

Rent Stabilization

A Fact Sheet for Tenants

Rent stabilization is the larger, and more recent, of the two sets of laws which regulate rents in New York City.

Currently, there are about 1 million rent stabilized apartments in the city.

Established in 1969 to cover tenants in post-World War II buildings, the law was extended when the state legislature passed the Emergency Tenant Protection Act of 1974. Rent stabilization offers tenants three basic protections: right of tenure (you can only be evicted on a limited number of grounds); protection against steep rent increases; and the right to receive basic services and repairs. The rent stabilization system is NYC's largest affordable housing program (the median household income of the rent stabilized household is \$30,000 per year; close to 60% of Section 8 recipients live in rent stabilized apartments). The system protects tenants from the housing market forces that drive displacement and steep rent increases while it permits landlords a fair return on their investment. Because the system limits landlords' profits, it is under continuous attack from the real estate industry.

Today, rent stabilization applies to tenants who live in buildings:

- Built before 1974 (or later if covered by a property tax abatement)
- Containing 6 or more units

- That are not coops or condos (although tenants who moved in prior to the conversion are covered by rent stabilization)
- That are not owned by a nonprofit and run for charitable or educational purposes
- Where the rent for the apartment was below \$2,000 when the tenant moved in

Rent stabilized tenants are entitled to leases (an initial one when the apartment is first rented, and renewals after) of one or two years (the tenant's choice). Tenants pay rent increases only at lease renewal or when ordered by the NYS Division of Housing & Community Renewal (Major Capital Improvements, for example). Lease renewal increases are set by the NYC Rent Guidelines Board. The initial rent for an apartment is based on the previous tenant's rent plus the vacancy allowance and any increases allowed for improvements done by the owner. The DHCR is charged with supervising the rent stabilization system and landlords are required to register their apartment rents every year with the DHCR. Tenants can get a rent history from the agency by calling 718-739-6400 or visiting the nearest DHCR office. Tenants can apply to the DHCR for a rent reduction if they suspect an overcharge or if they are not receiving services or repairs.

Tenants in rent stabilized apartments can only be evicted for: nonpayment of rent, illegal or "nuisance" behavior, violating the lease (subletting without the landlord's permission, for example), or, in limited situations, when the landlord wants the apartment for his/her personal use or wants to demolish the building. Rent stabilized tenants also have the right of succession, or the right to inherit an apartment, when the main tenant dies or moves and an immediate family (or family-like) member

For more detailed information about your rights, or for assistance in organizing a tenants' association:

METROPOLITAN COUNCIL ON HOUSING

339 Lafayette Street, New York, NY 10012 • www.metcouncil.net

Tenant Hotline: 212-979-0611 (Mondays, Wednesdays and Fridays 1:30-5:00 p.m.)

Free Tenant Clinic: Tuesdays 6:30 p.m., Cooper Square 61 E. 4th Street (between Bowery & 2nd Ave.)

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has been living in the apartment and wants to stay. The right to organize a tenants association and to file complaints about services and repairs are rights that all stabilized tenants have. Most tenants can also share and sublet their apartments.

The rent laws are controlled from Albany thanks to changes made in the 1970's when Governor Rockefeller enacted vacancy decontrol in an attempt to phase out rent regulations. The rent stabilization law was saved, however the state retained the power over the enabling of the laws and tenants must go to Albany on a regular basis to get the laws renewed, in addition to getting the NY City Council to renew the laws every three years. In the 1990's and most recently, in 2003, landlords have forced weakening amendments as the price of renewal. Landlords give millions of dollars to elected officials in Albany (especially to the committees controlled by Governor Pataki and Senate leader Joe Bruno). Thanks to these changes, we have lost tens of thousands of units of regulated housing. Without a fierce fight from the tenants in NYC, we will lose so many more units that the laws will be gutted in Albany. Join the fight to preserve the rent laws – Join Met Council on Housing.