Legislation Details (With Text)

File #:	Res 1255-2012	**Version:**	*	**Name:**	Amend the Rent Stabilization Code to disallow “preferential rents” that are not for the duration of the tenancy.
Type:	Resolution			**Status:**	Filed
				In control:	Committee on Housing and Buildings
On agenda:	3/28/2012				
Enactment date:				**Enactment #:**	

Title: Resolution calling upon the Commissioner/Chief Executive Officer of New York State Homes and Community Renewal to amend the Rent Stabilization Code to disallow “preferential rents” that are not for the duration of the tenancy.

Sponsors:

Indexes:

Attachments:

Date	Ver.	Action By	Action	Result
3/28/2012	*	City Council	Introduced by Council	
3/28/2012	*	City Council	Referred to Comm by Council	
12/31/2013	*	City Council	Filed (End of Session)	

Res. No. 1255

Resolution calling upon the Commissioner/Chief Executive Officer of New York State Homes and Community Renewal to amend the Rent Stabilization Code to disallow “preferential rents” that are not for the duration of the tenancy.

By Council Members Dickens, Brewer, Chin, Jackson, Palma, Rose, Williams and Rodriguez

Whereas, There is currently a severe shortage of affordable housing in the City of New York; and

Whereas, According to the 2011 New York City Housing and Vacancy Survey (HVS), the vacancy rate for rental apartments was only 3.12 percent; and

Whereas, The low vacancy rate is an indication of the City’s affordable housing crisis; and

Whereas, The City has seen recent losses in affordable housing due to withdrawals from the Mitchell-Lama and project-based Section 8 programs, and the loss of rent-regulated housing due to decontrol; and

Whereas, Funding for the construction of new affordable housing has not kept pace with New York City’s needs; and

powered by Legistar™

Whereas, Affordable housing programs keep neighborhoods economically diverse and vibrant by allowing low to middle-income New Yorkers to remain life-long residents of the City; and

Whereas, One such affordable housing program is the rent stabilization system which is in place to stabilize neighborhoods and to protect tenants from harassment and unreasonable rent increases or evictions; and

Whereas, The stability provided by the rent stabilization system has helped to lessen the impacts of the severe housing shortages and market conditions in New York City; and

Whereas, According to New York State law, New York State Homes and Community Renewal (HCR) has the power to promulgate amendments to the Rent Stabilization Code (RSC) for the rent stabilized apartments occupied by approximately more than one million New Yorkers; and

Whereas, HCR serves the important public duty of establishing safeguards for tenants against unsubstantiated rent increases; and

Whereas, Currently, the RSC provides for property owners to charge tenants a "preferential rent" which is rent that is less than what the property owner would ordinarily be entitled to receive under the rent stabilization system; and

Whereas, The RSC also currently allows property owners the option of charging a "preferential rent" either for the term of the lease or for the entire term of the tenant's tenancy; and

Whereas, Such "preferential rents" for the term of the lease may result in unaffordable rent increases for tenants at the end of their lease resulting in a rent for the new lease term that they might not be able to afford, forcing a tenant to move; and

Whereas, In order to lessen the chance of an unaffordable rent increase when a tenant's rent changes at the end of a lease term from a "preferential rent" to the regular rent stabilized rent, the RSC should be amended to only allow "preferential rents" for the duration of a tenancy for the term of a lease; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the Commissioner/Chief Executive

powered by Legistar™

Officer of New York State Homes and Community Renewal to amend the Rent Stabilization Code to disallow "preferential rents" that are not for the duration of the tenancy.

LS# 3223
BJG
3/19/12