

RSA Reporter

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Council Members Hit With Fierce Backlash at Hearing on Intro. 632

Owners & Tenants Testify Against the Controversial Bill

At the highly anticipated hearing for the Fair Chance for Housing Act (Intro. 632), all Council Members who support the legislation were criticized by colleagues, various building owners and advocacy groups, tenants, community organizers, and many more.

The Council Committee on Civil and Human Rights held the hearing in the City Council chambers on December 8th and RSA, dozens of advocacy groups, and members of the public testified in-person, via Zoom, and through submitted testimony. Oftentimes during the hours-long hearing, it felt as if bill sponsors, particularly primary bill sponsor Council Member Keith Powers, were playing defense as numerous legislation flaws were highlighted and exposed on the record.

Furthermore, much to the Committee's displeasure, representatives of Mayor Eric Adams' Administration from the City Commission on Human Rights voiced numerous concerns with the legislation as it is currently written and recommended that the bill be amended to mirror similar fair chance housing laws in other cities throughout the country. These particular laws still permit criminal background checks in some capacity in order to ensure the safety of existing tenants in buildings. At the same time as the hearing, Mayor Adams held a press conference for other housing-related news and during his speech, he publicly acknowledged that Intro. 632 would need significant amendments to address safety concerns before he could consider signing it into law. This announcement from the Mayor was encouraging because for months, it seemed as if he supported the legislation as it is currently written.

During the hearing, Council Member Powers falsely stated that he has been willing to compromise and discuss amendments to this bill from the outset. In reality, he has tuned out concerns from RSA and industry leaders since he introduced the bill in August

2022. Believing he had the votes to ram this current version of the bill through the Council, Powers refused to address the numerous flaws of the bill over the last few months. Now that New Yorkers have heard about and educated themselves about the proposal, he and his colleagues have received immense pressure from their constituents. As a result, it is not a surprise that they are potentially willing to make necessary amendments to the bill. The day before the hearing, Council Member Powers was booed on the steps of City Hall during a successful rally held by a coalition of small property owners, tenants, community leaders, and others, who strongly oppose the bill.

Because the Mayor supports this bill in some capacity, it is becoming evident that it may be difficult to kill this bill in its entirety. However, stopping the legislation will continue to be RSA's priority. At a minimum, it is clear that we could soon be heading to the negotiating table so that a workable version of this bill could be accepted industrywide. Because of the approaching holiday season, discussions on Intro. 632 were expected to be halted until at least the beginning of January.

In the meantime, we encourage our members to continue putting pressure on their Council Member. Over the past few months, we have provided you with numerous tools to utilize and engage your tenants in this battle. Whether you have used RSA's VoterVoice campaign, sent letters to your tenants, or contacted your Council representative directly at their district office, your efforts have had a tremendous positive impact on our fight against Intro. 632.

An update on the progress of this bill could come at any time, so be on the lookout for RSA's weekly email blasts for all of the latest news, as well as instructions on how to continue aiding us in this effort. ■

IN THIS ISSUE:

1 Council Members Hit With Fierce Backlash at Hearing on Intro. 632

2 President's Message

CITY & STATE ROUNDUP

3 DSNY Ignores Citywide Concerns, Adopts New Garbage Pick-Up Schedule

4 ERAP Likely to Permanently Close After Twenty Months

4 RSA Supports Two Council Measures Requiring Photo Documentation

7 RSA Opposes Series of Bills at Housing and Buildings Hearing

8 FDNY Targets E-Bike Safety Measures in Latest Bulletin

9 Air Conditioner Surcharge Eliminated for Tenants Who Pay Electricity

9 Coming Soon: DOF's Tentative Property Tax Assessments

INSIDE RSA

6 In the News

IN THE COURTS

10 Court Strikes Down Newburgh Good Cause Eviction Law

16 Calendar of Events

PRESIDENT'S MESSAGE



Joseph Strasburg

All Eyes Turn to Housing Policy

As we anticipated, now that Governor Kathy Hochul has secured at least one full term as governor, it appears as if housing initiatives and policy will be one of her top priorities in 2023.

In December, Governor Hochul announced that she would be unveiling an ambitious housing plan for the foreseeable future during her State of the State speech in early January. Although details were vague at the time, we have been given reason to believe that the Governor will prioritize various initiatives that will build new housing throughout the State, rather than endorse stringent legislative proposals such as Good Cause Eviction.

This notion began to hold more weight after Mayor Eric Adams released his own housing plan, "Get Stuff Built," just one week after the Governor implied that she would focus on housing issues during her annual speech. If there is anything that Governor Hochul and Mayor Adams have taken pride in, it's their excellent personal and working relationship, something that their predecessors openly lacked. Because Mayor Adams' plan to build 500,000 new units over the next 10 years is so ambitious, he will certainly need assistance from the State in order to even come close to achieving that goal.

There has always been an obvious solution to tackle New York City's affordable housing crisis, and that is to build new affordable housing while preserving the existing housing stock. The demand for new units in the five boroughs is so high that it has had a direct impact on all types of housing. Because the City has lacked sufficient housing for decades, this has led to poor housing policy decisions that have only exacerbated the crisis.

If Governor Hochul and Mayor Adams stay focused on achieving their housing supply goals, it will allow them to effectively tune out the noise of lawmakers who are pushing for terrible proposals, such as Senator Julia Salazar's Good Cause Eviction bill. Make no mistake about it, regardless of how successful the Governor and Mayor are, these extreme, anti-owner lawmakers will continue to advocate for legislative proposals that would only make things worse.

As a result, RSA and our entire statewide coalition will continue to keep our foot on the gas and do everything in our power to block these proposed bills from moving forward. Furthermore, we have started to outline our industry's legislative priorities for 2023 with our elected allies in the Legislature. Our agenda will not only feature sound proposals that will benefit both building owners and tenants, but will also expose some of the poor legislative decisions that have been made over the last few years.

Our continued, positive working relationship with so many of these elected leaders continues to pay off. Our ability to meet with these elected officials and have productive dialogue not only prevents many of these anti-owner bills from passing, but at a minimum, allows us to negotiate versions of the bills that are more sensible for the City's rental housing industry.

The next few months will paint a bigger picture of how Governor Hochul and Mayor Adams hope to achieve their goals for a better housing stock in New York City. However, unlike in recent years, RSA is proud to once again be part of the discussion to improve housing for all New Yorkers for years to come.

RSA Membership Has Never Been More Important

This month, 2023 RSA membership statements will be mailed out to you. With so much at stake for our industry this year, it is vital that you are able to benefit from RSA's services and advocacy. I encourage you to pay your membership dues in full, for all of your units. Please be advised that additional statements will be sent out over the course of the next few months if your membership dues are not satisfied after this initial mailing.

We understand that it has become increasingly difficult to run your businesses and operate your buildings over the last few years. However, our staff is committed to exploring and implementing additional ways to make it as easy as possible, as well as present our legislative priorities to State and City lawmakers. Our decades of experience in advocacy, our services, seminars, meetings, and communications efforts make your membership at RSA invaluable. ■

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DSNY Ignores Citywide Concerns, Adopts New Garbage Pick-Up Schedule

Despite backlash from property owners of all sizes, the City Department of Sanitation (DSNY) officially adopted new garbage pick-up times, which they believe will help combat the City's rodent population.

Under the new rules, which will go into effect on April 1, 2023, residential buildings will have multiple options, each of which would substantially decrease the amount of time waste is on the curb:

1. For those using receptacles with tight-fitting lids, such receptacles containing solid waste and recyclables may be placed at the curb for collection by DSNY no earlier than 6:00 p.m. on the day before their scheduled collection. Those using bags may place out their materials at the curb for collection by DSNY no earlier than 8:00 p.m. on the day before their scheduled collection.
2. DSNY is now in the midst of creating an enrollment-based multi-unit building collection program for owners of buildings that contain nine or more dwelling units. This program will allow approved buildings with on-site maintenance or janitorial staff to set out waste for collection between 4:00 a.m. and 7:00 a.m. on the day of collection rather than after 6:00 p.m. (if in a container with a lid) or 8:00 p.m. the night before collection. This will provide flexibility to building staff in terms of changes to scheduled shifts necessary to implement this rule change. To enroll in this program, a building owner or managing agent would have to apply directly to DSNY. If approved, each enrolled building would be automatically renewed on an annual basis unless the owner or managing agent opts out.

To supplement the change in times, DSNY is increasing the number of midnight shifts for garbage removal. Details concerning the enrollment process in the new, multi-unit program were not yet available as we went to press. However, because building owners will have to submit an application and go through an

approval process, we expect that DSNY will provide this important information within the next few weeks. We will notify our members via email blast and *RSA Reporter* once they become available.

As you may recall, DSNY held a public hearing on these proposed changes on November 18th. RSA and hundreds of property owners expressed the same concerns with DSNY's proposals, such as whether or not these changes would actually mitigate rodent presence, as well as the impact it would have on building staff and their regular work hours. Nevertheless, DSNY adopted the proposed changes without any amendments to address industrywide concerns.

When DSNY approached RSA over the summer to discuss potential changes to the garbage pick-up times, there was immediate industrywide backlash from property owners and unions representing building staff, such as 32BJ SEIU. Although Mayor Eric Adams supported the initiative and endorsed it as a way to combat New York City's growing rat concerns, many believed that simply changing the times in which garbage could be placed at the curb would do nothing to help alleviate that problem. For some time, interest in the proposed changes began to cool and DSNY expressed desire to meet with RSA and other industrywide professionals to discuss workable amendments.

Despite that commitment from DSNY, RSA and the entire rental housing industry were blindsided when Mayor Adams and 32BJ SEIU announced in mid-October that a deal had been made to move forward with the Mayor's goal of curbing the City's rodent population and limiting the presence of garbage on sidewalks. Ultimately, the details agreed upon were the exact same proposed rules that DSNY allowed a public comment period on.

We will keep you apprised of all developments with regard to the new multi-unit program and will provide additional reminders of the new garbage pick-up rules as we approach the April 1, 2023 commencement date. In the meantime, RSA will continue pressuring DSNY to develop and invest in real rat-mitigation programs for property owners. ■

RSA MEMBERSHIP MEETING

**Wednesday, January 25, 2023 at 2:30PM-4:00PM at
RSA Office 123 William St., 12th Fl., Manhattan**

The Membership Meeting is an opportunity for owners to learn about political, legal and regulatory updates as well as to raise questions and concerns. All paid RSA members are welcome to attend. Register by calling **212-214-9243** or via email at **mrodriguez@rsanyc.org**. Pre-registration is required and will close at noon the day before the date of the meeting.

ERAP Likely to Permanently Close After Twenty Months

Parties Agree Additional Funding is Unlikely

After months of anticipation, the State has announced that the COVID-related rent relief program will permanently close soon after the new year.

The State Office of Temporary and Disability Assistance (OTDA) announced on December 14th that the Emergency Rent Relief Program (ERAP) will officially close and no longer accept applications effective **January 15, 2023**. The lawsuit which forced OTDA to reopen the portal on January 11, 2022 has been settled with an agreement that OTDA will only accept new applications beyond January 15, 2023 if new funding becomes available to satisfy those applications. The Legal Aid Society, whose successful lawsuit allowed ERAP to reopen, agreed that the likelihood of future funding is slim and that OTDA should keep their focus on those who have applied already.

Since the State Supreme Court decision last year, OTDA has received \$334 million in additional funds from federal rent relief reallocation, as well as \$800 million from the State budget, to replenish ERAP and process thousands of new and existing applications over the course of 2022. However, by November 2022, it was clear that all existing funds were on the verge of being fully depleted and no additional federal or state funds were on the horizon for 2023.

In late November, OTDA stated that based on the money that had been reallocated as of November 2nd, the agency projected a funding shortfall in excess of \$200 million. By early November, there was \$422 million available in ERAP funding and OTDA anticipated an additional \$77 million in federal reallocation. Based on the number of outstanding applications that were either waiting to be paid out to building owners, or waiting to be processed, they conservatively estimated that the program would face a deficit of \$217 million. OTDA projected that if the agency continued at its current pace of accepting nearly 15,000 new ERAP applications each month, they would require an additional \$85 million per month just to satisfy those applications. It is unclear if the State will allocate additional money to satisfy the current deficit projected by OTDA.

As a result, OTDA formally requested a portal closing date of January 15, 2023, which was ultimately agreed upon by the parties. With all funding nearing complete depletion, as well as all COVID-related emergencies having ended, the decision to close the program after having been opened since June 2021 was logical. Please be advised that those who have already submitted applications, or plan on submitting applications before January 15th, will not be precluded from the eviction protections set forth by the ERAP statute. ■

RSA Supports Two Council Measures Requiring Photo Documentation

Bills Would Apply to HPD and DOB Violations

During a busy month concerning anti-owner legislation at the City Council, RSA testified in support of two bills that could be helpful for property owners when correcting violations.

During a Council Committee on Housing and Buildings hearing on December 6th, RSA provided testimony on Council Member Robert Holden's **Intro. 163** and Council Member Christopher Marte's **Intro. 484**, both of which would amend the City Administrative Code by requiring photographic documentation to evidence Housing Maintenance and Building Code violations and proof of cure. This would apply to both Department of Buildings (DOB) and Department of Housing Preservation and Development (HPD) violations.

In our testimony, RSA stated that both bills would help building owners facilitate the repair of violations. Oftentimes, building owners are notified of a code violation, but the verbiage is unclear as to the specific problem and exact locations identified

by HPD or DOB inspectors that need to be addressed. Providing photographs would offer vital information that would assist owners in expeditiously and accurately remedying the conditions. Further, the ability to document repair via photographs would be welcomed by property owners as photographic proof could conclusively demonstrate that violations have been remedied and cured.

Any photographic record of repair would also be useful should an issue later be raised, or if HPD or DOB records are not updated accurately. Photographs would provide documentation if there is a recurrence of the same condition, ultimately resulting in subsequent violations. This can demonstrate that a repair was made and provide proof should a false certification violation be mistakenly levied against a building owner.

RSA anticipates that the Council should be able to pass both of these proposed bills without any fierce objection. ■