David A. Paterson Governor



New York State Division of Housing and Community Renewal Office of Rent Administration

Gertz Plaza 92-31 Union Hall Street Jamaica, NY 11433

November 26, 2008

This is in response to your letter request for an opinion letter.

In your letter, you ask whether an owner can offer certain concierge services to regulated tenants on an experimental basis without those services becoming required services under the Rent Stabilization Law.

You state that the services will be provided by a third party company and the landlord would have "no direct control of the day to day operations" of the concierge services. Furthermore, participation in the services by the tenants would not be mandatory. Fees for the services would be paid by the tenants directly to the provider, and the charges would not be covered by the tenants' lease agreements or included in their rent.

In addition, the landlord will notify each tenant in writing that the services will be offered on a temporary basis and may be cancelled at the landlord's option at the end of the probationary period. A percentage of the tenants' fees for the services will be paid directly by the provider to the landlord.

According to the brochure enclosed with your letter, among the concierge services to be offered are: dry cleaning, laundry, rug cleaning, tailoring, maid service, window cleaning, flower/plant maintenance, gift baskets, pet care, messenger service, move-in service, house sitting, new furniture, entertainment/dining reservations/tickets, catering, waiter service. meal delivery, car/limo service, travel agency recommendations, spa reservations, and personal trainer/massage referrals.

Assuming that the written notifications to the tenants of the availability of the subject services will <u>not</u> be made in lease clauses or lease riders, the discontinuance of the services following the probationary period would not constitute the diminution of required services within the meaning of the laws and policies governing this agency. Indeed, because the only two items which relate to the use and occupancy of the tenants' apartments, i.e., window and rug cleaning, are not considered required services, and given the conditions you have described regarding the

provision of the services by independent third party provider(s) paid directly by the tenants who elect to use their services, the services could be discontinued even after the probationary period.

Finally, nothing in this letter should be construed to imply that normal concierge services, such as receiving and signing for deliveries, and other such services directly related to the use and occupancy of the tenants' apartments, do not constitute required services.

I hope this letter has addressed your concerns. However, please be advised that this opinion letter is not a substitute for a formal agency order issued upon prior notice to all parties, such parties having been afforded the opportunity to be heard.

Very truly yours,

Greg Fewer, Director Policy Unit

GF/mga

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