



Legislation Text

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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.

By Council Members Johnson, Chin, Gibson, Lander, Levine, Richards, Rose and Menchaca

Whereas, New York State's rent-regulation programs, known as rent control and rent stabilization, cover about 1 million apartments in New York City, which represents most of the city's affordable rental housing stock; and

Whereas, The New York State Homes and Community Renewal (HCR) is the state agency responsible for administering rent regulation laws in order to protect tenants in privately owned buildings from illegal rent increases, unlawful harassment, unwarranted evictions, and to require that habitable building conditions be maintained; and

Whereas, A regulated unit can be removed from the regulatory system if a vacant unit's permitted rent increases to above \$2,500 a month or if an occupied unit's rent exceeds \$2,500 a month and the tenant's annual income is \$200,000 or more for two consecutive years; and

Whereas, Some property owners are violating rent regulation laws by charging market rate rent for apartments required to be rent regulated; and

Whereas, This practice has greatly exacerbated the city's severe lack of affordable housing by taking thousands of affordable units off the market; and

Whereas, HCR is limited to a four-year statute of limitations to investigate rent overcharge and unit registration complaints unless there is evidence of fraud; and

Whereas, The New York City Guidelines Board recently stated that 9,499 rent stabilized apartments

were deregulated in 2012 with approximately 249,355 rent stabilized units deregulated between 1994 and 2012 because of high rent amounts, coop/condo conversions, the expirations of tax benefits and other property alterations; and

Whereas, The Governor in 2012 created the Tenant Protection Unit (TPU), a division at HCR, to proactively enforce compliance with the State's rent laws and investigate those involved in schemes to illegally deregulate apartments; and

Whereas, TPU has increased the level of scrutiny on property owners' business practices by conducting proactive outreach to those who have failed to register units and audits on properties that have significantly increased rent upon vacancy; and

Whereas, Through these initiatives, TPU identified more than 28,000 illegally deregulated apartments and has added these units back to the rent stabilization system, entered into settlement agreements with property owners to refund rent overcharges and revised tenant leases impacted by such illegal activity; and

Whereas, Despite these steps, more transparency and accountability is needed to ensure that the landlords that engaged in these types of activities do not continue to flout the law or have more units that should be returned back to rent regulated status; and

Whereas, Tenants affected by such illegal activities may not be aware that they may be due a refund or that their unit has been reregulated; and

Whereas, Knowledge of the location of illegally deregulated units would allow advocates to reach out to affected tenants to educate them on their rent-regulated rights, and aid in the enforcement of the rent regulatory system; now, therefore, be it

Resolved, That the Council of the City of New York calls 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.

JLC
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