



Legislation Details (With Text)

**File #:** Int 0953-2023 **Version:** \* **Name:** Limiting increases of occupancy fees for self-storage units and restricting the reasons for termination of an occupancy agreement.

**Type:** Introduction **Status:** Filed (End of Session)

**In control:** Committee on Consumer and Worker Protection

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**Enactment date:** **Enactment #:**

**Title:** A Local Law to amend the administrative code of the city of New York, in relation to limiting increases of occupancy fees for self-storage units and restricting the reasons for termination of an occupancy agreement

**Sponsors:** Kalman Yeger, Justin L. Brannan, Robert F. Holden, Oswald Feliz, Diana I. Ayala, Carlina Rivera, Inna Vernikov, (by request of the Brooklyn Borough President)

**Indexes:**

**Attachments:** 1. Summary of Int. No. 953, 2. Int. No. 953, 3. March 2, 2023 - Stated Meeting Agenda, 4. Hearing Transcript - Stated Meeting 3-2-23, 5. Minutes of the Stated Meeting - March 2, 2023

| Date       | Ver. | Action By    | Action                      | Result |
|------------|------|--------------|-----------------------------|--------|
| 3/2/2023   | *    | City Council | Introduced by Council       |        |
| 3/2/2023   | *    | City Council | Referred to Comm by Council |        |
| 12/31/2023 | *    | City Council | Filed (End of Session)      |        |

Int. No. 953

By Council Members Yeger, Brannan, Holden, Feliz, Ayala, Rivera and Vernikov (by request of the Brooklyn Borough President)

A Local Law to amend the administrative code of the city of New York, in relation to limiting increases of occupancy fees for self-storage units and restricting the reasons for termination of an occupancy agreement

Be it enacted by the Council as follows:

Section 1. Chapter 5 of title 20 of the administrative code of the city of New York is amended by adding a new subchapter 26 to read as follows:

SUBCHAPTER 26

SELF-STORAGE FACILITIES

§ 20-880 Definitions. For purposes of this subchapter, the following terms have the following meanings:

Occupancy agreement. The term “occupancy agreement” means any written agreement, electronic or

printed, that establishes or modifies the terms, conditions, rules or any other provisions concerning the use and occupancy of a self-storage facility and any one or more individual storage spaces therein.

Occupancy fee. The term “occupancy fee” means the total of all upfront and recurring fees that an occupant is required to pay to the owner of a self-storage facility for occupancy of and access to a storage space at such self-storage facility, excluding any penalty fees, calculated on an annual basis.

Occupant. The term “occupant” means a person entitled to the use of the storage space at a self-storage facility under a written occupancy agreement or such person’s successor or assignee.

Self-storage facility. The term “self-storage facility” means any real property or a portion thereof that is designed and used for the purpose of occupying storage space by occupants who are to have access thereto for the purpose of storing and removing personal property.

§ 20-881 Occupancy fee increases. a. It shall be unlawful for any self-storage facility to increase the occupancy fee for any individual storage space at a rate greater than 2 percent per year so long as such storage space is occupied continuously by the same occupant.

b. This subchapter shall apply to all occupancy agreements in effect on or after the effective date of the local law that added this subchapter.

§ 20-882 Occupancy termination. It shall be unlawful for any self-storage facility to terminate any occupancy for any reason other than failure of the occupant to pay any fees required pursuant to the occupant’s occupancy agreement.

§ 20-883 Penalties and enforcement. a. Any person that violates any provision of this subchapter or any rule promulgated pursuant to this subchapter shall be subject to a civil penalty that shall not exceed \$2,500 per violation. Violations under this subchapter shall accrue on an annual basis for each storage space for which an occupant is charged an occupancy fee in violation of this subchapter or any rule promulgated pursuant to this subchapter. A proceeding to recover any civil penalty authorized pursuant to this subchapter may be brought in any tribunal established within the office of administrative trials and hearings or within any agency of the city

designated to conduct such proceedings.

b. A civil action may be brought by the corporation counsel on behalf of the city in any court of competent jurisdiction to recover any or all of the following:

1. Any civil penalty authorized pursuant to this section;
2. Injunctive relief to restrain or enjoin any activity in violation of this subchapter;
3. Restitution of an amount not to exceed the amount of occupancy fees collected by a self-storage facility that exceeded the maximum amounts permitted pursuant to this subchapter; and
4. Attorneys' fees and costs, and such other remedies as a court may deem appropriate.

c. The corporation counsel may initiate any investigation to ascertain such facts as may be necessary for the commencement of a civil action pursuant to this section, and in connection therewith shall have the power to issue subpoenas to compel the attendance of witnesses and the production of documents, to administer oaths and to examine such persons as are deemed necessary.

§ 2. This local law takes effect 90 days after it becomes law.

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