

## **EXPLANATORY STATEMENT - HOTEL ORDER #54**

### **Explanatory Statement and Findings of the Rent Guidelines Board in Relation to 2024-25 Lease Increase Allowances for Hotels under the Jurisdiction of the Rent Stabilization Law**

Explanatory Statement and Findings of the Rent Guidelines Board Concerning Increase Allowances for Hotel Units Under the Jurisdiction of the Rent Stabilization Law, Pursuant to Hotel Order Number 54, Effective October 1, 2024 through and including September 30, 2025.<sup>1</sup>

Pursuant to the authority vested in it by the Rent Stabilization Law of 1969 and the Emergency Tenant Protection Act of 1974, implemented by Resolution Number 276 of 1974 of the New York City Council, and extended by the Housing Stability and Tenant Protection Act of 2019, it is the responsibility of the Rent Guidelines Board to establish guidelines for hotel increases. Hotel Order Number 54, adopted on June 17, 2024, applies to stabilized hotel units occupied by non-transient tenants.

Hotel Order Number 54 provides for an allowable increase of **0%** over the lawful rent actually charged and paid on September 30, 2024 for rooming houses, lodging houses, Class B hotels, single room occupancy buildings, and Class A residential hotels. The Order does not limit rental levels for commercial space, non-rent stabilized residential units, or transient units in hotel stabilized buildings during the guideline period. The Order also provides that for any dwelling unit in a hotel stabilized building which is voluntarily vacated by the tenant thereof, the rent charged for a new tenancy may not exceed the rent charged on September 30, 2024.

#### **DEFINITIONS**

For the purpose of determining the appropriate classification of a hotel stabilized unit, the Board has set its definitions as follows:

- Residential hotels are “apartment hotels” which are designated as Class A multiple dwellings on the Certificate of Occupancy.
- Rooming houses are Class B multiple dwellings having fewer than thirty sleeping rooms as defined in Section 4(13) of the Multiple Dwelling Law.
- A single room occupancy building is a Class A multiple dwelling which is either used in whole or in part for single room occupancy or as a furnished room house, pursuant to Section 248 of the Multiple Dwelling Law.
- A Class B hotel is a hotel, which carries a Class B Certificate of Occupancy and contains units subject to rent stabilization.
- Lodging houses are those buildings designated as lodging houses on the Certificate of Occupancy.

---

<sup>1</sup> This Explanatory Statement explains the actions taken by the Board on individual points and reflects the general views of those voting in the majority. It is not meant to summarize all viewpoints expressed.

## **BACKGROUND**

The Board issued Order No. 54 following **seven** public meetings, and **four** public hearings, as well as the Board's review of written, oral and video submissions provided by the public and a review of research and memoranda prepared by the Board's staff.

Public meetings of the Board were held on March 28, April 11, 18 and 25, and May 23, 2024, following public notices. On April 30, the Board adopted proposed rent guidelines for hotels, apartments, and lofts.

Four public hearings were held on May 30, June 3, June 5 and June 11, 2024. The hearings were held from 5:15 p.m. to 8:00 p.m. on May 30; 5:30 p.m. to 9:45 p.m. on June 3; 5:20 p.m. to 9:45 p.m. on June 5; and 5:20 p.m. to 8:35 p.m. on June 11. The Board heard testimony from approximately one hotel tenant and tenant representatives, no hotel owners, and one public official. In addition, the Board received approximately two written, oral and video submissions from tenants and tenant representatives, no hotel owners, and no public officials. On June 17, 2024, the Board adopted guidelines set forth in Hotel Order Number 54.

### **Selected Oral and Written Testimony from Tenants and Tenant Groups:**

- “Unfortunately, the poor conditions that SRO tenants have faced in the past remain unchanged: SRO tenants continue to struggle while buildings designated for residential use by rent-stabilized tenants are increasingly used for other purposes which generate significant profits in these buildings. This is further coupled by the recent inflation crisis, which heavily impacts people on fixed incomes. Considering that a disproportionate amount of people on fixed income live in SROs, SRO tenants are heavily impacted by high inflation. As a result, we hope our testimony today will compel the Board to vote for a 0% rent increase for tenants of SROs again this year.”
- “Considering the minimal living conditions, it should come as no surprise that SROs are housing of last resort for low-income people who would otherwise be homeless. It is often the only form of housing that low-income New Yorkers can afford. Thousands of hard-working people as well as a disproportionate number of elderly and disabled people call an SRO their home. If the economic situation is difficult for low-income New Yorkers, it is dire for most residents of SRO because they are a historically marginalized and vulnerable population. Many rely on SSI, disability pensions, food stamps and other similar resources as their sole source of income.”
- “Tenants seeking assistance from our office routinely report incomes as lower than \$10,000 per year. For many, the affordability of their SRO home means the difference between having a roof over their head and being homeless. With vacancy rates in apartments during 2014 costing below \$800 at just 1.8% and homelessness at a nightly average of nearly 60,000, the City cannot afford to increase rents on what is one of the last sources of truly affordable housing for low-income New Yorkers.”
- “SRO owners are making profits by both legally, and illegally, renting out rent-stabilized units to tourists on a nightly or weekly basis, depending on the classification, zoning, and fire-code regulations that apply to the building. Some SRO Hotels are lawfully permitted to offer transient rentals, but the vast majority never inform their guests that the rooms are subject to rent stabilization, and the guest has a right to become a permanent tenant. Although the

strengthening of the law prohibiting illegal hotels in 2010 and increased enforcement have helped curb the practice of transient rentals to a certain extent, many SRO owners continue to skirt the law and charge exorbitant rates for rooms that have legal rents that would be affordable for low-income New Yorkers. In 2021 alone, the Mayor’s Office of Special Enforcement issued 2,760 violations for illegal short-term of SRO units.”

**Selected Oral and Written Testimony from Owners and Owner Groups:**

- None submitted.

**Selected Oral and Written Testimony from Public Officials:**

- “I also want to advocate zero increase for renters in SRO and Rooming Houses.”

**MATERIAL CONSIDERED BY THE BOARD**

In addition to oral and written testimony presented at its public meetings and hearings, the Board’s decision is based upon material gathered from the *2024 Price Index of Operating Costs* and *2024 Hotel Report*, prepared by the staff of the Rent Guidelines Board, reports and testimony submitted by owner and tenant groups relating to the hotel sector, and reports submitted by public agencies. The Board heard and received written testimony from invited guest speakers on April 25, 2024. Guest speakers representing hotel tenants included Larry Wood from the Goddard Riverside Law Project.

**FINDINGS OF THE RENT GUIDELINES BOARD**

**Rent Guidelines Board Research**

The Rent Guidelines Board based its determination on its consideration of the oral and written testimony noted above, as well as upon its consideration of statistical information prepared by the RGB staff set forth in these findings and the following reports:

1. *2024 Mortgage Survey Report*, April 2024 (an evaluation of recent underwriting practices, financial availability and terms, and lending criteria);
2. *2024 Income and Affordability Study*, April 2024 (including employment trends, housing court actions, changes in eligibility requirements and public benefit levels in New York City);
3. *2024 Price Index of Operating Costs*, April 2024 (measuring the price change for a market basket of goods and services which are used in the operation and maintenance of stabilized hotels);
4. *2024 Hotel Report*, May 2024 (including data on rent stabilized hotels derived from NYS Homes and Community Renewal registration files, illegal hotel violations, and the number of Certifications of No Harassment);
5. *2024 Housing Supply Report*, May 2024 (including information new housing construction measured by certificates of occupancy in new buildings and units authorized by new

building permits, tax abatement and exemption programs, and cooperative and condominium conversion and construction activities in New York City); and

6. *Changes to the Rent Stabilized Housing Stock in NYC in 2023, May 2024* (quantifying events that lead to additions to and subtractions from the rent stabilized housing stock).

The six reports listed above may be found in their entirety on the RGB’s website, [www.nyc.gov/rgb](http://www.nyc.gov/rgb), and are also available at the RGB offices, 1 Centre St., Suite 2210, New York, NY upon request.

### **Price Index of Operating Costs for Rent Stabilized Hotel Units**

The Hotel Price Index includes separate indices for each of three categories of hotels that contain rent stabilized units (due to their dissimilar operating cost profiles) and a general index for all Hotels that includes all three. The three categories of hotels are: 1) “Traditional” Hotels — Class A multiple dwellings that have amenities such as a front desk, maid or linen services; 2) Rooming Houses — Class B multiple dwellings other than a hotel with thirty or fewer sleeping rooms; and 3) Single Room Occupancy (SROs) hotels — Class A multiple dwellings which are either used in whole or in part for single room occupancy or as a furnished room house.

The Hotel Price Index for all hotels that contain rent stabilized units increased by 3.3% this year, compared to the rise of 8.3% in 2023. There were increases in five of the seven Hotel PIOC components. The Insurance component had the highest proportional increase, rising by 21.7%, but accounts for just 7.2% of the index. More moderate increases were seen in Labor (4.2%), Taxes (3.7%), Administrative Costs (3.5%) and Maintenance (1.8%). In contrast, Fuel declined by 4.1% and Utilities declined by 0.4%. See the table below for changes in costs and prices for all hotels that contain rent stabilized units from 2023-2024.

Among the different categories of Hotels, the index for “Traditional” Hotels increased by 3.9%, Rooming Houses by 2.5%, and SROs by 3.2%.

#### **Percent Change in the Components of the Price Index of Operating Costs April 2023 to March 2024, By Hotel Type and All Hotels**

Item Description	All Hotels	“Traditional” Hotel	Rooming House	SRO
TAXES	3.7%	4.9%	0.9%	3.4%
LABOR COSTS	4.2%	3.9%	4.9%	5.0%
FUEL	-4.1%	-3.8%	-5.7%	-4.0%
UTILITIES	-0.4%	1.8%	-3.8%	0.6%
MAINTENANCE	1.8%	1.7%	2.3%	1.7%
ADMINISTRATIVE COSTS	3.5%	3.1%	4.5%	4.2%
INSURANCE COSTS	21.7%	21.7%	21.7%	21.7%
<b>ALL ITEMS</b>	<b>3.3%</b>	<b>3.9%</b>	<b>2.5%</b>	<b>3.2%</b>

Source: 2024 Price Index of Operating Costs

## Changes in Housing Affordability

Per the *2024 Income and Affordability Study*, economic and social indicators in NYC in 2023 showed both strengths and weaknesses as compared with the preceding year. Positive indicators (on an annual average basis) include rising employment levels within NYC businesses, an increase of 2.6% in 2023.<sup>2</sup> The unemployment rate for NYC residents also fell, down 0.5 percentage points from 2022, to 5.2%.<sup>3</sup> Gross City Product (GCP) is also forecasted to increase, rising in inflation-adjusted terms by 2.6% in 2023.<sup>4</sup> Inflation in the NYC metro area also rose at a slower level than in 2022, rising 3.8%, down from 6.1% in the prior year.<sup>5</sup>

Negative indicators (on an annual average basis) include average wages and total wages earned within NYC, which both decreased in real terms in the most recent 12-month period, falling by 6.1% and 2.6%, respectively. Average wages also fell in nominal terms, by 1.8%, although total wages rose by 1.9% in nominal terms.<sup>6</sup> Primarily driven by asylum-seekers entering NYC, sheltered homeless levels (as reported by the NYC Department of Homeless Services (DHS)) rose significantly, increasing 54.9%. Excluding asylum-seekers, sheltered homeless levels also rose, but at a slower rate, 9.5%.<sup>7</sup> Public benefit caseloads also rose in 2023, with the average number of public assistance recipients rising by 12.7%; Supplemental Nutrition Assistance Program (SNAP) recipients rising by 1.3%; and Medicaid enrollees rising by 5.1%.<sup>8</sup> There was also an increase in non-payment filings and non-payment calendared cases in Housing Court, which rose by 23.5% and 34.5%, respectively.<sup>9</sup> The number of residential evictions also rose, increasing 195.4%, to reach 12,139 in 2023.<sup>10</sup> Personal bankruptcy filings in NYC also rose for the first time in four years, increasing 36.7%,<sup>11</sup> and the poverty rate rose 0.3 percentage points in 2022 (the latest available data), to 18.3%.<sup>12</sup>

As compared to 2019 (the last full year preceding the pandemic), economic and social indicators are mixed. As compared to 2019, in 2023 the unemployment rate is 1.2 percentage points higher, despite overall employment levels that are 0.4% higher. Initial unemployment claims are 9.8% higher, cash assistance caseloads are 43.1% higher, and SNAP caseloads are 13.6% higher. But both inflation-adjusted average and total wages are higher, by 3.5% and 2.7%, respectively. Including asylum-seekers, DHS sheltered homeless levels are 34.8% higher (but excluding asylum-seekers, they are 13.3% lower). In Housing Court, non-payment filings are 24.8% lower and non-payment calendared cases are 24.4% lower. Residential evictions are also 28.6% lower.

The most recent quarter for which there is comprehensive data is the fourth quarter of 2023. As compared to the fourth quarter of 2022, positive indicators include employment levels, up

---

<sup>2</sup> NYS Dept. of Labor; <http://dol.ny.gov>; Data accessed March 2024. Data is revised annually and may not match data reported in prior years.

<sup>3</sup> NYS Dept. of Labor; <http://dol.ny.gov>; Data accessed March 2024. Data is revised annually and may not match data reported in prior years.

<sup>4</sup> Data from the Office of the NYC Comptroller as of March, 2024. GCP data through 2022 is computed by the U.S. Bureau of Economic Analysis (BEA).

<sup>5</sup> U.S. Bureau of Labor Statistics. Consumer Price Index, all items in New York-Newark-Jersey City, NY-NJ-PA, all urban consumers, not seasonally adjusted.

<sup>6</sup> NYS Dept. of Labor; <http://dol.ny.gov>; Data accessed March 2024. Data is revised annually and may not match data reported in prior years.

<sup>7</sup> Data from NYC Department of Homeless Services via the Dynamic Mayor's Management Report and the Office of the NYC Comptroller. Data current as of April 2024.

<sup>8</sup> New York City Human Resources Administration. HRA Charts: <http://www.nyc.gov/html/hra/html/facts/charts.shtml>.

<sup>9</sup> ST-30 reports from the Civil Court of the City of New York.

<sup>10</sup> NYC Department of Investigation, Bureau of Auditors data.

<sup>11</sup> Administrative Office of the U.S. Courts: <https://www.uscourts.gov/statistics-reports/caseload-statistics-data-tables>.

<sup>12</sup> U.S. Census Bureau's data site: <http://data.census.gov>.

1.1% percentage points as compared to 2022; and SNAP caseloads, down 0.1%. Negative indicators include the unemployment rate, up 0.1 percentage points as compared to 2022; Medicaid enrollees, up 8.6%; DHS sheltered homeless levels, up 38.4% including asylum-seekers (and 13.7% excluding asylum-seekers); cash assistance caseloads, up 12.0%; and in Housing Court, the number of non-payment cases filed, up 2.9% and non-payment calendared cases up 6.7%.<sup>13</sup>

## Consumer Price Index

The Board reviewed the Consumer Price Index. The table that follows shows the percentage change for the NY-Northeastern NJ Metropolitan area since 2016.

Percentage Changes in the Consumer Price Index for the New York City - Northeastern New Jersey Metropolitan Area, 2016-2024 (For "All Urban Consumers")									
	2016	2017	2018	2019	2020	2021	2022	2023	2024
1st Quarter Avg. <sup>14</sup>	0.7%	2.5%	1.6%	1.5%	2.3%	1.5%	5.5%	5.5%	3.1%
Yearly Avg.	1.1%	2.0%	1.9%	1.7%	1.7%	3.3%	6.1%	3.8%	N/A

Source: U.S. Bureau of Labor Statistics.

## Effective Rates of Interest

The Board took into account current mortgage interest rates and the availability of financing and refinancing. It reviewed the staff's *2024 Mortgage Survey Report* of lending institutions. The table below gives the reported rate and points for the past ten years as reported by the *Mortgage Survey*.

2024 Mortgage Survey <sup>15</sup> Average Interest Rates and Points for New and Refinanced Permanent Mortgage Loans 2015-2024										
New Financing of Permanent Mortgage Loans, Interest Rate and Points										
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Avg. Rates	4.3%	4.0%	4.3%	4.8%	4.7%	4.0%	3.8%	3.9%	6.0%	7.0%
Avg. Points	0.70	0.42	0.44	0.44	0.38	0.22	0.38	0.32	0.29	0.37

Source: 2015–2024 *Annual Mortgage Surveys*, RGB.

<sup>13</sup> This data is obtained from the Civil Court of the City of New York, which cannot provide exact "quarterly" data. The Court has 13 terms in a year, each a little less than a month long. This data is for terms 10-13, which is from approximately the middle of September through the end of the year. It is compared to the same period of the prior year.

<sup>14</sup> 1st Quarter Average refers to the change of the CPI average of the first three months of one year to the average of the first three months of the following year.

<sup>15</sup> Institutions were asked to provide information on their "typical" loan to rent stabilized buildings. Data for each variable in any particular year and from year to year may be based upon responses from a different number of institutions.

## **NYS Homes and Community Renewal (HCR) Registration Data for Rent Stabilized Hotels**

An analysis of 2022/2023 HCR registration data identified registration records for 78 hotels and 226 rooming houses (a total of 304 buildings). These 304 buildings contained 6,201 hotel units and 4,474 rooming house units (a total of 10,675 units). Slightly less than half of these units (5,079) were registered as “rent stabilized,” with most units including corresponding rent data. The balance of the units (5,596) were registered as either vacant or exempt. For those units where rent data is reported, the median legal rent is \$900 for hotels and \$1,206 for rooming houses (with an overall median of \$1,068). The average legal rent is \$1,111 for hotels and \$1,147 for rooming houses (with an overall average of \$1,130). The median “rent received” (the legal rent, except in cases where there is a preferential rent provided) is \$746 for hotels and \$1,150 for rooming houses (with an overall median of \$910). The average “rent received” is \$947 for hotels and \$1,069 for rooming houses (with an overall average of \$1,011). In addition, a longitudinal analysis of the change in rent in the same set of units in both 2022 and 2023 shows that the median legal rent was unchanged in hotels, rose by 1.5% in rooming houses, and rose by 1.8% overall. The average legal rent in the longitudinal sample rose by 2.1% in hotels, 1.3% in rooming houses, and 1.6% overall. For the “rent received” by owners in the longitudinal sample, the median was unchanged in hotels, rose by 0.4% in rooming houses, and fell by 1.2% overall. The average “rent received” in the longitudinal sample rose by 0.1% in hotels, 1.6% in rooming houses, and 0.9% overall.<sup>16</sup>

## **SRO Housing and Airbnb Rentals**

SRO owners may convert SRO housing to other uses after obtaining a “Certification of No Harassment” (CONH) from the NYC Department of Housing Preservation and Development (HPD). For the first time in three years, the number of CONHs granted by HPD fell, by 30.4% (to 64) in 2023.<sup>17</sup>

Efforts are also underway to ensure that units meant to provide permanent housing are not used as transient hotels. As of May 1, 2011, a law was passed clarifying that Class A multiple dwellings were only to be used for occupancy of 30 consecutive days or more,<sup>18</sup> while additional legislation in 2012<sup>19</sup> and 2016<sup>20</sup> strengthened the law and authorized fines of up to \$7,500.

On January 3, 2021, New York City’s Booking Service data reporting law took effect. All transactions for listings that have five or more nights booked per quarter are required to be reported to the Mayor’s Office of Special Enforcement (OSE) if the listings offer entire home rentals or home rentals to three or more individuals at the same time. Listings for units in “Class B multiple dwellings” — which are lawfully used for short-term rental — are exempt from the reporting requirements. The reports are required to be submitted quarterly to OSE and include information that allows OSE to ascertain if the listings are legal.<sup>21</sup> The law, which took effect on March 6, 2023 and was enforced as of September 2023, requires anyone wishing to operate as a host of a short-term rental (a rental of less than 30 days) to register with OSE and receive a registration number. Registration numbers cannot be issued by OSE unless the unit is

<sup>16</sup> 2022 and 2023 NYS Homes and Community Development apartment registration files.

<sup>17</sup> NYC Department of Housing Preservation and Development.

<sup>18</sup> Press Release, Mayor’s Office. “Mayor Bloomberg Announces Results of City’s Efforts to Curb Dangerous Illegal Hotels in New York City After State Legislation Enhances Enforcement Abilities.” April 27, 2012.

<sup>19</sup> Local Law No. 45 of 2012 (Council Int No. 404-Aof 2010).

<sup>20</sup> “Cuomo Signs Bill That Deals Huge Blow to Airbnb.” New York Post. October 21, 2016.

<sup>21</sup> <https://www.nyc.gov/site/specialeenforcement/reporting-law/reporting-law.page>

verified to be legal for residential occupancy and the permanent residence of the applicant, and the applicant discloses online listings and agrees to follow all applicable laws. The law also prohibits the registration of rent regulated units, and allows building owners to certify that short-term rentals are not allowed in their buildings and add their buildings to OSE's prohibited building list, thereby preventing OSE from issuing a registration number to an individual tenant of such a building. In addition, upon receipt of registration applications from renters, OSE will notify the owner of record of the dwelling unit/building. The law also requires that booking services (such as Airbnb, VRBO, Booking.com, and other similar platforms) verify that listings are properly registered with OSE before they can take a fee.<sup>22</sup>

As of mid-May, 2024, almost 13,000 buildings have applied to be on the prohibited buildings list,<sup>23</sup> and over 6,000 applications for registration numbers have been received by OSE. Of these applications, 2,128 (or 34.5%) have been granted. However, 1,362 (or 22.1%) of the reviewed applications have been denied. One reason for denial is that the building contains rent stabilized or rent controlled units, as was the case with 452 of the denials (33.2%). An additional 2,624 applications (or 42.5%) have been returned to the applicant to provide additional information or correct deficiencies. A total of 58 applications (0.9%) have either not yet been reviewed, or are being reviewed for a second time after corrections were made by the applicant.<sup>24</sup>

In 2023, 1,266 violations were issued by OSE relating to the illegal short-term rental of units (including apartments, private homes, and SROs), a decrease of 29.7% from 2022. As is the case in most years, the vast majority of violations issued by OSE in 2023 were substantive, a total of 1,210 violations, or 95.6% of all violations. A total of only 56 B263 violations were issued in 2023, or 4.4% of all violations issued.<sup>25</sup> More than one-third of the violations in 2023, 456 (36.0% of the total), were for dwelling units in Brooklyn, with 361 violations in Queens (28.5% of the total); 353 violations in Manhattan (27.9% of the total); 78 violations in the Bronx (6.2% of the total); and 18 in Staten Island (1.4% of the total). Between May 2011 and December 2023, approximately 26,000 violations have been issued by OSE as part of its efforts to address illegal short-term rentals.<sup>26</sup> Note that violations issued by OSE for the illegal short-term rental of units (as described above) are primarily for units intended to be used for permanent housing. For instance, in 2022, 50% of the 1,801 violations were issued to units in multiple dwellings, while 45% were issued to units in one- and two-family homes, and just 5% issued in commercial and manufacturing locations.<sup>27</sup> The 1,801 violations issued in 2022 were contained in 348 buildings, approximately 20% of which were buildings containing rent stabilized units (with 22% of the violations issued to units in buildings that contain rent stabilized units).<sup>28</sup>

---

<sup>22</sup> <https://www.nyc.gov/site/specialenforcement/registration-law/registration.page>

<sup>23</sup> Buildings which apply to be on the Prohibited Buildings List are automatically approved by OSE, and as of May 14, 2024, 12,807 buildings submitted applications to be on this list. In addition, other entirely rent regulated buildings were proactively added to this list, including Mitchell-Lama buildings, buildings reported by HPD to OSE as being rent regulated, and NYCHA buildings.

<sup>24</sup> Per data from the Mayor's Office of Special Enforcement, current as of May 12, 2024.

<sup>25</sup> Violations issued by OSE include both substantive violations (those issued based on inspection and observation of illegal conditions), as well as violations for failure to comply with an order to file a certification of correction with the NYC Department of Buildings (DOB), known as a B263 violation. When OSE finds a unit of permanent housing being used as an illegal short term rental, it will issue a violation for illegal conversion or occupancy contrary to that allowed by the DOB, and companion violations for missing safety features required for transient use, including sprinklers, adequate means of egress, and fire alarms. These are the most common substantive violations, in addition to exceeding the number of units permitted on the Certificate of Occupancy (which are issued when units are illegally subdivided into multiple rooming units).

<sup>26</sup> Office of the Criminal Justice Coordinator, Mayor's Office of Special Enforcement.

<sup>27</sup> Mayor's Office of Special Enforcement, 2022 Annual Report.

<sup>28</sup> The 2022 Annual Report issued by the Mayor's Office of Special Enforcement provides a list of violations, as well as the corresponding BIN number. This BIN number was matched to a list of Multiple Dwelling Registrations (as published by HPD on



## OTHER RELEVANT INFORMATION

The NYS Division of Housing and Community Renewal released a memo to the Board dated April 17, 2024 in which they outline information from their registration database relating to Hotels/SROs/Rooming Houses. The following is an excerpt from that memo (Pages 2-3):

### [START OF MEMO]

9. What is the total number of SRO/Hotel units registered with the DHCR in 2023? How many of these units are rent stabilized? How many are temporarily and permanently exempt? How many are registered as transient? How many as vacant?

<b>Rent Stabilized Units</b>	<b>9,417</b>
<b>Vacant Units</b>	<b>1,151</b>
<b>Temporary Exempts Units</b>	<b>5,359</b>
<b>Permanent Exempt Units</b>	<b>64</b>
<b>Total Number of Units</b>	<b>15,991</b>

10. What is the total number of SRO/Hotel units registered with the DHCR on an annual basis from 2009-2023?

- In 2009 the total number of units registered was 25,340
- In 2010 the total number of units registered was 26,189
- In 2011 the total number of units registered was 25,611
- In 2012 the total number of units registered was 25,003
- In 2013 the total number of units registered was 23,393
- In 2014 the total number of units registered was 23,428
- In 2015 the total number of units registered was 22,936
- In 2016 the total number of units registered was 21,606
- In 2017 the total number of units registered was 21,446
- In 2018 the total number of units registered was 21,274
- In 2019 the total number of units registered was 20,629
- In 2020 the total number of units registered was 19,329
- In 2021 the total number of units registered was 17,379
- In 2022 the total number of units registered was 17,626
- In 2023 the total number of units registered was 15,991

11. What is the average and median rent for rent stabilized SRO/Hotel units in 2023?

- The average rent stabilized rent for SRO/Hotel units in 2023 is \$1,809; the median rent is \$1,336.

### [END OF MEMO]

---

Open Data), from which the corresponding Borough, Block, and Lot (BBL) was matched to 2022 NYS Homes and Community Renewal annual registration data. Individual violations data for 2023 is not yet available.

On May 28, 2024, staff released a memo with additional information from the *2024 Hotel Report*. The following is an excerpt from that memo (Page 1-2):

**[START OF MEMO]**

*Question 2: What is the total number of buildings and units in the sample frame for the 2024 Hotel Report?*

As described in the 2024 Hotel Report, staff developed a methodology in 2017 for better identifying hotels and rooming houses in the NYS Homes and Community Renewal (HCR) registration data that did not rely solely on the owner's registration. This methodology was implemented for HCR registrations from 2015 forward. Each year, registrations in the most current file that are registered as either hotels or rooming houses (which have not previously been researched) are researched to determine if their registration status is accurate. Thus far, no buildings have been removed from the sample frame, although some of these buildings may have subsequently been demolished or legally (or illegally) converted to other uses. The sample frame is then matched to the most current HCR registration files. The sample frame currently includes 468 buildings: 108 hotels and 360 rooming houses.

For the 108 hotels in the sample frame, at the time they were first identified by staff in the HCR data (starting with the 2015 registration file), 7,929 units were registered with HCR.<sup>29</sup> However, staff also researched sources outside of the HCR data to obtain more accurate unit counts, as many of these buildings are used as transient hotels. Staff estimates that these 108 buildings contain approximately 22,079 units. In the 2024 Hotel Report, the 78 hotels registered in either 2022 or 2023 that matched with the sample frame had a total of 6,201 units of registered housing, but an estimated 16,133 units as based on estimates from outside of HCR data (see the 2024 Hotel Report for more details). Note that of the 6,201 units registered with HCR, only 2,455 (40%) were registered as "rent stabilized." The other units were registered as either vacant or exempt.

For the 360 rooming houses in the sample frame, the number of units registered with HCR at the time they were first identified by staff in the HCR data is not currently available. However, the number of units can be estimated from other sources, such as the NYC Department of City Planning (DCP) and the NYC Department of Housing Preservation and Development (HPD). Per these agencies, the 360 buildings in the sample frame have approximately 7,000 units of housing. The 226 rooming houses that comprise the 2024 Hotel Report have a total of 4,474 units of registered housing in 2022/2023. Per data from DCP and HPD, these buildings have approximately 5,000 units of housing. Note that of the 4,474 units registered with HCR, only 2,624 (59%) were registered as "rent stabilized." The other units were registered as either vacant or exempt.

**[END OF MEMO]**

---

<sup>29</sup> Note that this was the unit count solely in the first year the registration was identified. Unit counts in subsequent registration files may be higher or lower.

**VOTE**

The vote of the Rent Guidelines Board on the adopted motion pertaining to the provisions of Order Number 54 was as follows:

	<u>Yes</u>	<u>No</u>	<u>Abstentions</u>
<b>Guidelines for Hotels</b>	<b>7</b>	<b>2</b>	<b>-</b>

Dated: June 17, 2024  
Filed with the City Clerk: June 25, 2024



---

Nestor Davidson  
Chair  
NYC Rent Guidelines Board

**BIBLIOGRAPHY**

The City of New York Rent Stabilization Law of 1969 Section 26 - 501 et seq.  
Chapter 576 of the Laws of 1974 (The Emergency Tenant Protection Act).  
Resolution Number 276 of 1974 of the New York City Council.  
Chapter 203 of the Laws of 1977.  
Chapter 933 of the Laws of 1977 (Open Meetings Law).  
Local Laws of the City of New York for the year 1979, No. 25.  
Chapter 234 of the Laws of 1980.  
Chapter 383 of the Laws of 1981.  
Local Laws of the City of New York for the Year 1982, No. 18.  
Chapter 403 of the Laws of 1983.  
Chapter 248 of the Laws of 1985.  
Chapter 45 of the New York City Charter.  
Chapter 65 of the Laws of 1987.  
Chapter 144 of the Laws of 1989.  
Chapter 167 of the Laws of 1991.  
Chapter 253 of the Laws of 1993.  
Rent Regulation Reform Act of 1997.  
Chapter 82 of the Laws of 2003.  
Chapter 97 of the Laws of 2011.  
Rent Act of 2015.  
Housing Stability and Tenant Protection Act of 2019.  
RGB Staff, *2024 Price Index of Operating Costs*.  
RGB Staff, *2024 Income and Affordability Study*.  
RGB Staff, *2024 Mortgage Survey Report*.  
RGB Staff, *2024 Housing Supply Report*.  
RGB Staff, *Changes to the Rent Stabilized Housing Stock in NYC in 2023*.  
RGB Staff, *2024 Hotel Report*.  
Written, oral and video submissions by tenants, tenant organizations, owners, and owner organizations.