



Legislation Text

File #: Res 0426-2014, **Version:** A

Res. No. 426-A

Resolution calling upon the New York State Legislature to pass, and the Governor to sign S.4748 and A.5565A, legislation eliminating the sunset provisions related to income threshold increases for the senior citizen rent increase exemption and disability rent increase exemption programs.

By Council Members Cohen, Rosenthal, Arroyo, Cabrera, Chin, Eugene, Gentile, Gibson, Johnson, Koo, Lander, Levine, Palma, Richards, Rose, Wills, Rodriguez, Koslowitz, Levin, Vallone, Deutsch, Miller, Menchaca, Van Bramer, Kallos, Williams and the Public Advocate (Ms. James).

Whereas, New York State law authorizes the City of New York to provide certain senior citizens and persons with disabilities rent increase exemption benefits that help these individuals remain in affordable housing; and

Whereas, In 1970, New York City instituted the senior citizen rent increase exemption (SCRIE) program to shield low-income seniors from rising housing costs by offering landlords a property tax abatement in exchange for freezing the rent of eligible senior tenants; and

Whereas, Tenants are eligible for the SCRIE program if they are at least 62 years old, have a total household income that does not exceed a maximum amount authorized by State law, reside in a rent controlled or rent stabilized apartment, rent regulated hotel, or an apartment owned by a Mitchell-Lama development, and spend more than one-third of their monthly income on rent; and

Whereas, Under the disability rent increase exemption (DRIE) program, individuals that receive State or federal disability related assistance are eligible to be exempted from future rent increases if they have a total household income that does not exceed a maximum amount authorized by State law, reside in a rent controlled or rent stabilized apartment, rent regulated hotel, or an apartment owned by a Mitchell-Lama development, and

spend more than one-third of their monthly income on rent; and

Whereas, As of 2014, the SCRIE and DRIE programs combined provide rent exemption benefits to approximately 53,000 households in New York City; and

Whereas, New York State's 2014-2015 Executive Budget contained an authorization for localities in the State to adopt a local law to increase the maximum income level qualifying for SCRIE from \$29,000 to \$50,000 for a period of two years beginning July 1, 2014; and

Whereas, In July 2014, the State Legislature and the Governor authorized an increase of the DRIE income threshold from \$20,412 for a single-person household or \$29,484 for households comprised of two or more people to \$50,000 for all households, in order to mirror the SCRIE income threshold increase; and

Whereas, The Council adopted and the City enacted legislation implementing the income threshold increase for both SCRIE and DRIE; and

Whereas, The authorizing State legislation increasing the income threshold increases for SCRIE and DRIE contain provisions that automatically repeal such increases on July 1, 2016; and

Whereas, According to the New York City Department of Finance, approximately 13,403 additional households are eligible for SCRIE and DRIE under the new income threshold;

Whereas, The repeal of the income threshold increases would cause thousands of households in New York City to lose their SCRIE and DRIE benefits, threatening their ability to remain in their homes while paying affordable rents; and

Whereas, The elimination of these sunset provisions would provide stability to many of New York's most vulnerable residents;

Whereas, in February 2015, New York State Assemblyman Brian Kavanagh introduced A. 5565A, and in April 2015, New York State Senator Diane Savino introduced S. 4748, legislation that would eliminate the sunset provisions for the SCRIE and DRIE income threshold increases; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to pass, and the Governor to sign S. 4748 and A. 5565A, legislation eliminating the sunset provisions related to income threshold increases for the senior citizen rent increase exemption and disability rent increase exemption programs.

KET/ENB

5/4/15 1:47PM

LS 2225&2230/2014