

2018 Report on the New York City Rent Freeze Program



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Contents

Executive Summary.....	2
Rent Freeze Program Overview.....	2
Outreach.....	5
Enrollment Figures.....	6
Conclusion.....	12
Appendix A: Data and Methodology.....	13
Appendix B: Rent Freeze Participants by Neighborhood, 2016.....	19

Executive Summary

The New York City Rent Freeze program is comprised of the Senior Citizen Rent Increase Exemption (SCRIE) and the Disability Rent Increase Exemption (DRIE). The program assists low-income seniors and people with disabilities who reside in rent-regulated apartments or apartments subject to the Private Housing Finance Law. The SCRIE and DRIE benefits freeze recipients' rent and protect them from future increases. As housing costs continue to rise citywide, the Rent Freeze program helps New Yorkers remain in their homes.

The *Report on the New York City Rent Freeze Program* published by the Department of Finance in 2014 estimated that 155,366 households were eligible for Rent Freeze. That estimate was based on an analysis of Housing and Vacancy Survey (HVS) data. At the time, 67,042 households were already enrolled in the program, including 5,723 units administered by the Department of Housing Preservation and Development (HPD), and another 88,324 households were estimated to be eligible. Based on these findings, the report recommended more outreach in neighborhoods with low utilization rates.

This report updates the Department of Finance's methodology to assess the number of households eligible to participate in the Rent Freeze program using a new approach. In 2016, the most recent year for which complete data is available, 73,299 of an estimated 130,314 eligible households received SCRIE or DRIE benefits, an enrollment rate of 56.2%.

The report also identifies barriers to increasing overall enrollment in the Rent Freeze program. Attrition has remained consistent over time: as new enrollees are added, participants are also leaving the program. Additionally, the Department of Finance has started to collect preferential rent information from Rent Freeze tenants. The data suggests that tenants may have a greater incentive to accept the preferential rent than a rent freeze.

Information about past and current efforts to increase enrollment in the Rent Freeze program is also provided. While more work is needed, program participation has increased by nearly 11% (after accounting for attrition) since the release of the 2014 report, assisted by a proactive outreach effort. However, attrition and preferential rent remain significant issues. The agency will continue to work with its many partners to enroll more eligible New Yorkers.

Rent Freeze Program Overview

The Rent Freeze exemptions freeze participants' rent, protecting renters from future increases as long as they remain in the program. The program provides property tax credits to landlords to cover the difference between their tenants' frozen rent amount and the amount of rent that would be permitted by the Rent Guidelines Board. Those eligible for the program include tenants residing in Mitchell-Lama and other Private Housing Finance Law units, apartments that are regulated by New York State Housing and Community Renewal (HCR), and rent-controlled, rent-stabilized, or hotel-stabilized apartments.

The SCRIE benefit was established by state law in 1972 and adopted by the City of New York that same year. Initially, only HCR units were eligible, but the program was later expanded to include rent-stabilized and rent-controlled apartments, as well as tenants in certain rental and cooperative apartments in buildings that were subject to Articles II, IV, V, or XI of the New York State Private Housing Finance Law, or apartments that were subject to a federally insured mortgage pursuant to Section 213 of the National Housing Act.

Since 2014, the Department of Finance has worked with the state to introduce and pass legislation to make critical improvements to the Rent Freeze program for current and future recipients. These improvements have included:

- Allowing recipients to be grandfathered in for renewal applications and evaluated according to the same criteria as in previous years.
- Permitting participants to return to their previous frozen rent if a one-time income increase (such as a pension payout) causes them to be ineligible for the benefit for one year.
- Establishing a short-form renewal application for those who have participated in the program for five consecutive benefit periods.
- Increasing the program's income ceiling to \$50,000 from \$29,000 for SCRIE and from \$20,412 (single-member households) and \$29,484 (households with multiple members) for DRIE.

These legislative changes support efforts to simplify the recertification process and offer protection from one-time income spikes. Overall, this led to increased participation in the program.

In addition, the Department of Finance has implemented a number of administrative improvements. These include:

- The NYC LEAP landlord portal, which allows property owners to submit documents necessary for the processing of Rent Freeze applications.
- Improved Rent Freeze applications designed to make the application process easier, with pre-qualification tools, clear instructions, streamlined forms, and answers to frequently asked questions.
- Cross-training of processing staff for improved response times to applicants.
- Creation of the SCRIE and DRIE ombudsperson positions to help tenants resolve any issues when applying for or renewing benefits.

The Department of Finance has been responsible for administering the SCRIE benefit for rent-regulated apartments since 2009. Previously, the exemption had been the responsibility of the Department for the Aging and the Department of Housing Preservation & Development. The

DRIE exemption was established in October 2005 and has been administered by the Department of Finance since its inception.

The Rent Freeze programs have a number of eligibility requirements.

SCRIE Eligibility:

- Age: 62 or older.
- Combined household income: \$50,000 or less.
- More than one-third of the monthly household income must be spent on rent.
- In addition to residing in an eligible unit, the applicant must be named on the rent order or have succession rights.
- Residence in an apartment that is rent-regulated or subject to the Private Housing Finance Law.

DRIE Eligibility:

- Age: 18 or older.
- Combined household income: \$50,000 or less.
- More than one-third of the monthly household income must be spent on rent.
- In addition to residing in an eligible unit, the applicant must be named on the rent order or have succession rights.
- The applicant must have been awarded Supplemental Security Income, Social Security Disability Insurance, disability-related Medicaid, or a U.S. Department of Veterans Affairs or United States Postal Service disability pension or disability compensation.
- Residence in an apartment that is rent-regulated or subject to the Private Housing Finance Law.

The 2014 *Report on the New York City Rent Freeze Program* was the Department of Finance's first attempt to estimate the number of households eligible for the program. This report updates the 2014 methodology, which relied upon HVS data to estimate the number of Rent Freeze-eligible households. In addition to HVS data, we looked at 2015 income tax data (the most recent available) from the IRS and 2016 data (again, the most recent available) on rent-stabilized apartments provided by New York State Homes and Community Renewal. These additional data have made it possible for us to explore an alternative methodology to assess the Rent Freeze program's eligible population and utilization rate. We estimate the population eligible for the Rent Freeze program to be 130,314 in 2016, placing the utilization rate at 56.2%, based on the new methodology.

Outreach

The Department of Finance has conducted a robust Rent Freeze outreach program since the release of the 2014 report, resulting in a 10.8% increase in the number of households receiving Rent Freeze benefits. If not for attrition, discussed in further detail later in this report, enrollment in the program would have increased by 26%.

Since 2014, DOF's Outreach unit has targeted the Upper East Side, the Upper West Side, and Stuyvesant Town/Turtle Bay in Manhattan; Kingsbridge Heights/Mosholu, Highbridge/South Concourse, Throggs Neck/Coop City, and Riverdale/Kingsbridge in the Bronx; Coney Island, central Flatbush, and Crown Heights in Brooklyn; and Flushing/Whitestone and Kew Gardens Park/Woodhaven in Queens.

Whereas previously the department's outreach focused primarily on education—making people aware of the program by providing information about its benefits—today DOF's Outreach team also provides a full range of case management services. Staff work closely with potential applicants throughout the application and enrollment process.

Much of the department's outreach to eligible SCRIE and DRIE households is done at in-person events in communities that are home to a large number of households eligible for Rent Freeze. In fiscal year 2018, DOF's Outreach team, currently a staff of seven, attended or hosted 427 events, or an average of eight per week.

At these events—held in government buildings, community centers, churches, and other locations in all five boroughs—attendees may submit their applications and documentation with help from knowledgeable DOF employees. Translation services can often be provided on site, as the Outreach team is diverse and multi-lingual, and Rent Freeze materials are available in ten major languages: Arabic, Bengali, Chinese, French, Haitian Creole, Korean, Polish, Russian, Spanish, and Urdu. Our staff members are also able to conduct home visits for homebound applicants.

DOF maintains strong partnerships at every level of government, including with community boards and the New York City Council. The mayor's office, through its Tenant Support Unit, has conducted extensive Rent Freeze outreach since the publication of the 2014 report. The Department of Finance worked with the mayor's office to secure funding for a citywide Rent Freeze marketing campaign that launched in late 2016 and concluded in June 2017. In addition to a radio ad buy, the City purchased digital ads on Google and Facebook to go along with print advertisements in AM NY, El Diario, and Metro NY. Rent Freeze ads were placed in subway cars and buses (interior and exterior) and in well-trafficked neighborhood locations such as stores, laundromats, and salons.

We hold monthly events with the presidents of each of the five boroughs. The DOF Outreach team also trains community partners in order to extend its reach into the community. By the end of 2018, DOF will have trained over 300 individuals who will then help disseminate

information and assist community members in applying for the program. The Outreach team frequently mails promotional information to potential applicants and assists with the renewal process to ensure that eligible households continue to receive benefits. Staff also utilize the agency's website and social media platforms to build awareness of the program.

The department's Outreach team works regularly and closely with another DOF unit, the Property Exemption Administration's Community Assistance Program (PEA-CAP), to conduct outreach. The PEA-CAP team partners with community-based organizations to increase the number of participants in our exemption programs for seniors and people with disabilities. PEA-CAP conducts train-the-trainer sessions for community organizations that work with New Yorkers who may be eligible for these benefits. The PEA-CAP teams collect and review applications, respond to inquiries from external and DOF stakeholders, and work directly with applicants and program participants to ensure that they receive the benefits to which they are entitled.

The Department of Finance is working on a number of approaches to increase outreach and enrollment in 2019, including:

- Digital applications for applicants and service providers.
- A contact center to allow a single point of contact for applicants to communicate with DOF as needed.
- A partnership with the NYC Service Bureau to strategically engage civic volunteers to help us spread the word and expand our reach.
- Improved marketing materials and shorter, clearer applications and notices.

In addition to hosting and participating in in-person outreach events, we will continue to reach potential Rent Freeze participants with mailings and social media campaigns. Our aim in 2019 is to become more data-driven in our approach to Rent Freeze outreach, focusing our efforts in neighborhoods that are home to large populations of potential SCRIE and DRIE recipients. We will target these communities with mailings and in-person visits to enroll as many eligible recipients as we can.

Enrollment Figures

The following tables and charts track the Rent Freeze program's enrollment since the 2014 report.

Table 1 shows the annual growth of the Rent Freeze program.

	2014	2015	2016	2017	Change
SCRIE (DOF)	52,171	55,791	55,215	55,539	6.5%
SCRIE (HPD)	5,723	7,109	6,721	7,225	26.2%
DRIE (DOF)	9,148	10,764	11,363	11,551	26.3%
Total	67,042	73,664	73,299	74,315	10.8%

Table 2 shows DOF-administered Rent Freeze benefits by borough from 2014 to 2016, the most recent year for which data is available for detailed analysis. Mitchell Lama residents receiving SCRIE benefits administered by the Department of Housing Preservation & Development are not included.

	SCRIE			DRIE			Total		
	2014	2016	Change	2014	2016	Change	2014	2016	Change
Bronx	9,015	8,581	-4.8%	2,821	2,627	-6.9%	11,836	11,208	-5.3%
Brooklyn	14,582	15,879	8.9%	2,051	3,361	63.9%	16,633	19,240	15.7%
Manhattan	17,212	18,452	7.2%	2,779	3,511	26.3%	19,991	21,963	9.9%
Queens	10,995	11,879	8.0%	1,429	1,784	24.8%	12,424	13,663	10.0%
S. I.	367	424	15.5%	68	80	17.6%	435	504	15.9%
Total	52,171	55,215	5.8%	9,148	11,363	24.2%	61,319	66,578	8.6%

Table 3 shows the amount of time the average SCRIE or DRIE recipient has participated in the Rent Freeze program, along with the average and median benefit amounts for recipients of the exemptions. The longer benefit period and higher benefit amount for SCRIE recipients are due to the fact that the program was created several decades before DRIE. Table 4 shows the average and median household size and age (where data on age is available) of SCRIE and DRIE recipients.

		Years in Program	Income	Current Rent	Frozen Rent	Monthly Benefit
SCRIE	AVG	8.2	\$18,572	\$1,062	\$824	\$238
	MED	6.5	\$16,256	\$974	\$746	\$192
DRIE	AVG	5.2	\$15,172	\$1,040	\$849	\$191
	MED	5.1	\$13,360	\$974	\$790	\$173

Table 4 : Householder Information, 2016			
		Household Size	Householder Age
SCRIE	AVG	1.5	73.6
	MED	1	74
DRIE	AVG	1.4	57.5
	MED	1	60

Table 5 shows the average Rent Freeze benefit period and amount by borough. The map provided in appendix B shows the neighborhood-level distribution of SCRIE and DRIE recipients as of 2016.

Table 5: Benefit Period and Amount by Borough, 2016					
	Years in Program	Income	Legal Reg. Rent	Frozen Rent	Monthly Benefit
Manhattan	7.7	\$18,099	\$1,068	\$823	\$245
Bronx	6.4	\$17,333	\$978	\$786	\$192
Brooklyn	7.1	\$17,377	\$1,038	\$814	\$223
Queens	7.6	\$19,054	\$1,131	\$883	\$248
S. I.	5.7	\$21,913	\$1,147	\$987	\$160

Chart 1 shows the average monthly Rent Freeze benefit by program duration. The longer recipients are in the program, the more their benefit tends to increase due to increases in what the landlord could charge per the NYC Rent Guidelines Board.

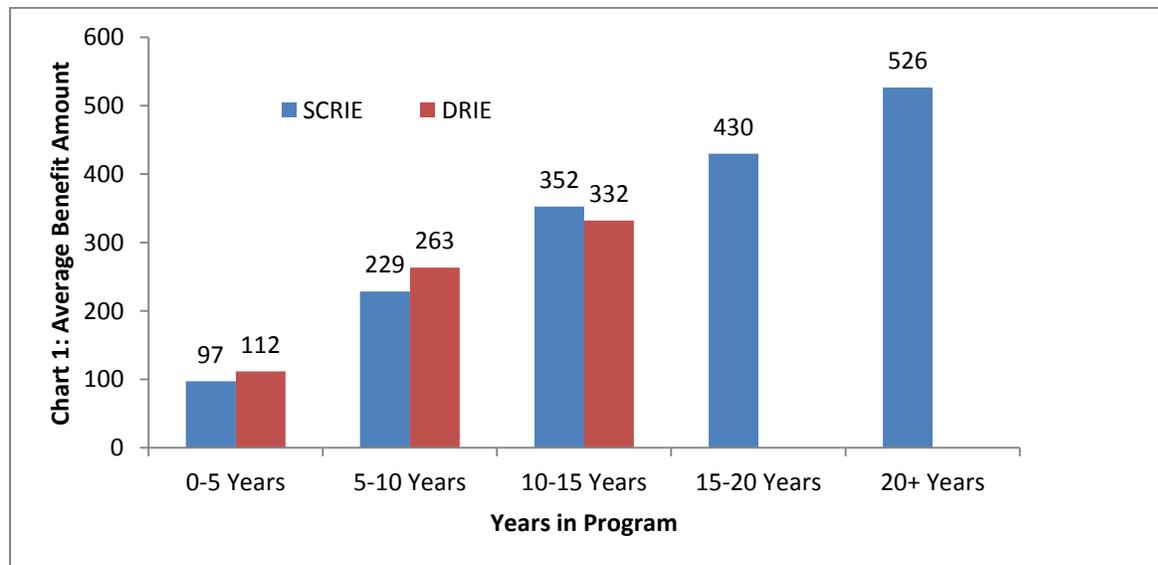
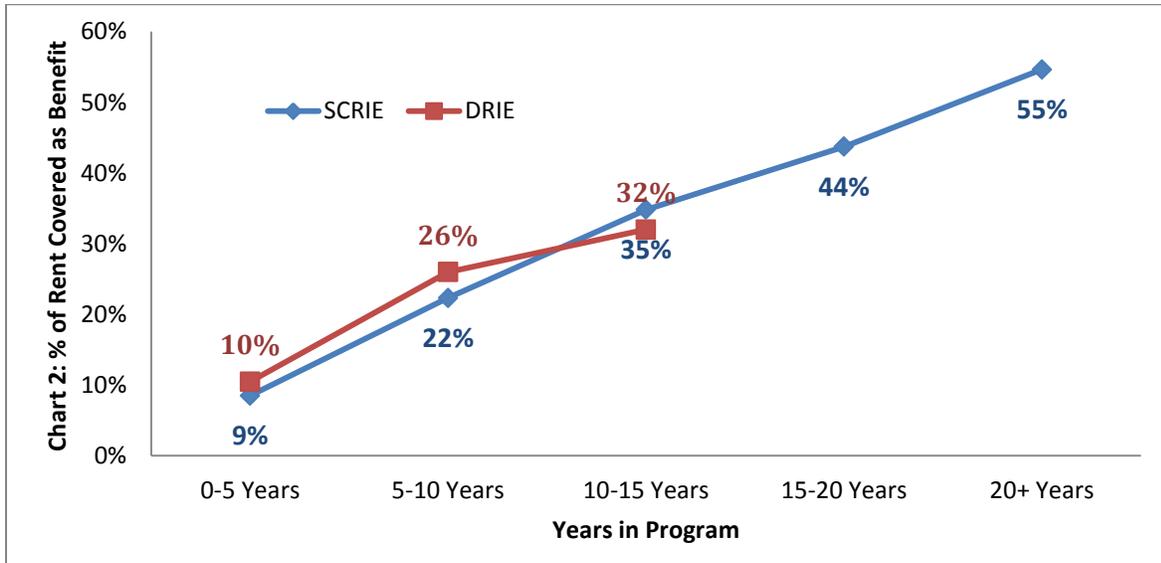


Chart 2 shows the average percentage of a tenant’s legal rent that is covered by the SCRIE or DRIE benefit. Again, with more time in the program, the value of the benefit to the renter increases.



Summary of Estimates

The 2014 report relied on data from the Housing and Vacancy Survey, a public dataset published every three years that details many characteristics of the city’s housing market, with a primary focus on the rental vacancy rate. For more information on the HVS, visit www.census.gov/programs-surveys/nychvs/about.html.

The current report relies on the 2017 HVS, particularly to estimate the Rent Freeze-eligible population living in rent-controlled and Mitchell Lama apartment units, while incorporating additional data from the IRS and New York State Homes and Community Renewal to estimate the Rent Freeze-eligible population living in rent-stabilized apartments. The eligible population residing in rent-stabilized apartment units was estimated based on the actual administrative data sources, rather than the HVS sample data, and combines different data sources to make estimations. The new approach utilizes the administrative data, the HCR rent-stabilized apartment data, and the IRS income data. The HCR data represents the total number of apartment units that were registered with HCR in 2016. The household income, age, and disability status for these units were derived from the IRS data.

We have attempted to validate the suitability of the HVS data for our purposes this year. Table 6 compares the 2014 estimate of the Rent Freeze-eligible population and enrollment with the estimates made using the HVS data and the administrative data. Although the newly developed methodology is still a work in progress, this report presents the estimates derived with the new approach based on the administrative data as the best estimate that is available to us as of today. The new approach estimates a lower eligible population than suggested by the HVS

estimate. The program utilization rate is 56.2% under the new approach, as opposed to the 42.5% based on the HVS estimate.

Table 6: Rent Freeze Eligibility and Enrollment Estimates			
	2014¹	2017 HVS Data Estimate	2016 Administrative Data Estimate
Eligible Population	155,366	175,050	130,314
Actual Recipients	67,042	74,315	73,299
Enrollment Rate	43.2%	42.5%	56.2%

Preferential Rent

Approximately 30% of all households occupying rent-stabilized units are currently paying below the legal regulated rent because they have preferential rent agreements with their landlords.² These agreements, under which tenants pay a rent amount less than the “legal regulated rent” amount, can last for as long as the life of the lease or the life of the tenant.

Even for those who have preferential rent agreements, the Rent Freeze program is a worthwhile option. Enrollment in the Rent Freeze program would protect these tenants from future increases in their rent should their preferential rent agreements expire. Even after enrolling in Rent Freeze, these tenants can continue to pay their preferential rent amount if it is lower than the frozen rent amount. The rent will be frozen at the preferential rent amount if the preferential rent agreement is for the life of the tenancy.

However, in many cases, the tenant’s preferential rent amount is lower than the amount they would pay if their rent were frozen today. As a result, these tenants see little incentive to enroll in the program. And indeed, only 4.1% of current SCRIE and DRIE recipients have a preferential rent agreement, per the preferential rent information we have collected since 2016 as part of the application review process. The data shows that the median of difference between the preferential rent and legal regulated rent is \$421. This is a significant cost saving compared to the average benefit in the Rent Freeze program, and as such, tenants may not see the benefit of enrolling.

¹ The 2014 report estimated that 155,366 households were eligible while 61,319 were already enrolled in the programs, leaving 94,047 households as the eligible but not enrolled. Adjusting for the 5,723 SCRIE benefits in the Mitchell Lama properties that were administered by Department of Housing Preservation & Development, the eligible but not enrolled households were 88,324.

² NYS Homes & Community Renewal (2016).

Years in Rent Freeze Program	Average of Monthly Benefit
0	\$29.69
1-4	\$88.38
5	\$135.00
6-10	\$216.47
10+	\$392.20

Program Attrition

Table 8 shows that even though the program’s new enrollment resulted in a 26% increase between 2014 and 2017 for the DOF-administered benefits, that growth was offset by attrition, bringing the net enrollment growth to 9.4% (10.8% for the overall benefits, including those administered by HPD). This table only includes data on the SCRIE and DRIE benefits administered by the Department of Finance. The table shows that enrollment in the program would have increased by 26% since 2014 if not for attrition.

	2014	2015	2016	2017	Total Change	% Change Over 2014
Outgoing Benefits ⁴	N/A	(4,655)	(4,428)	(5,341)	(14,424)	-23.5%
New Benefits	N/A	6,312	4,678	4,940	15,930	26.0%
Existing Benefits ⁵	N/A	55,588	57,472	56,809	N/A	N/A
Total	61,319	66,555	66,578	67,090	N/A	9.4%

Attrition is divided into two categories. The first category is comprised of participants who are no longer eligible for reasons such as moving, death, or increased income. The second category is participants who do not renew their benefits even though they are provided a six-month grace period. (The specific reason participants in the second group fail to renew is not known, but it is likely that a number of them also move, pass away, or experience a change in their financial situation.) Thirty-five percent of participants fall into the first category, while 65% fall into the second. Overall, the most recent program data shows that the Rent Freeze program loses approximately 330 participants to attrition every month.

Proactive efforts have been implemented to help applicants renew their benefits. A list of participants who do not renew within three months is shared with the city council and the mayor’s Public Engagement Unit, as well as the Department of Finance’s Outreach team. Our goal is to reach out to any tenants who may need additional assistance to renew their benefits.

³ DOF-administered benefits only.

⁴ The benefits that were revoked in the immediately following year.

⁵ Existing benefits shows some small changes from year to year because of the methodology that compared three-year periods. A household’s status could have changed in another year.

Conclusion

Nearly 75,000 households are currently enrolled in the Rent Freeze program. These households are protected from the rapidly increasing housing costs that have come to define life in New York City. While current outreach efforts have gone a long way toward enrolling more New Yorkers in the program, the Department of Finance will work with its many public and private sector partners to ensure that more eligible households apply for and enroll in the program. The Department of Finance looks forward to its continued partnership with the administration and city council to strengthen the Rent Freeze program and reach more New Yorkers who would benefit from the assurance that their rent will be affordable today, tomorrow, and into the future.

Appendix A: Data and Methodology

In this appendix, the supporting data and methodology for the results presented in the report are detailed. The methodology presented in the report uses administrative data for rent-stabilized units and survey data for estimates on rent-controlled and Mitchell Lama units for which administrative data was not available.

Administrative Data

This section of the appendix describes the estimation methodology under which administrative data was used. The methodology used for the 2014 report is based on the Housing and Vacancy Survey data, which estimated a larger eligible population than our experience with the Rent Freeze program would suggest. The administrative data used in the new methodology includes the 2016 rent-stabilized apartment data from HCR as well as the 2015 income tax data from IRS.

The initial population in this methodology is the apartment units that were classified as rent-stabilized in HCR's 2016 data. They represent the total number of apartment units that were actively registered with HCR for annual registration in 2016, including late registrations. Units that are vacant, exempt, or receiving section 8 vouchers and thus not eligible for the SCRIE and DRIE benefits were identified and excluded. This resulted in a net count of rent-stabilized apartment units that are eligible, based solely on the rent-regulation status for the SCRIE or DRIE program, as 756,610.

The HCR data also provides the rent information for each unit. In order to impose the remaining program eligibility criteria based on the demographic characteristics (age and disability status, income, and percentage of income spent on rent), personal income tax return data and IRS data on non-filers were utilized. These databases lack a commonly shared data field that would allow for an effective data merge process. Therefore, the data match was performed based on the building addresses and the tenants' or taxpayers' names. Through this data matching process, we were able to identify the actual income and age information for about 60% of the units' occupants.

The remaining units were filled with demographic information using a simulation called optimization algorithm. The algorithm simulated a scenario under which combinations of income and rent would generate the potential maximum number of the eligible population by assigning the lowest income individual to the lowest rent unit within each building.⁶ While the personal income tax filers were identified at the filing unit level (i.e., joint filers were counted as one taxing unit and assigned to one apartment), only single-person occupancy was possible in the simulation for non-filers. In reality, many apartments are occupied by multiple persons. If incomes for multiple residents of an apartment unit were included in the analysis, the

⁶ Simulations were also performed for other scenarios, with various combinations of assigning income to rent. The scenario that generated the maximum eligible population was selected.

household incomes of the units occupied by multiple residents would be higher. Therefore, some of the households that are deemed eligible under the current estimate would become ineligible, as their household income would exceed the \$50,000 threshold. Thus the methodology is still being analyzed for possible refinement.

With the defined program eligibility criteria, the eligible population was identified using the filers' tax data.⁷ For the non-filers, those who received Social Security benefits were identified as seniors or individuals with a disability and thus eligible in the absence of an exact age variable.⁸ As income for the non-filers cannot be calculated with exact deductions, the same methodology as with the HVS methodology was used, i.e., an allowance of 10% more income to account for deductions. The estimates based on the administrative data are presented in table 8.

	Rent-Stabilized Units	Eligible Population
Manhattan	262,983	34,531
Brooklyn	239,595	30,398
Bronx	209,383	23,324
Queens	154,624	22,685
Staten Island	7,294	1,263
Total	873,879	112,201

	Eligible Population⁹
Rent-Stabilized	112,201
Rent-Controlled	9,509
Mitchell Lama	8,604
Total	130,314

This methodology is still a work in progress and has the potential for further refinement.

Another point of interest in the data regarding the households which are eligible but not enrolled in the programs is preferential rents. DOF started collecting preferential rent information recently. Only 4.1% of current SCRIE and DRIE recipients are reportedly paying a preferential rent amount. However, according to the 2016 HCR data, about 30% of the total rent-stabilized units with an eligible regulation status are paying rent under a preferential rent

⁷ Income less than or equal to \$50,000; disability or age of filer or spouse 62 or above; rent income ratio greater than 1/3; eligible unit status.

⁸ The Social Security benefits include Supplemental Security Income and Social Security Disability Insurance benefits, which are the main disability benefits defined under the DRIE benefit, in addition to retirement benefits.

⁹ For rent-controlled and Mitchell Lama units, the estimates based on the HVS data were used.

agreement. This is expected to account for a major portion of the population who are eligible for but not enrolled in the Rent Freeze program.

Table 11 gives a distribution of preferential rent (of two types) for the recipients already enrolled in the program, as explained in the report.

		SCRIE/DRIE Recipients¹⁰	% Share
On Preferential Rent		2,865	4.1%
	For Life	500	0.7%
	For Lease End	2,076	3.0%
	LIHTC ¹¹	289	0.4%
On Non-Preferential Rent		66,172	95.9%
Total		69,037	100%

As there are reports of preferential rents being taken away from Rent Freeze enrollees, it is difficult to convince tenants to enroll in the Rent Freeze program even when this could provide them greater protection. Those with preferential rent agreements for the lease term would be able to freeze their rent at the legal rent amount. For example, if Tenant A is living in a rent-stabilized apartment and paying \$900 today with a legal rent limit of \$1,200, she may apply for the Rent Freeze program, and if accepted, her rent would be frozen at \$1,200. Even after enrollment in the Rent Freeze program, she is able to continue paying the preferential rent amount for as long as her landlord offers it. During this time, she will not benefit from the program, since her preferential rent is lower than the legal rent. If after 10 years her landlord decided to raise her rent to the legal limit, which would have increased to \$1,525, her rent would still be frozen at \$1,200. She would be responsible for paying \$1,200, while the remaining \$325 would be covered by the program. If the tenant were living on a fixed income, this could well mean the difference between eviction and being able to remain in her apartment.

For those with preferential rent agreements for the life of the tenancy, the frozen rent amount would be set at the preferential rent level. The preferential rent may increase according to the rates set by the Rent Guidelines Board, but the tenant would continue to pay \$900 in the above example, and the Rent Freeze program would cover the portion of the rent that increased, according to the RGB schedules.

Table 12 shows the overall estimated eligible population for SCRIE and DRIE benefits under the two estimation methodologies.

¹⁰ Households that received SCRIE and DRIE benefits between October 2017 and September 2018 from DOF rent increase exemption data.

¹¹ Participants in the Low Income Housing Tax Credit program.

	HVS Estimates, 2017	Administrative Data Estimates, 2016
Eligible Population	175,050	130,314
Actual Recipients	74,315	73,299
Program Utilization Rate	42.5%	56.2%

Since the administrative data was available only for the rent-stabilized apartments, the estimates based on the HVS data were adopted for the rent-controlled and Mitchell Lama units (Table 13).

	HVS Estimates, 2017	Administrative Data Estimates, 2016¹²
Rent-Stabilized	156,937	112,201
Rent-Controlled	9,509	9,509
Mitchell Lama	8,604	8,604
Total	175,050	130,314

HVS 2017 Data

The previous report’s methodology was updated for a more precise estimate using HVS data from 2017. As there is overlap between the SCRIE and DRIE benefits’ age requirement, it is possible to double-count eligible Rent Freeze households. This has been controlled by counting all potential eligible recipients equal to and over the age of 62 as SCRIE-eligible, and potential eligible recipients under the age of 62 as DRIE-eligible. Similar to the previous methodology, the current methodology includes households with income up to 10% greater than the program’s \$50,000 limit to allow for deductible income sources such as federal, state, and local income taxes, as well as Social Security taxes.

Eligibility for SCRIE:

- a) Age: In the previous report, only “householder aged 62 years or above” was considered for eligibility. In this report, we use “householder or spouse aged 62 years or above.”
- b) A total household income of 10% over the maximum income threshold of \$50,000.
- c) A monthly gross rent that is over one-third of the household income.
- d) Householder must be residing in an eligible unit type: rent-stabilized, rent-controlled, Mitchell Lama rental, or Mitchell Lama coop.
- e) Householder must not have a Section 8 voucher.

Eligibility for DRIE:

¹² For rent-controlled and Mitchell Lama units, the estimates based on the HVS data are used.

According to the previous report, in order for a household to be considered eligible for the DRIE benefit, it must meet conditions 'b' through 'e' as listed above. In addition, the applicant must have met the criteria below.

- a) Age: For DRIE, "householder and spouse aged younger than 62" were studied for age eligibility.
- f) Householder has "income from Social Security or railroad retirement payments." This was used as an indicator of SSDI in the previous report. The previous report added an additional condition for those who answered yes to the question above. The condition was that "the reported monthly income for the individual would have to be less than \$1,071 to be flagged." This year, this condition was excluded, as it was no longer considered valid as a result of 2014 legislative changes. For the 2018 update, households with positive benefit amounts from this income source category were deemed to have disability status, combined with the age criteria.
- g) Householder has "income from SSI, Temporary Assistance for Needy Families, Family Assistance, Safety Net, or other public assistance or public welfare payments (including shelter allowance)" and, at the household level, reported "Supplemental Security Income." This was used as an indicator for SSI in the previous report. Again, the previous report added a condition for those who answered yes to this question. The condition was that "reported monthly income for the individual would have to be less than \$1,528 for single householders and \$2,250 for non-single householders to be flagged." Applying this income source to our analysis led to disproportionately higher numbers of DRIE-eligible households. This may be due to the inclusion of various kinds of benefits into one single question in the HVS survey. This indicator was intended to capture the SSI recipients in the previous report. However, this understanding has been revised as the SSI recipients are identified under the 'f,' the indicator for the recipients of Social Security benefits. It was decided to exclude this condition from our present analysis.
- h) Householder has "income from retirement, survivor, or disability pensions (not including Social Security)." This was used as an indicator of a Veterans Affairs disability pension in 2014. This question was also excluded from our present analysis, as this indicator captures recipients of the benefits that are not relevant for the disability status defined in the Rent Freeze program.

For the current report, the above criteria were revised to include only those who qualified as described in item 'f,' without the condition that the monthly income be less than \$1,071. Instead, those who qualified only under the terms described in item 'f' were included. (That is, those who had a positive Social Security benefit or railroad retirement benefit.)

In the HVS estimate updated for 2017 data, the criterion of being head of household for age condition was relaxed to consider any households with either the primary householder or spouse meeting the age criteria. The inclusion of spouse age was determined by DOF to be appropriate since it was challenging to determine whether or not the primary applicant was the head of the household. As long as the applicant's name is on the lease, the application would be considered.

While some precise data fields that can be used to identify the SCRIE-eligible population were available in the HVS data, the data lacked the attributes which would allow users to specifically identify people with disabilities. A conservative and inclusive approach was adopted in the previous analysis in order to avoid running the risk of missing any DRIE-eligible households. As a result, the estimate was inflated by the inclusion of households that were receiving benefits that do not constitute proof of disability for the purposes of DRIE certification. The current analysis attempted to restate the criteria to better match the eligibility requirements.

Appendix B: Rent Freeze Participants by Neighborhood, 2016

Map1: Distribution of 2016 SCRIE/DRIE Recipients by Sub-borough Area

Sub-borough Area

- 101, Greenwich Village / Financial District
- 102, Lower East Side/Chinatown
- 103, Chelsea/Clinton/Midtown
- 104, Stuyvesant Town/Turtle Bay
- 105, Upper West Side
- 106, Upper East Side
- 107, Morningside Heights/Hamilton Heights
- 108, Central Harlem
- 109, East Harlem
- 110, Washington Heights / Inwood
- 201, Mott Haven / Hunts Point
- 202, Morrisania / East Tremont
- 203, Highbridge / South Concourse
- 204, University Heights / Fordham
- 205, Kingsbridge Heights / Mosholu
- 206, Riverdale / Kingsbridge
- 207, Soundview / Parkchester
- 208, Throgs Neck / Coop City
- 209, Pelham Parkway
- 210, Williamsbridge / Baychester
- 301, Williamsburg / Greenpoint
- 302, Brooklyn Heights / Fort Greene
- 303, Bedford / Stuyvesant
- 304, Bushwick
- 305, East New York / Starret City
- 306, Park Slope / Carroll Gardens
- 307, Sunset Park
- 308, North Crown Heights / Prospect Heights
- 309, South Crown Heights
- 310, Bay Ridge
- 311, Bensonhurst
- 312, Borough Park
- 313, Coney Island
- 314, Flatbush
- 315, Sheepshead Bay / Gravesend
- 316, Brownsville / Ocean Hill
- 317, East Flatbush
- 318, Flatlands / Canarsie
- 401, Astoria
- 402, Sunnyside / Woodside
- 403, Jackson Heights
- 404, Elmhurst / Corona
- 405, Middle Village / Ridgewood
- 406, Forest Hills / Rego Park
- 407, Flushing / Whitestone
- 408, Hillcrest / Fresh Meadows
- 409, Kew Gardens / Woodhaven
- 410, Howard Beach / South Ozone Park
- 411, Bayside / Little Neck
- 412, Jamaica
- 413, Bellerose / Rosedale
- 414, Rockaways
- 501, North Shore
- 502, Mid-Island
- 503, South Shore

