



NEW YORK STATE SENATOR

Daniel L. Squadron

## Squadron Provision to Close Renovation Loophole Part of Extension of Rent Regulations

DANIEL L. SQUADRON June 23, 2011

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### *Bill Prevents Landlords from Using Individual Apartment Improvement Increases to Jack Up Prices, Remove Apartments from Rent Stabilization*

ALBANY – Senator Daniel Squadron announced today that the Senate passed his provision to protect tenants by closing the Individual Apartment Improvement loophole as part of the extension of rent regulations. The IAI provision would prevent landlords from sharply increasing rent due to renovations in an attempt to remove the unit from the rent stabilization program.

“For too long, jacking up rents by claiming individual apartment improvements has been the number one strategy to make apartments unaffordable. It has forced tenants out of their apartments and apartments out of rent stabilization,” said Senator Squadron. “This bill will keep rents lower and prevent landlords from using a loophole to remove affordable housing from the market. This is a win for tenants, a win for affordable housing, and a win for all of us who want to see New York remain as vibrant and diverse as it is today.”

Under this bill, renovation costs will be spread out over 60 months, rather than the current

40 month period. This extended amortization period would keep rents low, preventing rates from reaching the level that removes an apartment from the rent stabilization program. That threshold for deregulation will be increased to \$2500 under this bill.

The bill passed today also includes a provision to require the state housing agency to, for the first time ever, enforce these provisions and protect tenants from unjustified rent increases.

Senator Squadron originally introduced the legislation (S874) in January.

Click [here](#) to read Senator Squadron's statement on the extension and expansion of rent regulations that passed the Senate tonight.

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