Policy Statement 90-3 (February 8, 1990)

Room Count Determination For Major Capital Improvement (MCI) Application Processing

The New York City Rent Stabilization Code, as amended in 1987, changed the method of calculating Major Capital Improvement (MCI) rent increases from apportioning the increases according to a percentage of the rent for each unit to dividing the approved cost of the MCI by the total number of rooms in the building and determining a per room cost.

The definition of a room for MCI processing is as follows:

- (1) A windowless kitchen containing at least 59 square feet.
- (2) An enclosed area with window containing at least 60 square feet.
- (3) An enclosed area without window containing at least 80 square feet.
- (4) Bathrooms, walk-in closets, etc. are excluded.

The MCI section will use this room count definition to determine the allowable rent increase for both rent controlled and rent stabilized apartments. An owner may submit a revised room count for any pending MCI application, which will be used as the basis for the MCI order. Any adverse determination stemming from a miscount in rooms which arises after an MCI order is issued becomes the responsibility of the owner.

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