rent stabilization those apartments which would not otherwise be subject to rent stabilization. This program provides real estate tax exemptions and abatements to existing residential buildings that are renovated or rehabilitated in ways that conform to the requirements of the statute. It also provides these benefits to residential buildings that were converted from commercial structures.

**Legal Rent** - The maximum rent level that a owner is entitled to charge a tenant for a rent regulated unit. The owner of a rent stabilized unit must annually register that legal rent with ORA.

**Luxury Decontrol** - The Housing Stability and Tenant Protection Act (HSTPA) of 2019, which went into effect on June 14, 2019 eliminated high rent vacancy and high rent-high income deregulation.

**Major Capital Improvement (MCI)** - An MCI is a building wide improvement which is for the operation, preservation and maintenance of the structure, directly or indirectly benefits all tenants, involves a capital expenditure which is deemed depreciable by the Internal Revenue Service and meets the requirements set forth in the Agency's useful life schedule. To be eligible to collect a rent increase for an MCI, an owner must first apply to HCR and obtain an order granting the rent increase.

**Maximum Base Rent (MBR)** - A maximum base rent is established for each rent-controlled apartment and is updated every two years to reflect changes in operating costs. Pursuant to the Housing Stability and Tenant Protection Act (HSTPA) of 2019, the MCR cannot be increased by more than 7.5% per year or the average of the previous five-year Rent Guidelines Board (RGB) increases for each year of the two-year MBR cycles.

**Maximum Collectible Rent (MCR)** - The rent that rent controlled tenants actually pay is called the Maximum Collectible Rent (MCR). The MCR generally is less than the MBR. By law, The MCR is the average of the five most recent RGB annual rent increases for one-year renewal leases or 7.5%, the lesser of the two.

**Petition for Administrative Review (PAR)** - An administrative appeal, filed by an owner or tenant, against an order issued by the Rent Administrator, which alleges errors in fact or application of the law.

**Preferential Rent** - A rent charged by an owner to a tenant that is less than the established legal regulated rent. Pursuant to the Housing Stability & Tenant Protection Act (HSTPA) of 2019, tenants that were paying a preferential rent as of June 14, 2019, retain the preferential rent for the life of the tenancy. Rent Guidelines Board increases and other increases allowed by the Rent Stabilization Law or Emergency Tenant Protection Act are to be applied to the preferential rent.

**Registration** - Owners are required to register all rent stabilized apartments with ORA by filing an Annual Apartment Registration Form which lists rents and tenancy information as of April 1st of each year.

**Renewal Lease** - The lease of a tenant in occupancy renewing the terms of a prior lease entered into between the tenant and owner for an additional term. Tenants in rent stabilized apartments have the right to select a lease renewal for a one- or two-

year term. The renewal lease must be on the same terms and conditions as the expiring lease unless a change is necessary to comply with a specific law or regulation or is otherwise authorized by the rent regulations. The owner may charge the tenant a Rent Guidelines Board authorized increase based on the length of the renewal lease term selected by the tenant. The law permits the owner to raise the rent during the lease term if the Rent Guidelines rate was not finalized when the tenant signed the lease renewal offer. In general, the lease and any rent increase may not begin retroactively. Penalties may be imposed when an owner does not timely offer the tenant a renewal lease or timely return to the tenant an executed copy thereof.

**Rent Control** - The rent regulation program which generally applies to residential buildings constructed before February 1947 in municipalities for which an end to the postwar rental housing emergency has not been declared. For an apartment to be under rent control, the tenant must generally have been living there continuously since before July 1, 1971 or for less time as a successor to a rent-controlled tenant. When a rent-controlled apartment becomes vacant, it becomes rent stabilized, generally becoming stabilized if the building has six or more units and if the community has adopted the ETPA. Rent control limits the rent an owner may charge for an apartment and restricts the right of an owner to evict tenants. It also obligates the owner to provide essential services and equipment. In New York City, rent increases are governed by the MBR system.

**Rent Overcharge** - A rent overcharge occurs when a tenant pays an amount of rent above the legal rent. See Fact Sheet #16.

**Rent Reduction** - If an owner is not providing all required services, a tenant may file a complaint with ORA seeking to have the services restored. If the Agency determines that the services have not been restored, the Agency will issue a service reduction order which may relate to an individual apartment or may be building-wide. In rent stabilized apartments the rent will be reduced by an amount equal to the most recent rent guideline increase. In rent controlled apartments, the rent is reduced by a specific dollar amount based on the nature of the condition or decrease in service. See Fact Sheet #14.

**Rent Restoration** - This is an application filed by the owner to restore rents that were reduced by a rent reduction order. It is filed after the services have been restored. If granted, the effective date in rent stabilization is based on the date of the owner's application; for rent controlled apartments, the effective date is prospective only from the first day of the month after the issuance of the order.

**Senior Citizen Rent Increase Exemption (SCRIE)** - If a New York City tenant or tenant's spouse is 62 years of age or over (living in a rent regulated apartment), and the combined household income is currently \$50,000 per year or less and they are paying at least 1/3 of their income toward their rent, the tenant may apply for the Senior Citizen Rent Increase Exemption (SCRIE). In New York City, the Department of Finance (DOF) administers the SCRIE program. Outside of New York City, Senior Citizen Rent Increase Exemption is a local option, and communities have different income eligibility limits and regulations. If a New York City tenant qualifies for this program, the tenant is exempt from future rent guidelines increases, Maximum Base Rent increases, fuel cost adjustments, MCI increases, and increases based on the owner's economic hardship. New York City senior citizen tenants may also carry this exemption from one apartment to another upon moving, upon the proper application being made to the Department of Finance. See Fact Sheet #21.

**Service** - Both the Rent Control and Rent Stabilization Laws require that the owner continue to provide all services provided on the base date, (generally the date the apartment became subject to regulations), as well as any services which are required by law. See Fact Sheet #3.

**Sublet Apartment** - Rent stabilized apartments are rented pursuant to a lease between an owner and a tenant. Under certain circumstances, a tenant may enter into a sublease with a new tenant (called the subtenant) for the rental of the apartment. The owner has the right to charge the prime tenant a sublet allowance during the period of sublet if the sublet occurs during a renewal lease term. The prime tenant (tenant who holds the lease with the owner) may pass this allowance onto the subtenant.

The prime tenant may also charge the subtenant an additional 10% for the use of furniture. An apartment which is sublet continues to be under the jurisdiction of the rent stabilization law. The subtenant is protected from overcharges by the prime tenant and may file an overcharge complaint against the prime tenant if he or she feels a rent in excess of a legal rent is being collected. Generally the subtenant may not file such a complaint against the owner. See Fact Sheet #7.

**Substantial Rehabilitation** - A major reconstruction of the building, taking place after January 1, 1974, wherein at least 75% of the building-wide and apartment systems have been completely replaced with new systems. An owner must apply to DHCR and obtain an order granting the application. See Fact Sheet #38: Substantial Rehabilitation and Operational Bulletin 95-2.

**Succession** - The ability of a tenant to “pass on” their regulated apartment to certain immediate family members. The family member may have the right to succeed to the tenancy provided the family member’s primary residence has been with the tenant for two years or since the inception of the relationship. See Fact Sheet #30.

**Treble Damages** - Treble damages refers to a penalty of three times the dollar amount of an overcharge that is payable to the tenant. This penalty, imposed by an order of ORA, is assessed against an owner when he or she willfully collects any rent in excess of the legal regulated rent. ORA will require the owner to pay treble damages to the tenant—up to three times the overcharge amount and up to six years pursuant to the HSTPA.

**Vacancy Lease** - When a person rents a rent stabilized apartment for the first time, or, when a new name (not the spouse or domestic partner) is added to an existing lease, this is a vacancy lease. This written lease is a contract between the owner and the tenant which includes the terms and conditions of the lease, the length of the lease and the rights and responsibilities of the tenant and the owner. The ETPA gives the new tenant (also called the vacancy tenant) the choice of a one- or two-year lease term.

### **Underlying Data**

2020 ORA Rent Report - Rent Regulated Apartment Supporting Data

<https://hcr.ny.gov/2020-ora-rent-report-rent-regulated-apartment-supporting-data>

2020 ORA Rent Report - Rent Regulated Building Supporting Data

<https://hcr.ny.gov/2020-ora-rent-report-rent-regulated-building-supporting-data>