

Homes and Community Renewal

FACT SHEET # 11

Office of Rent Administration

Demolition

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One of the grounds upon which an owner may end a rent regulated tenancy (rent controlled or rent stabilized) is where the owner intends to demolish the building. However, in such situations, the owner must first obtain the approval of the Division of Housing and Community Renewal (DHCR).

The owner is required to file Form RA-54, "Owner's Application for Order Granting Approval to Refuse Renewal of Lease and/or to Proceed for Eviction" with DHCR.

However, in New York City, if the building contains rent controlled tenants, then <u>before</u> filing Form RA-54, the owner must also file with DHCR and serve the rent controlled tenants with Form RC-50 "Report and Certification To Alter or Demolish Rent Controlled Occupied Housing Accommodations." Please note that the RC-50 form is not required where there are no rent controlled tenants in the building. However, when it is required, the RC-50 form needs to be filed prior to the submission of plans to the New York City Department of Buildings (DOB).

Owners are advised to carefully review DOB Form **PW1: Plan/Work Application**, specifically Section 26 (Property Owner's Statements and Signatures), where the owner is asked to answer questions about whether apartment units will remain occupied during construction, whether the units are subject to rent control and rent stabilization, and whether DHCR has been notified about the proposed work.

Owner's Filing Requirements

An RA-54 application will be rejected and neither docketed nor accepted for filing, unless it contains the following documents:

- Plans that have been reviewed and approved by DOB or other appropriate government agency outside of New York City.
- Evidence of financial ability to complete the undertaking, such as a Letter of Intent or a Commitment letter from a financial institution, or other evidence that DHCR determines to be appropriate.

DHCR Application Processing

Once the RA-54 application is accepted for filing, DHCR will:

- serve each tenant with a copy of the application
- review all tenant responses
- conduct a hearing, if appropriate
- issue a written order granting or denying the application

During the processing of the case:

- Owners do not have to offer renewal leases, but tenants may remain in occupancy with no increase in rent.
- Owners are required to serve tenants with termination notices, which among other

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things state "that the tenant shall not be required to vacate until DHCR has issued a final Order approving the RA-54 application."

Tenant Protections

- If the owner's RA-54 application is granted, the DHCR Order will contain terms relating to relocation stipends, moving expenses, and will give the tenant a reasonable amount of time to vacate the apartment.
- If the owner's application is denied or withdrawn, the DHCR Order will direct the owner to offer the tenants prospective lease renewals.
- Orders can be appealed within 35 days. The filing of the appeal (PAR) stays (freezes) the order.
- Warrants of eviction must be obtained from a court of competent jurisdiction.

This Fact Sheet is a summary of this topic. For a detailed discussion, please refer to: Operational Bulletin 2023-2, "Procedures Pursuant to the Rent Stabilization Code for the Filing of an Owner's Application to Refuse to Renew Leases on the Grounds of Demolition."

SOURCES

Tenant Protection Regulations

New York City Rent Stabilization Code

New York City Rent and Eviction Regulations



Rent Connect: rent.hcr.ny.gov

Ask a question:

portal.hcr.ny.gov/app/

For translation help: hcr.ny.gov/languageaccessibility

Our website: hcr.ny.gov/rent

To visit a Borough Rent Office, by appointment only, please contact:

QUEENS

92-31 Union Hall Street 6th Floor Jamaica, NY 11433 718-482-4041

BROOKLYN

55 Hanson Place 6th Floor Brooklyn, NY 11217 718-722-4778

UPPER MANHATTAN

163 W. 125th Street 5th Floor New York, NY 10027 212-961-8930

LOWER MANHATTAN

25 Beaver Street New York, NY 10004 212-480-6238

BRONX

1 Fordham Plaza 4th Floor Bronx, NY 10458 718-430-0880

WESTCHESTER

75 South Broadway 3rd Floor White Plains, NY 10601 914-948-4434