



## Legislation Text

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**File #:** Res 0841-2015, **Version:** \*

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### Res. No. 841

Resolution calling upon the State Legislature to pass, and the Governor to sign, A.7938 / S.5056-A, an act that would authorize the city of New York to institute a tenant rent increase exemption program for tenants who pay over fifty percent of their incomes in rent and who reside within certain rent-regulated properties

By Council Members Crowley, Barron, Gentile and Chin

Whereas, Pursuant to authorization provided by the State's Real Property Tax Law, New York City currently protects eligible senior citizens and people with disabilities from certain rent increases imposed by their landlords if they have total annual household incomes of \$50,000 or less, pay more than one-third of their monthly incomes on rent, and live in a rent-regulated apartment; and

Whereas, This benefit is provided pursuant to the senior citizen rent increase exemption ("SCRIE") and disability rent increase exemption ("DRIE") programs, collectively referred to as the New York City Rent Freeze Program ("Rent Freeze Program"); and

Whereas, Senior citizens and people with disabilities who are enrolled in the Rent Freeze Program have their rents frozen at either their prior legal rent or one-third of their income, whichever is greater, with future rent increases paid by the City to landlords in the form of a real property tax abatement credit; and

Whereas, No comparable benefit currently exists for similarly rent-burdened, low-income households without a senior citizen or person with a disability eligible for SCRIE or DRIE; and

Whereas, On May 20, 2015, the New York State Senate passed S. 5056-A, and on June 1, 2015, the New York State Assembly introduced A. 7938; and

Whereas, This legislation would authorize New York City to expand the Rent Freeze Program to include a Tenant Rent Increase Exemption ("TRIE") program; and

Whereas, According to the legislation's Memorandum in Support, the TRIE program would provide relief to those who, after paying their housing costs, have the least amount of income left to acquire the necessities of daily living; and

Whereas, The TRIE program would benefit households that earn \$50,000 or less per year, pay more than one-half of their monthly incomes in rent, and live in rent-regulated apartments; and

Whereas, Similar to the SCRIE and DRIE programs, TRIE beneficiaries would have their rents frozen at the time of enrollment in the program and future rent increases would be paid by the City to landlords in the form of a real property tax abatement credit; and

Whereas, Also similar to the SCRIE and DRIE programs, the State would reimburse the City in the amount of ten percent of the real property tax revenue lost each fiscal year as a result of TRIE; and

Whereas, According to the U.S. Department of Housing and Urban Development ("HUD"), for a household's housing costs to be considered "affordable" those costs must not exceed one-third of the household's monthly income; and

Whereas, Households that pay more than one-third of their monthly income in rent are considered rent-burdened; and

Whereas, Households that pay more than one-half of their monthly income in rent are considered severely rent-burdened; and

Whereas, In New York City, the number of households that are severely rent-burdened is unacceptably high; and

Whereas, In February 2015, the City's Department of Housing Preservation and Development released the initial results of the 2014 New York City Housing and Vacancy Survey ("2014 HVS"), a legally mandated, triennial survey conducted to determine New York City's overall vacancy rate for rental housing; and

Whereas, The 2014 HVS found that nearly thirty percent of the City's renter households are severely rent-burdened; and

Whereas, According to HUD, in addition to struggling to afford their rents, rent-burdened and severely-rent burdened households may have difficulty affording other necessities, such as food and medical care; and

Whereas, Just as the SCRIE and DRIE programs have been successful in ensuring that thousands of senior citizens and people with disabilities are able to remain in their homes each year, the TRIE program would be a lifeline for many severely rent-burdened New Yorkers who face financial difficulties; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the State Legislature to pass, and the Governor to sign, A.7938 / S.5056-A, an act that would authorize the city of New York to institute a tenant rent increase exemption program for tenants who pay over fifty percent of their incomes in rent and who reside within certain rent-regulated properties.

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