

RENT GUIDELINES BOARD

Order Number 8—Rent Levels July 1, 1976 through June 30, 1977

PURSUANT TO THE AUTHORITY VESTED IN IT BY THE RENT STABILIZATION Law of 1969 and Chapter 576 of the Laws of 1974, implemented by Resolution

Number 276 of 1974 of the New York City Council, the Rent Guidelines Board hereby establishes and adopts the following levels of fair rent increase over lawful rents charged and paid on June 30, 1976 (including the "stabilizer", if any) for dwelling units subject to the Rent Stabilization Law of 1969, as amended.

Adjustments for Renewal Leases

Together with such adjustments for unusual fuel costs as may be authorized by the Board, as explained below:

- For one year leases expiring before July 1, 1978: 6½ per cent
- For two year leases expiring before July 1, 1979: 8 per cent
- For three year leases expiring before July 1, 1980: 11 per cent

The Board may convene to consider an adjustment for unusual fuel costs should the weighted average delivery price of heating fuel for New York City reported in the Journal of Commerce change by a factor of over 25 per cent or more of the reported price in such publication on the same date of the previous year. Any such adjustment may impact all existing leases effective during this guidelines period where the lease permits the rental reserved to be adjusted pursuant to subsequent determinations of the Board during the term of such lease.

Adjustments for Renewal Leases on dwelling units receiving partial tax exemption pursuant to Sections 421 and 423 of the Real Property Tax Law

Where a dwelling unit is in a structure subject to the Partial Tax Exemption program under Section 421 of the Real Property Tax Law, or in a structure subject to Section 423 of the Real Property Tax Law as a Redevelopment Project, permissible percentage increases for renewal leases are, as follows:

- For one year leases expiring before July 1, 1978: 4½ per cent
- For two year leases expiring before July 1, 1979: 5½ per cent
- For three year leases expiring before July 1, 1980: 8 per cent

Furthermore, nothing in this Order shall prohibit the inclusion of a lease provision for an annual or other periodic rent increase over the initial rent at an average rate of not more than 2.2 per cent per annum where the dwelling unit is receiving partial tax exemption pursuant to Section 421 of the Real Property Tax Law and the Regulations adopted pursuant thereto or, where applicable, such rate of rental increase as is provided for and authorized by Section 423 of the Real Property Tax Law. The cumulative but not compounded charge of up to 2.2 per cent per annum as provided by Section 421 or the rate provided by Section 423 is in addition to the amount permitted under this section of the Guideline Order for leases.

Leases on Vacant Apartments

Where a dwelling unit becomes vacant, the levels of rent increase governing a new tenancy commencing on or after July 1, 1976, and before June 30, 1977, are the same levels over rentals charged on June 30, 1976 as those set forth above for lease renewals, plus 5 per cent over the rentals charged on June 30, 1976 on each vacancy of such unit during the effective period of this Order.

Fractional Terms

Except as to leases on vacant apartments, for the purpose of these guidelines any lease or tenancy for a period up to and including one year shall be deemed a one year lease or tenancy; the same for a period over one year and up to and including two years shall be deemed a two year lease; and the same for a period over two years and up to and including three years shall be deemed a three year lease. As to leases on vacant apartments, for the purpose of these guidelines any lease for a period from one year to less than two years shall be deemed a one year lease; the same for a period from two years to less than three years shall be deemed a two year lease; and the same for a period of three years or more shall be deemed a three year lease.

Electrical Inclusion Adjustment

In addition to the lease adjustment permitted under this Order No. 8, a lease for a dwelling unit for which the owner supplies full electrical service for which there is no additional cost charged to the tenant in addition to rent, the applicable lease adjustment as established by this Order is increased by 3½ per cent. However, this allowance shall not apply to any dwelling unit as to which an increase for electrical inclusion was collected under Guideline Order No. 6a (et seq.) or 7.

Escalator Clauses

Where a lease for a dwelling unit in effect on May 31, 1968, or where a lease in effect on June 30, 1974 for a dwelling unit which became subject to the Rent Stabilization Law of 1969, by virtue of Chapter 576, Laws of 1974 and Resolution No. 276 of the New York City Council, contained an escalator clause for the increased costs of operation, and such clause is still in effect, the lawful rental on June 30, 1976 over which the fair rent under this Order is computed shall include the increased rental, if any, due under such clause except those charges which accrued within one year of the commencement of the renewal lease. Moreover, where a lease contained an escalator clause which the owner may validly renew under the code, unless the owner elects or has elected in writing to delete such clause, effective no later than July 1, 1976 from the existing lease and all subsequent leases for such dwelling unit, the increased rental, if any, due under such escalator clause shall be offset against the amount of increase authorized under this Order.

Stabilizer

The one-half per cent "stabilizers" charged in leases pursuant to previous Orders of this Board shall remain in effect until the expiration of such leases.

Special Guidelines to Update Special Guidelines 6b

In order to aid the Conciliation and Appeals Board in determining fair market rents for housing accommodations as to applications for adjustment of the initial regulated rent as may be requested by tenants, the Rent Guidelines Board hereby establishes a special guideline as mandated by Section 12 of Chapter 576 of the Laws of 1974 amending Section YY51-6.02b(1) of the New York City Administrative Code for dwelling units subject to the Rent and Rehabilitation Law on June 30, 1976 which subsequently become vacant after June 30, 1976, the 1976 maximum rent as it existed or would have existed, plus 15 per cent.

Limitations on Adjustments for Renewal Leases

The limitations on adjustments for renewal leases provided herein shall be effective for such types of dwelling units listed below for which no leases have commenced between July 1, 1974 and June 30, 1976.

A. For dwelling units which were subject to the Rent and Rehabilitation Law on June 30, 1971 and which become subject to the Rent Stabilization Law on July 1, 1974:

1. Where the tenant elects a one-year lease term, the owner may charge that portion of the 6½ per cent one-year lease increase which does not cause the rent to exceed 15 per cent above the 1976-1977 maximum rent which was or would have been in effect for that dwelling unit pursuant to the City Rent and Rehabilitation Law (hereinafter, the "1976-1977 maximum rent").
2. Where the tenant elects a two-year lease term:

(a) for the *first* year of the lease, the owner may charge that portion of the 8 per cent two-year lease increase which does not cause the rent to exceed 15 per cent above the "1976-1977 maximum rent"; and

(b) for the *second* year of the lease, the owner may charge that portion of the 8 per cent two-year lease increase which does not cause the rent to exceed 15 per cent above "the 1976-1977 maximum rent" plus 8 per cent.

3. Where the tenant elects a three-year lease term:

(a) for the *first* year of the lease, the owner may charge that portion of the 11 per cent three-year lease increase which does not cause the rent to exceed 15 per cent above the "1976-1977 maximum rent"; and

(b) for the balance of the lease term, the owner may charge that portion of the 11 per cent three-year lease increase which does not cause the rent to exceed 15 per cent above "the 1976-1977 maximum rent" plus 11 per cent.

B. For dwelling units which were subject to the Rent Stabilization Law on June 30, 1971, were destabilized due to a vacancy occurring between July 1, 1971 and June 30, 1974, and have been placed under the Rent Stabilization Law again effective July 1, 1974:

1. Where the tenant elects a one-year lease term, the owner may charge that portion of the 6½ per cent one-year lease increase which does not cause the rent to exceed 36 per cent above the December 31, 1973 rent which was or would have been in effect for that dwelling unit pursuant to the Rent Stabilization Law (hereinafter, the "December 31, 1973 rent").

2. Where the tenant elects a two-year lease term:

(a) for the *first* year of the lease, the owner may charge that portion of the 8 per cent two year lease increase which does not cause the rent to exceed 36 per cent above the "December 31, 1973 rent"; and

(b) for the *second* year of the lease, the owner may charge that portion of the 8 per cent two-year lease increase which does not cause the rent to exceed 8 per cent over 36 per cent above "the December 31, 1973 rent."

3. Where the tenant elects a three-year lease term:

(a) for the first year of the lease, the owner may charge that portion of the 11 per cent three-year lease increase which does not cause the rent to exceed 36 per cent over the "December 31, 1973 rent" and

(b) for the balance of the lease term, the owner may charge that portion of the 11 per cent three-year lease increase which does not cause the rent to exceed 11 per cent over 36 per cent above "the December 31, 1973 rent".

The owner shall be required, upon offering leases to the categories of tenants covered by this provision, to furnish such tenants with a rent computation reflecting the limitations provided in this provision on forms approved by the Conciliation and Appeals Board. Nothing contained in this provision shall be construed to authorize increases in excess of those otherwise established by this Order No. 8.

Decontrolled Units

The permissible percentage increases for decontrolled units under Order 3A remain in effect for units covered by such order.

Credits

Rental charged and paid in excess of the levels of fair rent increase established by this Order shall be fully credited against the next month's rent.

Dated: June 30, 1976.

Filed with City Clerk: June 30, 1976.

JACOB B. UKELES, Chairman, Rent Guidelines Board.

THE CITY RECORD—MAY 2, 1979

**Order No. 8a—Modification of the Terms of Order No. 8 Governing Rent Levels for
Leases commencing between July 1, 1976 and June 30, 1977**

PURSUANT TO THE AUTHORITY VESTED IN IT BY THE RENT STABILIZATION Law of 1969, and Chapter 576 of the Laws of 1974, as implemented by Resolution No. 276 of the New York City Council and extended by Chapter 203 of the Laws of 1977 and Rent Guidelines Order No. 8, the Rent Guidelines Board hereby modifies the terms of its Order No. 8, which governs the levels of fair rent increases over lawful rents charged and paid on June 30, 1976 (including the "stabilizer," if any) for leases commencing between July 1, 1976 and June 30, 1977, for dwelling units subject to the Rent Stabilization Law as amended.

The Board has determined that although the weighted average delivery price of heating fuel for New York City reported in the Journal of Commerce had increased by a factor of more than 25 per cent over the price on April 2, 1978, the operating and maintenance cost increases experienced for stabilized apartment units from 1976 through 1978 were such that no adjustments of the levels of fair rent increases set forth in Order No. 8 are warranted at this time.

The Board may again convene to consider a further adjustment for unusual fuel costs should the weighted average price of heating fuel for New York City reported in the Journal of Commerce change by a factor of 15 per cent or more of the reported price in such publication on April 2, 1979.

Dated: April 27, 1979.

Filed with the City Clerk: April 27, 1979.

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FRANCES LEVENSON, Chairperson.