

Rent Control

<http://www.housingnyc.com/resources/dhcr/dhcr1.html>

The rent control program generally applies to residential buildings constructed before February 1947 in municipalities that have not declared an end to the postwar rental housing emergency. A total of 51 municipalities have rent control, including New York City, Albany, Buffalo and various cities, towns, and villages in Albany, Erie, Nassau, Rensselaer, Schenectady and Westchester counties.

For an apartment to be under rent control, the tenant must have been living in that apartment continuously since before July 1, 1971. When a rent controlled apartment becomes vacant, it either becomes rent stabilized, or, if it is in a building with fewer than six units, it is generally removed from regulation. An apartment in a one- or two-family house must have a tenant in continuous occupancy since March 31, 1953 in order to be subject to rent control. Once it is vacated after that date, it is no longer subject to regulation. Previously controlled apartments may have been decontrolled on various other grounds.

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.

Outside New York City, the New York State Division of Housing and Community Renewal (DHCR) determines maximum allowable rates of rent increases under rent control. Owners may apply for these increases periodically.

In NYC, rent control operates under the Maximum Base Rent (MBR) system. A maximum base rent is established for each apartment and is adjusted every two years to reflect changes in operating costs. Owners who certify that they are providing essential services and have removed violations may raise rents by up to 7.5% each year until the MBR limit is reached. Tenants may challenge the increase on the grounds that the building has violations, the owner's expenses do not warrant an increase, or the owner is not maintaining essential services.

Rents may be increased in other ways:

- a) if the owner increases services or substantially rehabilitates a building or installs a major capital improvement
- b) hardship
- c) increased labor costs
- d) in NYC, increased fuel costs (passalongs)

Rents may be decreased in certain cases by DHCR. Such cases include: substantial, uncorrected code violations and reductions in services including facilities, space or equipment, or ancillary services.