

Section 610 Frequently Asked Questions (FAQ) for Landlords

What is Section 610?

On December 15, 2022, Governor Hochul signed Section 610 of the Private Housing Finance Law. The new law allows owners of rent stabilization buildings with Section 8 tenant or project-based rental assistance to collect up to the full rental subsidy amount, even if it is above the legal rent, subject to rent reasonableness.

The maximum possible rent increase that HRA will pay is the payment standard for the specific subsidy program. For units with a CityFHEPS, FHEPS, or HASA subsidy, the rent amount requested cannot exceed the lesser of (1) the payment standard for the eligible unit size or (2) the payment standard for the eligible household size.

Owners will need to execute an amendment to the regulatory agreement or submit an approval letter with the lead agency (e.g., New York City Department of Housing, Preservation and Development [HPD], New York State Division of Housing and Community Renewal [HCR], and NYC Housing Development Corporation [HDC] that specifically authorizes them to do so with the lead agency.

Please note that the Department of Social Services (DSS) is not the agency that approves 610 requests. DSS processes the legally allowed rent increase under Section 610 once you receive Section 610 approval.

What Department of Social Services (DSS)/Human Resources Administration (HRA) subsidies may receive Section 610?

CityFHEPS, FHEPS, and HASA subsidies.

What documentation do I need submit to have my increase request approved? The following documents are required:

1. Fully executed new lease. The agency will <u>not</u> accept a lease with handwritten changes that are related to Section 610.

Please note: If the Agency determines that the requested rent is not reasonable, landlords will have an opportunity to submit comparable rents in the area. If the rent is still determined not to be reasonable, the lease will be returned, and the landlord and tenant will need to execute a new lease.

2. Copy of the New York City Lease Rider for Rent Stabilized Tenants (RA-LR1).

The NYC Lease Rider for Rent Stabilized Tenants can be found at: https://hcr.ny.gov/tenant-owner-forms

What documentation do I need submit to have my increase request approved? *(continued)*

The following documents are required:

3. Copy of the HCR Section 610 Lease Rider [Rent Stabilized Lease Notice to Tenants - Rights Concerning Legal Rents and Higher Actual Rents [Rent Stabilized Lease Notice to Tenants - Rights Concerning Legal Rents and Higher Actual Rents (RA-LR3)].

The HCR Section 610 Lease Rider can be found at: https://hcr.ny.gov/tenant-owner-forms

4. Approval letter from the governing agency (for example: NYC HPD, NYC HDC, NYS HCR, NYS Housing Finance Agency [HFA]). The approval letter must clearly list the tenant's address. If the address listed on the approval letter is different from the address on the lease, the landlord must include a printout from Department of Buildings (DOB) showing that the addresses are the same.

Please note: An amended regulatory agreement will not be accepted instead of the approval letter. An approval letter from the governing agency is required even if an amended regulatory agreement has been submitted.

5. A Landlord Utility Information Form (**DSS-8q**).

Please note: This form is only required if the subsidy is CityFHEPS or FHEPS, the tenant moved out before 2021, and the rent has never been adjusted for a utility allowance.

The Landlord Utility Information Form can be found at: https://www.nyc.gov/assets/hra/downloads/pdf/cityfheps-documents/DSS-8q-(E)-FILLABLE.pdf

6. Section 610 Tenant Information Summary (DSS-52b) spreadsheet.

Please note: The Tenant Information Summary is <u>only</u> required if the landlord is submitting the Section 610 request. If the tenant is submitting the Section 610 request, the Tenant Information Summary is not required.

The Section 610 Tenant Information Summary can be found at: https://www.nyc.gov/site/hra/help/rental-assistance.page

How do I submit the request?

The three HRA subsidies impacted by Section 610 will be processed by different units within HRA.

- 1. CityFHEPS requests can be submitted by the individual tenant along with their subsidy renewal as follows:
 - Online through Access HRA (preferred option)
 - Email by sending documents to <u>CityFHEPSRenewals@hra.nyc.gov</u>

Landlords or management companies can submit requests along with the Section 610 Tenant Information Summary and required documents to: CityFHEPSrentincrease@hra.nyc.gov

How do I submit the request? *(continued)*

The three HRA subsidies impacted by Section 610 will be processed by different units within HRA.

- 2. FHEPS requests and documentation can be submitted by the tenant to a Benefits Access Center (BAC) or through Access HRA as a case change. BACs can approve Section 610 increases and a FHEPS modification is <u>not</u> required.
 - Landlords can submit the request directly to FHEPSrentincrease@hra.nyc.gov.
- 3. HASA requests and documentation can be submitted by the tenant to their case worker as part of their new-apartment or lease-renewal package.

When will I see an increase?

While HRA is processing the requests, please note that:

- Rent increases start at the date of the first lease renewal term <u>following</u> the 610 approval. If your request was approved by HPD or HCR in May and the tenant has their subsidy term through October, you should wait until the October renewal to request the increase.
- If you submit your request after the first lease renewal following approval, HRA will
 process the increase retro to the most recent renewal. For example, if you got an
 approval in March of 2024, renewed the tenant's lease in May of 2024, and then
 requested a 610 increase in August, your request would be retroactive to May of 2024.
 If you request an increase in August of 2025, your increase will be retroactively to May
 of 2025.

Please note that Rent Reasonableness will be considered for CityFHEPS increases.

What will the increase be?

The rent schedules can be found at:

- CityFHEPS: <u>https://www.nyc.gov/assets/hra/downloads/pdf/cityfheps-documents/DSS-8r-(E).pdf</u>
- FHEPS: https://www.nyc.gov/assets/hra/downloads/pdf/FHEPS/HRA_146z_E.pdf