

David A. Paterson
Governor



Deborah VanAmerongen
Commissioner

New York State Division of Housing and Community Renewal
Office of Rent Administration
Gertz Plaza
92-31 Union Hall Street
Jamaica, NY 11433

May 27, 2009

Your letter to Gregory Fewer dated March 10, 2009 was directed to my office for a reply.

The questions you raise concerning the acquisition of a rent stabilized building by a not-for-profit corporation are beyond the scope of the opinion letter process. However, I can provide you with information that will be of guidance to you.

Enclosed is a copy of Emergency Tenant Protection Regulation, Section 2504.4, Grounds for refusal to renew lease and proceed for eviction. Please focus on 2504.4(c), Other grounds, which is directly applicable to the situation you describe. The relevant application form is form RA-54, copy enclosed.

In applying this code section, our agency would rely to a large extent on related provisions that can be found in Rent Stabilization Code, Section 2524.4(b)(1), copy enclosed, as our agency endeavors to the greatest extent possible, to uniformly apply the rent regulations that are found in the rent regulations that apply in and outside of New York City.

This section requires the application of either 2524.4(b)(1)(i) or (ii). It appears that (i) would not apply as all 10 apartments would be occupied by tenants whose initial tenancy commenced prior to the not-for-profit groups acquisition of the property. Whether the program as described involves non-residential use as per (ii), would have to be decided in a formal proceeding.

I trust that I have responded as fully as possible to your inquiry.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Falbo". The signature is written in a cursive style with a large, looping initial "B".

Bruce Falbo
Bureau Chief
Rent Information Bureau

BF/lc
Log #COL-2543
Enclosure