



March 17, 2010

Joseph Straburg
President
Rent Stabilization Association (RSA)
123 William Street, 14th Floor
New York, NY 10038

Dear Mr. Straburg;

As you probably know, administration of the SCRIE program was transferred to the Department of Finance from the Department for the Aging last summer. Finance began to process new and recertification applications on September 18, 2009.

Frankly, we did not handle the transition well. As a result, there is a significant backlog of new and recertification applications. However, we have recently taken significant steps to address the backlog. We are well aware of the problem and we are actively working on it.

To help, we have assigned several temporary staff to the processing unit and we are processing applications as quickly as we can and in record numbers. Within three months, we should be able to eliminate our backlog and process all applications within four weeks of receipt, pending no missing documents or required signatures.

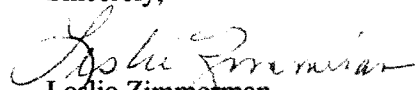
We want to remind you that *the law requires that a tenant who has received SCRIE cannot have rent increased until 180 days after the current lease has expired.* Tenants cannot be penalized because of the Department of Finance's failure to process applications in a timely manner.

While we are behind in application approvals, please note we are up-to-date on the mailing of recertification applications. We have sent out recertification applications to all present SCRIE recipients whose leases are scheduled to expire on or before the end of April. At the end of March we will be sending recertification applications to recipients whose leases expire on May 31, 2010. Our goal will also be to send recertification notices to tenants 70 days before leases expire, on the 22nd of each month.

If you have specific questions about SCRIE processing delays, please contact Virginia Ching, Unit Manager, at 212-232-1666, rather than your tenants. She will work to resolve any issue as promptly as possible.

We apologize for any inconvenience and confusion that our processing backlog has caused.

Sincerely,



Leslie Zimmerman
Assistant Commissioner

C: David M. Frankel, Commissioner
Andrew Salkin, Deputy Commissioner, Operations
Elizabeth Dvorkin Botwin, Deputy Commissioner, Administration
Sam Miller, Assistant Commissioner, Communications & Government Affairs
Lee Fiorino, Director, Business and Community Outreach