

**THE CITY OF NEW YORK
DEPARTMENT OF FINANCE**

NOTICE OF ADOPTION

Pursuant to the power vested in me as Commissioner of Finance by New York City Administrative Code sections 26-405, 26-509 and 26-605 and sections 1043 and 1504 of the New York City Charter, I hereby promulgate the rule concerning the Senior Citizen Rent Increase Exemption and Disability Rent Increase Exemption programs. This rule was published in the proposed form on August 21, 2015. A hearing for public comment was held on September 21, 2015.

Jacques Jiha, Commissioner of Finance

STATEMENT OF BASIS AND PURPOSE

The Senior Citizen Rent Increase Exemption and Disability Rent Increase Exemption Programs are authorized by sections 467-b and 467-c of the New York State Real Property Tax Law and established by chapter 4 (section 26-405), chapter 5 (section 26-509) and chapter 7 (sections 26-601 et seq.) of Title 26 of the Administrative Code of the City of New York. These programs protect households headed by low-income tenants who are 62 years of age or older or persons with disabilities and who reside in rent regulated dwelling units from rent increases. For those who qualify, rent is frozen at the time of or prior to application approval, protecting participants from future increases. Participating landlords receive a property tax credit to cover the increase in rent.

Each tenant that qualifies for one of these programs receives a rent increase exemption order which lasts for a certain amount of time. When this order expires, the tenant must apply for a renewal order. However, due to medical or other problems, tenants are not always able to file their renewal applications within the required time period. This proposed rule will give program participants, upon a showing of good cause or extraordinary medical circumstances, additional time to file their renewal applications.

Matter underlined is new. Matter in brackets [] is to be deleted.

“Will” and “must” denote mandatory requirements and may be used interchangeably in the rules of this department unless otherwise specified or unless the context clearly indicates otherwise.

Section 1. Title 19 of the Rules of the City of New York is amended by adding a new chapter 52, to read as follows:

Chapter 52

RULES RELATING TO SENIOR CITIZEN RENT INCREASE EXEMPTION AND DISABILITY RENT INCREASE EXEMPTION PROGRAM

§ 52-01. Rent Increase Exemption Orders.

(a) Effective Date and Duration. (1) A rent increase exemption order will be issued to each tenant who applies to the Department and is found to be eligible for Senior Citizen Rent Increase Exemption (SCRIE) or Disability Rent Increase Exemption (DRIE) benefits, except that SCRIE benefits for an apartment owned by a limited dividend housing company, a redevelopment company or a housing development fund company incorporated under the private housing finance law, a Cooperative Housing Company established under section 213 of the National Housing Act or a Mitchell Lama apartment or co-op are administered by the Department of Housing Preservation and Development (HPD) and are not governed by this rule. The effective date of a new rent increase exemption order for rent controlled and rent stabilized apartments is the first day of the first month after receipt of an initial application for SCRIE or DRIE benefits.

(2) A new rent increase exemption order for a rent controlled apartment will be for a term of two years. A new rent increase exemption order for a rent stabilized apartment will be for the duration of the lease in effect on the first day of the first month after receipt of the initial application. The effective date of a new DRIE rent increase exemption order for an apartment owned by a limited dividend housing company, a redevelopment company or a housing development fund company incorporated under the private housing finance law, a Cooperative Housing Company established under section 213 of the National Housing Act or a Mitchell Lama apartment or co-op, will be the date of the first increase in maximum rent that takes effect after the tenant is first determined to be eligible for DRIE benefits, and will be for a term of one year.

(b) Renewals. A renewal application must be submitted to, and approved by, the Department by or on behalf of the tenant in order to renew a SCRIE or DRIE order. If such tenant is found eligible, the renewal order will be deemed to have taken effect upon expiration of the prior rent increase exemption order. The tenant may designate a representative to file a renewal application on his or her behalf so that the renewal application is filed in a timely manner as provided in subdivisions (c) and (d) of this section. Unless otherwise stated on the renewal application, such a designation does not apply to any subsequent renewal applications. If a tenant desires to designate a representative for any subsequent renewal period, he or she must specifically do so in the renewal application. Any designation of a representative must include the mailing address of such representative.

(c) Time to File Renewal Applications. Except as provided in subdivision (d) and (e) of this section, renewal applications must be filed no later than six months after the expiration of a rent increase exemption order.

(d) Extension of Time to File Renewal and Other Tenant Applications. The time to file a renewal application provided in subdivision (c) of this section, as well as for any other tenant application relating to SCRIE or DRIE benefits that contains a deadline for filing, will be extended under the following circumstances:

(1) Upon a showing of good cause, the time to file a renewal or other application will be extended for an additional period of six months. The tenant or his or her representative must submit sufficient documentary evidence acceptable to the Department demonstrating good cause. Upon approval of the extension of the time to file and of the renewal application, such rent increase exemption order will be renewed retroactive to the date of expiration of the prior rent increase exemption. For purposes of this paragraph, good cause exists when:

- (i) the tenant requires hospitalization for a documented illness or medical condition during the six-month period following expiration of the rent increase exemption order, which prevents the tenant from filing a timely renewal application; or
- (ii) the tenant's dwelling unit is damaged by fire or flood or a natural catastrophe during the six-month period following expiration of the rent increase exemption order, which prevents the tenant from filing a timely renewal application.
- (iii) The tenant demonstrates other exceptional circumstances.

(2) Upon a showing of need for more time as a reasonable accommodation for a tenant's disability, the time to file a renewal or other application will be extended for an additional period of time to be determined by the agency, which may exceed six months if the agency determines more time would be a reasonable modification of its procedure necessary to avoid discrimination on the basis of disability. Upon approval of the extension of time to file and of the renewal application, such rent increase exemption order will be renewed retroactive to the date of expiration of the prior rent increase exemption. To obtain an extension of time as a reasonable accommodation, the tenant or the tenant's representative must provide medical documentation from an appropriate health care professional satisfactory to the Department showing that the tenant had a disability as defined by the Americans with Disability Act (42 U.S.C. §12101 et seq.) or the New York City Human Rights Law (§8-101 et seq. of the Administrative Code of the City of New York), and that this disability prevented the tenant from filing a renewal application during the six month period following expiration of the rent increase exemption order. For purposes of this paragraph, appropriate health care professionals include, but are not limited to, doctors (including psychiatrists), psychologists and licensed health professionals.

(e) Expiration of rent increase exemption order when there is a showing of good cause or need for disability related reasonable accommodation. If a tenant is granted an extension of time to file pursuant to subdivision (d) of this section, the tenant or the tenant's representative must file a renewal application and all supporting documents for the period commencing on the expiration of the prior rent increase exemption order as well as for any succeeding renewal period which commenced prior to the date such extension of time to file was granted within the time period of the extension.