Advisory Opinion 87-3 (July 31, 1987)

This Advisory Opinion is Issued Pursuant to Sections 2520.7 and 2527.11 of the Rent Stabilization Code.

Advisory Opinion 87-1 postponed the effective date for implementation of certain provisions of the Rent Stabilization Code to August 1, 1987. Except as otherwise set forth below, the DHCR has determined that it is necessary to continue to postpone the implementation of these provisions to October 1, 1987.

Implementation of the following provisions is postponed to October 1, 1987:

1. a) Section 2527.3 - Notice to the Parties Affected

Subdivision (a) - which provides that the DHCR shall serve all parties adversely affected thereby with a copy of any application, complaint, answer or reply.

b) Section 2529.4 - Service and Filing of a PAR

Subdivision (b) which provides that the DHCR shall serve a copy of a PAR upon the adverse party.

The continued postponement of these sections applies only to PAR’s and to applications relating to building-wide improvements, including MCI’s and hardships.

2. Section 2522.4 - Adjustment of Legal Regulated Rent

The following provisions which establish new processing standards and requirements

Subdivision (a)(2)(d) - “Useful Life” will continue to be applied to the extent currently utilized by the DHCR, a more extensive “Useful Life” schedule, including provisions for the waiver thereof under certain conditions, shall be made available and relied upon by the DHCR on or after October 1, 1987.

Subdivision (a)(3) - The accelerated MCI procedure.

Subdivision (a)(12) - The allocation by the DHCR on a per-room basis of a monthly rent adjustment pursuant to a building-wide improvement.
However, implementation of the following provision of Section 2522.4, as postponed by Advisory Opinion 87-1 to August 1, 1987, shall become effective on August 1, 1987:

Subdivision (a)(8) - The requirement that an application for an increase based upon an MCI be filed no later than 2 years after the completion of the installation or improvement.

3. Section 2522.5 - Lease Agreements

Subdivision (c)(1) - The promulgation by the DHCR of a Lease Rider pursuant to this subdivision is postponed to September 1, 1987. However, the current Lease Rider promulgated by the DHCR on April 1, 1985 shall continue to be effective, except to the extent that any provisions thereof are inconsistent with the Code. Such inconsistencies in the present Rider include the required approval by the DHCR of increases based upon furnishing of new equipment in occupied apartments where the tenant consents; and the reference to an annual 15% limitation upon building-wide increases. Such increases are limited to 6%, which limitations shall not be waived by the DHCR. Owners must continue to furnish the present Rider to each tenant signing a vacancy or renewal lease. The new Rider will be provided to owners by the DHCR at the District Rent Offices no later than September 1, 1987.

Promulgation by the DHCR of a Spanish language version of the revised Rider is postponed to October 1, 1987.

Subdivision (c)(2) - The promulgation by the DHCR of a Spanish language version of the Notice Of Rights And Duties Of Hotel Owners And Tenants is postponed to October 1, 1987.

Advisory Opinion 87-2 postponed to July 1, 1987, the imposition of penalties for failure to serve the English version of the Notice. However, the DHCR has informed owners that the imposition of penalties for failure to serve the Notice upon registration will not commence until August 1, 1987. In addition, owners will be permitted to furnish the Notice no later than October 30, 1987 to all occupants who move in prior to August 1, 1987.

4. Section 2529.6 - Notice for Renewal of Lease and Renewal Procedure

Subdivision (a) - As set forth in Advisory Opinion 87-1, the required use of the new lease renewal notice form to be prescribed by the DHCR has been postponed to October 1, 1987.

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for Rent Administration