

THE CITY RECORD
MONDAY, JULY 6, 1987

Order Number 19 - Rent Levels for Leases Commencing October 1, 1987
Through September 30, 1988.

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 Number 276 of 1974 of the New York City Council, extended by Chapter 203 of the Laws of 1977, further extended by Chapter 383 of the Laws of 1981, Chapter 403 of the Laws of 1983, Chapter 248 of the Laws of 1985, and by Chapter 65 of the Laws of 1987, the Rent Guidelines Board hereby establishes and adopts the following levels of fair rent increases over lawful rents charged and paid on September 30, 1987 (including the "stabilizer" and excluding the "April 1979 fuel adjustment," if any) for dwelling units subject to the Rent Stabilization Law of 1969, as amended, for leases commencing on or after October 1, 1987 and through September 30, 1988.

Adjustments for Renewal Leases

Together with such further adjustments as may be authorized by the Board, as explained below:

--For one year leases expiring before October 1, 1989: 3.0%

--For two year leases expiring before October 1, 1990: 6.5%

These adjustments shall also apply to dwelling units 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.

Leases On Vacant Apartments

Where a dwelling unit becomes vacant, the levels of rent increase governing a new tenancy commencing on or after October 1, 1987 and on or before September 30, 1988 are the same levels over rentals charged on September 30, 1987 as those set forth above for lease renewals, plus 10 percent (10%) over the rental charged on September 30, 1987, with the following exception:

-for those units in which there had previously been a new tenancy commencing on or after October 1, 1986 and on or before September 30, 1987, unless the allowable level of increase for that new tenancy pursuant to Order 18 of the Board was the same as for renewal leases, the levels of rent increase governing a new tenancy are the same levels over rentals charged on September 30, 1987 as those set forth above for renewal leases without any additional allowance for the vacancy.

Any level of rent increase pursuant to this provision relating to leases on vacant apartments may be applied no more than once for leases commencing October 1, 1987 through September 30, 1988.

Supplementary Adjustment of up to \$10 Per Month for Renewal and Vacancy Leases for Apartments Renting for Less than \$325 Per Month on September 30, 1987.

For a lease for a dwelling unit with a lawful rent of less than \$325 per month on September 30, 1987, the levels of rent increase for renewal and vacancy leases commencing October 1, 1987 through September 30, 1988 are the same as those set forth hereinabove plus \$10 per month, provided the monthly rent resulting from application of this level of increase or any portion thereof does not exceed the rent that would result from

application of the allowable levels of rent increase for renewal and vacancy leases to an apartment renting for \$325 per month on September 30, 1987. This limitation is as follows:

For renewal leases of:

-one year \$334.75 per month.

-two years \$346.13 per month.

Where the 10% vacancy allowance applies, for vacancy leases of:

-one year \$367.25 per month.

-two years \$378.63 per month.

Where the 10% vacancy allowance does not apply, for vacancy leases of:

-one year \$334.75

-two years \$346.13

The Board also provided that no tenant shall be affected by the supplementary adjustment under Order 19 if they signed a lease under Order 18 of the Board which included any or all of the supplementary adjustment of up to \$15 for rents below \$350. Vacancy leases signed under Order 19 will not be affected by this restriction.

Electrical Inclusion Adjustment

For a lease for a dwelling unit for which the owner supplies full electrical services for which there is no additional cost charged to the tenant in addition to rent, the applicable lease adjustments as established by this Order are to be adjustments for renewal and vacancy leases heretofore stated.

Adjustment for Units in The Category of Buildings Covered By Article 7-C of The Multiple Dwelling Law

Pursuant to Chapter 349 of the Laws of 1982, Section 286 paragraph 7 of The Multiple Dwelling Law, The Rent Guidelines Board hereby establishes that the allowable levels of rent increase above the "base rent," as defined in Section 286 paragraph 4, for units where residential renewal leases are offered pursuant to Section 286, paragraph 3 of The Multiple Dwelling Law, and commence from October 1, 1987 through September 30, 1988 shall be the same as those set forth herein above for renewal leases, with the exception of the supplementary adjustment which does not apply to loft units:

-For one year leases expiring before October 1, 1989: 3.0%

-For two year leases expiring before October 1, 1990: 6.5%

Where a dwelling unit in this category of buildings becomes vacant the levels of rent increase governing a new tenancy commencing on or after October 1, 1987 and on or before September 30, 1988 are the same levels over the "base rent" as defined in Section 286, paragraph 4 as set forth hereinabove for renewal leases, unless pursuant to paragraph 6, Section 286 of The Multiple Dwelling Law the owner purchases improvements and thereby the unit is either exempted from the provisions of Article 7-C requiring rent regulation or may be rented at market value subject to subsequent rent regulation.

Fractional Terms

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, and the same period over one year and up to and including two years shall be deemed a two year lease.

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 of the Laws of 1974 and Resolution Number 276 of the New York City Council, extended by Chapter 203 of the Laws of 1977, further extended by Chapter 383 of the Laws of 1981, by Chapter 403 of the Laws of 1983, Chapter 248 of the Laws of 1985, and by Chapter 65 of the Laws of 1987, contained an escalator clause for the increased costs of operation and such clause is still in effect, the lawful rental on September 30, 1987, 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 that 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 October 1, 1987 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 "stabilizer" charged in leases pursuant to previous Orders of the Board shall remain in effect until the expiration of such leases and shall be included in the base rent for the purpose of computing subsequent rent or leases adjusted pursuant to this Order.

Special Guideline to Update Special Guideline 6b

In order to aid the State Division of Housing and Community Renewal in determining fair market rents for housing accommodations as to applications for adjustments of the initial legal regulated rent as may be requested by tenants, the Rent Guidelines Board hereby establishes a special guideline as mandated by Section 9 of Chapter 576 of the Laws of 1974, as extended by Chapter 203 of the Laws of 1977, further extended by Chapter 383 of the Laws of 1981, and Chapter 403 of the Laws of 1983 amending Section YY51-6.0.2.b(1) of the New York City Administrative Code, Chapter 248 of the Laws of 1985, and Chapter 65 of the Laws of 1987: for dwelling units subject to the Rent and Rehabilitation Law on September 30, 1987, which subsequently become vacant after September 30, 1987, 35% above the sum of the 1986-87 maximum base rent, as it existed or would have existed, plus the current allowable fuel cost adjustments as established on Rent Control forms, pursuant to Section 33.10 of the Rent Regulations, beginning in 1980.

Decontrolled Units


The permissible increase for decontrolled units as defined in Order 3a which become decontrolled after September 30, 1987, shall not exceed 35% above the sum of the 1986-87 biennial cycle maximum base rent, as it existed or would have existed, plus the current allowable fuel cost adjustments as established on Rent Control forms, pursuant to Section 33.10 of the Rent Regulations, beginning in 1980.

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, 1987

Filed with the City Clerk: June 30, 1987


William J. Mulrow, Chairman
Rent Guidelines Board