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November 2, 2023

Dear Resident,

The following information is being shared from the Westchester County Rent Guidelines Board (WRGB):

If there are six or more apartments in your building, your apartment may be covered by special rules and regulations under the **Emergency Tenant Protection Act of 1974 (ETPA)**. The program is administered by the New York State Division of Housing and Community Renewal. Each county has a rent guidelines board, which issues guidelines stating the maximum allowable increase in rent for one or two-year leases or renewals. This provision prohibits any other increase except in certain circumstances, such as when an owner makes a major capital improvement.

At a Public Hearing on October 23, 2023, the **Westchester County Rent Guidelines Board (WRGB)** approved a maximum rent increase of **1%** for one-year leases and **2%** for two-year leases starting October 1, 2023 through September 30, 2024 for ETPA tenants. The WRGB has also set a 1-year lookback period from the date of Croton's expansion of ETPA on March 27, 2023. These guidelines apply to leases commencing between March 27, 2023 and September 30, 2023.

Please find enclosed **Fact Sheet #1** and **Fact Sheet #26** from the New York State Office of Homes and Community Renewal (HCR) for additional information related to these guidelines. All questions regarding rent stabilization and control can be directed to HCR at portal.hcr.ny.gov/app/ask or by contacting the Westchester County Rent Office at 914-948-4434.



Rent Stabilization and Rent Control

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Introduction

A number of communities in New York State have rent regulation programs known as rent control and rent stabilization. Two aspects of rent regulation are to protect tenants in privately-owned buildings from illegal rent increases and to allow owners to maintain their buildings while realizing a reasonable profit.

Rent control is the older of the two systems of rent regulation. It dates back to the housing shortage immediately following World War II and generally applies to buildings constructed before 1947. Rent stabilization generally covers buildings built after 1947 and before 1974, and apartments removed from rent control. It also covers buildings that receive J-51, 421-a and 421-g tax benefits. These tax benefit programs have their own specific rules as to which apartments are covered. Outside New York City, rent stabilization is also known as ETPA, short for the Emergency Tenant Protection Act and is applicable in some localities in Nassau, Westchester, Rockland, and Ulster counties. With the enactment of the Housing Stability and Tenant Protection Act (HSTPA) on June 14, 2019, any locality in New York State can enact rent stabilization if “a declaration of emergency” regarding available apartments is made in the subject locality pursuant to the Emergency Tenant Protection Act (ETPA) of 1974. “A declaration of emergency” can be made if the vacancy rate for the housing accommodations or a class of housing accommodations within such municipality is less than five percent.

It is the responsibility of the locality to secure and

obtain a survey of the housing accommodations to determine the existence of an emergency.

Prior to June 14, 2019, the rent laws provided for the deregulation of apartments based on rents exceeding a certain threshold or based on the occupants’ income and rents exceeding certain thresholds. Pursuant to HSTPA, these forms of deregulation were repealed as of June 14, 2019.

RENT STABILIZATION

Rent stabilization provides protections to tenants besides limitations on the amount of rent increases. Tenants are entitled to receive required services, to have their leases renewed, and may not be evicted except on grounds allowed by law. Leases may be renewed for a term of one or two years, at the tenant’s choice. Tenants can file relevant complaints on a variety of forms created by the Division of Housing and Community Renewal (DHCR). DHCR is required to serve the complaint on the owner, gather evidence and then issue a written order which is subject to appeal.

If a tenant’s rights are violated, DHCR can reduce rents and levy civil penalties against the owner. Rents may be reduced if services are not maintained. In cases of overcharge, DHCR may assess penalties of interest or treble damages payable to the tenant.

Rent Increases

The Rent Guidelines Boards (one in New York City, one in the City of Kingston, and one each in Nassau, Westchester, and Rockland counties)

each set rates for rent increases in rent stabilized apartments. These guideline rates are set once a year and are effective for renewal leases beginning on or after October 1st of each year. Effective June 14, 2019, there is no statutory vacancy rate and no rent guidelines board vacancy rate. However, if authorized by the rent guidelines board, a one or two-year lease guideline rate can also be applied to vacancy leases.

Both in New York City and the ETPA covered communities, rents can be increased during the lease period in any one of three ways, so long as the lease provides for the collection of an increase during the lease term:

1. with the written consent of the tenant in occupancy, if the owner increases services or equipment, or makes improvements to an apartment;
2. with DHCR approval, if the owner installs a building-wide major capital improvement; or
3. in cases of hardship with DHCR approval.

Rent Overcharges

For rent stabilized apartments, owners may be ordered to refund excess rent collected based upon a finding of a rent overcharge. A finding by DHCR of a willful rent overcharge by the owner may result in the assessment of treble (triple) damages payable to the tenant. With the passing of the HSTPA, the collectability of overcharges has been increased from four to six years and the general period of rent history review (subject to exceptions) has been increased from four years to six years. Pre-HSTPA filed complaints will be reviewed in accordance with the laws in effect at the time of the filing, which limited the rental review to four years.

Rent Reductions for Decreases in Services

Rents may be reduced if the owner fails to provide required services, or fails to make necessary repairs for an individual apartment or on a

building-wide basis. Examples of such conditions are lack of heat/ hot water, unsanitary common areas (halls, lobby), and broken door locks. If a tenant receives a rent reduction from DHCR, the owner cannot collect any rent increases until services are restored and DHCR restores the rent.

Harassment

The law prohibits harassment of rent regulated tenants. Owners found guilty of intentional actions to force a tenant to vacate an apartment can be denied lawful rent increases and may be subject to both civil and criminal penalties. Owners found guilty of tenant harassment are subject to fines.

Rent Registration

Within 90 days after an apartment first becomes subject to rent stabilization, an owner is required to file an initial registration. After the initial registration, owners must file an annual registration statement giving the April 1st rent for each unit and provide tenants with a copy of their respective apartment's registration form.

RENT CONTROL

Rent control limits the rent an owner may charge for an apartment and restricts the right of any owner to evict tenants. Tenants are also entitled to receive essential services. Owners are not required to offer renewal leases, as tenants are considered "statutory" tenants. Tenants may file relevant complaints on a variety of forms created by DHCR. DHCR is required to serve the complaint on the owner, gather evidence and then can issue a written order which is subject to appeal.

If a tenant's rights are violated, DHCR can reduce rents and levy civil penalties against the owner. Rents may be reduced if services are not maintained. In cases of overcharge, DHCR may establish the lawful collectible rent.

Rent Increases

In New York City, rent control operates under the

Maximum Base Rent (MBR) system. A maximum base rent is established for each apartment and adjusted every two years to reflect changes in operating costs. Owners, who certify that they are providing essential services and have removed violations, are entitled to raise rents the lesser of either the average of the five most recent Rent Guidelines Board annual rent increases for one-year renewal leases or 7.5 percent each year until they reach the MBR. Tenants may challenge the proposed increase on the grounds that the building has violations or that the owner's expenses do not warrant an increase.

Outside New York City, the New York State Division of Housing and Community Renewal (DHCR) determines maximum allowable rates of rent increases under rent control subject to the limitations of the annual rent guideline board increases. Owners may apply for these increases periodically.

Rents can also be increased in any one of three ways, both inside and outside of New York City:

1. with the written informed consent of the tenant in occupancy, if the owner increases services or equipment, or makes improvements to an apartment;

2. with DHCR approval, if the owner installs a building-wide major capital improvement; or
3. in cases of hardship with DHCR approval.

Rent Overcharges

For rent controlled apartments, complaints submitted by tenants will result in an order by DHCR that establishes the Maximum Collectible Rent and directs that any overcharge be refunded for a period of no greater than two years before the filing of the complaint. If the refund is not made, the tenant can proceed to court to calculate the overcharge and enforce the order.

Rent Reductions for Decreases in Services

Please refer to the section above under Rent Stabilization.

Harassment

Please refer to the section above under Rent Stabilization.

Rent Registration

Apartments subject to Rent Control are not required to be registered annually with DHCR.

SOURCES:

New York City Rent Stabilization Code
 Tenant Protection Regulations
 New York City Rent and Eviction Regulations
 New York State Rent and Eviction Regulations



➤ **Rent Connect:**
rent.hcr.ny.gov

✉ **Ask a question:**
portal.hcr.ny.gov/app/ask

🗣️ **For translation help:**
hcr.ny.gov/language-accessibility

➤ **Our website:**
hcr.ny.gov/rent

To visit a Borough Rent Office, by appointment only, please contact:

QUEENS

92-31 Union Hall Street
 6th Floor
 Jamaica, NY 11433
 718-482-4041

BROOKLYN

55 Hanson Place
 6th Floor
 Brooklyn, NY 11217
 718-722-4778

UPPER MANHATTAN

163 W. 125th Street
 5th Floor
 New York, NY 10027
 212-961-8930

LOWER MANHATTAN

25 Beaver Street
 New York, NY 10004
 212-480-6238

BRONX

1 Fordham Plaza
 4th Floor
 Bronx, NY 10458
 718-430-0880

WESTCHESTER

75 South Broadway
 3rd Floor
 White Plains, NY 10601
 914-948-4434



Guide to Rent Increases for Rent Stabilized Apartments

5 PAGES

AT A GLANCE

This Fact Sheet can be used along with a rent registration history of an apartment to assist in determining if the apartment's registration status and rent are lawful.

DEFINITIONS

Housing Stability and Tenant Protection Act (HSTPA) of 2019:

The act, which went into effect on June 14, 2019, made changes to how rents can be raised and changed formulas for vacancy leases, Major Capital Improvements (MCI) and Individual Apartment Improvements (IAI).

Individual Apartment

Improvements (IAIs): When an owner installs a new appliance or makes an improvement to an apartment, the owner may be entitled to an IAI rent increase.

Major Capital Improvements

(MCIs): Building-wide improvements such as boilers, windows and roofs.

Vacancy lease: When a person rents a rent stabilized apartment for the first time, the owner and the tenant sign a vacancy lease.

SUMMARY AND HIGHLIGHTS

The Housing Stability and Tenant Protection Act (HSTPA) of 2019 made changes to how rents can be raised and changed formulas for vacancy leases, MCIs, and IAIs. MCI and IAI rent increases are now temporary, and the amount that can be collected for IAIs is limited.

<p>Options</p>	<ul style="list-style-type: none"> • Vacancy leases: HSTPA eliminated the statutory vacancy rate and does not permit Rent Guidelines Boards to establish a separate vacancy rate. However, if authorized by the Rent Guidelines Board, the owner may add a one or two-year guideline to all leases. The owner cannot add more than one guideline adjustment within the same guideline year. • Renewal leases: When a tenant signs a renewal lease, they can choose between a one or two-year option and the allowable increase is set by the local rent guidelines board. • Improvements: Lawful rent increases for IAIs and/or MCIs may be factored into rent increases.
<p>Limitations</p>	<ul style="list-style-type: none"> • Under HSTPA, there are limitations on future MCI increases, such as: an annual 2% rent increase cap, only reasonable costs are recoverable, and MCI rent increases are prohibited in buildings that contain 35% or fewer rent-regulated apartments. • In buildings with 35 units or less, owners can increase the rent for an IAI up to 1/168th of the cost of the improvement. • In buildings with more than 35 units, owners can increase the rent for an IAI up to 1/180th of the cost of the improvement. • Owners may collect no more than three IAI increases within a 15-year period, and the total cost of the improvements eligible for a rent increase calculation cannot exceed \$15,000. • The written consent provided by the tenant in occupancy for an IAI rent increase must be on a DHCR form.

FACT SHEET #26: IN DETAIL

Introduction

This fact sheet will be updated annually to reflect the new lease guideline rates. It can be reviewed along with a rent registration history of an apartment to assist in determining if the apartment's registration status and the rent being charged are lawful. The apartment rent registration history and a rent overcharge complaint form can be requested online at www.hcr.ny.gov or at a Borough Rent Office.

The Housing Stability and Tenant Protection Act (HSTPA) of 2019, which went into effect on June 14, 2019, made changes to how rents can be raised and changed formulas for vacancy leases, Major Capital Improvements (MCI) and Individual Apartment Improvements (IAI). MCI and IAI rent increases are now temporary and the amount that can be collected for IAIs is limited. HSTPA eliminates High Rent Vacancy and High Rent High Income Deregulation and makes preferential rents the basis for collection for the duration of the tenancy. It also extends the rent overcharge review time period from four to up to six years for complaints filed on or after the passage of HSTPA.

Effective December 15, 2022, Private Housing Finance Law (PHFL) Section 610 allows owners of affordable housing properties to collect actual rents that are higher than legal rents, if the following two conditions are met: a state or municipal agency or other statutorily designated party must issue specific approval in a regulatory agreement, either new or amended, and a government program provides rental assistance to the apartment. See DHCR Notice RA-LR3 for more details. Often rental assistance may be provided to owners without an overarching state or municipal regulatory agreement for the development. In addition, a regulatory agreement may not specifically authorize these higher rents with respect to all or certain types of rental assistance. Neither of these circumstances establish that an actual rent higher than the legal stabilized rent can be charged. Owners should be aware that for example, FHEPS or individual section 8 housing

choice vouchers may not always qualify for an actual higher rent.

Vacancy Lease

HSTPA eliminated the statutory vacancy rate and does not permit Rent Guidelines Boards to establish a separate vacancy rate. However, if authorized by the Rent Guidelines Board, the owner may add a one or two-year guideline to all leases. The owner cannot add more than one guideline adjustment within the same guideline year. Lawful temporary increases for Major Capital Improvements (MCI) and Individual Apartment Improvements (IAI) may also be added to the rent.

A DHCR Rent Stabilization Lease Rider/Addenda is to be attached to the lease and it should contain information on how the rent was calculated and on any related Individual Apartment Improvements.

Renewal Lease

When a tenant signs a renewal lease, they can choose between a one or two-year option and the allowable increase is set by the local rent guidelines board. (See the Recent Lease Guideline Rates chart.)

Effective June 14, 2019 owners who are collecting a preferential rent, upon renewal of the lease, can increase the legal and preferential rents by the lawful rate increases but only collect an increase based on the preferential rent. The higher legal regulated rent and related increases can only be collected when the apartment is vacated and rented to a subsequent tenant. See Fact Sheet #40 for more details.

Individual Apartment Improvements (IAI)

When an owner installs a new appliance or makes an improvement to an apartment the owner may be entitled to an IAI rent increase. Tenant written consent for the improvement and rent increase is only required if the apartment is occupied by a tenant at the time of the improvement.

Written consent is not required for a vacant apartment.

In buildings with 35 units or less, the amount the rent can be increased for an IAI is limited to 1/168th of the cost of the improvement. In buildings with more than 35 units, the amount the rent can be increased for an IAI is limited to 1/180th of the cost of the improvement.

No more than three IAI increases can be collected in a 15-year period and the total cost of the improvements eligible for a rent increase calculation cannot exceed \$15,000. Work must be done by a licensed contractor and there is a prohibition on common ownership between the contractor and the owner. The apartment must be free and clear of any outstanding hazardous and immediately hazardous violations. The written consent provided by the tenant in occupancy must be on a DHCR form. For informational purposes only, the translated versions of this form are available for review on DHCR's website. Owners are required to maintain supporting documentation and photographs for all IAI installations, which commencing June 14, 2020 will be submitted to and stored by DHCR in an electronic format. The IAI rent increase for improvements collected after June 14, 2019 is temporary and must be removed from the rent in 30 years, and the legal rent must be adjusted at that time for guideline increases that were previously compounded on a rent that included the IAI.

The DHCR Lease Rider included with a vacancy lease must notify the tenant of the right to request from the owner by certified mail Individual Apartment Improvements (IAIs) supporting documentation at the time the lease is offered or within 60 days of the execution of the lease. The owner shall provide such documentation within 30 days of that request in person or by certified mail. A tenant who is not provided with that documentation upon demand may file form RA-90 "Tenant's Complaint of Owner's Failure to Renew Lease and/or Failure to Furnish a copy of a Signed Lease" to receive a DHCR Order that directs the furnishing of the IAI supporting documentation. IAI rent increases cannot be collected if a DHCR

order reducing rent for decreased services is in effect and has an earlier effective date. It can be collected prospectively on the effective date of a DHCR order restoring the rent.

Major Capital Improvements (MCI)

An owner is permitted rent increases to recover the costs of building-wide major capital improvements, such as the replacement of a boiler or new plumbing. The owner must file an application with DHCR and DHCR may issue an order denying the increase or granting an increase in part or in whole. After review of an MCI application DHCR will issue an order and serve it on the owner and all tenants in the building.

Under HSTPA, there are limitations on future MCI increases, such as: only reasonable costs are recoverable, and MCI rent increases are prohibited in buildings that contain 35% or fewer rent regulated apartments. The rent increase approved by the DHCR order is collectible prospectively, on the first day of the first month 60 days after issuance. There are no retroactive rent increases. The collection of the increase is limited to a 2% cap/yearly phase-in. The 2% cap also applies to MCI rent increases not yet collected that were approved on or after June 14, 2012. The first renewal lease effective after June 14, 2019 must reflect no more than a 2% increase. Upon vacancy, the remaining balance of the increase can be added to the legal rent. In buildings with 35 or fewer units, the cost of the MCI is amortized over a 12-year period. In buildings with more than 35 units, the cost of the MCI is amortized over 12 ½ years. The building must be free and clear of any outstanding hazardous and immediately hazardous violations. The MCI rent increase is temporary and it must be removed from the rent in 30 years and the legal rent must be adjusted at that time for guideline increases that were previously compounded on a rent that included the MCI rent increase. Vacancy lease tenants are to be notified in their lease about pending MCI applications.

RECENT LEASE GUIDELINE RATES

- Prior to the effective date of the Housing Stability and Tenant Protection Act (HSTPA) of 2019, June 14, 2019, these guidelines applied only to lease renewals.
- After June 14, 2019, if authorized by the Rent Guidelines Board, the guideline rates may apply to all leases.

EFFECTIVE DATE OF RENEWAL LEASE	NYC		Nassau		Rockland		Westchester		Westchester (tenant pays either heat or hot water)		City of Kingston	
	1 year	2 year	1 year	2 year	1 year	2 year	1 year	2 year	1 year	2 year	1 year	2 year
10/1/17-9/30/18	1.25%	2.00%	0.00%	0.00%	0.00%	0.50%	1.00%	1.50%	0.80%	1.20%	—	—
10/1/18-9/30/19	1.50%	2.50%	1.00%	2.00%	0.00%	0.00%	2.00%	3.00%	1.60%	2.40%	—	—
							0.00% ¹	1.00% ¹	0.00% ¹	0.80% ¹	—	—
10/1/19-9/30/20	1.50%	2.50%	1.50% ^G	2.50% ^G	0.00%	0.00%	1.75%	2.75%	1.75%	2.75%	—	—
10/1/20-9/30/21	0.00% ^G	0.00% ^{G,2} 1.00% ^{G,2}	0.00% ^G	0.00% ^G	0.00% ^G	0.00% ^G	0.00% ^G	0.00% ^G	0.00% ^G	0.00% ^G	—	—
10/1/21-9/30/22	1.50% ^{G,3}	2.50% ^G	1.00% ^G	2.00% ^G	0.50% ^G	0.75% ^G	0.50% ^G	1.00% ^G	0.50% ^G	1.00% ^G	—	—
10/1/22-9/30/23	3.25% ^G	5.00% ^G	2.00% ^G	3.50% ^G	0.50% ^G	0.75% ^G	2.00% ^G	3.00% ^G	2.00% ^G	3.00% ^G	—	—
							1.00% ^{G,4}	2.00% ^{G,4}				
10/1/23-9/30/24	3.00% ^G	2.75% ^{G,5}	1.00% ^G	2.00% ^G	0.00% ^G	0.50% ^G	1.00% ^G	2.00% ^G	1.00% ^G	2.00% ^G	0.00% ^G	0.00% ^G
		3.20% ^{G,5}	0.00% ^{G,6}	0.00% ^{G,6}								

^G The guideline increase is authorized for all leases.

¹ These increases apply only to the Village of Ossining within Westchester County.

² 0% for the first year of the lease and 1% for the second year of the lease.

³ 0% for the first six (6) months of the lease and 1.5% for the final six (6) months of the lease.

⁴ These increases apply only to the Village of Croton-on-Hudson, which expanded its ETPA coverage on March 27, 2023 to buildings built before 1974 with six or more units. They apply to leases commencing between March 27, 2023 and September 30, 2023.

⁵ For a two-year lease commencing on or after October 1, 2023 and on or before September 30, 2024, for the first year of the lease, 2.75%; and for the second year of the lease, 3.20% of the amount lawfully charged in the first year, excluding any increases other than the first-year guideline increase.

⁶ These increases apply only to the Village of Hempstead within Nassau County.

HISTORICAL VACANCY LEASE RATES

- Pursuant to the Housing Stability and Tenant Protection Act of 2019, effective June 14, 2019, there is no longer a separate statutory vacancy rate or a separate Rent Guidelines Board vacancy rate.

EFFECTIVE DATE OF VACANCY LEASE	NYC		Nassau		Rockland		Westchester		Westchester (tenant pays either heat or hot water)	
	1 year	2 year	1 year	2 year	1 year	2 year	1 year	2 year	1 year	2 year
10/1/12 - 9/30/13 ¹	18.00%	20.00%	19.00%	20.00%	20.00%	20.00%	19.00%	20.00%	19.00%	20.00%
10/1/13 - 9/30/14 ¹	16.25%	20.00%	19.50%	20.00%	18.50%	20.00%	19.00%	20.00%	19.00%	20.00%
10/1/14 - 9/30/15 ¹	18.25%	20.00%	19.50%	20.00%	17.50%	20.00%	19.00%	20.00%	19.00%	20.00%
10/1/15 - 9/30/16 ¹	18.00%	20.00%	19.50%	20.00%	19.75%	20.00%	19.00%	20.00%	19.00%	20.00%
10/1/16 - 9/30/17 ¹	18.00%	20.00%	19.50%	20.00%	20.00%	20.00%	19.00%	20.00%	19.00%	20.00%
10/1/17 - 9/30/18 ¹	19.25%	20.00%	20.00%	20.00%	19.50%	20.00%	19.50%	20.00%	19.50%	20.00%
10/1/18 - 6/13/19 ¹	19.00%	20.00%	19.00%	20.00%	20.00%	20.00%	19.00%	20.00%	19.00%	20.00%

¹Prior to June 14, 2019, the Rent Act of 2015 provides that if a preferential rent was charged and paid by the prior tenant, then the owner is entitled to increase the legal regulated rent by no more than one of the following vacancy increases:

Last Vacancy Lease Commenced:	Vacancy Increase:
Less than 2 years ago	5%
Less than 3 years ago	10%
Less than 4 years ago	15%
4 or more years ago	20% (for a two-year lease)
OR	
the % listed for the effective date and county in the table above (for a one-year lease)	



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