

## **HOTEL ORDER #28**

June 22, 1998

**Order Number 28 - Hotels, Rooming Houses, Single Room Occupancy Buildings and Lodging Houses.** Rent Levels to be effective for leases or other rental agreements commencing October 1, 1998 through September 30, 1999.

NOTICE IS HEREBY GIVEN PURSUANT TO THE AUTHORITY VESTED IN THE NEW YORK CITY RENT GUIDELINES BOARD BY THE RENT STABILIZATION LAW OF 1969, as amended, and the Emergency Tenant Protection Act of 1974, as amended, implemented by Resolution No. 276 of 1974 of the New York City Council and extended by the Rent Regulation Reform Act of 1997, and in accordance with the requirements of Section 1043 of the New York City Charter, that the Rent Guidelines Board hereby adopts the following levels of fair rent increases over lawful rents charged and paid on September 30, 1998.

### APPLICABILITY

This proposed order shall apply to units in buildings subject to the Hotel Section of the Rent Stabilization Law (Sections 26-504(c) and 26-506 of the N.Y.C. Administrative Code), as amended, or the Emergency Tenant Protection Act of 1974 (L.1974, c. 576 §4[§5](a)(7)). With respect to any tenant who has no lease or rental agreement, the level of rent increase established herein shall be effective as of one year from the date of the tenant's commencing occupancy, or as of one year from the date of the last rent adjustment charged to the tenant, or as of October 1, 1998, whichever is later. This anniversary date will also serve as the effective date for all subsequent Rent Guidelines Board Hotel Orders, unless the Board shall specifically provide otherwise in the Order. Where a lease or rental agreement is in effect, this Order shall govern the rent increase applicable on or after October 1, 1998 upon expiration of such lease or rental agreement, but in no event prior to one year from the commencement date of the expiring lease, unless the parties have contracted to be bound by the effective date of this Order.

### RENT GUIDELINES

Pursuant to its mandate to promulgate rent adjustments for hotel units subject to the Rent Stabilization Law of 1969, as amended, (§26-510(e) of the N.Y.C Administrative Code) the Rent Guidelines Board hereby adopts the following rent adjustments:

The allowable level of rent adjustment over the lawful rent actually charged and paid on September 30, 1998 shall be:

- 1) Residential Class A (apartment) hotels 0%
- 2) Lodging houses 0%
- 3) Rooming houses (Class B buildings containing less than 30 units) 2%
- 4) Class B hotels 0%
- 5) Single Room Occupancy buildings (MDL section 248 SRO's) 0%

Except that the allowable level of rent adjustment over the lawful rent actually charged and paid on September 30, 1998 shall be 0% if:

- 1) Ten percent or more of the units have been withheld from the rental market for a period exceeding thirty days, unless the owner can show a reasonable basis for the withholding; or
- 2) Twenty percent or more of the dwelling units in the building are not registered with the State Division of Housing and Community Renewal pursuant to Section 2528 of the Rent Stabilization Code; or
- 3) Fifty percent or more of the units have been leased, used, or dedicated to a use other than permanent residential housing at the legal level.

Furthermore, the allowable level of rent adjustment over the lawful rent actually charged and paid on September 30, 1998 shall be 0% on any individual unit if the owner has failed to provide to the new occupant of that unit a copy of the Rights and Duties of Hotel Owners and Tenants, pursuant to Section 2522.5 of the Rent Stabilization Code.

#### NEW TENANCIES

No "vacancy allowance" is permitted under this order. Therefore, the rents charged for tenancies commencing on or after October 1, 1998 and on or before September 30, 1999 may not exceed the levels over rentals charged on September 30, 1998 permitted under the applicable rent adjustment provided above, except as otherwise provided by law.

#### ADDITIONAL CHARGES

It is expressly understood that the rents collectible under the terms of this Order are intended to compensate in full for all services provided without extra charge on the statutory date for the particular hotel dwelling unit or at the commencement of the tenancy if subsequent thereto. No additional charges may be made to a tenant for such services, however such charges may be called or identified.

#### STATEMENT OF BASIS AND PURPOSE

The Rent Guidelines Board is authorized to promulgate rent guidelines governing hotel units subject to the Rent Stabilization Law of 1969, as amended, and the Emergency Tenant Protection Act of 1974, as amended. The purpose of these guidelines is to implement the public policy set forth in Findings and Declaration of Emergency of the Rent Stabilization Law of 1969 (§26-501 of the N.Y.C. Administrative Code) and in the Legislative Finding contained in the Emergency Tenant Protection Act of 1974 (L.1974 c. 576, §4 [§2]).

Dated: June 25, 1998

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Edward S. Hochman, Esq.  
Chairman  
Rent Guidelines Board