

STATE OF NEW YORK

8198

2017-2018 Regular Sessions

IN ASSEMBLY

June 2, 2017

Introduced by M. of A. FITZPATRICK -- read once and referred to the Committee on Housing

AN ACT to amend the public housing law, in relation to the purchase of dwelling units by residents of public housing projects

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 58-a of the public housing law is amended by
2 adding a new subdivision 3 to read as follows:

3 3. (a) Subject to the approval of the commissioner in the case of a
4 state project or in the case of dwelling units operated as public or
5 Indian housing pursuant to the provisions of the United States housing
6 act of 1937, as amended, and the local legislative body in the case of
7 municipal projects an authority shall provide to those residents of a
8 project the opportunity to purchase dwelling units in a project provided
9 that:

10 (i) the resident has resided in public housing projects for not less
11 than twenty-four consecutive months; and

12 (ii) is determined by the authority to be capable of assuming the
13 responsibilities of homeownership; and

14 (iii) complies with such additional requirements as the commissioner
15 or the authority may establish in the case of a state or a municipal
16 project.

17 (b) Any resident meeting the requirements of paragraph (a) of this
18 subdivision may purchase his or her dwelling unit directly from the
19 authority if the authority determines that such purchase will not inter-
20 fere with the rights of other residents residing in the project or harm
21 the efficient operation of such project. Such purchase of a dwelling
22 unit by a resident shall also include a fixed percentage of the common
23 elements of the project as determined by the authority. The price for
24 any such purchase shall not be more than the fair market value of the
25 dwelling unit as determined by the authority.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 (c) For the purpose of assisting any purchase by a resident pursuant
2 to this subdivision the authority involved or any subsidiary corporation
3 of such authority may make a loan on the security of the property
4 involved to such purchasing resident at a rate of interest determined by
5 the authority to be appropriate.

6 (d) If any resident purchaser of a dwelling unit pursuant to this
7 subdivision sells such dwelling unit before the expiration of a five
8 year period, such purchaser shall pay the following percentage of the
9 sale price to the authority involved:

10 (i) seventy-five percent, if such sale occurs during the first one
11 year period following such date;

12 (ii) sixty percent, if such sale occurs during the second one year
13 period following such date;

14 (iii) forty-five percent, if such sale occurs during the third one
15 year period following such date;

16 (iv) thirty percent, if such sale occurs during the fourth one year
17 period following such date; and

18 (v) fifteen percent, if such sale occurs during the fifth one year
19 period following such date.

20 (e) The authority or any existing tenant management corporation or
21 association shall continue to manage the project and provide maintenance
22 for the project until such time as all of the dwelling units are
23 purchased by project residents at which time the aforementioned func-
24 tions shall be transferred to a resident management association or to a
25 private management company.

26 (f) The commissioner and the authority involved shall provide such
27 training, technical assistance and education as may be necessary to
28 prepare the resident management association to undertake the management
29 and maintenance of such project and to prepare the residents for the
30 responsibility of homeownership.

31 (g) The commissioner shall issue such regulations as may be necessary
32 to carry out the provisions of this subdivision. Such regulations may
33 establish any additional terms and conditions for homeownership or resi-
34 dent management pursuant to this subdivision that are determined by the
35 commissioner to be appropriate.

36 § 2. This act shall take effect immediately.