



2021 ANNUAL REPORT

OFFICE OF RENT ADMINISTRATION



**Homes and
Community Renewal**

Kathy Hochul, Governor
RuthAnne Visnaukas, Commissioner/CEO

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LETTER FROM THE COMMISSIONER/CEO

A primary mission of New York State Homes and Community Renewal is to protect the rights of tenants and ensure that landlords comply with the law. Although this has proved to be one of our most challenging responsibilities over the course of the COVID pandemic, the Office of Rent Administration and the Tenant Protection Unit never faltered in their efforts to enforce the laws governing rent regulation.

In fact, we have used the past 18 months to fine-tune our communications materials and to perfect the online applications on which many now depend to file complaints. And of course, we continue to bring and defend cases enforcing the rent regulation law.

As this pandemic grinds on, we've all been tested, but the dedicated staff at HCR continue to innovate, learn, and to strengthen their ability to serve the public. I'm proud of how we've improved the ease and efficiency of the ORA and TPU service platforms – from multi-language translation assistance to providing online access to individual case and rent records and enhanced, more transparent reporting mechanisms – that put the tools New Yorkers need directly in their hands.

I thank our devoted staff, whose work is reflected in this report. Their commitment to this mission has rarely been more evident. It is to their credit that Governor Hochul and our State lawmakers consistently demonstrate their faith in the work that ORA and TPU do. A special thanks to Woody Pascal, our deputy commissioner who deftly oversees ORA, and to Greg Fewer, our acting deputy commissioner who has been an exceptional advocate for the people of New York as our head of TPU. I want to recognize Greg's countless contributions to HCR over the course of his distinguished 33-year career. On behalf of everyone at HCR, I extend my sincerest thanks for your service and we wish you a very happy retirement.

Moving forward, HCR pledges to keep building on what we have learned and to adhere to the belief that our work is essential to helping New Yorkers preserve and improve the homes they live in and thus, the quality of their lives.

RuthAnne Visnauskas, Commissioner/CEO



Key Metrics of the Rent Regulated System

The Housing Stability and Tenant Protection Act (HSTPA) enacted sweeping changes to state law, greatly strengthening tenant protections for New Yorkers. One of these changes includes a new commitment to increased transparency by reporting on key metrics about the rent regulated system each year. These metrics provide a snapshot of the current rent regulated stock and illuminate trends over time as reporting increases.

As required by Part L of the HSTPA, reporting of key metrics covers unit registrations for the three fiscal years immediately preceding the release of this report; this corresponds to registration years 2018, 2019, and 2020. MCI and overcharge case data are presented by state fiscal year for SFY 2018-19, 2019-20, and 2020-21. The TPU's investigations are presented for calendar years 2018, 2019, and 2020.

The following table includes datapoints for the fourteen required metrics, where available. A detailed description of the datapoints, including data definitions, can be found in the Data Definitions and Technical Notes section.

Rent Law Metrics	Date-point #	Datapoints	Reporting Geography	Registration Year 2018 SFY2018-19	Registration Year 2019 SFY2019-20	Registration Year 2020 SFY2020-21*
(i) the number of rent stabilized housing accommodations within each county;	1	RS units by county	Bronx County*	226,345	219,856	206,062
			Kings County*	266,592	256,111	232,413
			New York County*	269,865	262,001	247,824
			Queens County*	165,240	164,096	157,107
			Richmond County*	8,795	8,863	8,334
			Nassau County*	7,880	7,429	7,478
			Rockland County*	2,148	2,176	1,924
			Westchester County*	29,613	28,632	25,136
			New York State	976,478	949,164	886,278
(ii) the number of rent controlled housing accommodations within each county;	2	RC units	New York State			
(iii) the number of applications for major capital improvements filed with the division, the number of such applications approved as submitted, the number of such applications approved with modifications, and the number of such applications rejected;	3	MCI applications filed	New York State	1,342	834	311
	4	MCI applications approved as submitted	New York State	295	96	111
	5	MCI applications approved with modifications	New York State	662	257	170
	6	MCI applications rejected	New York State	82	275	44
(iv) the median and mean value of applications for major capital improvements approved;	7	Median value of approved MCI applications	New York State	\$112,700	\$107,650	\$110,606
	8	Mean value of approved MCI applications	New York State	\$255,839	\$209,870	\$191,007
(v) the number of units which were registered with the division where the amount charged to and paid by the tenant was less than the registered rent for the housing accommodation;	9	RS units with preferential rents	New York State	294,149	307,053	292,571
(vi) for housing accommodations that were registered with the division where the amount charged to and paid by the tenant was less than the registered rent for the housing accommodation, the median and mean difference between the registered rent for a housing accommodation and the amount charged to and paid by the tenant;	10	Median preferential rent discount	New York State	\$467	\$484	\$487
	11	Mean preferential rent discount	New York State	\$900	\$934	\$927
(vii) the median and mean registered rent for housing accommodations for which the lease was renewed by an existing tenant;	12	Median legal rent for RS units with lease renewal	New York State	\$1,400	\$1,461	\$1,523
	13	Mean legal rent for RS units with lease renewal	New York State	\$1,767	\$1,867	\$1,986
(viii) the median and mean registered rent for housing accommodations for which a lease was signed by a new tenant after a vacancy;	14	Median legal rent for RS units with vacancy lease	New York State	\$2,200	\$2,319	\$2,303
	15	Mean legal rent for RS units with vacancy lease	New York State	\$2,976	\$3,114	\$3,066
(ix) the median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy;	16	Median increase in legal rent in units with vacancy lease (\$)	New York State	\$211	\$236	\$27
	17	Median increase in legal rent in units with vacancy lease (%)	New York State	9%	10%	1%
	18	Mean increase in legal rent in units with vacancy lease (\$)	New York State	\$278	\$285	\$94
	19	Mean increase in legal rent in units with vacancy lease (%)	New York State	26%	18%	10%
(x) the median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy, where the amount changed to and paid by the prior tenant was the full registered rent;	20	Median increase in legal rent in units with vacancy lease and no previous pref. rent (\$)	New York State	\$176	\$216	\$29
	21	Median increase in legal rent in units with vacancy lease and no previous pref. rent (%)	New York State	10%	14%	2%
	22	Mean increase in legal rent in units with vacancy lease and no previous pref. rent (\$)	New York State	\$248	\$245	\$104
	23	Mean increase in legal rent in units with vacancy lease and no previous pref. rent (%)	New York State	26%	23%	16%
(xi) the median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy, where the amount changed to and paid by the prior tenant was less than the registered rent;	24	Median increase in legal rent in units with vacancy lease and previous pref. rent (\$)	New York State	\$248	\$256	\$21
	25	Median increase in legal rent in units with vacancy lease and previous pref. rent (%)	New York State	6%	6%	1%
	26	Mean increase in legal rent in units with vacancy lease and previous pref. rent (\$)	New York State	\$326	\$345	\$79
	27	Mean increase in legal rent in units with vacancy lease and previous pref. rent (%)	New York State	21%	11%	3%
(xii) the number of rent overcharge complaints processed by the division;	28	Count of overcharge complaints processed	New York State	1,119	666	326
(xiii) the number of final overcharge orders granting an overcharge;	29	Count of overcharges orders granted	New York State	399	206	107
(xiv) the number of investigations commenced by the tenant protection unit, the aggregate number of rent stabilized or rent controlled housing accommodations in each county that were the subject of such investigations, and the dispositions of such investigations.	30	Count of investigations commenced by TPU**	New York State	3,525	2,121	294
	31	Count of RS and RC units subject to TPU investigations**	Bronx County**	3,997	1,940	4,330
			Kings County**	5,483	3,520	5,209
			New York County**	6,773	2,480	4,150
			Queens County**	1,980	1,963	1,743
			Richmond County**	72	11	101
			Nassau County**	114	0	30
			Rockland County**	0	0	1
			Westchester County**	756	512	745
	New York State	19,175	10,426	16,309		
32	Disposition of TPU investigations	New York State				

NOTE: *All registration data are as of March 31, 2021. As a result of lags in reporting, previously reported numbers (i.e. previous Annual Reports) are updated to reflect latest data as of March 31, 2021.

**Reported on a calendar year basis (reporting years are 2018, 2019, 2020)

DATA DEFINITIONS AND TECHNICAL NOTES

DATA DEFINITIONS

The metrics, as enumerated in the law and as presented in this report, are defined and described below.

- (i) The number of rent stabilized housing accommodations within each county. Rent stabilized housing accommodations are defined as rent stabilized units registered in annual registrations with DHCR Office of Rent Administration (ORA), excluding exit registrations. This data is presented by county and for New York State.
- (ii) The number of rent controlled housing accommodations within each county. The current rent registration system does not collect information on rent controlled units. The U.S. Census Bureau's New York City Housing Vacancy Survey provides estimates of rent controlled units within New York City. Those estimates can be found at <https://www.census.gov/programs-surveys/nychvs.html>.
- (iii) The number of applications for major capital improvements filed with the division, the number of such applications approved as submitted, the number of such applications approved with modifications, and the number of such applications rejected. The number of MCI applications filed are defined as the number of applications filed within the given fiscal year. The number of applications approved as submitted, approved with modifications, and rejected are defined as those applications which were processed and closed within the given fiscal year and which were granted as submitted, granted in part, or denied, respectively. Due to variations in processing times for MCI applications, the sum of applications granted, granted in part, and denied may not equal the number of applications filed in a relevant fiscal year.
- (iv) The median and mean value of applications for Major Capital Improvements approved. These values are defined as the median and mean of total approved costs for MCIs that were granted or granted in part in the relevant fiscal year.
- (v) The number of units which were registered with the division where the amount charged to and paid by the tenant was less than the registered rent for the housing accommodation. The report presents the number of units with preferential rents; units with preferential rents are defined as occupied rent stabilized units that are registered with a preferential rent amount that is less than the registered legal rent amount in the relevant registration year. See also additional technical notes for legal and preferential rent amounts, below.
- (vi) For housing accommodations that were registered with the division where the amount charged to and paid by the tenant was less than the registered rent for the housing accommodation, the median and mean difference between the registered rent for a housing accommodation and the amount charged to and paid by the tenant. The report presents the median and mean difference between the registered preferential and legal rent amounts for occupied rent stabilized units that are registered with a preferential rent amount that is less than the registered legal rent amount for the relevant registration year. See also additional technical notes for legal and preferential rent amounts, below.
- (vii) The median and mean registered rent for housing accommodations for which the lease was renewed by an existing tenant. The report presents the median and mean registered legal rent amounts for occupied rent stabilized units where a lease was signed within the twelve months prior to April 2 of the relevant registration year and at least one tenant was recorded as being the same person on both the prior and relevant registration year for the unit. See additional technical notes for information on tenant information and tenant matching methodologies, below. See also additional technical notes for legal and preferential rent amounts, below.
- (viii) The median and mean registered rent for housing accommodations for which a lease was signed by a new tenant after a vacancy. The report presents the median and mean registered legal rent amounts for occupied rent stabilized units where a lease was signed within the twelve months prior to April 2 of the

relevant registration year and no tenant name in the relevant registration year records matches tenant name in the prior registration year records for the unit. See additional technical notes for information on tenant information and tenant matching methodologies, below. See also additional technical notes for legal and preferential rent amounts, below.

- (ix) The median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy. The report presents the median and mean difference, in dollars and percent, in the legal registered rent amounts for the relevant and prior registration years for units that were registered as occupied rent stabilized units in both registration years, where a lease was signed within the twelve months prior to April 2 of the relevant registration year, and no tenant name in the relevant registration year records matches tenant name in the prior registration year records for the unit. See additional technical notes for information on tenant information and tenant matching methodologies, below. See also additional technical notes for legal and preferential rent amounts, below.
- (x) The median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy, where the amount changed to and paid by the prior tenant was the full registered rent. The report presents the median and mean difference, in dollars and percent, in the legal registered rent amounts for the relevant and prior registration years for units that were registered as occupied rent stabilized units in both registration years, where a lease was signed within the twelve months prior to April 2 of the relevant registration year, where no tenant name in the relevant registration year records matches tenant name in the prior registration year records for the unit, and where there was not a registered preferential rent in the prior registration year. See additional technical notes for information on tenant information and tenant matching methodologies, below. See also additional technical notes for legal and preferential rent amounts, below.
- (xi) The median and mean increase, in dollars and as a percentage, in the registered rent for housing accommodations where the lease was signed by a new tenant after a vacancy, where the amount changed to and paid by the prior tenant was less than the registered rent. The report presents the median and mean difference, in dollars and percent, in the legal registered rent amounts for the relevant and prior registration years for units that were registered as occupied rent stabilized units in both registration years, where a lease was signed within the twelve months prior to April 2 of the relevant registration year, where no tenant name in the relevant registration year records matches tenant name in the prior registration year records for the unit, and where there was a registered preferential rent in the prior registration year. See additional technical notes for information on tenant information and tenant matching methodologies, below. See also additional technical notes for legal and preferential rent amounts, below.
- (xii) The number of rent overcharge complaints processed by the division. The report presents the total number of overcharge orders issued in the relevant fiscal year.
- (xiii) The number of final overcharge orders granting an overcharge. The report presents the total number of overcharge applications granted in the relevant fiscal year.
- (i) The number of investigations commenced by the Tenant Protection Unit (TPU), the aggregate number of rent stabilized or rent controlled housing accommodations in each county that were the subject of such investigations, and the dispositions of such investigations. These metrics are reported on a calendar year basis. (1) The report presents TPU's investigation totals comprised of registration compliance initiative investigations, audits of registered legal regulated rents, and comprehensive legal investigations. This data is presented by county and for New York State. The ongoing Covid-19 pandemic impacted TPU's investigation totals for 2020. (2) For registration compliance initiative investigations, the aggregate number of rent stabilized or rent controlled housing accommodations in each county that were the subject of such investigations are reported in the year in which they registered. (3) The dispositions of investigations are unable to be disclosed due to the nature of ongoing investigations.

TECHNICAL NOTES

Registered Legal and Preferential Rent Amounts. For the purposes of this report, a small number of registration records are omitted from mean, median, and year-over-year rent amount calculations to ensure calculable and interpretable results and to remove overtly errant records.

Monthly/Weekly Rent Amounts. Rent amounts are reported by landlords or their agents and may be reported as monthly or weekly amounts, with a small minority reported as weekly. All rent amounts in this report are reported as monthly amounts. Statistical analyses of legal rent amounts that are reported as weekly suggest that they are often flagged erroneously. Converting them to monthly amounts would likely result in exceptionally high rent values that would skew calculations, especially at the mean. Therefore, units with legal rent amounts that are reported as weekly are omitted from all calculations of rent amounts, as well as counts of units with preferential rents, with one exception: Single Room Occupancy (SRO) units. SROs are defined as units in rooming houses and hotels and are not required to have a kitchen or bathroom in each unit.¹ Because these units are often occupied by transient residents, rents are most often collected on a weekly basis. Analyses of legal rent amounts in units flagged as SROs reported as weekly suggest that these are, in fact, weekly rents. Therefore, these observations are included in calculations and converted to monthly rents using the formula $[\text{RENT AMOUNT}] \times 52/12$. Additionally, units with both legal and preferential rent amounts where there is a discrepancy disagreement between monthly and weekly payment (e.g. the legal rent is reported as a weekly amount and the preferential rent is reported as a monthly amount) are omitted from all rent amount calculations, as well as counts of units with preferential rents. In total, omissions due to monthly/weekly rent amount issues account for approximately 0.1 percent of registered units annually.

Legal Rents Less Than \$1. Some registered units have registered legal rent amounts that are close to, or \$0. Including these units in calculations of year-over-year changes in rents can lead to extreme values that are not representative of actual changes in the stock or uninterpretable results such as infinity percent changes. Therefore, units with legal rent amounts of less than \$1 are omitted from all rent amount calculations. This omission accounts for less than 0.2 percent of registered units annually.

Tenant Matching to Determine New and Existing Tenants. The current rent registration system does not explicitly collect data on the continuity of tenancy for all units in the system across registration years. To identify new and existing tenants, HCR matched tenant names and IDs across registration years for the same unit. Due to variability in how landlords and their agents may enter these data from one year to the next, matching results are typically not 100 percent accurate. Review of a sampling of 2,000 units matched between registration years 2016 and 2017 demonstrated an estimated 98 percent accuracy in identifying new or existing tenants using this tenant matching methodology.



OFFICE OF RENT ADMINISTRATION MISSION

ORA is committed to administering New York State’s rent laws in order to maintain decent, affordable housing for millions of New Yorkers. As the administrator of the laws and custodian of all rent registration records, ORA is responsible for responding to applications and legitimate inquiries from tenants and owners of the nearly one million regulated apartments in New York City and other parts of the state.

OFFICE OF RENT ADMINISTRATION STRUCTURE

STABILIZED TENANCY AND RENT REVIEW BUREAU

The STARR Bureau processes overcharge, lease renewal, fair market rent appeal, and improper eviction complaints from tenants. The bureau also processes applications pertaining to owner occupancy, demolition or substantial rehabilitation as well as requests for reconsideration of Petitions for Administrative Review (PAR).

OVERCHARGE UNIT – Processes overcharge complaints, lease violation complaints and fair market rent appeals.

OWNER EVICTION UNIT – Processes substantial rehabilitation applications where the owner alleges that the building was substantially rehabilitated on or after January 1, 1974, as well as applications by owners seeking permission to refuse to renew leases based upon the fact that they plan to demolish the building.

REQUESTS FOR RECONSIDERATION – The laws and regulations permit the DHCR to reconsider a case on application of either party to a proceeding, or on its own initiative and upon notice to all affected parties where the DHCR finds that such order was the result of fraud, illegality or irregularity in a vital matter.

PROPERTY MANAGEMENT BUREAU

The Property Management Bureau processes building-wide owner applications for rent increases based on Major Capital Improvements (MCI), hardship rent increases, tax abatement offsets, and owner applications for modification of building-wide services. The bureau also processes tenant applications related to the maintenance of both individual apartment and building-wide services, tenant complaints of harassment, and tenant complaints of non-compliance with ORA orders. In addition, the bureau makes administrative determinations where the legal rent or other facts are in dispute, in doubt or unknown. The bureau also oversees the Inspections Unit for ORA.

MAJOR CAPITAL IMPROVEMENT UNIT – Processes applications from owners who have made building-wide improvements such as the replacement of boilers, roofs, and windows. The improvements must be for the “operation, preservation and maintenance of the building” and must meet all other criteria established for an MCI rent increase. The MCI unit reviews applications for all rent regulated buildings throughout New York City and in Nassau, Rockland and Westchester counties, auditing the scope of work and costs of projects.

MULTI-SERVICES UNIT – Responsible for many case types:

- Tenant complaints of service reductions located outside of New York City;
- Cases where the rent or status of an apartment is in controversy;
- Tax abatement offsets which order owners who have received MCI rent increases and J-51 tax abatements to share a portion of the tax abatement with tenants; and
- Administrative Investigation where unannounced inspections result in orders requiring owners to make repairs.

SERVICES UNIT – Processes tenant applications for rent reductions based upon defective conditions. This includes situations in which the owner has failed to provide or maintain services or equipment in individual apartments and/or building wide.

COMPLIANCE UNIT – Pursues recalcitrant owners who do not comply with agency orders, requires owners to make repairs or issue leases as ordered, and issues civil penalties. Owners who do not comply are referred to the Enforcement Unit for prosecution and formal hearings which can result in fines.

ENFORCEMENT UNIT – Staffed by attorneys, the Enforcement Unit pursues owners who are non-compliant to agency orders. The Unit investigates, and if necessary, prosecutes complaints of tenant harassment by the owner. Where an owner has been found guilty of harassment, civil penalties may be imposed. In most cases, staff attorneys can resolve the issues brought forward and have collected fines from owners. In 2019, total penalties were more than \$194,000.

INSPECTIONS UNIT – Conducts field inspections of housing accommodations throughout the five counties of New York City as well as Rockland, Westchester and Nassau counties. Field inspections are conducted to examine and evaluate housing conditions and to obtain or verify information pertinent to the disposition of applications filed by landlords or tenants under the provisions of various rent control and rent stabilization laws and regulations. During the past fiscal year, ORA conducted over 5,000 inspections related to rent regulated housing accommodations.

RENT INFORMATION BUREAU

The bureau maintains a centralized Rent Info Line and answers approximately 2,000 calls and responds to more than 1,500 emails per month. The bureau maintains five New York City-based Borough Rent Offices and a Westchester County District Rent Office that, due to COVID concerns, now serve walk-in visitors by appointment only. These offices also assist the public daily by providing information and forms by telephone. The Westchester office also processes applications for senior citizens and disability rent increase exemptions for tenants in Westchester and Nassau counties.

The bureau's Records Access Unit also responds to several hundred requests a month for access to various records from owners, tenants and authorized representatives. This unit also processes more than 100 court-ordered subpoenas annually.

In addition, the bureau's Rent Registration Unit processes incoming registrations and amendments submitted by owners. The unit also works very closely with New York City agencies that have specific registration requirements for 421-a buildings entering the rent stabilization system. This unit has improved access to registration reports needed by owners by enhancing access to reports for apartment rent histories that can be self-generated.

The Rent Information Bureau is also responsible for creating printed material such as applications and information on owner and tenant rights, as well as providing access to apartment and building rent registration information. Staff continue to attend community and legislator-sponsored meetings, now held online, answering questions and providing general information.

IMPROVED TRANSLATION SERVICES – *The Rent Information Bureau operates the ORA phone line (833) 499-0343, which now offers tenants and owners a wide range of recorded messages that address frequently asked questions. Callers who need to talk to an information agent can use translation services in more than 100 languages. Vital documents are translated into the eight foreign languages other than English that are most frequently spoken in New York State – Spanish, Traditional Chinese, Russian, Italian, Haitian-Creole, Korean, Bengali and Yiddish. Under the Governor's new language access policy, vital documents will soon also be translated into Arabic and Polish.*

RENT CONTROL/ETPA BUREAU

Rent Control/ETPA Bureau contains the Cyclical Cases Unit, the Owner Individual Unit and the Research and Analysis Unit. The Bureau also provides services to the Nassau, Rockland and Westchester Rent Guidelines Boards.

CYCLICAL CASES UNIT – Processes Maximum Base Rent (MBR) cases as well as challenges.

OWNER INDIVIDUAL UNIT – Processes rent control overcharge complaints as well as filings for rent increases.

RESEARCH AND ANALYSIS UNIT – Provides the Cyclical Cases Unit with the biennial MBR Standard Adjustment Factor and responsible for providing statistical support to the Westchester, Nassau and Rockland County Rent Guidelines Boards. Research and Analysis is also responsible for the Online Maintenance and Operations Survey often requiring that they submit suggested system enhancements to the Information Technology Services staff.

MAXIMUM BASE RENT (MBR) SYSTEM – Rent Control limits the rent an owner may charge for an apartment and sets restrictions on the ability of owners to evict tenants. Tenants are also entitled to receive essential services. Owners are not required to offer renewal leases, as tenants are considered “statutory” tenants.

In New York City, rent control operates under the Maximum Base Rent (MBR) system. The MBR is established for each apartment and adjusted every two years to reflect changes in operating costs. Owners, who certify that they are providing essential services and have removed violations (if any) are entitled to raise rents now calculated by the average of the last five years’ increases for rent stabilized renewal leases, set by the Rent Guidelines Board. Tenants may challenge the proposed increase on the grounds that the building has violations or that the owner’s expenses do not warrant an increase.

EMERGENCY TENANT PROTECTION ACT – Outside of New York City, rent stabilization laws and regulations cover certain localities in Nassau, Westchester, and Rockland counties through the Emergency Tenant Protection Act (ETPA). Generally, it applies to buildings with 6 or more apartments. Any locality in New York State can enact rent stabilization if they issue “a declaration of emergency” regarding available apartments. Also, municipalities may limit ETPA to buildings of a specific size, for example buildings with 20 or more units. Per the enactment of the HSTPA on June 14, 2019, any locality in New York State can enact rent stabilization if “a declaration of emergency” regarding available apartments is made in the subject locality pursuant to the ETPA of 1974. “A declaration of emergency” can be made based on the cited vacancy rate.

TENANT PROTECTION UNIT

The Tenant Protection Unit (TPU), created in 2012, proactively enforces the rent regulation laws in New York State by investigating leads and referrals from tenants, and advocates, partners in city and state government, and using its own forensic analysis capabilities.

TPU MISSION

The TPU preserves renters’ rights by detecting and curtailing patterns and practices of landlord fraud and harassment through audits, investigations and legal actions. The TPU also encourages compliance with the law by informing tenants and owners of their rights and responsibilities under rent regulation.

Currently, the TPU has three primary mechanisms for shielding tenants from harassment and preserving their rights:

- THE REGISTRATION INITIATIVE;
- AUDITS OF CLAIMED INDIVIDUAL APARTMENT IMPROVEMENTS (IAIs); and
- LEGAL INVESTIGATIONS OF ALLEGED TENANT HARASSMENT.

REGISTRATION INITIATIVE –The TPU’s on-going registration compliance initiative seeks to recapture illegally deregulated units by identifying buildings that have failed to file their annual registration. To date, the initiative has returned more than 90,000 rent regulated units to the rent rolls.

AUDITS OF INDIVIDUAL APARTMENT IMPROVEMENTS (IAIS) –The TPU’s IAI Audit Initiative successfully weeds out fraudulent IAIs and unlawful rent increases. Where an unusual IAI rent increase is identified, the TPU’s audit team will demand records to substantiate the claimed rent increase and, when appropriate, work with the landlord to have any overcharges due to the tenant paid and the apartment registration corrected. When a settlement cannot be reached, the TPU can file an overcharge case with ORA. The audit of IAIs has resulted in the recovery of more than \$6 million in overcharged rent for unsuspecting tenants.

LEGAL INVESTIGATIONS –The TPU conducts complex legal investigations and has entered into several comprehensive portfolio-wide settlement agreements with landlords who were systematically harassing rent-regulated tenants. Since 2012, the TPU has opened hundreds of investigations including several high-profile matters that were litigated, referred to law-enforcement partners, resulted in the issuance of the TPU subpoenas, or lead to rent audits. The TPU is currently litigating a comprehensive complaint against a large private landlord alleging systemic violations of the rent regulations designed to harass tenants and exploit money from vulnerable tenants. In addition to its enforcement activities, the TPU works with community organizers, legal services organizations, and tenant groups to hold tenant workshops and resource fairs to educate tenants about their rights under the rent regulation laws. In 2020 the TPU launched a preferential rent initiative which examines potential violations of the preferential rent laws. To date, the TPU has reviewed over 4,000 apartment registrations in this initiative, resulting in the correction of hundreds of improper registrations and illegal lease riders.

OFFICE OF RENT ADMINISTRATION (ORA)

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Office of Rent Administration

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OFFICE OF RESEARCH AND STRATEGIC ANALYSIS (ORSA) SENIOR STAFF

Simon McDonnell, Director

Courtney Wolf, Deputy Director

Kellen Byrnes, Senior Data Scientist

CONTACT ORA

The Borough and District Rent Offices provide information and assistance to tenants and owners of rent controlled and rent stabilized apartments. Tenants can request registered rent histories of their apartment as well as information about cases that may affect their rent. In addition, they can access fact sheets and forms on many topics including rent overcharges, leases, services and security deposits.

Owners can request registered rent rolls for the building, case information and related copies of orders. They can also receive technical assistance in completing rent registration forms and applications pertaining to MCIs, rent restoration, and MBR reports.

Due to COVID-19 protocols and precautions, service at this time will be provided to visitors to the office **BY APPOINTMENT ONLY**. For details on the new Procedural Guidance for Office Visits and related guidance please see: hcr.ny.gov/system/files/documents/2021/08/bro-notice-of-reopening_0.pdf.

TENANTS AND OWNERS CAN CALL THE RENT INFO LINE at 833-499-0343 or visit HCR at <https://hcr.ny.gov/office-rent-administration-ora>.

Bronx Borough Rent Office

1 Fordham Plaza, 4th floor
Bronx, New York 10468

Lower Manhattan Borough Rent Office

25 Beaver Street, 2nd Floor
New York, New York 10004

Upper Manhattan Borough Rent Office

Adam Clayton Powell, Jr. State
Office Building
163 West 125th Street, 5th Floor
New York, New York 10027

Brooklyn Borough Rent Office

55 Hanson Place, 6th floor
Brooklyn, New York 11217

Queens Borough Rent Office

Gertz Plaza
92-31 Union Hall Street, 6th Floor
Jamaica, New York 11433

Westchester County Rent Office

75 South Broadway, 3rd Floor
White Plains, New York 10601

TPU IS HERE TO HELP To contact the TPU, call 212-872-0788 or email: TPUinfo@hcr.ny.gov.

NYS Rent Connect Visit rent.hcr.ny.gov

Tenants, owners, and their representatives can complete applications online related to: Lease issues; Overcharge complaints; Defective conditions in apartments; and owners' application to restore rent.

Major Capital Improvement cases Responses to open MCI cases can now be filed online; Tenants, owners, and their representatives can estimate the impact of an MCI increase on the monthly rent amount using the MCI Payment Estimator tool.

NYS Rent Connect Assistant A self-help tool offering easy access to records and forms, current rent increase information, and other general information.



GLOSSARY OF TERMS

421-a Tax Incentive Program: Created in 1970 - Offers tax exemptions to qualifying new multifamily properties containing three or more rental units. Apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Thus, 421-a tenants share the same tenancy protections as stabilized tenants and initial rents approved by HPD are then confined to increases established by the Rent Guidelines Board.

Demolition – At a minimum, demolition is the complete gutting of a building’s interior while leaving only the exterior walls intact. At a maximum, it is the complete razing of a building to the ground.

Disability Rent Increase Exemption (DRIE) - A program which freezes the rent of a New York City tenant or tenant’s spouse who is disabled (defined as receiving either Federal Supplemental Security Income, Federal Social Security Disability Insurance, US Department of Veterans Affairs disability pension or compensation, or Disability-related Medicaid) and living in a rent regulated apartment. To currently qualify for this benefit, you must be 18 years or older, have a combined household income that is \$50,000 or less and spend more than one-third of your monthly household income on rent.

Emergency Tenant Protection Act of 1974 (ETPA) - Chapter 576 Laws of 1974 - In Nassau, Rockland and Westchester counties, rent stabilization applies to non-rent controlled apartments in buildings of six or more units built before January 1, 1974 in localities that have declared an emergency and adopted ETPA. In order for rents to be placed under regulation, there has to be a rental vacancy rate of less than 5% for all or any class or classes of rental housing accommodations. Some municipalities limit ETPA to buildings of a specific size, for instance, buildings with 20 or more units. Each municipality declaring an emergency and adopting local legislation pays the cost of administering ETPA (in either Nassau, Rockland or Westchester County). In turn, each municipality can charge the owners of subject housing accommodations a fee (up to \$20 per unit per year).

Fair Market Rent - The fair market rent is the rent charged to the first stabilized tenant after the vacancy of a rent controlled tenant, subject to challenge in a Fair Market Rent Appeal.

Fair Market Rent Appeal - A challenge to the first rent stabilized rent after rent control which must be filed within 90 days after the tenant receives the initial apartment registration.

Guideline Rent Increases - The percentage increase of the Legal Regulated Rent that is allowed when a new or renewal lease is signed. This percentage is determined by the NYC or County Rent Guidelines Board for renewal leases signed between October 1 of the current year and September 30 of the following year.

Harassment - A course of action intended to force a tenant out of his or her apartment or cause a tenant to give up rights granted to the tenant by the Rent Stabilization or Rent Control Laws. No owner, or owner’s representative, may interfere with a tenant’s privacy, comfort or quiet enjoyment of the tenant’s apartment.

Heat and Hot Water - By law building owners must provide all tenants with the following levels of heat and hot water:

Heat During the heating season: October 1 through May 31

- Between 6 a.m. and 10 p.m., heat must register at least 68 degrees Fahrenheit when the outside temperature falls below 55 degrees;
- Between 10 p.m. and 6 a.m., heat must register at least 62 degrees Fahrenheit. Hot Water (24 hours a day, 365 days a year)

Hot Water: (24 hours a day, 365 days a year)

- Hot water must register at or above a constant temperature of 120 degrees at the tap.

Housing Maintenance Code - The code, enforced by the New York City Department of Housing Preservation and Development, provides for protection of the health and safety of apartment dwellers by setting standards for the operation, preservation and condition of buildings.

Individual Apartment Improvements - An increase in rent based on increased services, new equipment, or improvements. This increase is a NYS policy and is in addition to the regular annual Rent Guidelines Board increases for rent stabilized apartments and Maximum Base Rent increases for rent controlled apartments. If owners add new services, improvements, or new equipment to an occupied rent regulated apartment, owners of rent regulated units can add in buildings with 35 units or less, the amount the rent can be increased for an IAI is limited to 1/168th of the cost of the improvement. In buildings with more than 35 units, the amount the rent can be increased for an IAI is limited to 1/180th of the cost of the improvement. The IAI rent increase for improvements collected after June 14, 2019 is temporary and must be removed from the rent in 30 years, and the legal rent must be adjusted at that time for guideline increases that were previously compounded on a rent that included the IAI.

Initial Apartment Registration - Registration that occurs when an apartment first becomes subject to the registration requirements of the rent stabilization law. A copy of the registration form must be served on the tenant.

J-51 Tax Incentive Program - A New York City program under which, in order to encourage development and rehabilitation, property tax abatements and exemptions are granted. In consideration of receiving these tax abatements, and at least for the duration of the abatements, the owner of these buildings agree to place under rent stabilization those apartments which would not otherwise be subject to rent stabilization. This program provides real estate tax exemptions and abatements to existing residential buildings that are renovated or rehabilitated in ways that conform to the requirements of the statute. It also provides these benefits to residential buildings that were converted from commercial structures.

Legal Rent - The maximum rent level that a owner is entitled to charge a tenant for a rent regulated unit. The owner of a rent stabilized unit must annually register that legal rent with ORA.

Luxury Decontrol - The Housing Stability and Tenant Protection Act (HSTPA) of 2019, which went into effect on June 14, 2019 eliminated high rent vacancy and high rent-high income deregulation.

Major Capital Improvement (MCI) - An MCI is a building wide improvement which is for the operation, preservation and maintenance of the structure, directly or indirectly benefits all tenants, involves a capital expenditure which is deemed depreciable by the Internal Revenue Service and meets the requirements set forth in the Agency's useful life schedule. To be eligible to collect a rent increase for an MCI, an owner must first apply to HCR and obtain an order granting the rent increase.

Maximum Base Rent (MBR) - A maximum base rent is established for each rent-controlled apartment and is updated every two years to reflect changes in operating costs. Pursuant to the Housing Stability and Tenant Protection Act (HSTPA) of 2019, the MBR cannot be increased by more than 7.5% per year or the average of the previous five-year Rent Guidelines Board (RGB) increases for each year of the two-year MBR cycles.

Maximum Collectible Rent (MCR) - The rent that rent controlled tenants actually pay is called the Maximum Collectible Rent (MCR). The MCR generally is less than the MBR. By law, The MCR is the average of the five most recent RGB annual rent increases for one-year renewal leases or 7.5%, the lesser of the two.

Petition for Administrative Review (PAR) - An administrative appeal, filed by an owner or tenant, against an order issued by the Rent Administrator, which alleges errors in fact or application of the law.

Preferential Rent - A rent charged by an owner to a tenant that is less than the established legal regulated rent. Pursuant to the Housing Stability & Tenant Protection Act (HSTPA) of 2019, tenants that were paying a preferential rent as of June 14, 2019, retain the preferential rent for the life of the tenancy. Rent Guidelines Board increases and other increases allowed by the Rent Stabilization Law or Emergency Tenant Protection Act are to be applied to the preferential rent.

Registration - Owners are required to register all rent stabilized apartments with ORA by filing an Annual Apartment Registration Form which lists rents and tenancy information as of April 1st of each year.

Renewal Lease - The lease of a tenant in occupancy renewing the terms of a prior lease entered into between the tenant and owner for an additional term. Tenants in rent stabilized apartments have the right to select a lease renewal for a one- or two-year term. The renewal lease must be on the same terms and conditions as the expiring lease unless a change is necessary to comply with a specific law or regulation or is otherwise authorized by the rent regulations. The owner may charge the tenant a Rent Guidelines Board authorized increase based on the length of the renewal lease term selected by the tenant. The law permits the owner to raise the rent during the lease term if the Rent Guidelines rate was not finalized when the tenant signed the lease renewal offer. In general, the lease and any rent increase may not begin retroactively. Penalties may be imposed when an owner does not timely offer the tenant a renewal lease or timely return to the tenant an executed copy thereof.

Rent Control - The rent regulation program which generally applies to residential buildings constructed before February 1947 in municipalities for which an end to the postwar rental housing emergency has not been declared. For an apartment to be under rent control, the tenant must generally have been living there continuously since before July 1, 1971 or for less time as a successor to a rent-controlled tenant. When a rent-controlled apartment becomes vacant, it becomes rent stabilized, generally becoming stabilized if the building has six or more units and if the community has adopted the ETPA. Rent control limits the rent an owner may charge for an apartment and restricts the right of an owner to evict tenants. It also obligates the owner to provide essential services and equipment. In New York City, rent increases are governed by the MBR system.

Rent Overcharge - A rent overcharge occurs when a tenant pays an amount of rent above the legal rent. See Fact Sheet #16.

Rent Reduction - If an owner is not providing all required services, a tenant may file a complaint with ORA seeking to have the services restored. If the Agency determines that the services have not been restored, the Agency will issue a service reduction order which may relate to an individual apartment or may be building-wide. In rent stabilized apartments the rent will be reduced by an amount equal to the most recent rent guideline increase. In rent controlled apartments, the rent is reduced by a specific dollar amount based on the nature of the condition or decrease in service. See Fact Sheet #14.

Rent Restoration - This is an application filed by the owner to restore rents that were reduced by a rent reduction order. It is filed after the services have been restored. If granted, the effective date in rent stabilization is based on the date of the owner's application; for rent controlled apartments, the effective date is prospective only from the first day of the month after the issuance of the order.

Senior Citizen Rent Increase Exemption (SCRIE) - If a New York City tenant or tenant's spouse is 62 years of age or older (living in a rent regulated apartment), and the combined household income is currently \$50,000 per year or less and they are paying at least 1/3 of their income toward their rent, the tenant may apply for the Senior Citizen Rent Increase Exemption (SCRIE). In New York City, the Department of Finance (DOF) administers the SCRIE program. Outside of New York City, Senior Citizen Rent Increase Exemption is a local option, and communities have different income eligibility limits and regulations. If a New York City tenant qualifies for this program, the tenant is exempt from future rent guidelines increases, Maximum Base Rent increases, fuel cost adjustments, MCI increases, and increases based on the owner's economic hardship. Fact Sheet #21.

Service - Both the Rent Control and Rent Stabilization Laws require that the owner continue to provide all services provided on the base date, (generally the date the apartment became subject to regulations), as well as any services which are required by law. See Fact Sheet #3.

Sublet Apartment - Rent stabilized apartments are rented pursuant to a lease between an owner and a tenant. Under certain circumstances, a tenant may enter into a sublease with a new tenant (called the subtenant) for the rental of the apartment. The owner has the right to charge the prime tenant a sublet allowance during the period of sublet if the sublet occurs during a renewal lease term. The prime tenant (tenant who holds the lease with the owner) may pass this allowance onto the subtenant. The prime tenant may also charge the subtenant an additional 10% for the use of furniture. An apartment which is sublet continues to be under the jurisdiction of the rent stabilization law. The subtenant is protected from overcharges by the prime tenant and may file an overcharge complaint against the prime tenant if he or she feels a rent in excess of a legal rent is being collected. Generally the subtenant may not file such a complaint against the owner. See Fact Sheet #7.

Substantial Rehabilitation - A major reconstruction of the building, taking place after January 1, 1974, wherein at least 75% of the building-wide and apartment systems have been completely replaced with new systems. An owner must apply to DHCR and obtain an order granting the application. See Fact Sheet #38: Substantial Rehabilitation and Operational Bulletin 95-2.

Succession - The ability of a tenant to "pass on" their regulated apartment to certain immediate family members. The family member may have the right to succeed to the tenancy provided the family member's primary residence has been with the tenant for two years or since the inception of the relationship. See Fact Sheet #30.



Treble Damages - Treble damages refers to a penalty of three times the dollar amount of an overcharge that is payable to the tenant. This penalty, imposed by an order of ORA, is assessed against an owner when he or she willfully collects any rent in excess of the legal regulated rent. ORA will require the owner to pay treble damages to the tenant—up to three times the overcharge amount and up to six years pursuant to the HSTPA.

Vacancy Lease - When a person rents a rent stabilized apartment for the first time, or, when a new name (not the spouse or domestic partner) is added to an existing lease, this is a vacancy lease. This written lease is a contract between the owner and the tenant which includes the terms and conditions of the lease, the length of the lease and the rights and responsibilities of the tenant and the owner. The ETPA gives the new tenant (also called the vacancy tenant) the choice of a one- or two-year lease term.

Underlying Data

2021 ORA Rent Report - Rent Regulated Apartment Supporting Data

<https://hcr.ny.gov/2021-ora-rent-report-rent-regulated-apartment-supporting>

2021 ORA Rent Report - Rent Regulated Building Supporting Data

<https://hcr.ny.gov/2021-ora-rent-report-rent-regulated-building-supporting>