



Preston Niblack, Commissioner

ANNUAL REPORT

The SCRIE and DRIE Ombudspersons
New York City Rent Freeze Program

The NYC Office of the Taxpayer Advocate

October 1, 2022

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New York City Office of the Taxpayer Advocate
The SCRIE and DRIE Ombudspersons
Fiscal Year 2022 Annual Report
(Reporting Period: July 1, 2021 – June 30, 2022)

Executive Summary

The Senior Citizen Rent Increase Exemption (SCRIE) ombudsperson and Disability Rent Increase Exemption (DRIE) ombudsperson positions were created by the New York City Council in 2015 to investigate and address issues concerning the Rent Freeze Program. The ombudspersons are situated within the Office of the Taxpayer Advocate (OTA) in the Department of Finance (DOF). As part of their duties, the ombudspersons provide data regarding their work at the end of each fiscal year and make annual recommendations to the commissioner of DOF regarding Rent Freeze Program operations. In the following pages, the ombudspersons deliver their seventh annual report on the New York City Rent Freeze Program. This report covers the period beginning July 1, 2021, and ending June 30, 2022.¹

During this reporting period, the types of issues brought to the ombudspersons reflected a shift in emphasis from difficulties in accessing and submitting program materials to unexpected challenges in remaining within the program’s eligibility requirements while receiving supplemental pandemic benefits. Temporary but substantial increases in tenants’ income brought into focus the problematic aspects of income-based increases to the frozen rent amounts that tenants must pay to their landlords.² While DOF’s commitment to processing Rent Freeze applications without pause during this period provided a crucial service to countless tenants and landlords, it also resulted in negative consequences for some tenants whose income or other circumstances were impacted by the pandemic. Behind a number of the observations in this report are tenants for whom this year’s recommendations are, in the view of the ombudspersons, necessary to prevent or reverse unwarranted losses of benefits. All of the recommendations are made in the context of DOF’s continued efforts to make the Rent Freeze Program a fair and reliable resource for eligible New Yorkers.

¹ The twelve-month period beginning July 1, 2021, and ending June 30, 2022, is both the ombudspersons’ reporting period and DOF’s fiscal year. This period may be referred to in this report as the “2021-22 reporting period,” “fiscal year 2022,” etc.

² Frozen rent is set in accordance with the applicable Rent Freeze Program laws.

The ombudspersons' recommendations to the DOF commissioner, detailed in Part II of this report, center around the following issues:

1. Changes in the treatment of supplemental unemployment benefits in income calculations for the years 2020 and 2021.
2. A more balanced approach to frozen rent adjustments based on changes in income.
3. Coordination of training resources available to DOF personnel with job duties involving the Rent Freeze Program.
4. Further development of resources and learning opportunities for tenants through the Tenant Access Portal and landlords through the Landlord Express Access Portal.
5. Outreach and engagement strategies involving individuals and organizations within Rent Freeze applicants' communities who can provide assistance in the application process.

As in previous reporting periods, the ombudspersons performed their duties with an eye toward DOF's larger mission to administer the tax and revenue laws of the City fairly, efficiently, and transparently to instill public confidence and encourage compliance while providing exceptional customer service.

Further information about the Rent Freeze Program is available at www.nyc.gov/rentfreeze. Information about the Office of the Taxpayer Advocate is available at www.nyc.gov/taxpayeradvocate.

Part I: Introduction

A. Rent Freeze Program Overview

The Rent Freeze Program’s objective is to help senior citizens and people with disabilities to remain in their homes by “freezing” the dollar amount of their monthly out-of-pocket rent. Any increases in rent beyond the “frozen” amount are covered by a tax credit that is applied as a reduction to the building’s property taxes.

Between 2016 and 2019, the number of Rent Freeze households in New York City increased each year, from 72,299 in 2016 to a high of 75,515 in 2019. In 2020, the total number decreased by 5.1% to a total of 71,665 households, 59,862 of which received SCRIE benefits and 11,803 of which received DRIE benefits.³ For 2019, the most recent year for which eligibility estimates are available, a total of 135,111 households were eligible for the Rent Freeze Program.⁴

The average age of benefit recipients in 2020 was 77 for SCRIE and 62 for DRIE, and average household size was 1.5 persons for both SCRIE and DRIE. The average number of years that recipients stayed in the program ranged from 7.2 years in Staten Island to 8.5 years in the Bronx and between 9.0 and 9.6 years in Brooklyn, Manhattan, and Queens. A higher number of years in the program correlated with a higher average monthly benefit amount.

B. Establishment of Ombudsperson Positions and Reporting Requirements

Section 11-137 of the New York City Administrative Code establishes the SCRIE and DRIE ombudsperson positions within DOF. This section also states that the ombudspersons’ duties will include:

- (i) *establishing a system for such ombudspersons to receive complaints with respect to each such rent increase exemption program;*
- (ii) *investigating and responding to complaints received [pursuant to (i), above]; and*
- (iii) *making recommendations to the commissioner of finance regarding the administration of each such rent increase exemption program, which may include recommendations for training appropriate department of finance staff members.*⁵

The ombudsperson positions are within the Office of the Taxpayer Advocate, which reports directly to DOF Commissioner Preston Niblack.

³ Preliminary numbers; final numbers to be reported in DOF’s 2022 *Report on the New York City Rent Freeze Program*.

⁴ See footnote 3.

⁵ New York City Administrative Code § 11-137 (a)(1).

In addition to establishing the ombudsperson positions, NYC Administrative Code Section 11-137 requires DOF to submit an annual report to the New York City Council:

No later than October first of each year, the department of finance shall submit a report to the council for the prior fiscal year, indicating:

- (i) the number and nature of inquiries received by the department of finance and the 311 citizen service center regarding the rent increase exemption programs;*
- (ii) the number, nature, and resolution of comments and complaints received by the ombudspersons designated pursuant to paragraph one of subdivision a of this section regarding the rent increase exemption programs; and*
- (iii) any recommendations made by any such ombudsperson to the commissioner of finance regarding the administration of such rent increase exemption programs.*

C. Operations of the Rent Freeze Program Ombudspersons

The ombudspersons primarily assist tenants with applying for, maintaining, or reinstating Rent Freeze Program benefits when they have been unable to resolve their issues through regular DOF channels. As required by the New York City Administrative Code, the ombudspersons' contact information is included on certain SCRIE and DRIE forms and notices, including those related to the denial of an application or its ensuing appeal, the revocation or termination of benefits, and the denial of a tenant's application to take over an existing benefit.

The ombudspersons can resolve inquiries swiftly and, when necessary, will open a formal case to resolve difficult situations. The ombudspersons redirect matters unrelated to SCRIE and DRIE to the responsible units within DOF.

The total estimated dollar impact of the ombudspersons' casework in fiscal year 2022 is \$873,490 in benefits received.⁶ The ombudspersons worked on matters involving tenants residing in all but one of the city's 51 council districts. More information is available in Part III and Appendix I of this report.

⁶ See Appendix I.

Part II: Recommendations from the Current Reporting Period, Fiscal Year 2023

A. Treatment of Special Unemployment Compensation in Income Years 2020 and 2021

Beginning in March 2020, eligible unemployed persons received supplemental cash benefits authorized by the federal government under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.⁷ By September 2021, all such authorizations ended.

Based on guidance released by the New York State Department of Taxation and Finance, DOF excluded intermittent pandemic stimulus payments from income for purposes of SCRIE/DRIE eligibility calculation, but included as income the new federal supplements to existing unemployment benefits.⁸ The inclusion of these benefits resulted in income ineligibility for some Rent Freeze participants and higher frozen rent amounts for others.

Among the tenants assisted by the ombudspersons during the current fiscal year, approximately 10% (74 tenants) reported extended unemployment benefits as part of their income. In these tenants' households, the unemployment benefits averaged \$20,132.⁹ Upon submission of Rent Freeze applications that documented income for either 2020 or 2021, more than half (40 households) of those receiving unemployment benefits had an annual income exceeding the \$50,000 limit or the one-third rule's¹⁰ monthly income limit. In consequence, these households had their Rent Freeze benefit revoked, saw an increase in frozen rent (either due to the one-third rule or by becoming ineligible for a benefit takeover), or lost the opportunity to lower their frozen rent through a redetermination. By contrast, in the entire population of tenants assisted by the ombudspersons during the same period, only 5.1% had their benefits revoked or frozen rents increased based on their income from 2020 or 2021.

For the Rent Freeze Program, the approach best aligned with the greater program objectives would be an exclusion of supplemental pandemic unemployment compensation from Rent Freeze income

⁷ The CARES Act included three authorizations expanding unemployment benefits. The first authorization, referred to as Pandemic Unemployment Assistance (PUA), focused on benefits for those who traditionally would not have qualified for unemployment benefits. Pandemic Unemployment Compensation (PUC) followed, providing an additional \$600 per week for all recipients of unemployment. Finally, Pandemic Emergency Unemployment Compensation (PEUC) authorization, provided additional weeks of unemployment benefits beyond the exhaustion of state benefits.

⁸ Historically, the Rent Freeze Program has included unemployment benefits as income in its calculations for eligibility purposes, whether for the program as a whole or in special circumstances, such as redeterminations.

⁹ This is a substantial increase in a program where the median household income in 2020 was \$17,431 for SCRIE and \$14,592 for DRIE.

¹⁰ The "one-third rule" refers to provisions in the Rent Freeze regulations that are based on a calculation of one-third of a tenant's monthly income. This calculation factors into Rent Freeze Program eligibility in two ways: first, under the rule described in "Preventing Increases to Frozen Rent Amount" later in this section and second, in the eligibility requirement that one-third of the tenant's monthly income must be less than the legal rent amount. These rules apply only to benefits with an initial effective date later than July 1, 2015.

calculation, particularly in the following contexts. DOF should pursue the statutory changes required to effect recommendations (1) and (2) below.

1. Preventing Increases in Frozen Rent Amount

According to Rent Freeze Program rules, a tenant's frozen rent is initially set at the greater of: (a) the rent in the prior lease, or (b) one-third of the tenant's monthly income. With each renewal lease, the Rent Freeze Program calculates the amount equal to one-third of monthly income. If that amount is greater than the existing frozen rent, the frozen rent is increased to match the higher amount. These increases in frozen rent are not readjusted for future decreases in income. Currently, a tenant who accepted supplemental unemployment insurance, and therefore had one or two years of temporarily increased income, could see an increase in frozen rent that will persist long after September 2021, when that source of income ended.

Recommendation: Where the income calculation is based on income year 2020 or 2021, and one-third of monthly income exceeds the existing frozen rent, a SCRIE or DRIE applicant's frozen rent should not be increased if the annualized amount of the increase is equal to or greater than the amount of supplemental federal unemployment benefits, if any, included in the income calculation.

2. Retention of Benefits and Eligibility for Redetermination and Benefit Takeover

A tenant whose benefit is revoked for income ineligibility is permitted to reapply during the following calendar year with an initial application. If approved, the tenant will pay the frozen rent amount that was in place prior to the revocation of their benefit. The reinstated tenant will not, however, obtain a Rent Freeze benefit for the duration of the revocation. For some tenants, this will mean paying a substantially higher rent for up to a year while awaiting documentation reflecting a new income year.

Moreover, if the tenant should experience a permanent loss of income (e.g., by being unable to resume the job held prior to the pandemic) and would otherwise be eligible for a redetermination, the Rent Freeze Program will deem that tenant ineligible for redetermination as a result of the revocation. A surviving family member might likewise be denied the possibility of taking over a benefit once it is revoked for income ineligibility due to supplemental federal unemployment benefits, given that a benefit takeover can only occur when there is an active benefit that was approved for an eligible prior tenant.¹¹ As with a frozen rent increase under the circumstances described above, the loss of the opportunity for redetermination or benefit takeover results in an open-ended financial penalty for the subject tenant.

¹¹ Moreover, a tenant cannot apply for a redetermination during the first twelve months of a benefit, and a new initial approval period, even when a previous benefit is restarted, means that the tenant will be ineligible to apply for redetermination for at least twelve months. Both redeterminations and benefit takeovers are time-linked to the events that would normally give rise to those special applications. A tenant whose benefit has been revoked and who eventually submits a new initial application will be outside of the timeframe in which a redetermination for past income losses will be accepted.

Recommendation: Tenants whose income exceeded the Rent Freeze Program’s eligibility limits due to their receipt of supplemental federal unemployment benefits should be eligible to apply for a redetermination or benefit takeover based on their pre- or post-unemployment benefit income.

B. Readjusting Frozen Rent After Increase Under One-Third Rule

As described in Part II.A.1. above, the statutes and regulations governing the Rent Freeze Program provide that, for benefits starting later than July 15, 2015, a Rent Freeze tenant must pay at least one-third of monthly income as frozen rent. As currently implemented, these statutory and regulatory provisions result in an increase in frozen rent when one-third of monthly income exceeds the existing frozen rent. Whether this income increase is temporary or permanent is irrelevant under current Rent Freeze Program policy. For example, a tenant whose income consists entirely of Social Security benefits, but who experiences one year of income inflation due to a final mandatory retirement distribution or a lump-sum Social Security disability benefit, might be required to pay a higher frozen rent indefinitely, even if monthly Social Security disbursements remain the tenant’s sole source of income in subsequent years.

The Rent Freeze Program aims to prevent tenants in rent-regulated apartments from paying rent increases that would be unaffordable given the fixed nature of their income. To reset a frozen rent amount permanently based on a temporary increase in income contradicts this central aim of the program. DOF should therefore incorporate the recommendation below in their legislative agenda for the coming year.

Recommendation: In instances where a tenant’s frozen rent increases because one-third of the tenant’s monthly household income is greater than the current lease rent, the Rent Freeze Program should reverse that increase, depending on the tenant’s income in subsequent renewal periods. If the annual income submitted for the two subsequent renewals drops such that one-third of monthly income is equal to or less than the original frozen rent amount, the tenant's original frozen rent should be reinstated. The reinstated frozen rent will remain in place for all renewals going forward, consistent with the one-third rule.¹²

C. Expanding Training Protocols Across DOF

DOF’s Property Division established new protocols this year for SCRIE/DRIE training, including a more sophisticated approach toward building internal expertise in the Rent Freeze Program. Some of the measures to be incorporated include: a more targeted system of trainings according to level of experience; the development of expertise according to a sequential curriculum; the integration of related areas, such as processor training or relevant legal concepts, where appropriate; and an annual training calendar with reinforcement classes throughout the year based on feedback from supervisory staff.

In addition to providing a greater depth of knowledge and a more dynamic understanding of SCRIE/DRIE, these new protocols will provide an opportunity to streamline and systematize the

¹² For a different approach to reforming the rules regarding permanent increases in frozen rent, see the legislative proposal described in Part IV.G.3.

sharing of institutional knowledge of the Rent Freeze Program. This will be especially useful as rule interpretations and policy changes are made that affect Rent Freeze applicants.

Recommendation: The Property Division, External Affairs Division, and other DOF operations should create a repository of informational resources and make available an annual training calendar to DOF personnel who work on Rent Freeze matters.

D. Increasing Tenant Resources through the Tenant Access Portal

The Tenant Access Portal (TAP) has proven to be an effective tool for initial Rent Freeze applicants and DOF processing staff. Currently, 9,077 SCRIE/DRIE tenants and 1,207 tenant representatives have registered TAP accounts, and users have logged on to TAP over 48,000 times in the past two years.

TAP's success provides further opportunities to support the Rent Freeze application process. For example, TAP's connection to application timeline data could manifest in deadline reminders or other prompts based on status events. More broadly, DOF could post a comprehensive calendar of Rent Freeze events in TAP to give online applicants the opportunity to ask questions or complete applications at events in their own communities. TAP could also offer applicants awareness of and access to forms in other languages without the need for an online search or live request.¹³

Recommendation: DOF should explore widgets or other interface components, such as those mentioned above, to enhance the user experience and make it easier for customers to complete their applications on time.

E. Facilitating Retrieval of Management/Owner Information

Landlord non-compliance occurs when a Rent Freeze landlord refuses to recognize a tenant's Rent Freeze benefit. Common examples include a landlord billing a tenant for a rent amount that does not incorporate the Rent Freeze benefit or placing conditions on "accepting" the benefit, such as a reconfirmation from the Department of Finance, despite having been copied on approval correspondence. During the current reporting period, landlord non-compliance cases and inquiries rose from nine in the first half of the period to 54 in the second.

Often, a landlord non-compliance case can be resolved by directing the landlord to documentation of the Rent Freeze credits on the landlord's monthly Rent Freeze Landlord Letter.¹⁴ Much of this information is also accessible to the landlord online; however, many landlords are not sufficiently familiar with the applicable resources, such as the NYC Landlord Express Access Portal (LEAP) and the property tax system available at www.nyc.gov/nycproperty, to identify the required

¹³ SCRIE's initial application and long-form renewal application are currently available in Arabic, Bengali, Chinese, French, Haitian Creole, Korean, Polish, Russian, and Spanish. Based on current demographics, other languages that may be prevalent among Rent Freeze-eligible populations include Pashto, Serbo-Croatian, Somali, Swahili, Urdu, and Vietnamese. The ombudspersons expect that identifying the necessary languages will involve further consultation with agency experts and community-based organizations.

¹⁴ In most cases of this nature, the ombudsperson reviews the landlord's tax bill in a separate database to identify the individual Rent Freeze credit transfers and then conveys those details to the landlord while the tenant awaits resolution.

information. Making this information more easily and directly accessible to the landlord, possibly through training or reference materials, would increase the transparency of program operations and ease tensions between landlords and tenants.

Recommendation: DOF should provide video training or materials that explain how to read the monthly Landlord Letter and facilitate access to online Rent Freeze tax abatement information.

F. Outreach Expansion

1. Extending Outreach to Tenant Representatives and Liaisons

The language in current DOF Rent Freeze materials specifically targets program participants and potential applicants. For example, application information and instructions are generally addressed to “you,” the reader who is the applicant. DOF should develop additional Rent Freeze outreach and marketing materials that are addressed to others in close relation to the applicants, such as family and friends.

In the ombudspersons’ casework, applicants who enlist “tenant representatives” (as they are called in Rent Freeze applications) have higher rates¹⁵ of success in the application process. Applicants with representatives communicated more often with third parties, such as landlords or agencies outside of DOF, during the application process and were more likely to successfully complete applications.

Moreover, addressing Rent Freeze materials to a broader audience will open channels of communication, such as social media, that are associated with demographics other than those who are themselves eligible for the program. These additional opportunities for distributing Rent Freeze Program information may be useful to potential “tenant representatives” and should raise general awareness of the program.

Recommendation: DOF should explore outreach strategies, including a digital campaign, designed to capture the attention of those who are best positioned to assist program applicants, starting with family members and friends.

2. Establishing a Forum for CBOs

Community-based organizations (CBOs) play a key role in disseminating information to tenants and identifying ways that tenants can maintain their benefits. Rather than instructing CBOs individually when opportunities arise, DOF should coordinate meetings at which CBOs and DOF personnel can communicate as a group.

Prior to the pandemic, DOF brought together a SCRIE/DRIE Task Force that included personnel from multiple DOF units as well as staff from various CBOs that assist SCRIE and DRIE applicants, from senior centers to pro bono legal clinics. Meetings of the Task Force centered on issues of concern and requests for clarification from individual CBOs regarding program

¹⁵ According to OTA's 2021 case data, the participation of tenant representatives resulted in a case resolution rate of 78.8%, considerably higher than the 59% resolution rate for cases which did not include such representatives.

operations. The meetings were an opportunity for DOF to remain apprised of the applicants' perspectives on the Rent Freeze process as well as hearing firsthand of issues affecting program participants.

A similar effort by DOF in the coming year could provide an effective forum for discussing the types of issues raised in prior Task Force meetings. A task force could also provide guidance on recently issued policies and regulations, such as the Rent Freeze rules promulgated by DOF in 2021, and share best practices for keeping clients enrolled in the program.

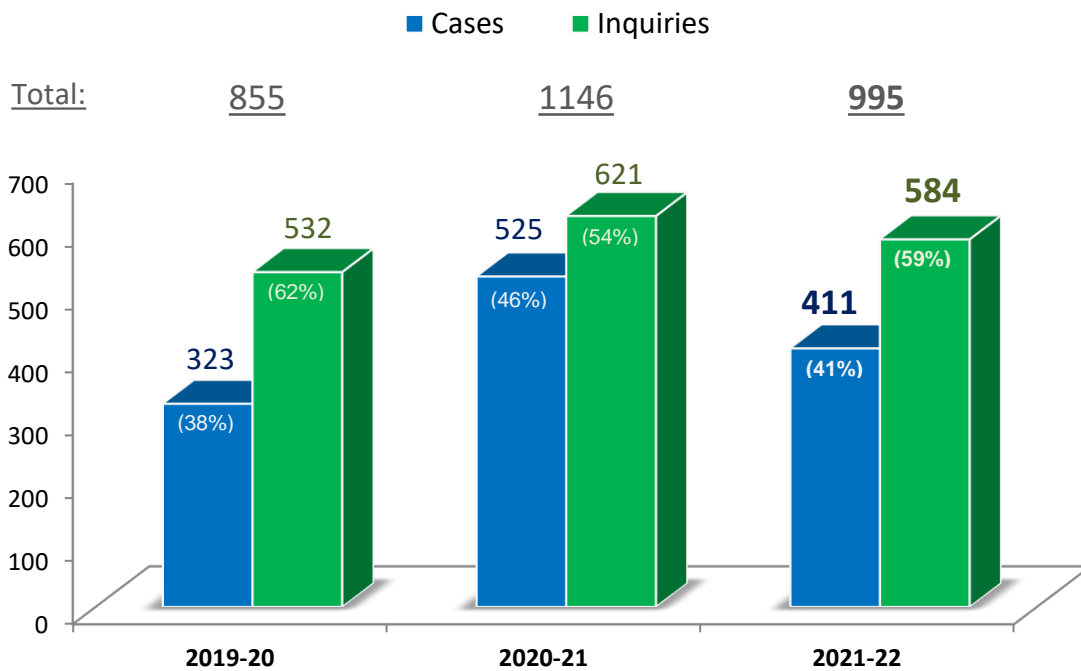
Recommendation: Personnel from DOF divisions including Property, Legal Affairs, External Affairs, and OTA should meet biannually with key CBOs to convey information and field questions.

Part III. Rent Freeze Program Case and Inquiry Statistics for Fiscal Year 2022

A. Total Inventory of Cases and Inquiries

From July 1, 2021, through June 30, 2022, a total of 995 cases and inquiries were submitted to the ombudspersons, a decrease of 13% from the previous year. SCRIE matters accounted for 76% of the ombudspersons' workload this year, up slightly from 73% last year. Both cases and inquiries decreased from last year's figures, which included the highest number of cases since the ombudspersons' positions were created in 2015. The continued operation of the DOF customer service center throughout the pandemic likely contributed to the relative stability in the number of inquiries from the prior reporting year.

SCRIE and DRIE Ombudsperson Total Workload by Fiscal Year

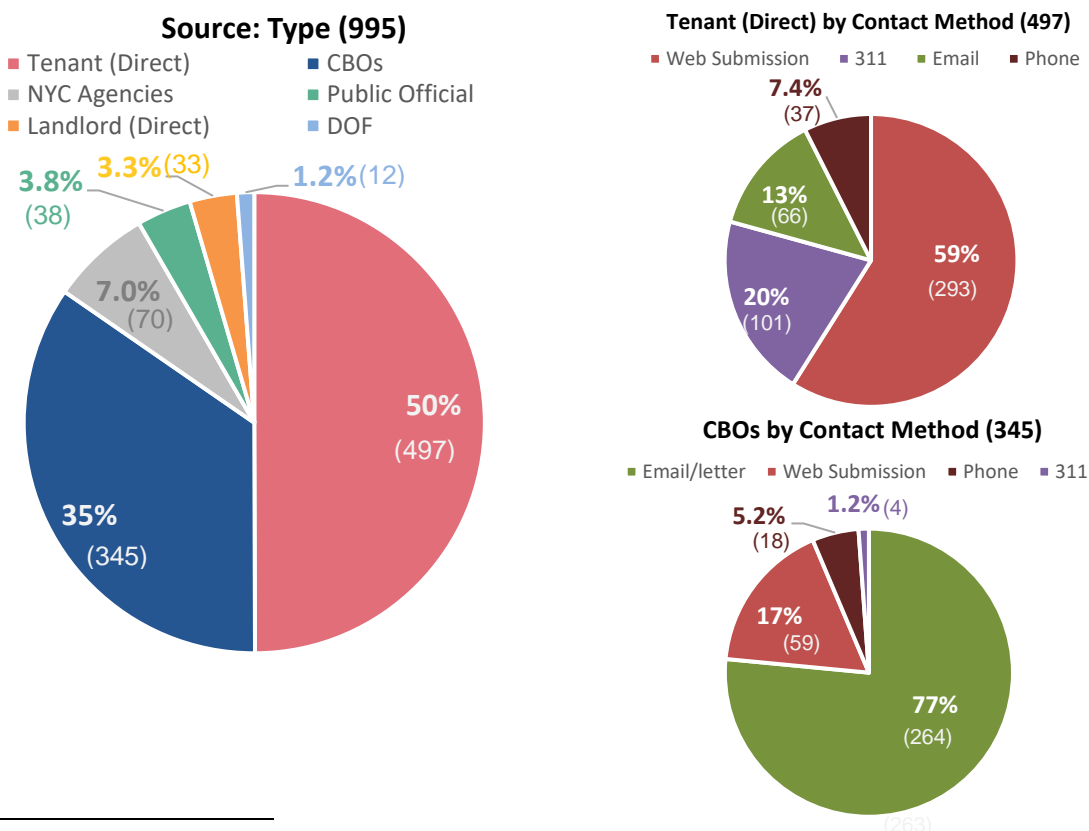


B. Cases and Inquiries by Source

The ombudspersons track the channels through which Rent Freeze matters reach them, both in terms of who communicates the inquiry or request for assistance as well as what form that communication takes. About half of the matters submitted to the ombudspersons this year originated with a direct tenant communication;¹⁶ the rest were brought to the ombudspersons via a third party on behalf of the tenant. The largest portion of these third-party communications came from community-based organizations (CBOs) (35%), followed by other City agencies (7%), public officials (3.8%), and other DOF divisions (1.2%).

The smaller charts on the right further detail the methods used by tenants and CBOs to contact the ombudspersons. The ombudspersons receive communications through emails, online submissions (via the Rent Freeze website), phone calls, and letters. Consistent with recent years, the use of emails increased this reporting year, accounting for nearly half of all incoming matters, although the usage of email varied depending upon the source of the inquiry. Emails represented 13% of direct contacts by tenants, who preferred web submission by a large margin over other methods. The prevalence of emails as the preferred submission method for CBOs, as opposed to web submissions, suggests the impact of the ombudspersons' CBO outreach, which emphasizes that the ombudspersons' email addresses are available for urgent matters. This information is often shared within an organization by personnel who have previously worked with the ombudspersons or attended one of their outreach events.

Total Cases and Inquiries by Source for Fiscal Year 2022



¹⁶ The “Tenant (Direct)” source category includes direct contact by the tenant or other individuals acting in a personal capacity to assist the tenant.

C. Cases and Inquiries by Subject Matter

1. Changes in Classification System

Based on data collected over the past two reporting years, the ombudspersons have developed a more precise issue tracking system. In previous years, the annual reports showed a distribution of matters over five broad categories.¹⁷ To identify and more closely monitor the most pressing issues facing Rent Freeze Program participants, matters are now classified among 25 different areas, with the possibility of secondary and tertiary categorizations for matters with multiple overlapping issue areas.¹⁸

A comparison of the current categorization against the prior system presents a sharper picture of some key administrative issues, as discussed in Part III.C.2 of this report. A useful example is a comparison of last year's "Applications" category with this year's more specific classifications. While matters involving the application process (e.g., application completion and status; logistics of submission and processing) still comprised the greatest number of issues, the recategorization distinguishes between the number of applicants unable to complete applications on their own versus those who submitted a completed application but were uncertain of what came next or when they should expect a response. Another impetus for the changes in classification is illustrated by the separation of "Landlord/Owner Noncompliance" issues from "Tax Abatement Credit (TAC)" issues. Previously, matters involving a landlord's noncompliance with a Rent Freeze order were often categorized under "TAC Issues," simply because tenants often brought these matters in the form of questions regarding the landlord's tax credits. With the more detailed breakdown, it is possible to distinguish between tax abatement credit inquiries that are matters of calculation and those that are the result of a larger landlord-tenant issue.

In future years, these categories should provide important data regarding the urgency and prevalence of Rent Freeze Program issues. These categorizations, however, are not expected to remain static, and instead should lead to further refinements in data collection and analysis.

2. Current Year Distribution of Matters

The new categories and the count for this year are as follows:

Issues Presented	Count	%
Total	1365	100.0%
Completing Application – Assistance Required	246	18.0%
Submission Status – File Review Required	226	16.5%
Tax Abatement Credit (TAC) Issues	124	9.1%

¹⁷ The five categories were "Applications," "Understanding SCRIE/DRIE," "TAC Issues," "Benefit Issues," and "Misc."

¹⁸ Due to the possibility of multiple issues in any given matter, the aggregate total issue count (1,366) exceeds the total number of cases and inquiries (955). The overwhelming majority of cases involve more than one subject matter area.

Issues Presented	Count	%
General SCRIE/DRIE Program Information	120	8.8%
Income Requirements/Calculation	84	6.1%
Landlord/Owner Noncompliance	83	6.1%
Paperwork Received by DOF – Response Needed	60	4.4%
Appeal	58	4.2%
Request for Clarification of Notice Received	48	3.5%
Benefit Takeover (BTO)	40	2.9%
Redetermination	40	2.9%
Reasonable Accommodation	39	2.9%
Request for TAC Report	32	2.3%
Housing Stability and Tenant Protection Act	31	2.3%
Processor Error	30	2.2%
Housing Preservation and Development (matters for HPD)	23	1.7%
Application Request	19	1.4%
Major Capital Improvement	16	1.2%
Portability (Apartment Move)	15	1.1%
Income Spike	13	1.0%
Other Eligibility	10	0.7%
Apartment Regulatory Status	4	0.3%
Issue Unknown ¹⁹	3	0.2%
Age or Disability Requirements	1	0.1%

While the correlations are not exact, a rough grouping of this year’s matters according to the prior five-category system would place approximately 46% of matters under Applications (no change from last year); 21% under Benefit Issues (versus 11% last year); 20% under “Understanding SCRIE/DRIE” (versus 28% last year); 13% under “TAC Issues” (versus 15% last year) and less than 1% under Miscellaneous (no change from last year). Likewise, the following year-over-year comparisons provide a partial picture of areas of continuity and change between the prior and current reporting years. An increased number of renewal applicants with health problems and challenges in accessing medical care, coupled with delays in submitting renewal applications due to mobility restrictions and closed offices, likely account for the nearly 77% increase in matters involving a request for reasonable accommodation to reinstate a benefit revoked for failure to renew. The ombudspersons believe that this number would have been higher but for DOF’s moratorium on revocations for lateness²⁰ and expect further increases in these requests as that moratorium is gradually lifted.

¹⁹ The “Issue Unknown” category counts incoming communications where no issue information was included, and responses from the ombudspersons went unanswered.

²⁰ For a description of DOF’s current approach, please see Part IV.A, Ongoing Developments – Late Renewals.

The ombudspersons have closely reviewed issues surrounding supplemental unemployment insurance.²¹ These special pandemic-related benefits were the major contributor to a 163% increase in cases and inquiries regarding income calculations for eligibility purposes. Increases in income that were abruptly reversed (e.g., when extended unemployment benefits were permanently ended) also contributed to a 111% increase in tenant cases and inquiries involving redetermination applications.

TAC Issues dropped by about 22% from the prior reporting year. The ombudspersons believe that this is in large part due to the initial technical challenges associated with the split-term increase (0% in the first year and 1% in the second year) applicable to two-year leases under Rent Guidelines Board (RGB) Order #52 for leases starting between October 1, 2020, and September 30, 2021. Landlords found the approval notices generated by DOF's Rent Freeze application processing system difficult to reconcile with their own understanding of upcoming renewal rent increases. By the time RGB Order #53 went into effect for leases starting between October 1, 2021, and September 30, 2022, SCRIE and DRIE application processors had made improvements that substantially decreased landlord inquiries regarding TAC calculations.

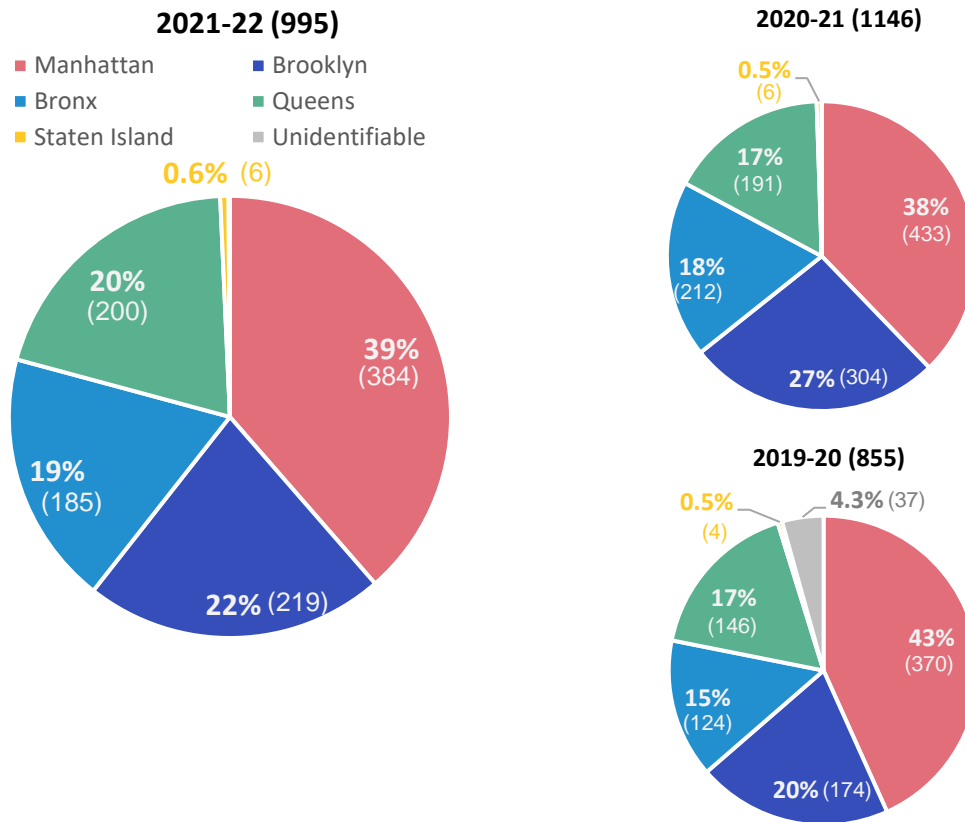
Finally, matters involving landlord noncompliance went from almost none in the prior year to over 80 in the current year. The ombudspersons saw a sharp increase in landlords altering rent charges for tenants with preferential rent after the passage of the Housing Stability and Tenant Protection Act of 2019 (HSTPA), as well as an increase in actions against tenants following the lifting of the eviction moratorium, including refusals to credit Rent Freeze abatements.

²¹ See the corresponding recommendation in Part II.A.

D. Cases and Inquiries by Borough

The chart below shows the percentage of the SCRIE and DRIE ombudspersons' inquiries and cases by borough.²² As in prior reporting years, the proportional representation of each of the five boroughs in the ombudspersons' caseload was fairly consistent with the distribution of rent-regulated units in New York City.²³ Manhattan again accounted for the most cases and inquiries, followed by Brooklyn, the Bronx, and Queens. Staten Island, with its relative scarcity of rent-regulated units, once again had the fewest matters among the boroughs.

Total Cases and Inquiries by Borough by Fiscal Year



²² Inquiries from persons outside of the five boroughs or where the tenant's address was not provided were categorized as "unidentifiable" for purposes of this chart.

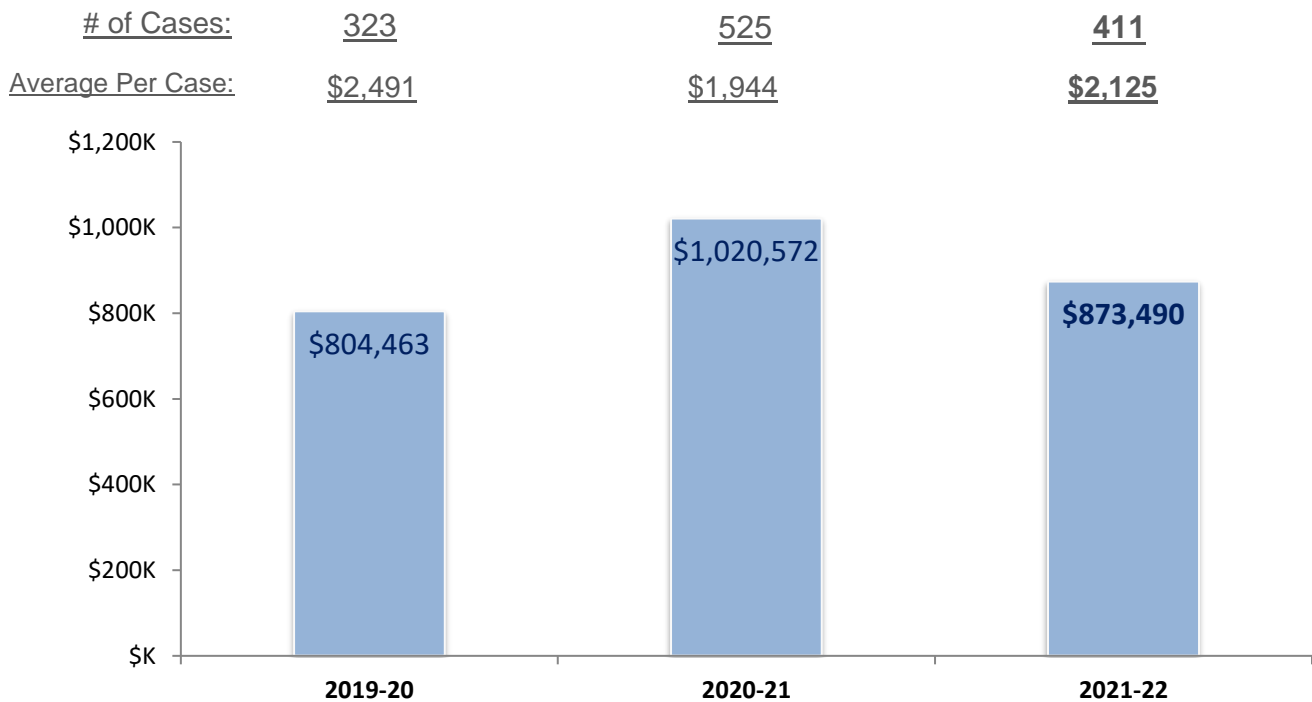
²³ Source: DOF's *2018 Report on the New York City Rent Freeze Program* (https://www1.nyc.gov/assets/rentfreeze/downloads/pdf/2018-scrie_drie_report.pdf).

E. Dollar Impact of Ombudspersons' Work

Under the Rent Freeze Program, the City issues tax abatement credits to landlords to offset the difference between the frozen rent and the current lease rent. Accordingly, the dollar impact of the ombudspersons' work can be measured by the increase in tax abatement credits issued in connection with a SCRIE or DRIE matter resolved with the ombudspersons' intervention.

This year, with the assistance of the ombudspersons, SCRIE/DRIE recipients benefited in the form of tax credit benefits totaling \$873,490, down from last year's all-time high of over \$1 million. The average dollar impact per case increased to \$2,125 from \$1,944 last year.

Ombudspersons' Dollar Impact by Fiscal Years



Part IV. Ongoing Developments

A. Late Renewals

In early 2020, in recognition of the challenges posed to applicants by mobility restrictions and health concerns, DOF granted Rent Freeze benefit recipients an additional six months, beyond the existing six-month grace period, to renew their benefits. The additional six months, given on the basis of COVID-19 constituting “good cause,” applied to benefits ending in December 2019 or later.²⁴ The extension was granted automatically; eligible recipients were not required to submit a request for additional time. When some renewals became more than a year past due starting in December 2020, DOF’s moratorium on revocations remained unchanged.

Toward the end of 2021, DOF moved to bring Rent Freeze benefit recipients back into compliance with the normal renewal process by sending out preliminary notices regarding the need to submit renewal applications. Notices were batched according to the amount of time that had passed since the tenant’s last approved benefit period. After a period of several weeks, follow-up notices were sent, as applicable, to tenants who had yet to respond to prior notices. Meanwhile, the Property Division, together with the External Affairs Division and Rent Freeze Team members from the Mayor’s Public Engagement Unit, undertook a large-scale tenant outreach project aimed at contacting by phone or email those tenants whose benefits had not been renewed in over a year. In March 2022, the Rent Freeze Program urged tenants with late renewals to submit applications or previously requested documents by June 30, 2022, to avoid revocation due to late submission. Following the announcement of the June 30 deadline to tenants, the ombudspersons communicated with personnel at community-based organizations regarding the deadline, both to increase awareness among tenants through their representatives and address common questions and concerns.

DOF has resumed its normal timeline for the completion of renewals and is mailing notice letters that are timed accordingly; as of the publication of this report, revocation of benefits for lateness has not resumed.

B. Short-Form Eligibility

Rent Freeze recipients who have been approved for benefits for at least five consecutive application periods are eligible to renew with a simple short-form application. Their eligibility to use the short-form application is confirmed via an automatic count performed by the Rent Freeze Program’s database. In their 2021 annual report, the ombudspersons noted that the automated count could be inaccurate for applicants who have had multiple revocations and reinstatements, as well as those who have submitted new initial applications while awaiting responses to an appeal. DOF’s Finance Information Technology Division (FIT) completed a review of the Rent Freeze database’s operation and found that an existing override function provided processors the ability to enter the number of approvals manually where, for example, revocations and reinstatements

²⁴ Section 52-02(d)(1) of Title 19 of the Rules of the City of New York provides for a six-month extension of time to file any required documentation upon a showing of “good cause.” Subsection (iv) of that provision states that a tenant’s statement attributing a delay in submission to COVID-19 is sufficient to show good cause.

might cause the automatic count to be incorrect. The feature was checked for functionality as part of FIT’s review. The Property Division is in favor of incorporating the manual count option in its processing protocol and notes the need to confirm whether issues exist with respect to the original configuration requirements.

C. Landlord’s Claims of Tenant Ineligibility

The ombudspersons previously expressed concerns regarding the means for a landlord to challenge a tenant’s SCRIE or DRIE approval by claiming that the tenant is not eligible for benefits. Specifically, the ombudspersons sought further safeguards to ensure that a high bar was set for the quality of landlord evidence and that tenants would have sufficient time to respond. The ombudspersons also suggested that copies of all notices be sent automatically to any tenant representatives on file.

The landlord’s form for disputing tenant eligibility was updated in June 2021 and renamed to remove “ineligibility” from the form title.²⁵ The form more clearly directs the landlord to submit evidence of an ineligibility claim together with the form. The Property Division has expressed support for the ombudspersons’ proposals, which remain under consideration as to the form of implementation.

D. Outreach by the Ombudspersons

The current reporting year presented new challenges and opportunities for outreach. The ombudspersons have diversified their outreach efforts, both directly and through other organizations, with particular emphasis on reaching potential Rent Freeze Program participants whose incomes were affected by the pandemic.

The ombudspersons focused on developing partnerships with public-facing agencies, elected officials’ offices, and community organizations that provide a broader range of assistance. The ombudspersons reached out to elected officials and non-profit organizations in districts with higher concentrations of rent-regulated units and provided training to help identify constituents or clients who could benefit from the Rent Freeze Program. The ombudspersons also took part in DOF’s public outreach events.

In the coming year, the ombudspersons will participate more frequently in events organized by other DOF divisions and community organizations while continuing to provide intermediate- or advanced-level trainings to practitioners who already have a strong understanding of the program. In particular, the ombudspersons will collaborate with other divisions to provide in-person, one-on-one application assistance as well as work with organizations to develop materials that can be easily distributed to potential applicants at events.

²⁵ The former “[Senior Citizen or Disability] Rent Increase Exemption Landlord/Managing Agent Notification of Tenant’s Ineligibility” is now the “Landlord/Managing Agent Notification of Change in Tenant’s Eligibility for Rent Freeze Program Benefits.”

E. Automatic Updates of Owner and Agent Contact Information

During the current reporting period, the ombudspersons have seen an increase in landlord non-compliance cases with the expiration of the state eviction moratorium. In these cases, the landlord's rent charges did not reflect the frozen rent amount stated in notices sent by the Rent Freeze Program to both the tenant and the landlord. According to tenants, some landlords claimed not to have received notice of the benefit approval. Although the ombudspersons do not have direct access to Rent Freeze approval letters, they can request that one be resent by Rent Freeze Program staff, or they can generate a tax abatement credit report that includes the relevant benefit information.

In 12.55% (27 of 215) matters requiring the ombudspersons to generate TAC reports, the ombudspersons noted that the report sections that should contain the building agent and owner information were incomplete. The agent and owner contact information in these reports are generally the same recipient information used for correspondence from the Rent Freeze Program. Given the numbers of landlords attributing their noncompliance to a lack of notice of important Rent Freeze information, the ombudspersons explored the issue of missing contact information in discussions with DOF's Property and FIT divisions. According to FIT, agent and owner contact information was periodically drawn from a central database; however, updates were not automatic, and the information could become outdated in the interim. FIT recommended and subsequently implemented changes to the system resulting in automatic updates each week.

F. Apartment Deregulation for 421(a) Tenants

Because SCRIE and DRIE require applicants to be living in a rent-regulated apartment, the regulated units created in connection with 421a abatements opened up additional housing stock to tenants. As the 421(a)-mandated rent regulation period ends for some buildings, some SCRIE and DRIE tenants living in those units may lose their benefits upon deregulation. If so, these tenants may experience a significant and, in most cases, unexpected rent increase. SCRIE and DRIE tenants should receive some guidance and, at a minimum, prior notice, of how these changes might affect their benefit status.

G. Notable Legislative Proposals

The following are proposals made in the 2021-22 session of the New York State Legislature or the New York City Council that are notable in relation to DOFs continued administration of the Rent Freeze Program.

1. Enhanced Notice for New Rent-Regulated Tenants

The New York State Senate and Assembly have proposed legislation aimed at increasing awareness of and enrollment in the Rent Freeze Program. Senate Bill 512 and accompanying Assembly Bill 719 would amend the Administrative Code and Real Property Tax Law of New York and apply to both SCRIE and DRIE. The 2017 "Aging with Dignity" report from the Office of the New York City Comptroller found that only about 45% of potentially eligible tenants were enrolled in the Rent Freeze Program. To increase enrollment, the proposed legislation would

provide a written notice, including eligibility and agency contact information, to potentially eligible New Yorkers.

The notice requirement applies to relevant government agencies that regularly interact with tenants as well as landlords. Notices would be required concurrently with certain other administrative requirements applicable to rent-regulated units. Examples include the landlord's provision of an initial or renewal lease to the tenant and applications for rent adjustment due to a major capital improvement.

Providing notices to tenants signing new leases can help increase general awareness of the program early on in the tenant's eligibility, thereby freezing their rent at a lower amount. Further, providing notice to tenants to coincide with rent increases could remind tenants who were not previously eligible to apply again as their eligibility changes.

2. Annual Increase for Maximum Income Based on Consumer Price Index

The current household income limit of \$50,000 for Rent Freeze eligibility was set in 2014. Since then, inflation has increased 23% based on the consumer price index inflation calculator from the Bureau of Labor Statistics. New York State Senate Bill 2897/Assembly Bill A4270 would increase the income limit annually for SCRIE and DRIE, as well as the Senior Citizen Homeowners' Exemption (SCHE) and Disabled Homeowners' Exemption (DHE), based on the consumer price index.

This legislation was first introduced in the 2009-2010 legislative session and was reintroduced in four subsequent sessions. Increasing the income limit would allow the Rent Freeze Program to keep pace with the basic living costs incurred by the population the program is intended to serve.²⁶ It would protect current Rent Freeze tenants from benefit revocation while opening the program to households that are on the edge of the current income limit, many of whom are just as rent-burdened, if not more so, than New Yorkers who were making just under \$50,000 in 2014.

3. Redetermination Based on Permanent and Significant Income Increase

For a Rent Freeze redetermination application to be approved, New York Real Property Tax Law requires a decrease in household income that is both permanent and greater than 20%. State Assembly Bill 2310 would also apply these requirements to any increases in frozen rent based on the rule that with each renewal application, the frozen rent would be set at the greater of one-third of monthly income or the existing frozen rent. Currently, there is neither a minimum percentage increase nor a "permanency" requirement for increases in frozen rent. Their introduction would protect tenants and simplify the program for renters, landlords, and DOF staff.

²⁶ The current NYC Rules for the Rent Freeze Program recognize the need to account for increases in the cost of living by providing for the exclusion of a Social Security cost of living adjustment (SS COLA) from household income in years when the SS COLA is less than the Consumer Price Index increase for the same year. (Rules of the City of New York, Title 19, §52-09(c)(3))

4. Dissociation of Naturalization Status from DRIE Eligibility Requirements

To qualify for DRIE, a tenant must be receiving benefits through certain federal government programs, each of which requires a Social Security number in order to enroll. Because of this requirement, some immigrant New Yorkers with disabilities may be precluded from qualifying for DRIE. SCRIE, by comparison, is available to all New Yorkers regardless of immigration status because there is no federal program requirement.

New York City Council Resolution 1607-2021 urges the state of New York to open the Rent Freeze Program to more vulnerable communities by offering an alternative means to qualify for DRIE. As noted in the April 2021 committee meeting on the resolution, one in five immigrant New Yorkers lives in an overcrowded home and over half are rent-burdened. Disallowing otherwise eligible people from enrolling in DRIE means the likelihood of overcrowding or being severely rent-burdened increases for immigrant New Yorkers with disabilities. Moreover, many of the same people who are not eligible for DRIE based on naturalization status also may not qualify for other types of public assistance for the same reasons. Resolution 1607-2021 therefore addresses a major weakness in the structure of the DRIE benefit—a weakness that unnecessarily denies access to certain New Yorkers in a way that makes the program less effective and, ultimately, less equitable.

Part V: Success Stories

The following are examples of matters brought to a successful conclusion by the ombudspersons during the reporting period.

A. Providing Clarity and Support in a Complex Process

The DRIE ombudsperson received a call from the son of a SCRIE recipient who had recently passed away. The SCRIE recipient's widow (the mother of the person who contacted the ombudsperson) submitted a SCRIE application, hoping to continue her husband's SCRIE benefit, but the application appeared to have been denied. The ombudsperson explained to the widow and her son that DOF had revoked the existing SCRIE benefit due to the mother's age ineligibility but then transferred the application to be considered under DRIE. The ombudsperson contacted the Senior and Disabled Programs (SDP) Unit and requested that the application be expedited, given the applicant's precarious housing situation.

In his communications with the SDP Unit, the ombudsperson learned that the application remained in "pending" status because the tenant had not submitted the son's income information, which had been supplied in previous years. The son's income information had been omitted because he had moved out of the apartment, but the applicant had not understood that the move had to be documented for the household composition to be amended in DRIE's records. The ombudsperson guided the son through the documentary requirement to establish his change of residency and worked with him to obtain supplementary documents that would assist in DRIE's assessment of eligibility. Once the required materials had been submitted, SDP, in collaboration with other units, completed the application review in less than two weeks. The tenant was approved for a redetermination that reduced her frozen rent from \$1,875 to \$828.63. SDP also issued a tax abatement credit to the landlord in the amount of \$18,632.13, which would otherwise have been the amount the tenant was required to pay to remain in the apartment.

B. Guiding an Applicant Through an Important Policy Shift

In December 2019, a member of a community-based organization's housing unit contacted OTA regarding a 78-year-old tenant client. The tenant's mother, a SCRIE recipient, had passed away earlier that year at the age of 105, having paid the same frozen rent for over twenty years. As a SCRIE recipient, the tenant's mother had regularly gone to a community organization for help in filling out renewal applications, but the daughter (now the successor tenant) had never taken part in that process. When her mother passed away, the tenant submitted a benefit takeover application, which was denied due to the tenant not having been listed on her mother's SCRIE applications, per DOF policy at the time.²⁷ The denial letter was the first time that the tenant learned that she had not been named in prior applications. The tenant appealed the denial, but the appeal was

²⁷ For more on this policy, please see "2021: Prior Application Requirement for Benefit Takeovers" in Part VI of this report.

ultimately denied as well, citing the same policy. The landlord, based on the tenant's apparent ineligibility to take over her mother's benefit, was insisting on collecting the full rent amount, which was more than two times the frozen rent and far outside the tenant's means.

Based on the tenant's case and other similar instances where successor tenants faced rent increases, the ombudspersons researched alternatives to outright denial in instances where benefit takeover applicants were not named on the prior tenant's applications. Through extensive discussions with the SDP Unit and with crucial input from DOF's Legal Affairs Division, the ombudspersons became familiar with the reasons underlying the policy and explored other practices that would still meet the underlying interests. The ombudspersons, together with the other divisions, arrived at the current practice, which requests additional information regarding prior application periods, rather than sending an automatic denial.

Under the new practice, the tenant was able to submit information to establish that even if her income had been accounted for in prior benefit periods, the household would have remained eligible. The benefit takeover remained under consideration while the tenant's pro bono counsel took the landlord to court to establish succession rights.

It took the tenant more than two years to obtain her landlord's cooperation, but succession rights were finally acknowledged. DOF, in turn, approved her benefit takeover, which resulted in nearly \$20,000 in tax credits that had until then been demanded from the tenant as back rent. Continuing the SCRIE benefit is essential to keeping the tenant, now 81 years old and on a limited income, in her home.

C. A Closer Review Reveals an Undetected Discrepancy

The DRIE ombudsperson received a call via 311 from a nervous tenant who was unsure of how to meet the Rent Freeze Program's documentation requirements for a renewal application. The applicant had received a notice from DOF stating that she needed to submit a lease, but she had already done so several weeks prior. When she spoke with the ombudsperson, she learned that the reason for her application's "pending" status was, according to notes in her Rent Freeze file, a calculation error by the landlord that resulted in an incorrect rent amount in the renewal lease the tenant had submitted. The ombudsperson contacted the management company, acquired the past three leases, and manually re-calculated the prescribed rent increases according to the corresponding Rent Guidelines Board orders. The rent calculation by the landlord turned out to be correct, so the ombudsperson examined each of the tenant's prior document submissions to find the source of the discrepancy between calculations by DOF and the landlord.

A detailed review of the tenant's documents and benefit history revealed that DOF had processed a prior lease as a two-year renewal when the tenant had elected a one-year term. The error went undetected, resulting in an incorrect rent increase calculation on DOF's part that the landlord's office had not noticed. The ombudsperson detailed his findings to the Property Division, and within three business days Property's SDP Unit corrected the error and made the necessary

adjustments to the tax abatement credit amounts. The tenant's renewal application was deemed complete, and then approved.

D. DOF and Community Resources Work Together on SCRIE Tenant Issue

An 85-year-old tenant with a number of ongoing medical issues was informed by his landlord that his SCRIE benefit had been revoked when the tenant missed a renewal deadline due to his condition. The tenant, who spoke only Spanish, went to a senior center for assistance in reinstating his benefit, but instead of requesting an extension so that his prior frozen rent could continue, the senior center instructed him to complete a new SCRIE initial application. The tenant's frozen rent was reset based on the new application and consequently increased by \$170. With an annual income just under \$14,000, the increase would constrain the tenant's ability to pay his basic expenses.

An employee in the landlord's office sought to obtain help for the tenant but was told that the frozen rent could not be reduced. The employee was also referred to the SCRIE ombudsperson, who introduced her to the possibility of an accommodation under the authority of DOF's Equal Employment Opportunity office. If approved, the extension would allow the tenant to submit the late renewal application, lift the revocation and reinstate the benefit at the prior frozen rent. To aid the tenant in navigating the multiple steps required to obtain an extension and reinstate his SCRIE benefit, the ombudsperson enlisted the help of a Spanish-speaking senior center caseworker who had previously assisted the tenant.

A few weeks into the process, the caseworker became unavailable. A member of the HRA Rent Freeze Team who is fluent in Spanish agreed to work with the tenant in the caseworker's place. A Spanish-speaking colleague at OTA reached out directly to the tenant as well. While speaking with the OTA case advocate, the tenant asked his building superintendent to join the call. As a result of that conversation, the superintendent and other building personnel aided the tenant in receiving and completing the necessary paperwork. Once the extension request had been submitted and approved, the SDP Unit worked with the ombudsperson to ensure that the former frozen rent would be reinstated despite the new initial application that had been processed prior to the extension request.

Ultimately, the SCRIE benefit was restored for the period of revocation, resulting in a tax abatement credit of over \$4,000 to the landlord to cover prior periods, as well as the elimination of the tenant's frozen rent increase.

Part VI: DOF Actions on Prior Recommendations

The following describes the status of recommendations made by the ombudspersons in prior annual reports. Direct quotations from the prior recommendations are italicized in this section.

2020: Proof of Existing Preferential Rent

In 2020, in response to unintended frozen rent increases due to operational changes in the Rent Freeze Program following the implementation of the Housing Stability and Tenant Protection Act of 2019, the ombudspersons proposed the following:

In conjunction with DOF's Legal Affairs Division, the Property Division should create a new formulation for calculating a tenant's frozen rent as it applies to the Rent Increase Exemption, if:

- *changes to the frozen rent amount based on HSTPA's provisions regarding preferential rent have led (or would lead) to an increase in the monthly rent currently charged by the landlord versus the rent paid immediately prior to HSTPA's effective date; and*
- *verifiable documentation provided to DOF confirms a regular lower monthly rent in existence prior to HSTPA but not recorded in a lease.*

DOF Action: As of the publication of this report, the Property Division and Legal Affairs Division are considering possible changes in policy or regulations with respect to the setting of frozen rent and calculation of tax abatement credits for the population of Rent Freeze tenants paying a preferential rent whose benefits existed prior to HSTPA.

2021: Interagency Data on Benefit Programs

Prior Recommendation: Establish a DOF task force to explore the feasibility of accessing other New York City agencies' public benefits databases in order to incorporate certain City benefits, such as CityFHEPS, into the Rent Freeze Program application process.

DOF Action: DOF has an existing data sharing agreement with NYC Health + Hospitals that provides access to some data held by other NYC agencies. DOF is currently focusing on opportunities to incorporate this data in the services it provides.

2021: Prior Application Requirement for Benefit Takeovers

Prior Recommendation: To ensure that every benefit takeover applicant is given sufficient opportunity to continue the household's Rent Freeze Program, as well as uphold the purposes served by the prior application requirement, the ombudspersons recommend:

- a) Reminding tenants on renewal applications of the importance of updating their list of household members, particularly because benefit takeover applicants must be named on prior applications.*
- b) In cases where a benefit takeover applicant is not listed on the prior tenant's Rent Freeze applications but is otherwise eligible, the initial response should not be a*

denial letter. Instead, the response should request, for example, additional documentation to establish that the addition of the applicant's income in past applications would not have made the household ineligible to receive benefits.

- c) Explore legislative action that would allow a Rent Freeze Program benefit to be assigned to spouses or domestic partners jointly, so that an eligible surviving spouse or domestic partner could continue to receive the benefit.*

DOF Action: Items (a) and (b) above have been implemented by DOF. Tenants are still required to list all household members on the initial application and each renewal application; however, potential successor tenants are not automatically precluded from taking over a benefit solely because the prior tenant did not name them on applications. Over the past year, numerous tenants have been approved for benefit takeovers by providing evidence that, while they were not listed on prior applications, including their income during past benefit periods would not have affected the primary tenant's eligibility. While the specific proposal for joint benefits in item (c) has not been adopted, the rules proposed by DOF and promulgated by the City in 2021 facilitated spousal benefit takeovers by eliminating documentary requirements so that eligible spouses could receive an existing benefit without submitting a benefit takeover application.

2021: Management/Owner Outreach

Prior Recommendation: *Hold Rent Freeze Program information sessions tailored to management companies and property owners. These sessions should cover such topics as the Landlord Express Access Portal, the Rent Freeze forms created for landlords, and landlords' obligations under the Rent Freeze Program.*

DOF Action: This proposal remains under consideration, with support from the Property Division.

2021: Exploration of Rent Freeze Program Benefit Continuation

Prior Recommendation: *The ombudspersons will explore, together with the relevant DOF divisions, possible solutions in the following areas of the Rent Freeze Program:*

4(a) Delayed SCRIE Benefit Takeover Based on Age Eligibility

4(b) Redetermination Based on Long-Term Income Loss

4(c) Deeming Eligibility for Contract-Based "Regulation"

DOF Action: DOF views items 4(a) and 4(b) as requiring legislative action that was not pursued in the past reporting period. Item 4(c) has not been included on DOF's legislative agenda, although DOF has noted that there is support for the measure in the state legislature.

The ombudspersons will continue to monitor developments in the legislature and opportunities to pursue legislative agenda items in these areas.

APPENDIX I
Ombudspersons' Case and Inquiry Dollar Impact by City Council District

District/ Council Member		Number of Inquiries			Number of Cases			\$ Impact*		
		2019-20	2020-21	2021-22	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
1	C. Marte	14	11	13	6	14	9	\$13,558	\$52,219	\$18,308
2	C. Rivera	24	21	15	11	20	6	\$9,610	\$12,333	\$16,029
3	E. Bottcher	32	37	35	18	32	23	\$98,304	\$45,105	\$57,477
4	K. Powers	24	19	15	14	21	13	\$32,662	\$16,737	\$39,496
5	J. Menin	35	20	13	13	18	8	\$14,278	\$37,265	\$906
6	G. Brewer	20	26	30	10	18	20	\$20,210	\$54,240	\$16,309
7	S. Abreu	16	23	28	18	14	24	\$43,037	\$79,107	\$47,988
8	D. Ayala	6	9	8	4	7	3	\$2,415	\$11,016	\$2,272
9	K. Jordan	15	15	19	15	14	7	\$11,523	\$26,082	\$5,016
10	C. De La Rosa	44	57	51	24	45	36	\$104,985	\$108,004	\$106,196
11	E. Dinowitz	9	19	15	10	6	13	\$31,271	\$3,382	\$14,950
12	K. Riley	8	12	6	7	5	4	\$4,179	\$26,591	\$23,931
13	M. Velázquez	7	10	7	3	10	7	\$10,951	\$22,933	\$20,436
14	P. Sanchez	18	31	19	10	20	13	\$38,883	\$32,551	\$49,735
15	O. Feliz	5	11	13	8	11	10	\$31,575	\$7,319	\$7,544
16	A. Stevens	12	18	22	8	13	20	\$11,695	\$30,776	\$17,118
17	R. Salamanca Jr.	3	6	7	4	10	6	\$3,675	\$6,180	\$2,328
18	A. Fariás	6	8	7	2	8	5	\$22,314	\$7,342	\$19,577
19	V. Paladino	1	5	1	2	3	0	\$0	\$5,010	\$0
20	S. Ung	7	9	16	11	13	28	\$34,181	\$10,728	\$108,184
21	F. Moya	6	6	7	8	4	3	\$10,411	\$21,577	\$1,524
22	T. Cabán	4	6	7	8	5	5	\$6,737	\$24,641	\$15,639
23	L. Lee	9	6	6	6	10	6	\$28,439	\$22,297	\$684
24	J. Gennaro	6	12	7	5	3	4	\$21,018	\$2,629	\$15,736
25	S. Krishnan	6	10	7	5	6	10	\$3,678	\$13,675	\$11,391
26	J. Won	7	11	7	9	8	12	\$21,956	\$13,298	\$38,477
27	N. Williams	1	4	4	3	6	5	\$528	\$7,322	\$5,547
28	A. Adams	1	1	1	0	0	0	\$0	\$0	\$0
29	L. Schulman	21	18	19	9	17	17	\$39,642	\$28,303	\$52,478
30	R. Holden	2	2	2	0	2	1	\$0	\$3,584	\$543
31	S. Brooks-Powers	2	6	6	2	6	2	\$1,300	\$6,088	\$0
32	J. Ariola	1	5	4	1	2	2	\$1,170	\$2,038	\$6,427
33	L. Restler	6	6	4	4	8	5	\$21,244	\$7,801	\$19,923
34	J. Gutiérrez	6	10	7	5	9	2	\$13,614	\$6,377	\$0

District/ Council Member	Number of Inquiries			Number of Cases			\$ Impact*		
	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
35 C. Hudson	15	11	11	6	12	5	\$10,859	\$11,259	\$4,748
36 C. Ossé	2	3	2	5	10	1	\$2,763	\$18,062	\$229
37 S. Nurse	3	6	3	3	9	2	\$965	\$4,853	\$3,853
38 A. Avilés	5	3	8	0	4	1	\$0	\$1,773	\$486
39 S. Hanif	8	12	9	3	18	10	\$1,247	\$26,921	\$39,750
40 R. Joseph	17	25	21	12	24	12	\$27,185	\$43,688	\$17,343
41 D. Mealy	8	14	9	5	10	11	\$16,339	\$2,581	\$15,270
42 C. Barron	5	4	6	3	2	2	\$4,824	\$1,291	\$0
43 J. Brannan	10	7	13	4	5	10	\$2,345	\$3,640	\$12,815
44 K. Yeager	3	8	6	1	6	3	\$1,382	\$22,255	\$6,808
45 F. Louis	6	18	9	2	15	6	\$912	\$49,989	\$6,372
46 M. Narcisse	2	4	4	0	5	1	\$0	\$21,329	\$0
47 A. Kagan	4	8	10	2	3	3	\$8,763	\$17,075	\$14,945
48 I. Vernikov	11	20	14	9	9	5	\$17,836	\$36,580	\$8,704
49 K. Hanks	0	0	4	0	1	1	\$0	\$407	\$0
50 D. Carr	4	1	0	0	3	1	\$0	\$4,320	\$0
51 J. Borelli	0	0	0	0	0	0	\$0	\$0	\$0
N/A**	45	7	27	5	1	8	\$0	\$0	\$0
Total	532	621	584	323	525	411	\$804,463	\$1,020,572	\$873,490

*Because dollar impact is calculated according to increases in tax abatement credit, matters that do not implicate a change in the tax abatement credit amount (e.g., a renewal without a rent increase) can result in a \$0 dollar impact even if successfully resolved.

**Inquiries from persons outside of the five boroughs or where the tenant's address was not provided were categorized as "N/A" for purposes of this chart.

APPENDIX II

Glossary of Terms

Appeal: A request, which may be submitted on the DOF Application for Appeal, for reconsideration of a DOF determination. Most often, appeals ask for reexamination of denied Rent Freeze applications or revoked Rent Freeze benefits.

Benefit Takeover Application: An application to take over the benefit of a Rent Freeze Program beneficiary who has died or permanently vacated the apartment.

DHCR: The New York State Division of Homes & Community Renewal.

DOF: The New York City Department of Finance.

Frozen Rent: The amount of reduced rent, set in accordance with the applicable Rent Freeze Program laws, that the tenant must pay to the landlord.

HSTPA: The New York State Housing Stability and Tenant Protection Act of 2019.

Legal Rent: The maximum rent that a landlord can charge a tenant for a rent-regulated unit according to applicable law.

MCI: Major capital improvement. Authorization of an MCI by DHCR generally includes a rent increase to compensate a landlord for the cost of building-wide renovations.

Preferential Rent: DHCR defines “preferential rent” as a rent that an owner agrees to charge that is lower than the legal regulated rent the owner could lawfully collect.

Reasonable Accommodation: In the context of DOF programs, a reasonable accommodation is a modification or adjustment to program requirements that is necessary for an applicant or program participant with an impairment to apply for or participate in the program. For Rent Freeze applicants, the most common requests involve an extension of time given as a reasonable accommodation for a person with an impairment to complete the renewal process. Applications for reasonable accommodation are referred to the Department of Finance’s disability service facilitator.

Redetermination: An adjustment to a tenant’s frozen rent amount after a permanent loss of 20% or more of the tenant’s combined household income as compared to the income reported in the tenant’s last approved application. In order to be considered for a redetermination, a tenant must submit a redetermination application to the Rent Freeze Program.

SDP Unit: DOF’s Senior and Disabled Programs Unit. The SDP Unit is responsible for administering the Rent Freeze Program.

TAC: Tax abatement credit; the amount credited on a landlord’s property tax bill in accordance with the Rent Freeze Program.

Tenant Representative: A person designated by a tenant to receive copies of all SCRIE or DRIE notices sent to the tenant. A tenant representative can assist the tenant with the application process.