

Gasps and looks of disbelief as landlords walk through new tenant protection law

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More than 100 people packed a boat club in Saratoga County on a sunny Monday afternoon, not to take in the view of the Mohawk River but to get a handle on the dizzying number of new requirements and restrictions for apartment owners in New York.

Landlords, property managers and others in the rental business are learning the details of the Statewide Housing Stability and Tenant Protection Act of 2019 — a law Gov. Andrew Cuomo signed last month that renewed rent control in New York City and created new protections for tenants across the state.

Much of the focus has been on the ability to now regulate rents in communities throughout the state, but that can only happen in cities, towns or villages that meet specific criteria for vacancy rates and then opt into the system. Even then, it would only apply to properties built before 1974 that have six or more units.

A different section of the law applies to every rental building except for owner-occupied homes with less than four units, according to Jaime Michelle Cain, an attorney and partner at Boylan Code LLP in Rochester who specializes in landlord-tenant disputes.

The New York Capital Region Apartment Association, whose members service about 22,000 rental units upstate, invited Cain to speak during a meeting at the Crescent Boat Club in Halfmoon. The group is trying to raise its profile and increase membership. It appears this issue will be a galvanizing force.

One of the goals is to have a unified response from upstate landlords to call for changes in the new law and to counteract lobbying efforts in the next legislative session that would further affect landlords. Cain said she wants to work collaboratively with tenants' rights groups to come up with solutions.

The law touches on virtually every aspect of apartment living, including lease renewals, rent payments, security deposits and eviction proceedings.

A handout Cain distributed to the crowd had 37 side-by-side comparisons of old vs. new requirements or restrictions. There were gasps and looks of disbelief as she methodically explained many of them.



MICHAEL DEMASI

Jaime Michelle Cain (right), an attorney at Boylan Code LLP in Rochester, explains a new state law affecting landlords at a meeting of the New York Capital Region Apartment Association.

Most changes became law when Cuomo signed the bill June 14. Others take effect this month or in October. Compounding the complexity is that some of the language is unclear. Cain emphasized she didn't have all the answers, and her interpretations may be different from those of other attorneys.

Generally speaking, the law gives tenants more rights to stay in their apartment and limits the ability of landlords to act quickly when the rent is late. There are also safeguards to prevent retaliatory evictions against tenants who lodge complaints, and prohibitions in the tenant screening process.

For instance, landlords can't deny an apartment to someone just because they were previously evicted from another building, Cain said. She advised people to not check court records for past evictions or even ask previous landlords if a tenant was thrown out.

"My advice is if you call the prior landlord, just ask 'yes' or 'no' whether they would rent to them again," Cain said. "If they say 'no,' get off that phone."

The law also gives judges the power to delay an eviction for up to a year if the tenant can prove a hardship, such as a serious health problem, a child's enrollment in a local school or "any other extenuating circumstances" affecting the tenant's ability to move, according to Cain.

"If any part handicaps landlords, this is it," she said.

Among the people at the meeting was Tim Owens, general manager of Tri City Rentals, the largest apartment owner in the Albany region. The company has about 10,000 units statewide.

He said the law will add to the company's expenses, such as potentially hiring more staff, preparing new leases, new notification documents, certified mail costs and attorney fees.

"I think landlords with a small number of holdings will be dramatically hit by these bottom line costs," Owens said. "At Tri City Rentals, we'll have to develop new systems, new procedures and new strategies to offset these income losses on the bottom line."

Deborah Pusatere, a real estate broker who is vice president of the apartment owners' association, said the law will make it harder for her to manage cash flow at the roughly 100 apartments she owns in the Albany region. The longer it takes to evict someone for non-payment, the longer she goes without receiving income.

"This is a really tough business," she said, pointing to lost rent from evicted tenants. "People don't realize how much money I walk away from."

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