



THE CITY OF NEW YORK  
OFFICE OF THE PRESIDENT  
BOROUGH OF MANHATTAN

**BOROUGH PRESIDENT GALE A. BREWER  
TESTIMONY TO THE COMMITTEE ON HOUSING AND BUILDINGS  
ON INTRO 163 INFORMATION REQUIRED TO BE PROVIDED UPON THE  
SIGNING OF A LEASE  
JUNE 18, 2014**

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Thank you, Chair Williams, for the opportunity to testify before the Committee on Housing and Buildings today. I am here to urge the committee to pass Intro 163-2014. As co-sponsor of the bill with Council Member Mendez, I believe it is extremely important that prospective tenants be thoroughly informed of the condition and history about their units before signing a lease.

This bill calls for the creation of a checklist that landlords and management companies can download and print from HPD's or an enforcing agency's website. The checklist serves as a cover sheet to the rider that tenants are required to receive prior to or at the time of lease signing, pursuant to the New York City administrative code and the Department of Health. The rider must include, at a minimum: 1) lead-based paint notices, 2) window guard notices, and 3) bed bug infestation history notices. The checklist does not add to the workload or cost of preparing lease documents. Rather, it is intended to make the leasing process more transparent, as prospective tenants will know which notices they are entitled to receive at the time of lease signing as well as provide disclosure as to the unit's condition before a contractual agreement is established.

In particular, in 2010 Governor Paterson signed a law requiring the Notice to Tenant: Disclosure of Bed Bug Infestation history. According to DHCR, every landlord in New York City who issues a new tenant a lease, including owners of rental units in two-family houses and in condo and co-op buildings, would be required to fill out the form.

When I was a Councilmember, I introduced a similar bill to Intro 163 of 2014, Intro 872 of 2012. The impetus behind the bill was the final report by the New York Bed Bug Advisory Board, which was established through a bill I introduced, Local Law 14 of 2009. Charged with formulating a citywide strategy to address the bed bug epidemic, the Advisory Board recommended that landlords be enlisted in the campaign for increased public information and education on preventing and addressing bed bug issues. I would welcome an amendment to this bill requiring that landlords provide written bed bug information to tenants upon lease signing and renewal, one page that would be produced and posted on the City's website.

As for the current state of bed bugs in New York City, the good news is, since its peak in 2010, the number of bed bug violations issued by HPD has declined. Statistics released last month by HPD cite 520 bed bug violations in FY2013 in Manhattan's multifamily residential rental buildings, compared to 675 violations in FY2012 and 775 violations in FY2011.

However, a decline in bed bug infestations does not mean we shouldn't push for stronger regulation to reinforce the requirement that landlords provide bed bug history and other important apartment information to prospective renters. In fact, now is the ideal time to strengthen enforcement—as a way to safeguard tenants' quality of life as well as to keep landlords and management companies accountable to address bedbugs and other violations before becoming a problem.

And let's not forget that 520 instances of bed bug infestation in Manhattan last year still constitute a very high number. My office has been working with at least one of these hundreds of buildings. Leslie is the Tenant Association President of her building on West 95th Street. The building has been battling bed bug infestations for over three years, with periodic ebbing of the problem but the bed bugs haven't truly gone away. The latest surge happened this past April, when a ninth-floor unit was infested. This unit is rented by a senior in his 80s and his disabled daughter who only has one hand. Father and daughter have gotten rid of almost all their furniture and are resorting to sleeping on the floor in their living room. For over two months, their unit's bed bug problem has remained unabated. Leslie has confirmed with tenants living on floors eight to ten that bed bugs have spread to several other apartments.

There are a lot of buildings like Leslie's located throughout New York City. While Leslie's landlord does provide a notice that discloses her building's bed bug history in compliance with New York State law, my office has worked with several constituents who told my staff that they did not receive a bedbug notification form upon signing their lease. Implementing a required checklist will demand accountability from landlords and eliminate this inconsistency: using the checklist, prospective renters will know which required notices they are entitled to so they can ask for any missing documents before signing the lease. And with knowledge of a building's bed bug history, prospective renters can then request landlords to offer a bed bug-free apartment—or one that is clear from the vicinity of an infested unit—instead of starting a new lease only to discover that they have to battle bed bugs shortly after move-in.

I am confident that the passage of Intro 163 will increase bed bug control and the accountability for infestation history throughout the City. Overall, landlords and management companies have been compliant with providing lead paint and window guard notices to prospective lessees as required by law, though my office's experience shows that enforcement of bed bug history notification has been less consistent. With the introduction of the housing checklist as part of the minimally required documents to be included in a lease rider, New York City's renters will receive an added layer of disclosure and protection against harmful conditions and unwanted infestations.

Thank you for the opportunity to testify today.

# Glen Oaks Village

A SELF-MANAGED COOPERATIVE

My name is **Bob Friedrich** and I am the **President of Glen Oaks Village**, a residential housing co-op in eastern Queens. I am also the founder of the Presidents Co-op & Condo Council, a think tank of nearly 100 co-op Board Presidents throughout the city representing more than 100,000 people.

Glen Oaks Village is the largest horizontal apartment co-op in New York with 134 2-story buildings and 3,000 families. Our co-op is located in New York's best performing school district where apartments can be rented or purchased for under \$200,000. It is the essence of affordable housing in New York City.

Affordable monthly maintenance is the greatest gift we can give our families and seniors, allowing them the dignity to live comfortably and affordably in a wonderful community. But this affordability is under attack by the City Council's unfunded mandates that creates serious challenges to our budgets.

Local Law 87 which passed a few years ago is one such mandate. It requires co-ops like ours to conduct expensive energy audits, even though most of the energy that is consumed in our co-op is consumed by individual families and beyond the control of the co-op itself.

Local Law 87 has created a cottage industry of expensive energy audit companies that provide marginally useful information for co-ops at a tremendous cost. Elected co-op boards are in the best position to maximize the use of their limited funds and unfunded mandates seriously impairs their ability to do what is best for their community and their residents.

Under the law we are required to prepare an energy audit for each property tax block. The due date of the audit is based on the last digit of the property block number. If the property block number ends in 6, the energy audit is due in 2016. If the property block number ends in 9, the energy audit is due in 2019.

In the case of a multi-million dollar Manhattan high rise that sits on a single block and lot, the building conducts a single energy audit in one year and will pay significantly less for its mandated energy audit than a horizontal co-op like Glen Oaks Village that sits on 20 separate block and lots, and is required to conduct multiple energy audits over a period of many years. The inefficiencies are enormous and the cost burdens are substantial.

In order to fix this inequity and reduce energy audit costs we need the ability to combine our multiple tax blocks into a single energy audit in order to take advantage of the efficiencies of such an audit.

In fact, the cost for us to do all blocks at one time is approximately \$75,000. To do them separately over a 10 year period would cost us a quarter of a million dollars. My community cannot afford the increased maintenance that will result from a decade of energy audits.

(Over)

**Intro 33** that I asked Councilman Weprin to introduce would simply allow horizontal co-ops that sit on multiple tax blocks to consolidate all of their mandatory energy audits into a single audit. Passage of this bill will prevent burdensome costs from being placed on co-ops. I urge the Council to pass this bill expeditiously.

I also ask the Council to consider exempting residential housing co-ops from the mandates of local law 87 entirely. Yes, continue to enforce Local Law 87 on Commercial and rental properties and use that data to determine if it makes sense to extend compliance to residential housing co-ops at a later date. This will give us the time to plan and prepare for the other costs that are mandated in Local Law 87.

Thank you.

**CONTACT: Bob Friedrich, President**  
**Glen Oaks Village**  
**917-604-4273**  
**bobinny@aol.com**

**Testimony before the Committee on Housing and Buildings  
of the New York City Council  
By Ryan Baxter  
Senior Policy Analyst, Management Services and Government Affairs  
Real Estate Board of New York  
June 18, 2014**

Good afternoon Chairperson Williams and members of the Committee on Housing and Buildings. The Real Estate Board of New York, representing over 15,000 owners, developers, managers, and brokers of real property in New York City, thanks you for the opportunity to testify regarding the proposed changes to the Administrative Code and rent regulation resolutions. We also appreciate that the New York City Council has been proactive in seeking our comments and in collaborating with building owners.

We have been actively engaged in discussions with our membership to help ensure the proposed regulations efficiency and effectively meet the goals these bills try to accomplish. While, we support the intent of the proposals, we have a few concerns.

Int. No. 0033-2014 – Consolidated Energy Efficiency Reports for Residential Cooperatives

- We greatly appreciate the City Council's push to simplify the energy efficiency regulations facing residential buildings by consolidating energy efficiency reporting.

Int. No. 0035-2014 – Posting of Rent Regulation Notices

- We understand the public benefit of disclosing the location and identification of rent regulated units. However, we believe that the City and State have the capabilities of providing a public registry of these units, which may provide more utility to those seeking this information than this proposal.
- Given the large number of postings already required, we do not support additional signage that does not pertain to life safety as they will only reduce the attention given to existing signs.

Int. No. 0048-2014 – Distribution and Posting of Tenant Bill of Rights

- We believe HPD is best suited to create a universal Tenant Bill of Rights. Such an alternative would avoid unnecessary legal and administrative costs associated with landlords and agents endeavoring to create their own while complying with the proposed law.
- Currently, all residential buildings are already required to post a multitude of notices, including: fire safety plans, fire alarm transmission methods, water inspection notices, notice of smoke and carbon monoxide detector installation, emergency contact information, among others. Any additional signage is not likely to bring additional attention to new issues, but rather would further crowd any existing signs.

Int. No. 0163-2014 – Required Information Lease Riders

- Currently, all listed items proposed to be included in lease riders must already be distributed to new tenants. Failure to distribute and maintain requisite records have individual penalties and proscribed remedies.
- We believe allowing HPD to determine new content for these lease riders, without legislative action, may lead to leases being invalidated as property manager and tenants may not stay up

to date with required documentation. An invalid lease would reduce the protections the leases are intended to provide to both tenants and landlords.

Res. No. 0191-2014 – Call for NYSHCR to Release Illegally Deregulated Apartment Addresses

- We support this resolution. However, we would want the State and the City to exempt that the apartments deregulated in accordance with State regulations receiving J-51 benefits prior to the *Roberts v. Tishman Speyer* decision were not illegally deregulated.

With modification to address the aforementioned concerns, REBNY supports all of the items including on today's agenda. Thank you again for the opportunity to comment. We look forward to continuing our conversation with the Council to continue improving housing throughout the City for all New Yorkers.



New York State Association of REALTORS®, Inc.

New York State Association of REALTORS®, Inc.

130 Washington Avenue | Albany, NY 12210-2220

P 518.463.0300 | F 518.462.5474

info@nysar.com | www.NYSAR.com

**FOR THE RECORD**

## MEMORANDUM IN OPPOSITION

**New York City Council  
Committee on Housing and Buildings  
June 18, 2014**

### **Int.48-A**

Contact: Michael Kelly

The New York State Association of REALTORS® (NYSAR), a not-for-profit trade organization representing more than 48,000 of New York's real estate professionals, including thousands of REALTORS® living and working in New York City, opposes Int.48-A, the Tenants Bill of Rights. REALTORS® are in the unique position of representing and advocating for all parties involved in the rental transaction: landlords and tenants, lessors and lessees. NYSAR opposes Int. 48-A as it will create confusion for tenants and an unnecessary burden for owners.

The provisions regarding notice to existing and prospective tenants are unclear, create confusion, and increase liability to building owners. The bill speaks to distribution of a tenants' rights notice along with a lease or lease renewal form. This language does not definitively outline when the notice is to be provided to current tenants—at the time of lease renewal or at another prescribed time. The bill also lacks a definition for what constitutes a "prospective" tenant. This creates confusion regarding when and to whom the document should be distributed.

The bill provides for financial penalties against building owners when the notice is not provided to tenants or prospective tenants, or if the owner fails to post the appropriate form or posts in a manner not acceptable to the Department of Housing Preservation and Development. While this legislation sets a fine for failure to distribute and/or post by an owner, it does not shield the owner from other potential civil action. For example, if the owner fails to properly provide the bill of rights, could a tenant argue that the lease is void and unenforceable? This proposal creates yet another financial and managerial burden on owners who are responsible for distributing numerous mandated documents to tenants.

Finally, there are logistical issues with requiring another document to be posted in a building's mailbox area. In some cases it may be physically impossible to comply with this requirement because New York City's rules and regulations already require approximately twelve other notices to be posted. The message and purpose of this notice to tenants will be lost in all the clutter.

For the above stated reasons the New York State Association of REALTORS® opposes Int.48-A.

*The New York State Association of REALTORS® is a not-for-profit trade organization representing more than 48,000 of New York State's real estate professionals. The term REALTOR® is a registered trademark, which identifies real estate professionals who subscribe to a strict code of ethics as members of the National Association of REALTORS®. These REALTORS® are also members of the New York State Association of REALTORS® as well as their local board or association of REALTORS®*

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## Council of New York Cooperatives & Condominiums INFORMATION, EDUCATION AND ADVOCACY

250 West 57 Street • Suite 730 • New York, NY 10107-0700

### TESTIMONY BEFORE THE COMMITTEE ON HOUSING & BUILDINGS

COMMENTING ON Int. No. 33, Int. No. 35, Int. No. 163 and Int. No. ~~148~~-A

Wednesday, June 18, 2014

Good afternoon Chairman Williams and committee members. My name is Mary Ann Rothman, and I am the Executive Director of the Council of New York Cooperatives & Condominiums (CNYC Inc.) a membership organization comprised of housing cooperatives and condominiums located throughout the five boroughs of New York City that are the homes of more than 170,000 New York families. CNYC seeks consistently to have ~~distinguish~~ the home ownership status of our members recognized in legislation, in regulations and in practices. We respectfully request modifications to the four pieces of legislation under consideration to recognize the distinct qualities of cooperatives and condominiums.

**Int. No. 33** allows cooperatives that consist of multiple buildings with different tax block numbers to consolidate the Energy Audit Report required by Local Law 87 of 2009. CNYC applauds this very helpful and practical modification to Local Law 87, and we strongly support passage. However, there are also condominiums that consist of multiple buildings with different tax block numbers. Please modify this legislation to allow condominiums to consolidate their energy reports.

Ints. No. 35, 163 and ~~148~~-A each call for additional notices and postings. The volume of notices already required in NYC buildings makes us question the effectiveness of such requirements. However, if these bills are passed, we request modifications for cooperatives and condominiums.

**Int. No. 35** requires the posting of a sign in any building with dwelling units subject to rent regulations.

Rent regulated units are often found in cooperatives and condominiums whose residents at the time of conversion opted not to purchase their units. These renters have the right to live out their lives in their rent regulated units, and sometimes their children can inherit this right, but the units do not continue under rent regulation thereafter. CNYC can see no reason to require notices in cooperatives or condominiums stating that "This building contains one or more units that are subject to rent regulation." Please exempt cooperatives and condominiums from this requirement.

**Int. No. 163** requires a new lease rider listing notices required to be provided to the tenant. This seems to be intended to help rent regulated tenants understand their rights, including any rent regulated tenants who live in cooperatives and condominiums. But shareholders in housing cooperatives sign a document that is called a proprietary lease. For clarity, we request that shareholders in cooperatives be specifically exempted from this requirement.

**Int. No. ~~148~~-A** also needs wording to specifically exempt cooperative shareholders and condominium unit owners from its provisions. We would further request that cooperatives and condominiums that include rent regulated tenants be permitted to distribute the Tenants Bill of Rights to those units rather than being required to post it.



**TESTIMONY OF LEGAL SERVICES NYC REGARDING TENANT NOTICE BILLS  
(INTROS 35 AND 48-A)**

**New York City Council  
Committee on Housing and Buildings  
June 18, 2014**

Legal Services NYC welcomes the opportunity to give testimony before the New York City Committee on Housing and Buildings. We commend the City Council for its continuing support of tenants facing displacement and harassment, which contribute to the City's steadily worsening housing affordability crisis.

Legal Services NYC is one of the largest law firms for low income people in New York City. With five borough offices and numerous outreach sites, Legal Services NYC's mission is to provide expert legal assistance that improves the lives and communities of low income New Yorkers. Legal Services NYC annually provides legal assistance to thousands of low income clients throughout New York City. Historically, Legal Services NYC's priority areas have included housing, government benefits and family law; in recent years, Legal Services NYC has vastly expanded services in areas of need critical to our client base, including consumer issues and foreclosure prevention, unemployment, language access, disability, education, immigration, and bankruptcy.

The Mayor's new Housing Plan estimates that at least 500,000 low income families are paying substantially more rent than they can afford. The Plan further explains that nearly 250,000 apartments left the rent regulation system since 1994. Every time a rent regulated tenant is displaced from her home through eviction, harassment, or deprivation of services, the rent is increased beyond the means of low income New Yorkers, and the City permanently loses an affordable housing unit. Even the Mayor's ambitious construction plan will only provide about 16,000 new units affordable to families below 50 percent of median income. Clearly, the City cannot afford to lose a single unit that is now affordable, and every measure taken to prevent tenant displacement contributes to the success of the Mayor's housing goals.

The proposed Intros 35 and 48-A will provide valuable information to the thousands of tenants who are unaware of their legal rights. Our offices regularly receive calls from tenants who believe they must move simply because they have received a letter – or an oral request – from their landlord. There is no way to know how many such tenants needlessly surrender their apartments rather than insist on a

hearing in court. Thousands of other tenants vacate otherwise affordable apartments because they are unaware of their right to insist on repairs and their right to receive adequate heat in the wintertime.

Although tenants who lack access to legal counsel or informed community organizers will always be at a severe disadvantage with respect to their landlords, notice requirements of the kind set forth in the proposed bills provide helpful information to tenants about their basic rights, and point them to sources that can provide more detailed information. Intro 48-A informs tenants of three of the most important and universal rights under the law: the right to judicial process before eviction, the right to services and repairs under the Warranty of Habitability, and the right to organize. Intro 35 informs tenants of the possibility that their apartment may be regulated under the Rent Stabilization or Rent Control laws.

In addition, Intro 48-A helpfully directs HPD to maintain a list of free legal services providers, which will improve access to much needed legal assistance.

Legal Services NYC offers the following suggestions to improve the effectiveness of this legislation:

1. Combine the notices covered by the two proposed bills.
2. Require posting of the notices in multiple languages, in harmony with the purposes underlying Executive Order No. 120. The online list of legal services providers should also be multilingual.
3. Review the proposed notice language to ensure that it is phrased in the plainest and most easily understandable terms.
4. Rather than notify tenants that the building “contains” a rent controlled or stabilized unit, it would probably be more helpful to say that if the building has six or more units, the tenants may be rent stabilized, and can check their status with DHCR. (In contrast to rent stabilization, the existence of one rent *controlled* unit in a building says nothing about the status of the remaining units.)
5. State more clearly that the “landlord is required to keep the tenants’ apartments in good repair,” and that tenants can obtain repairs by calling 311 or by going to housing court.
6. Check with DHCR’s Tenant Protection Unit regarding the best way to connect tenants with DHCR.
7. Make clear that the notice must be in a form prescribed by HPD.

We thank the City Council for addressing this important issue, and look forward to working with the Committee in providing effective protections to vulnerable low income tenants.

Respectfully submitted,

Edward Josephson, Esq.  
Legal Services NYC  
40 Worth Street, Suite 606  
New York, NY 10013  
(718)-237-5538

Katie Goldstein, Executive Director  
New York State Tenants & Neighbors

*Testimony as Prepared*

June 18, 2014

New York City Council Committee on Housing and Buildings

Re: Int. No. 0035, Int 0048, Int 0163, Res 0030, Res 0191.

Good afternoon. Thank you to Chairman Williams and to the Housing and Buildings Committee members for the opportunity to testify today.

My name is Katie Goldstein and I am the Executive Director for New York State Tenants & Neighbors Information Service and New York State Tenants & Neighbors Coalition, two affiliate organizations that share a common mission: to build a powerful and unified statewide organization that empowers and educates tenants; preserves affordable housing, livable neighborhoods, and diverse communities; and strengthen tenant protections. The Information Service organizes tenants in at-risk rent regulated and subsidized buildings, helping them preserve their homes as affordable housing, and organizes administrative reform campaigns. The Coalition is a 501c4 membership organization that does legislative organizing to address the underlying causes of loss of affordability. Our membership organization has over 3,000 dues-paying members.

Tenants & Neighbors organizes in rent-regulated, Mitchell-Lama, and project-based Section 8 developments citywide. In the buildings where we organize, the story is the same. Low and moderate income tenants in New York City are regularly experiencing the pressures of displacement; as rents go up, as affordable housing is developed for income bands that they don't qualify for, and the loss of affordable subsidized units.

One of the major reasons for the violation of tenants' rights, which can lead to the loss of affordable housing and unaffordable rents, is lack of tenant education. New York City's tenants struggle to find accurate and appropriate information for their particular housing situation, and this is particularly true for the city's rent-regulated tenants. Many tenants come to our office with questions such as: what does it mean to be a rent-regulated tenant? Should I sign this lease? My rent was raised this amount, is this legal? I commend the New York City Council for proposing resolutions and introductions that will help to provide much-needed information to New York City's tenants. I am looking forward to working with you all closely to make sure that tenants are educated, informed, and take action on their rights.

Thank you very much for the opportunity to testify today.

TESTIMONY

ON

**THE STABILIZING NYC INITIATIVE:  
FIGHTING PREDATORY EQUITY  
AND TENANT HARASSMENT**

PRESENTED BEFORE:

THE NEW YORK CITY COUNCIL  
HOUSING & BUILDINGS COMMITTEE

PRESENTED BY:

Nahida Uddin  
COMMUNITY ORGANIZER  
CHHAYA CDC  
On behalf of the  
STABILIZING NYC COALITION

JUNE 18, 2014

Good afternoon. My name is Nahida Uddin and I am a community organizer at Chhaya CDC, a member of a new citywide coalition, Stabilizing NYC, that has come together to fight the depletion of affordable housing in NYC at the hands of predatory equity landlords. Thank you for the opportunity to testify this afternoon.

Stabilizing NYC is made up of twelve community organizations, a legal services provider and a housing advocacy organization — CAAAV, the Community Development Project at the Urban Justice Center, UHAB, Asian Americans for Equality, Chhaya CDC, Community Action for Safe Apartments at New Settlement Apartments, Fifth Avenue Committee/Neighbors Helping Neighbors, Flatbush Tenant Coalition, GOLES, Mirabal Sisters Cultural and Community Center, Mothers on the Move, Northwest Bronx Community and Clergy Coalition, Pratt Area Community Council and Woodside on the Move.

Over the past seven years, New York City's affordable housing market has been severely destabilized by private (predatory) equity companies that purchase large number of rent-stabilized buildings at inflated prices and then push out the rent-stabilized tenants so that they can charge market rates, using a wide range of harassing techniques from frivolous lawsuits to failing to provide heat or conduct necessary repairs. As a result, the city has lost thousands of units of affordable housing over the last few years at the hands of megacorporations such as Vantage, Pinnacle, Dawnay Day, Chestnut Holdings, Urban American and Ocelot.

A recent example of predatory equity's impact on affordable housing in our city is the Three Borough Pool, a portfolio of 44 rent-regulated buildings in Manhattan, Brooklyn and the Bronx that were owned by predatory equity companies and have fallen into foreclosure. As a result, the owners have stopped maintaining the buildings, which have more than 2700 violations combined, and are seeking refinancing in hopes of converting the buildings to market-rate housing. If they succeed, New York City will lose more than 1500 units of affordable, rent-stabilized housing.

In response to these examples, organizers and lawyers have begun working with tenants in all five boroughs, fighting back against these landlords' aggressive and illegal tactics. Chhaya CDC has organized three rent-stabilized buildings and worked with more than 160 tenants to help hundreds of residents maintain affordable housing in Queens. The strategies Chhaya and other community organizations in the Stabilizing NYC coalition use include: organizing tenants in predatory equity buildings and educating them about their rights; bringing lawsuits against negligent and abusive landlords to compel them to make repairs, restore essential services and cease harassment; and intervening in

foreclosure proceedings to urge the court to sell foreclosed buildings to responsible owners who respect tenants' rights. We have had some success with these methods, but for every tenant that we are able to help, dozens more are losing their affordable housing at the hands of predatory equity, and the result is that thousands of rent regulated tenants are forced out of their homes each year.

The bills which are being discussed here today will significantly protect countless tenants from the various forms of harassment used by these predatory equity companies. By ensuring that tenants have access to information about their rights, the City Council will provide tenants with the ability to challenge the dubious claims and tactics used by predatory equity management companies in order to push them out. By challenging these claims and advocating for their right to live in these units, tenants in various neighborhoods of New York City will lend tremendous support to the broader struggle to preserve affordable housing, with the assistance of City Council.

Whether it is providing for a list of tenants' rights in the buildings that they live, providing guidance about the information that is required upon the signing of a lease, providing notice of the dates, times, and locations of all public meetings of the Rent Guidelines Board, or demanding that the New York State Homes and Community Renewal provide information about the return of illegally deregulated rental units to the rent regulatory system, such information is crucial to the low-income and immigrant communities that the community organizations of Stabilizing NYC serve in various neighborhoods across the city. In fact, it is due to the barriers and lack of access to such information that tenants find themselves vulnerable to harassment and at risk of losing their housing. The passage of these bills will significantly help tenants defend themselves from dangerous predatory equity landlords and will help tenant organizers, advocates, and lawyers challenge the legitimacy of the claims made and tactics used by the private investment corporations that are currently robbing our city of its precious affordable housing. We need to ensure that these predatory equity corporations do not continue to deplete the affordable housing stock in our city and impair the long-term affordability of the city for those residents who help build and sustain it.

Once again, thank you for the opportunity to testify.

**Testimony by New York Legal Assistance Group (“NYLAG”)**

**before the NYC Council Committee on Housing and Buildings regarding:**

**Int. No. 33 - In relation to allowing residential cooperatives to consolidate required energy efficiency reports.**

**Int. No. 35 - In relation to posting certain information in multiple dwellings containing rent-regulated units.**

**Proposed Int. No. 48-A - In relation to a tenants' bill of rights.**

**Int. No. 163 - In relation to information required to be provided upon the signing of a lease.**

**Res. No. 30 - Resolution calling on the New York State Division of Housing and Community Renewal and the New York City Rent Guidelines Board to work together to provide notice by mail of the dates, times and locations of all public meetings of the Rent Guidelines Board to all tenants of rent-stabilized housing in New York City.**

**Res. No. 191 - Resolution calling upon the New York State Homes and Community Renewal to release the addresses of illegally deregulated rental units upon their return to the rent regulatory system.**

**June 18, 2014**

Chair Williams, Council Members, and staff, good morning and thank you for the opportunity to speak about several bills and two resolutions that relate to greater transparency and dissemination of information to tenants. My name is Kamilla Sjödin,

To be brief I will focus my comments on Proposed Int. 48-A and Resolutions 30 and 191. First, to be very specific, we would encourage the proposed tenant bill of rights to also include information about the Anti-Tenant Harassment law (for example, “A landlord may not harass a tenant for the purpose of forcing him/her to move out.”) and the fact that it is illegal for landlords to retaliate against tenants who assert their rights.

I would also suggest that any notices such as a tenant bill of rights, especially when posted in a building, be required to be posted in at least Spanish, as well. In the alternative, I would suggest that landlords be required to post the notice in whatever language (in addition to English) that most of the tenants of a particular building speak. Many tenants are especially intimidated because they are unable to navigate the system in a language comprehensible to them.

Further, I would respectfully request that the tenant bill of rights be required to be in at least 12 point font or larger, and that you consider expanding the definition of “tenant” to “occupant,” as there are many instances where someone’s tenancy status might be in question, but he/she still has the right to a livable space without dangerous conditions.

Since there has been a lot of talk about doing more SCRIE and DRIE outreach, I would suggest that tenants be notified of these programs in notices from the landlord and/or in the tenant bill of rights.

Finally, the penalties seem extremely low. Perhaps, Proposed Intro 48-A could make clear that the fines accumulate per day for not posting the bill of rights. Additionally, if legally possible, I would suggest making the penalties higher in buildings with six or more units and keeping them as they are for buildings between 3 to 5 units.



We fully support Res. No. 30 in relation to making sure all regulated tenants are aware of any Rent Guidelines Board hearings, or any hearings relating to bills or proposed rules that can affect their housing, and Res. No. 191 in relation to releasing the addresses of illegally deregulated rental units. We would also encourage the release of names of landlords and management companies who are responsible for any such illegal deregulation.

We commend the Council and this Committee for working on these matters and urge the passing of at least the bill and resolutions discussed. We would be happy to discuss our proposals further with the Council or other advocates and work together to make these ideas even more effective.

Thank you for the opportunity to testify today.

Respectfully submitted,

Kamilla Sjödin, Associate Director, Housing Law



TESTIMONY IN OPPOSITION  
TO INTRO. 48-A AND INTRO. 35

My name is Frank Ricci, the Director of Intergovernmental Affairs for RSA. On behalf of our 25,000 members who own or manage approximately one million apartments in the City of New York, I am here to testify in opposition to Intro. 48-A. This bill creates a tenants' bill of rights and imposes various posting and delivery requirements upon property owners.

A real tenants' bill of rights should also set forth a list of tenants' duties and responsibilities, such as the obligation to pay rent timely. However, the real problem with Intro. 48-A is that, once again, the Council is turning to the stale approaches of the past.

Intro. 48-A would require every owner of a multiple dwelling- meaning every building with 3 or more apartments- to post a tenants' bill of rights in a conspicuous place in the building and to give each tenant or prospective tenant, together with their lease or renewal lease, a copy of the tenants' bill of rights and contact information for HPD and DHCR.

What do these requirements mean in reality? Other than burdening owners, not much. Numerous laws already require owners to post various signs: the HPD multiple dwelling registration number, the HPD inspector visitation sheet, the smoke detector/carbon monoxide detector notice, no smoking signs, the DOB elevator inspection certificate, two HPD boiler room access signs, recycling signs, garbage removal signs, the boiler/burner certificate, multiple fire safety signs, and others. More than a dozen signs altogether. The reality is that no one reads these signs and they are prone to ongoing vandalism. And, of course, the owner gets penalized.

In addition, rent stabilized tenants- and there are about one million of them- already receive a detailed, 6-page DHCR rider for all leases and renewal leases which informs them of their rights and provides contact information for numerous government agencies, including but not limited to HPD and DHCR. Intro. 48-A just piles more requirements on owners without making any meaningful difference to tenants. Our objections apply equally to Intro. 35, which requires owners to post signs informing tenants whether their building contains apartments subject to rent control or rent stabilization.

Thank you for the opportunity to testify against Intro. 48-A and Intro. 35.



Revision Date: September 2011

## **Rent Stabilization Lease Rider For Apartment House Tenants Residing In New York City**

FAILURE BY AN OWNER TO ATTACH A COPY OF THIS RIDER TO THE TENANT'S LEASE  
WITHOUT CAUSE MAY RESULT IN A FINE OR OTHER SANCTIONS

### **NOTICE:**

This Rider, with this Notice, must be attached to all vacancy and renewal leases for rent stabilized apartments. This Rider was prepared pursuant to Section 26-51 1(d) of the New York City Rent Stabilization Law.

This Rider must be in a print size larger than the print size of the lease to which the Rider is attached. The following language must appear in bold print upon the face of each lease: **"ATTACHED RIDER SETS FORTH RIGHTS AND OBLIGATIONS OF TENANTS AND LANDLORDS UNDER THE RENT STABILIZATION LAW."** ("Los Derechos Y Responsabilidades de Inquilinos Y Caseros Están Disponible en Español".)

### **INTRODUCTION:**

This Rider is issued by the New York State Division of Housing and Community Renewal ("DHCR"), pursuant to the Rent Stabilization Law ("RSL"), and Rent Stabilization Code ("Code"). It generally informs tenants and owners about their basic rights and responsibilities under the RSL.

This Rider does not contain every rule applicable to rent stabilized apartments. It is only informational and its provisions are not part of and do not modify the lease. However, it must be attached as an addendum to the lease. It does not replace or modify the RSL, the Code, any order of DHCR, or any order of the New York City Rent Guidelines Board.

The Appendix lists organizations which can provide assistance to tenants and owners who have inquiries, complaints or requests relating to subjects covered in this Rider.

Tenants should keep a copy of this Rider and of any lease they sign.

## **PROVISIONS**

### **1. GUIDELINES INCREASES FOR RENEWAL LEASES:**

The owner is entitled to increase the rent when a tenant renews a lease (a "renewal lease"). Each year, effective October 1, the New York City Rent Guidelines Board sets the percentage of maximum permissible increase over the immediately preceding September 30th rent for leases which will begin during the year for which the guidelines order is in effect. The date a lease starts determines which guidelines order applies.

Guidelines orders provide increases for Renewal Leases. The renewing tenant has the choice of the length of the lease. Different percentages are set for rent increases for leases of 1 or 2 years. The guidelines order may incorporate additional provisions, such as a supplementary low-rent adjustment. For additional information see DHCR Fact Sheet #26.

### **2. VACANCY INCREASES FOR VACANCY LEASES**

The owner is entitled to increase the prior legal regulated rent when a new tenant enters into a lease ("vacancy lease"). The legal regulated rent immediately preceding the vacancy may be increased

by statutory vacancy increases as follows;

If the vacancy lease is for a term of 2 years, 20% of the prior legal regulated rent; or if the vacancy lease is for a term of 1 year, the increase shall be 20% of the prior legal regulated rent less an amount equal to the difference between:

- (A) The 2 year renewal lease guideline promulgated by the New York City Rent Guidelines Board ("RGB") applied to the prior legal regulated rent and
- (B) The 1 year renewal lease guideline promulgated by the RGB applied to the prior legal regulated rent.

Additional increases are available to owners where the legal regulated rent was last increased by a vacancy allowance eight or more years prior to the entering into of the subject vacancy lease or if no vacancy allowance has been taken, the number of years that the apartment has been subject to stabilization. Generally, this increase equals 0.6%, multiplied by the prior legal regulated rent, multiplied by the number of years since the last vacancy increase.

If the prior legal regulated rent was less than \$300, the total vacancy increase shall be as calculated above, plus an additional \$100. If the prior legal regulated rent was at least \$300, and no more than \$500, in no event shall the total vacancy increase be less than \$100.

A RGB order may authorize an additional vacancy "allowance," which is separate from the statutory vacancy increase which an owner may charge. The tenant has the choice of whether the vacancy lease will be for a term of 1 or 2 years. For additional information see DHCR Fact Sheets #5 and #26.

Pursuant to the Rent Act of 2011, effective June 24, 2011, owners can charge and collect no more than one (1) vacancy lease rent increase in a calendar year (January 1st through December 31st).

### **3. SECURITY DEPOSITS:**

An owner may collect a security deposit no greater than one month's rent. However, if the present tenant moved into the apartment prior to the date the apartment first became rent stabilized, and the owner collected more than one month's rent as security, the owner may continue to retain a security deposit of up to two month's rent for that tenant only. When the rent is increased, the owner may charge an additional amount to bring the security deposit up to the full amount of the increased rent to which the owner is entitled.

A security deposit must be deposited in an interest bearing trust account in a banking organization in New York State. The tenant has the option of applying the interest to the rent, leaving the interest in the bank or receiving the interest annually. For additional information see DHCR Fact Sheet #9.

### **4. OTHER RENT INCREASES:**

In addition to guidelines and statutory vacancy increases, the rent may be permanently increased based upon the following:

- (A) **Individual Apartment Improvements ("IAI")** - Where an owner installs a new appliance in, or makes an improvement to, an apartment, the owner may be entitled to increase the rent of that apartment for the new appliance or improvement. If an apartment has a tenant in occupancy, the owner can only receive a rent increase for the individual apartment improvement if the tenant consents in

writing to pay an increase for the improvement (s). However, if the apartment is vacant, tenant consent is not required.

Pursuant to the Rent Act of 2011, effective September 24, 2011, in buildings that contain more than 35 apartments, the owner can collect a permanent rent increase equal to 1/60th of the cost of the Individual Apartment Improvement (IAI). In buildings that contain 35 apartments or less, the owner can collect a permanent rent increase equal to 1/40th of the cost of the IAI, as had previously been allowed.

For example, if a new dishwasher is installed in a vacant apartment, in a 100 unit building, and the cost is \$900, the rent can be increased by \$15 (1/60th of \$900). The same installation in a 20 unit building would result in a \$22.50 rent increase (1/40th of \$900). The increase, if taking place on a vacancy, is added to the legal rent after the application of the statutory vacancy increase, not before. (See Fact Sheet # 12 for additional information).

(B) **Major Capital Improvements ("MCI")** – An owner is permitted a rental increase for building-wide major capital improvements, such as the replacement of a boiler, or new plumbing. The owner must receive approval from DHCR which will permit the owner to increase rents pro-rata by 1/84th of the cost of the improvement. The owner is not required to obtain tenant consent. Tenants are served with a notice of the owner's application and have a right to challenge the MCI application on certain grounds. For additional information see DHCR Fact Sheet #11.

(C) **Hardship** – An owner may apply to increase the rents of all rent stabilized apartments based on hardship when:

1. the rents are not sufficient to enable the owner to maintain approximately the same average annual net income for a current three-year period as compared with the annual net income which prevailed on the average over the period 1968 through 1970, or for the first three years of operation if the building was completed since 1968, or for the first three years the owner owned the building if the owner cannot obtain records for the years 1968-1970; or
2. where the annual gross rental income does not exceed the annual operating expenses by a sum equal to at least 5% of such gross income.

If an application for a rent increase based on a major capital improvement or hardship is granted, the owner may charge the increase during the term of an existing lease only if the lease contains a clause specifically authorizing the owner to do so.

An increase based on a major capital improvement or hardship may not exceed 6% in any 12 month period. Any increase authorized by DHCR which exceeds these annual limitations may be collected in future years.

**5. FOR VACANCY LEASES ONLY:**

If this Rider is attached to a **RENEWAL LEASE**, the owner is **NOT** obligated to complete this section. If this Rider is attached to a **VACANCY LEASE**, the owner **MUST** show how the rental amount provided for in such vacancy lease has been computed above the prior legal regulated rent by completing the following chart. The owner is not entitled to a rent which is more than the legal regulated rent. For additional information see DHCR Fact Sheet #5 In addition, the owner **MUST** complete the Notice To Tenant Disclosure of Bedbug Infestation History, as required by the NYC Housing Maintenance Code Section 27-2018.1, which is required to be served on the tenant with this Lease Rider,

ANY INCREASE ABOVE THE PRIOR LEGAL REGULATED RENT MUST BE IN ACCORDANCE WITH ADJUSTMENTS PERMITTED BY THE RENT GUIDELINES BOARD AND THE RENT STABILIZATION CODE.

**Status of Apartment and Last Tenant**

(Owner to Check Appropriate Box - (A), (B), (C), or (D).)

(A) This apartment was rent stabilized when the last tenant moved out.

Last Legal Regulated Rent \$ \_\_\_\_\_

1. Statutory Vacancy Increase

(i) Increase based on (1 year) (2 year) lease (circle one) (\_\_\_\_%) \$ \_\_\_\_\_

(ii) Increase based on length of time (8 years or more) since last vacancy allowance or if no vacancy allowance has been taken, the number of years that the apartment has been subject to stabilization. (0.6% x number of years) \$ \_\_\_\_\_

(iii) Increase based on low rental amount. If applicable complete (a) or (b), but not both.

(a) Prior legal regulated rent was less than \$300 - additional \$100 increase, enter 100 \$ \_\_\_\_\_

(b) If the prior legal regulated rent was \$300 or more but less than \$500 (1) \$100 (2) \_\_\_\_\_

(1) minus (2). If less than zero, enter zero (3) \_\_\_\_\_

Amount from line(3) \$ \_\_\_\_\_

Vacancy Allowance, if permitted by NYC Rent Guidelines Board (\_\_\_\_%) \$ \_\_\_\_\_

Guidelines Supplementary Adjustment, if permitted by NYC Rent Guidelines Board \$ \_\_\_\_\_

Individual Apartment Improvement(s) \$ \_\_\_\_\_

New Legal Regulated Rent \$ \_\_\_\_\_

Separate Charges or Credits: \$ \_\_\_\_\_

Surcharge (e.g., 421 -a) \$ \_\_\_\_\_

Ancillary Service (e.g., garage) \$ \_\_\_\_\_

Other (specify \_\_\_\_\_) \$ \_\_\_\_\_

\*New Tenant's Rent \$ \_\_\_\_\_

\*If the "New Tenant's Rent" is a "preferential rent", upon renewal the owner may collect the "New Legal Regulated Rent" listed above plus all subsequent lawful adjustments.

-or-

(B) This apartment was Rent Controlled at the time the last tenant moved out. This tenant is the first rent stabilized tenant and the rent agreed to and stated in the lease to which this Rider is attached is \$\_\_\_\_\_. The owner is entitled to charge a market rent to the first rent stabilized tenant. The first rent charged to the first rent stabilized tenant becomes the initial legal regulated rent for the apartment under the rent stabilization system. However, if the tenant has reason to believe that this rent exceeds a "fair market rent", the tenant may file a "Fair Market Rent Appeal" with DHCR. The owner is required to give the tenant notice, on DHCR Form RR-1, of the right to file such an appeal. The notice must be served by certified mail. A tenant only has 90 days, after such notice was mailed to the tenant by the owner by certified mail, to file an appeal. Otherwise, the rent set forth on the registration form becomes the initial legal regulated rent.

(C) The rent for this apartment is an Initial or Restructured Rent pursuant to a Government Program. (Specify Program \_\_\_\_\_) \$ \_\_\_\_\_

-or-

(D) Other \_\_\_\_\_ \$ \_\_\_\_\_

(Specify - for example, a market or "first" rent after renovation to an individual apartment where the outer dimensions of the apartment have been substantially altered.)

## 6. RENT REGISTRATION:

### (A) Initial

An owner must register an apartment's rent and services with DHCR within 90 days from when the apartment first becomes subject to the RSL. To complete the rent registration process, the owner must serve the tenant's copy of the registration statement upon the tenant. The tenant may challenge the correctness of the rental as stated in the registration statement within 90 days of the certified mailing to the tenant of the tenant's copy of the registration statement,

### (B) Annual

The annual update to the initial registration must be filed with DHCR by July 31st with information as of April 1st of each year. At the time of such filing, the owner must provide each tenant with the tenant's copy. The rental amount registered annually is challengeable by the filing with DHCR of a "Tenant's Complaint of Rent Overcharge and/or Excess Security Deposit" (DHCR Form RA-89), for a period of 4 years prior to the filing of the complaint. The rental history prior to this 4 year period will not be examined. Rent charged and paid on the date at the beginning of this 4 year period is the "base date rent."

### (C) Penalties

Failure to register shall bar an owner from applying for or collecting any rent increases until such registration has occurred, except for those rent increases which were allowable before the failure to register. However, treble damages will not be imposed against an owner who collects a rent increase, but has not registered where the overcharge results solely because of such owner's failure to file a timely or proper initial or annual registration statement. Where the owner files a late registration statement, any rent increase collected prior to the late registration that would have been lawful except for the failure to timely and properly register will not be found to be an overcharge.

## 7. RENEWAL LEASES:

A tenant has a right to a renewal lease, with certain exceptions (see section 11 of this Rider, "When An Owner May Refuse To Renew A Lease").

At least 90 days and not more than 150 days before the expiration of a lease, the owner is required to notify the tenant in writing that the lease will soon expire. That notice must also offer the tenant the choice of a 1 or 2 year lease at the permissible guidelines increase. After receiving the notice, the tenant always has 60 days to accept the owner's offer, whether or not the offer is made within the above time period, or even beyond the expiration of the lease term.

Any renewal lease, except for the amount of rent and duration of its term, is required to be on the same terms and conditions as the expired lease, and a fully executed copy of the same must be provided to the tenant within 30 days from the owner's receipt of the renewal lease or renewal form signed by the tenant. If the owner does not return a copy of such fully executed Renewal Lease Form to the tenant within 30 days of receiving the signed renewal lease from the tenant, the tenant is responsible for payment of the new lease rent and may file a "Tenants Complaint of Owner's Failure to Renew Lease and/or Failure to Furnish a Copy of a Signed Lease" (DHCR Form RA-90). DHCR shall order the owner to furnish the copy of the renewal lease or form. If the owner does not comply within 20 days of such order, the owner shall not be entitled to collect a rent guidelines increase until the lease or form is provided.

If a tenant wishes to remain in occupancy beyond the expiration of the lease, the tenant may not refuse to sign a proper re-

newal lease. If the tenant does refuse to sign a proper renewal lease, he or she may be subject to an eviction proceeding.

An owner may add to a renewal lease the following clauses even if such clauses were not included in the tenant's prior lease:

- (A) the rent may be adjusted by the owner on the basis of Rent Guidelines Board or DHCR Orders;
- (B) if the owner or the lease grants permission to sublet or assign, the owner may charge a sublet vacancy allowance for a sub-tenant or assignee, provided the prime lease is a renewal lease. However, this sublet vacancy allowance may be charged even if such clause is not added to the renewal lease. (Subletting is discussed in section 10 of this Rider);
- (C) (1) if the building in which the apartment is located is receiving tax benefits pursuant to Section 421-a of the Real Property Tax Law, a clause may be added providing for an annual or other periodic rent increase over the initial rent at an average rate of not more than 2.2 % of the amount of such initial rent per annum not to exceed nine, 2.2 percent increases. Such charge shall not become part of the legal regulated rent; however, the cumulative 2.2 percent increases charged prior to the termination of tax benefits may continue to be collected as a separate charge; (2) provisions for rent increases if authorized under Section 423 of the Real Property Tax Law, a clause may be added to provide for an annual or other periodic rent increase over the legal regulated rent if authorized by Section 423 of the Real Property Tax Law;
- (D) if the Attorney General, pursuant to Section 352-eeee of the General Business Law, has accepted for filing an Eviction Plan to convert the building to cooperative or condominium ownership, a clause may be added providing that the lease may be cancelled upon expiration of a 3 year period after the Plan is declared effective. (The owner must give the tenant at least 90 days notice that the 3 year period has expired or will be expiring.)
- (E) if a proceeding based on an Owner's Petition for Decontrol ("OPD") is pending, a clause may be added providing that the lease will no longer be in effect as of 60 days from the issuance of a DHCR Decontrol Order, or if a Petition for Administrative Review ("PAR") is filed against such order, 60 days from the issuance of a DHCR order dismissing or denying the PAR, (see section 17 of this Rider, "Renewal Leases Offered During Pendency of High Income Deregulation Proceedings").

## 8. RENEWAL LEASE SUCCESSION RIGHTS:

In the event that the tenant has permanently vacated the apartment at the time of the renewal lease offer, family members who have lived with the tenant in the apartment as a primary residence for at least two years immediately prior to such permanent vacating (one year for family members who are senior citizens and disabled persons), or from the inception of the tenancy or commencement of the relationship, if for less than such periods are entitled to a renewal lease.

"Family Member" includes the husband, wife, son, daughter, stepson, stepdaughter, father, mother, stepfather, stepmother, brother, sister, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law or daughter-in-law of the tenant.

"Family member" may also include any other person living with the tenant in the apartment as a primary residence who can prove emotional and financial commitment and interdependence between such person and the tenant. Examples of evidence which is considered in determining whether such emotional and financial commitment and interdependence existed are set forth in the Rent Stabilization Code. Renewal lease succession rights are also discussed in detail in DHCR Fact Sheet #30;

## 9. SERVICES:

Except for complaints relating to emergency conditions, prior written notification to the owner or managing agent of a service complaint is required. Application for a rent reduction may only be filed between 10 and 60 days after such notification, and a copy of the notification and proof of mailing and delivery must be attached to the application. Applications based on a lack of heat or hot water must be accompanied by a report from the appropriate city agency.

These emergency conditions, not requiring prior written notification are, vacate order (5 day notification), fire (5 day notification), no water apartment wide, no operable toilet, collapsed or collapsing ceiling or walls, collapsing floor, no heat/hot water apartment wide (violation required), broken or inoperative apartment front door lock, all elevators inoperable, no electricity apartment wide, window to fire escape (does not open), water leak (cascading water, soaking electrical fixtures), window-glass broken (not cracked), broken/unusable fire escapes, air conditioner broken (summer season). Complaints to DHCR on the appropriate DHCR form that cite any of these emergency conditions will be treated as a first priority and will be processed as quickly as possible. **It is recommended that tenants use a separate DHCR form for any problematic conditions that are not on this emergency condition list.**

Certain conditions, examples of which are set forth in the Rent Stabilization Code, which have only a minimal impact on tenants, do not affect the use and enjoyment of the premises, and may exist despite regular maintenance of services. These conditions do not rise to the level of a failure to maintain required services. The passage of time during which a disputed service was not provided without complaint may be considered in determining whether a condition is de minimis. For this purpose, the passage of 4 years or more will be considered presumptive evidence that the condition is de minimis.

The amount of any rent reduction ordered by DHCR shall be reduced by any credit, abatement or offset in rent which the tenant has received pursuant to Sec. 235-b of the Real Property Law ("Warranty of Habitability") that relates to one or more conditions covered by the DHCR Order. For additional information see DHCR Fact Sheets #3, 14 and 37.

## 10. SUBLETTING AND ASSIGNMENT:

A tenant has the right to sublet his/her apartment, even if subletting is prohibited in the lease, provided that the tenant complies strictly with the provisions of Real Property Law Section 226-b. Tenants who do not comply with these requirements may be subject to eviction proceedings. Compliance with Section 226-b is not determined by DHCR, but by a court of competent jurisdiction. If a tenant in occupancy under a renewal lease sublets his/her apartment, the owner may charge the tenant, the sublet allowance provided by the NYC Rent Guidelines Board. This charge may be passed on to the sub-tenant. However, upon termination of the sublease, the Legal Regulated Rent shall revert to the Legal Regulated Rent without the sublet allowance. The rent increase is the allowance provided by the NYC Rent Guidelines Board available when the tenant's renewal lease commenced, and it takes effect when the subletting takes place. If a tenant in occupancy under a vacancy lease sublets, the owner is not entitled to any rent increase during the subletting.

A tenant who sublets his/her apartment is entitled to charge the sub-tenant the rent permitted under the Rent Stabilization Law, and may charge a 10% surcharge payable to the tenant only if the apartment sublet is fully furnished with the tenant's furniture. Where the tenant charges the sub-tenant any additional rent above such surcharge and sublet allowance, if applicable, the tenant shall be required to pay to the sub-tenant a penalty of three times the rent overcharge, and may also be required to pay interest and attorney's fees. The tenant may also be subject to an eviction proceeding.

### Assignment of Leases

In an assignment, a tenant transfers the entire remainder of his or her lease to another person (the assignee), and gives up all of his/her rights to reoccupy the apartment.

Pursuant to the provisions of Real Property Law Section 226-b, a tenant may not assign his/her lease without the written consent of the owner, unless the lease expressly provides otherwise. If the owner consents to the assignment of the lease, the owner may charge the assignee, as a vacancy allowance, the rent the owner could have charged had the renewal lease been a vacancy lease. Such vacancy allowance shall remain part of the Legal Regulated Rent for any subsequent renewal lease. The rent increase is the vacancy allowance available when the tenant's renewal lease commenced and it takes effect when the assignment takes place.

An owner is not required to have reasonable grounds to refuse to consent to the assignment. However, if the owner unreasonably refuses consent, the owner must release the tenant from the remainder of the lease, if the tenant, upon 30 days notice to the owner, requests to be released.

If the owner refuses to consent to an assignment and does have reasonable grounds for withholding consent, the tenant cannot assign and the owner is not required to release the tenant from the lease. For additional information see DHCR Fact Sheet #7.

## 11. WHEN AN OWNER MAY REFUSE TO RENEW A LEASE:

As long as a tenant pays the lawful rent to which the owner is entitled, the tenant, except for the specific instances noted, is entitled to remain in the apartment. An owner may not harass a tenant by engaging in an intentional course of conduct intended to make the tenant move from his/her apartment.

**Without DHCR consent**, the owner may refuse to renew a lease and bring an eviction action in Civil Court at the expiration of the lease on any of the following grounds:

- (A) the tenant refuses to sign a proper renewal lease offered by the owner;
- (B) the owner seeks the apartment in good faith for personal use or for the personal use of members of the owner's immediate family;
- (C) the building is owned by a hospital, convent, monastery, asylum, public institution, college, school, dormitory or any institution operated exclusively for charitable or educational purposes and the institution requires the apartment for residential or nonresidential use pursuant to its charitable or educational purposes: or
- (D) the tenant does not occupy the apartment as his or her primary residence, The owner must notify the tenant in writing at least 90 and not more than 150 days prior to the expiration of the lease term of the owner's intention not to renew the lease.

**With DHCR consent**, the owner may refuse to renew a lease upon any of the following grounds:

- (A) the owner seeks in good faith to recover possession of the apartment for the purpose of demolishing the building and constructing a new building; or
- (B) the owner requires the apartment or the land for the owner's own use in connection with a business which the owner owns and operates.

A tenant will be served with a copy of the owner's application and has a right to object. If the owner's application is granted, the owner may bring an eviction action in Civil Court.

## 12. EVICTION WHILE THE LEASE IS IN EFFECT:

The owner may bring an action in Civil Court to evict a tenant during the term of the lease because a tenant:

- (A) does not pay rent;
- (B) is violating a substantial obligation of the tenancy;
- (C) is committing or permitting a nuisance;
- (D) is illegally using or occupying the apartment;
- (E) has unreasonably refused the owner access to the apartment for the purpose of making necessary repairs or improvements required by law or authorized by DHCR, or for the purpose of inspection or

showing. The tenant must be given at least 5 days notice of any such inspection or showing, to be arranged at the mutual convenience of the tenant and owner, so to enable the tenant to be present at the inspection or showing. A tenant cannot be required to permit access for inspection or showing if such requirement would be contrary to the lease; or

- (F) is occupying an apartment located in a cooperative or condominium pursuant to an Eviction Plan. (See subdivision (D) of section 7 of this Rider, "Renewal Leases".) A non-purchasing tenant pursuant to a Non-Eviction Plan may not be evicted, except on the grounds set forth in (A) - (E) above.

Tenants are cautioned that causing violations of health, safety, or sanitation standards of housing maintenance laws, or permitting such violations by a member of the family or of the household or by a guest, may be the basis for a court action by the owner.

### **13. COOPERATIVE AND CONDOMINIUM CONVERSION:**

Tenants who do not purchase their apartments under a Non-Eviction Conversion Plan continue to be protected by Rent Stabilization. Conversions are regulated by the New York State Attorney General. Any cooperative or condominium conversion plan accepted for filing by the New York State Attorney General's Office will include specific information about tenant rights and protections. An informational booklet about the general subject of conversion is available from the New York State Attorney General's Office.

A Senior Citizen or a Disabled Person in a building which is being converted to cooperative or condominium ownership pursuant to an Eviction Plan is eligible for exemption from the requirement to purchase his/her apartment to remain in occupancy. This exemption is available to Senior Citizens, or to Disabled Persons with impairments expected to be permanent, which prevent them from engaging in any substantial employment. A Conversion Plan accepted for filing by the New York State Attorney General's office must contain specific information regarding this exemption.

### **14. SENIOR CITIZENS AND DISABILITY RENT INCREASE EXEMPTION PROGRAM:**

Tenants or their spouses who are 62 years of age, or older, or are persons with a disability, and whose household income level does not exceed the established income level may qualify for an exemption from Guidelines rent increases, hardship rent increases, and major capital improvement rent increases. This exemption will only be for a portion of the increase which causes the tenant's rent to exceed one-third of the "net" household income, and is not available for increases based on new services or equipment within the apartment. Questions concerning the Senior Citizen Rent Increase Exemption (SCRIE) program and the Disability Rent Increase Exemption (DRIE) program can be addressed to the New York City Department of Finance.

When a senior citizen or person with a disability is granted a rent increase exemption, the owner may obtain a real estate tax credit from New York City equal to the amount of the tenant's exemption. Notwithstanding any of the above, a senior citizen or person with a disability who receives a rent increase exemption is still required to pay a full month's rent as a security deposit. For additional information see DHCR Fact Sheet #21.

### **15. SPECIAL CASES AND EXCEPTIONS:**

Some special rules relating to stabilized rents and required services may apply to newly constructed buildings which receive tax abatement or exemption, and to buildings rehabilitated under certain New York City, New York State, or federal financing or mortgage insurance programs. The rules mentioned in this Rider do not necessarily apply to rent stabilized apartments located in hotels. A separate Hotel Rights Notice informing permanent hotel tenants and owners of their basic rights and responsibilities under the Rent Stabilization Law is available from DHCR.

### **16. HIGH INCOME RENT DEREGULATION:**

Upon the issuance of an Order by DHCR, apartments which: (1) are occupied by persons who have a total annual income in excess of \$200,000 per annum for each of the two preceding calendar years and (2) have a legal regulated rent of \$2,500 or more per month, shall no longer be subject to rent regulation ("High Income Rent Deregulation"). The Rent Stabilization Law permits an owner to file a Petition for High Income Rent Deregulation on an annual basis. As part of the process, the tenant will be required to identify all persons who occupy the apartment as their primary residence on other than a temporary basis, excluding bona fide employees of the tenant(s) and sub-tenants, and certify whether the total annual income was in excess of \$200,000 in each of the two preceding calendar years. If the tenant fails to provide the requested information to DHCR, an order of deregulation will be issued. If the tenant provides the requested information and certifies that the total annual income was not in excess of \$200,000, the NYS Department of Taxation and Finance will review whether the apartment is occupied by persons who have a total annual income in excess of \$200,000 in each of the two preceding calendar years.

Pursuant to the Rent Act of 2011, the thresholds for deregulation were changed to \$2,500 in rent and \$200,000 in annual income. Prior to this, the thresholds had been \$2,000 in rent and \$175,000 in annual income. For High-Rent Vacancy Deregulation, the effective date for the threshold change from \$2,000 to \$2,500 is June 24, 2011. For High-Rent High-Income Deregulation, the effective date is July 1, 2011, which means that it will begin to apply to applications filed in the 2012 cycle, not to applications filed prior to July 1, 2011.

### **17. RENEWAL LEASES OFFERED DURING PENDENCY OF HIGH INCOME DEREGULATION PROCEEDINGS:**

Where a High Income Deregulation Proceeding is pending before DHCR and the owner is required to offer a renewal lease to the tenant, a separate rider may be attached to and served with the Rent Stabilization Law "Renewal Lease Form" (RTP-8). If so attached and served, it shall become part of and modify the Notice and Renewal Lease. The text of the rider is set forth below and may not be modified or altered without approval of DHCR.

#### **NOTICE TO TENANT:**

Pursuant to Section 5-a of the Emergency Tenant Protection Act, or Section 26-504,3 of the Rent Stabilization Law, the owner has commenced a proceeding before DHCR for deregulation of your apartment by filing a Petition by Owner for High Income Rent Deregulation on \_\_\_\_\_, 20\_\_\_\_.

(Date)

That proceeding is now pending before DHCR. If DHCR grants the petition for deregulation, this renewal lease shall be cancelled and shall terminate after 60 days from the date of issuance of an order granting such petition. In the event that you file a Petition for Administrative Review (PAR) the order of deregulation, or if you have already filed such PAR and it is pending before DHCR at the time you receive this Notice, and the PAR is subsequently dismissed or denied, this renewal lease shall be cancelled and shall terminate after 60 days from the issuance by DHCR of an order dismissing or denying the PAR.

Upon such termination of this renewal lease, the liability of the parties for the further performance of the terms, covenants and conditions of this renewal lease shall immediately cease.

**Appendix**

(Some agencies which can provide assistance)

New York State Division of Housing and Community Renewal (DHCR). DHCR is a state agency empowered to administer and enforce the Rent Laws. Tenants can contact DHCR at our website: [www.nyshcr.org](http://www.nyshcr.org) or by visiting one of our Public Information Offices listed below for assistance.

**Queens**  
92-31 Union Hall Street  
Jamaica, NY 11433

**Bronx**  
1 Fordham Plaza  
Bronx, NY 10458

**Lower Manhattan**  
25 Beaver Street  
New York, NY 10004

**Brooklyn**  
55 Hanson Place  
Brooklyn, NY 11217

**Upper Manhattan**  
163 West 125th Street  
New York, NY 10027

**Attorney General of the State of New York - [www.ag.ny.gov](http://www.ag.ny.gov)**

120 Broadway, New York, NY 10271

**Consumer Frauds and Protection Bureau**

- investigates and enjoins illegal or fraudulent business practices, including the overcharging of rent and mishandling of rent security deposits by owners.

**Real Estate Financing Bureau**

- administers and enforces the laws governing cooperative and condominium conversions. Investigates complaints from tenants in buildings undergoing cooperative or condominium conversion concerning allegations of improper disclosure, harassment, and misleading information.

**New York City Department of Housing Preservation and Development (HPD): - [www.nyc.gov/hpd](http://www.nyc.gov/hpd)**

Division of Code Enforcement

Principal Office

100 Gold Street, New York, N.Y. 10038

- enforcement of housing maintenance standards.

**New York City Central Complaint Bureau**

215 West 125th Street, New York, N.Y. 10038

- receives telephone complaints relating to physical maintenance, health, safety and sanitation standards, including emergency heat and hot water service. This service is available 24 hours per day. However, complaints as to emergency heat service are received only between October 1st and May 31st of each year.

**New York City Department of Finance - [www.nyc.gov/finance](http://www.nyc.gov/finance)**

SCRIE/DRIE Exemption

59 Maiden Lane, 19th Floor, New York, New York, 10038

- administers the Senior Citizen Rent Increase Exemption program and Disability Rent Increase Exemption program.

**Mayor's Office for People with Disabilities - [www.nyc.gov/mopd](http://www.nyc.gov/mopd)**

100 Gold Street, 2nd Floor, New York, NY 10038

**New York City Rent Guidelines Board (RGB): - [www.housingnyc.com](http://www.housingnyc.com)**

51 Chambers Street, Room 202, New York, N.Y. 10007

- promulgates annual percentage of rent increases for rent stabilized apartments and provides information on guidelines orders.

Copies of New York State and New York City rent laws are available in the business section of some public libraries. A person should call or write to a public library to determine the exact library which has such legal material.

<b>Acknowledgement-Optional:</b> I have received a copy of this Rider	
<hr/>	
Tenant's Name (Please Print)	
<hr/>	<hr/>
Tenant's Signature	Date



**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 33 Res. No. 5

in favor  in opposition

Date: 6-18-14

(PLEASE PRINT)

Name: MARVIN ROTHMAN

Address: 107 E 57 ST NYC 10022

I represent: COUNCIL of NY Cooperatives & Condominiums

Address: 350 W 57 ST NYC 10107

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 33 Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: BOB FRIEDRICH

Address: 264-52 LANCASTER AVE, GLEN OAKS NY 11004

I represent: PRESIDENT GLEN OAKS VILLAGE CO-OP

Address: 70-33 260 STREET GLEN OAKS NY 11004

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: NABIRKA HADDIN

Address: 37-43 77th St 2nd Fl JACKSON Hts

I represent: 11372 STABILIZING NYC/CHINA

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card



I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Michele...

Address: \_\_\_\_\_

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card



I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 6/17/14

(PLEASE PRINT)

Name: Kamilla Sjodin

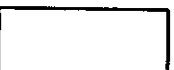
Address: \_\_\_\_\_

I represent: NYCAG

Address: 7 Hancock St 18th Fl NY NY 10004

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card



I intend to appear and speak on Int. No. 35 and 48A Res. No. \_\_\_\_\_

in favor  in opposition

Date: 6/18/2014

(PLEASE PRINT)

Name: Anita Wu

Address: 1 West 125th Street, 2nd Floor, New York NY 10027

I represent: Legal Services NYC

Address: 40 Worth Street, Suite 606, New York NY 10013

▶ Please complete this card and return to the Sergeant-at-Arms ◀

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 6/18/14

(PLEASE PRINT)

Name: Ryan Baxter

Address: 570 Lex. Ave. 2nd Fl. NY, NY 10022

I represent: PERBY

Address: Above

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 163 Res. No. \_\_\_\_\_

in favor  in opposition

Date: 6/18/2014

(PLEASE PRINT)

Name: Gale Brewer, Manhattan Borough President

Address: 1 Centre St., 19th Fl.

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Vito Mustacina

Address: 100 6th

I represent: HPD

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

Name: Jordan Press (PLEASE PRINT)

Address: 100 Gold St

I represent: HPD

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 33 Res. No. \_\_\_\_\_

in favor  in opposition

Date: June 18 2014

(PLEASE PRINT)

Name: GINA BOGRA

Address: 280 Broadway NY NY 10007

I represent: DOB

Address: 280 Broadway NY NY 10007

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 33 Res. No. \_\_\_\_\_

in favor  in opposition

Date: 06/18/14

(PLEASE PRINT)

Name: Holly Savoia

Address: 280 Broadway - 7th Floor

I represent: Dept of Buildings

Address: 280 Broadway - 7th Floor

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 6/18/14

Name: Steven Figueroa (PLEASE PRINT)

Address: 210 Broadway

I represent: Dept. of Buildings

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

Name: Ann Marie Santiago (PLEASE PRINT)

Address: 100 E. 1st

I represent: HPD

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 484 Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

Name: M. Fred Positini (PLEASE PRINT)

Address: ~~123~~ 123 William St.

I represent: RSA

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 48-A & 35 Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

Name: FRANK RICCI (PLEASE PRINT)

Address: \_\_\_\_\_

I represent: Rent Stabilization Assoc.

Address: 123 William St.

Please complete this card and return to the Sergeant-at-Arms