State rent regulation laws were updated in 2019, changing the way the New York City Rent Freeze Program processes rent increases.

This bulletin outlines how the changes affect Rent Freeze applications and adjustments. This information may be updated in accordance with additional guidelines issued by New York State Homes and Community Renewal (HCR).

NYC Department of Finance

Bulletin: Rent Freeze Program Updates
August 2019
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Major Capital Improvements Administration

For rent-regulated units, landlords apply with New York State Homes and Community Renewal for rent increases for major capital improvements (MCI). The Rent Freeze Program freezes the rent of program participants, and allowable rent increases, such as MCIs, are covered by a tax abatement credit (TAC) to the landlord.

What's new?

- The yearly increase limit has been reduced from 6% to 2%. The 2% cap is applicable prospectively for any MCIs issued since June 16, 2012.
- The MCI retroactive increase is eliminated.
- MCI rent increases are temporary and will expire after 30 years.

The new changes will not affect the frozen rent of current participants; however, they will affect the TAC associated with future MCIs that exceed the new 2% cap.

What to expect?

Any existing MCIs that have already been submitted to the Rent Freeze Program and have future annual increases will be subject to the 2% cap. The Rent Freeze Program will follow the guidelines issued by New York State Homes and Community Renewal.

What should applicants submit?

There is no change to the procedure for submitting MCIs. Any new MCIs should be submitted to the Rent Freeze Program, along with a TAC adjustment form. All forms are available on the Rent Freeze website, www.nyc.gov/rentfreeze, or by calling 311.