

2013-2014 Regular Sessions

S E N A T E - A S S E M B L Y

February 8, 2013

IN SENATE -- Introduced by Sen. LAVALLE -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary

IN ASSEMBLY -- Introduced by M. of A. THIELE -- read once and referred to the Committee on Aging

AN ACT to amend the real property law, in relation to lease-hold retirement communities

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. The real property law is amended by adding a new section  
2 238-a to read as follows:

3 S 238-A. LEASE-HOLD RETIREMENT COMMUNITY. 1. DEFINITIONS. AS USED IN  
4 THIS SECTION:

5 (A) A "LEASE-HOLD RETIREMENT COMMUNITY" SHALL MEAN A CONTIGUOUS PARCEL  
6 OF PRIVATELY OWNED REAL PROPERTY CONTAINING TWO HUNDRED OR MORE LOTS  
7 WHICH ARE LEASED TO OWNERS OF YEAR-ROUND HOMES ERECTED THEREON AND  
8 AFFIXED THERETO WHEREIN THE OCCUPATION IS RESTRICTED TO INDIVIDUALS  
9 BASED ON AGE PURSUANT TO PARAGRAPH (H) OF SUBDIVISION THREE OF THIS  
10 SECTION.

11 A "LEASE-HOLD RETIREMENT COMMUNITY" SHALL NOT INCLUDE A MOBILE HOME  
12 PARK, OR CONDOMINIUM, AS DEFINED IN THIS CHAPTER OR REAL PROPERTY OWNED  
13 BY A CORPORATION FORMED PURSUANT TO THE COOPERATIVE CORPORATIONS LAW.

14 (B) "HOME OWNER" SHALL MEAN ONE WHO HOLDS TITLE TO A HOME.

15 (C) "TENANT" SHALL MEAN ONE WHO OCCUPIES A HOME IN A LEASE-HOLD  
16 RETIREMENT COMMUNITY FOR THIRTY DAYS OR MORE, AND WHOSE OCCUPATION OF  
17 THE HOME IN THE LEASE-HOLD RETIREMENT COMMUNITY IS KNOWN TO THE  
18 LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR.

19 2. LEASES. (A) ANY LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR  
20 SHALL OFFER EVERY HOME OWNER THE OPPORTUNITY TO SIGN A LONG TERM LEASE  
21 FOR NINETY-NINE YEARS, WITH AN OPTION OF THE HOME OWNER TO CANCEL SAID  
22 LEASE ON NINETY DAYS WRITTEN NOTICE TO SAID OWNER OR OPERATOR.

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

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1 (B) A COPY OF SUCH LEASE-HOLD RETIREMENT COMMUNITY'S RULES AND REGU-  
2 LATIONS, IF ANY, SHALL BE ATTACHED TO AND BECOME A PART OF THE LEASE  
3 PROVIDED FOR BY THIS SECTION, AS IF FULLY SET FORTH THEREIN.

4 (C) NO RULES OR REGULATIONS SHALL BE INCONSISTENT WITH THE LEASE  
5 PROVISIONS IN EFFECT AT THE COMMENCEMENT OF SUCH LEASE.

6 (D) A COPY OF THE LEASE SHALL BE DELIVERED BY SUCH LEASE-HOLD RETIRE-  
7 MENT COMMUNITY OWNER OR OPERATOR TO ALL HOME OWNERS OR TENANTS AT THE  
8 TIME OF THE FIRST DEPOSIT MADE PAYABLE TO SAID LEASE-HOLD RETIREMENT  
9 COMMUNITY OWNER OR OPERATOR.

10 3. RULES AND REGULATIONS. (A) THE LEASE-HOLD RETIREMENT COMMUNITY  
11 OWNER OR OPERATOR MAY PROMULGATE RULES OR REGULATIONS GOVERNING THE RENT  
12 AND USE OR OCCUPATION OF THE HOME LOT, PROVIDED THAT SUCH RULES OR REGU-  
13 LATIONS SHALL NOT BE UNREASONABLE, ARBITRARY OR CAPRICIOUS.

14 (B) A COPY OF ALL RULES AND REGULATIONS SHALL BE DELIVERED BY THE  
15 LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR TO ALL HOME OWNERS OR  
16 TENANTS AT THE TIME OF THE FIRST DEPOSIT MADE PAYABLE TO SAID LEASE-HOLD  
17 RETIREMENT COMMUNITY OWNER OR OPERATOR.

18 (C) A COPY OF ALL RULES AND REGULATIONS SHALL BE POSTED IN A CONSPICU-  
19 OUS PUBLIC LOCATION UPON THE GROUNDS OF THE LEASE-HOLD RETIREMENT COMMU-  
20 NITY.

21 (D) IF A RULE OR REGULATION IS NOT APPLIED UNIFORMLY TO ALL HOME  
22 OWNERS OR TENANTS, THERE SHALL BE A REBUTTABLE PRESUMPTION THAT SUCH  
23 RULE OR REGULATION IS UNREASONABLE, ARBITRARY OR CAPRICIOUS.

24 (E) ANY RULE OR REGULATION WHICH DOES NOT CONFORM TO THE REQUIREMENTS  
25 OF THIS SECTION OR WHICH HAS NOT BEEN SUPPLIED OR POSTED AS REQUIRED BY  
26 THIS SECTION, SHALL NOT BE ENFORCEABLE.

27 (F) NO RULE OR REGULATION MAY BE ADDED, AMENDED, REPEALED OR CHANGED  
28 BY THE LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR WITHOUT THE  
29 WRITTEN CONSENT OF SIXTY PERCENT OF THE HOME OWNERS.

30 (G) RULES AND REGULATIONS SHALL NOT TAKE EFFECT UNTIL SUPPLIED AND  
31 POSTED PURSUANT TO THIS SUBDIVISION.

32 (H) SUCH RULES AND REGULATIONS MAY ESTABLISH A MINIMUM AGE FOR INDI-  
33 VIDUALS TO OCCUPY A HOME WITHIN THE LEASE-HOLD RETIREMENT COMMUNITY  
34 SUBJECT TO ANY APPLICABLE LAW.

35 4. FEES. (A) NO LEASE-HOLD RETIREMENT COMMUNITY HOME OWNER OR TENANT  
36 SHALL BE CHARGED A FEE, CHARGE, OR ASSESSMENT THAT IS NOT ALREADY SPECI-  
37 FIED IN THEIR CURRENT LEASE AGREEMENT, EXCEPT FOR RENT, UTILITIES, AND  
38 FEES FOR SERVICES NECESSARY FOR THE OPERATION OF THE LEASE-HOLD RETIRE-  
39 MENT COMMUNITY, UNLESS AGREED TO BY SIXTY PERCENT OF ALL OF THE HOME  
40 OWNERS, SUCH AS FOR FACILITIES AVAILABLE TO THE HOMEOWNERS AND TENANTS.

41 (B) ALL SUCH CHARGES FOR RENT, UTILITIES, SERVICES NECESSARY FOR THE  
42 OPERATION OF THE LEASE-HOLD RETIREMENT COMMUNITY, AND FACILITIES AVAIL-  
43 ABLE TO THE HOMEOWNERS AND TENANTS MUST BE REASONABLY RELATED TO THE  
44 VALUE OF THE FACILITY AVAILABLE OR THE SERVICES ACTUALLY RENDERED.

45 (C) A LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR MUST FULLY  
46 DISCLOSE ALL CHARGES FOR RENT, UTILITIES, SERVICES NECESSARY FOR THE  
47 OPERATION OF THE LEASE-HOLD RETIREMENT COMMUNITY, AND FACILITIES AVAIL-  
48 ABLE TO THE HOMEOWNERS AND TENANTS TO ALL HOME OWNERS AT THE TIME OF THE  
49 FIRST DEPOSIT MADE PAYABLE TO SAID COMMUNITY OWNER OR OPERATOR. A NEW  
50 FEE, CHARGE, OR ASSESSMENT THAT IS NOT SPECIFIED IN A HOMEOWNER'S LEASE  
51 AGREEMENT SHALL NOT BE COLLECTABLE UNTIL THE LEASE-HOLD RETIREMENT  
52 COMMUNITY OWNER OR OPERATOR PROVIDES THE HOMEOWNER WITH A WRITTEN COPY  
53 DETAILING SUCH FEE, CHARGE, OR ASSESSMENT.

54 (D) FAILURE ON THE PART OF THE LEASE-HOLD RETIREMENT COMMUNITY OWNER  
55 OR OPERATOR TO FULLY DISCLOSE ALL CHARGES FOR RENT, UTILITIES, SERVICES  
56 NECESSARY FOR THE OPERATION OF THE LEASE-HOLD RETIREMENT COMMUNITY, AND

1 FACILITIES AVAILABLE TO THE HOMEOWNERS AND TENANTS PURSUANT TO PARAGRAPH  
2 (C) OF THIS SUBDIVISION SHALL PREVENT THE SAID COMMUNITY OWNER OR OPERA-  
3 TOR FROM COLLECTING SUCH CHARGES.

4 5. PROHIBITION. NO LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR  
5 SHALL:

6 (A) RESTRICT THE PURCHASE AND/OR INSTALLATION OF ANY COMMODITIES,  
7 GOODS OR SERVICES BY THE HOME OWNER OR AGENT THEREOF TO SPECIFIC  
8 VENDORS, INCLUDING, BUT NOT LIMITED TO, EMPLOYEES, AGENTS OR OTHER  
9 PERSONS ACTING FOR OR ON BEHALF OF THE LEASE-HOLD RETIREMENT COMMUNITY  
10 OWNER OR OPERATOR.

11 (B) RESTRICT THE IMPROVEMENT, INCLUDING BUT NOT LIMITED TO, THE  
12 INSTALLATION OF APPLIANCES, TO ANY PROPERTY OF THE HOMEOWNER OR TENANT,  
13 SO LONG AS SUCH IMPROVEMENT IS IN COMPLIANCE WITH APPLICABLE BUILDING  
14 CODES, OTHER PROVISIONS OF LAW, AND THE RULES AND REGULATIONS OF THE  
15 LEASE-HOLD RETIREMENT COMMUNITY.

16 (C) RESTRICT THE INSTALLATION, MAINTENANCE OR REPAIR OF ANY PROPERTY  
17 OF THE HOME OWNER OR TENANT TO SPECIFIC VENDORS INCLUDING, BUT NOT  
18 LIMITED TO, EMPLOYEES, AGENTS OR OTHER PERSONS ACTING FOR OR ON BEHALF  
19 OF THE LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR.

20 (D) CHARGE A FEE OR IMPOSE OTHER CHARGES ON A HOME OWNER OR TENANT WHO  
21 CHOOSES TO INSTALL APPLIANCES AND/OR FIXTURES. THIS SHALL NOT RESTRICT  
22 THE ABILITY OF THE LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR TO  
23 COLLECT INCREASED UTILITY CHARGES RESULTING FROM THE INSTALLATION OF ANY  
24 APPLIANCE OR FIXTURE.

25 (E) IMPOSE ANY CHARGE FOR OR RESTRICT THE INGRESS OR EGRESS TO THE  
26 LEASE-HOLD RETIREMENT COMMUNITY OF, ANY PERSON EMPLOYED, RETAINED, OR  
27 INVITED BY THE HOME OWNER OR TENANT.

28 6. SALE OF HOMES. (A) A LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPER-  
29 ATOR SHALL NOT PLACE RESTRICTIONS ON THE SALE OF A HOME IN THE  
30 LEASE-HOLD RETIREMENT COMMUNITY.

31 (B) THE RIGHT TO SELL A LEASE-HOLD RETIREMENT COMMUNITY HOME INCLUDES  
32 THE INCIDENTAL RIGHT TO USE ANY AND ALL METHODS COMMON TO SALES OF RESI-  
33 DENTIAL PROPERTY.

34 (C) THE LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR SHALL ENTER  
35 INTO A LEASE AGREEMENT WITHIN A REASONABLE TIME FROM THE COMPLETION OF  
36 THE SALE PURSUANT TO SUBDIVISION TWO OF THIS SECTION WITH THE SUBSEQUENT  
37 PURCHASER OF A HOME IN THE LEASE-HOLD RETIREMENT COMMUNITY.

38 (D) THE LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR SHALL NOT  
39 EXACT A COMMISSION OR FEE WITH RESPECT TO THE PRICE REALIZED BY THE  
40 SELLER UNLESS THE COMMUNITY OWNER OR OPERATOR HAS ACTED AS AGENT FOR THE  
41 SAID HOME OWNER IN THE SALE PURSUANT TO A WRITTEN CONTRACT.

42 7. (A) THE LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR MAY  
43 RESERVE THE RIGHT TO APPROVE ANY TENANTS WHO LEASE OR SUBLEASE REAL  
44 PROPERTY AND ANY IMPROVEMENTS THEREON FROM A HOMEOWNER WITHIN THE  
45 LEASE-HOLD RETIREMENT COMMUNITY. THE LEASE-HOLD RETIREMENT COMMUNITY  
46 OWNER OR OPERATOR MAY ONLY WITHHOLD APPROVAL IF THE PROPOSED TENANT OR  
47 PROPOSED LEASE OR SUBLEASE IS NOT IN CONFORMITY WITH THE ESTABLISHED  
48 RULES AND REGULATIONS OF SUCH LEASE-HOLD RETIREMENT COMMUNITY.

49 (B) IF A HOMEOWNER WISHES TO LEASE OR SUBLEASE REAL PROPERTY AND ANY  
50 IMPROVEMENTS THEREON WITHIN A LEASE-HOLD RETIREMENT COMMUNITY:

51 (1) THE HOMEOWNER MUST INFORM THE LEASE-HOLD RETIREMENT COMMUNITY  
52 OWNER OR OPERATOR NO LESS THAN THIRTY DAYS PRIOR TO THE PROPOSED EFFEC-  
53 TIVE DATE OF SUCH LEASE OR SUBLEASE.

54 (2) THE LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR MAY REQUEST  
55 ADDITIONAL INFORMATION FROM THE HOMEOWNER WITHIN TEN DAYS. IF SUCH ADDI-  
56 TIONAL INFORMATION IS NOT UNDULY BURDENSOME, FAILURE TO PROVIDE SUCH

1 ADDITIONAL INFORMATION WILL ALLOW THE LEASE-HOLD RETIREMENT COMMUNITY  
2 OWNER OR OPERATOR TO WITHHOLD THEIR APPROVAL OF THE PROPOSED TENANT OR  
3 PROPOSED LEASE OR SUBLEASE.

4 (3) IF THE LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR DOES NOT  
5 RESPOND BY APPROVING OR WITHHOLDING APPROVAL OF THE PROPOSED TENANT OR  
6 PROPOSED LEASE OR SUBLEASE WITHIN THIRTY DAYS OF THE INITIAL REQUEST BY  
7 THE HOMEOWNER, THE PROPOSED TENANT OR PROPOSED LEASE OR SUBLEASE SHALL  
8 BE DEEMED APPROVED.

9 8. EMERGENCIES. A LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR  
10 SHALL DESIGNATE A PHONE NUMBER THAT IS AVAILABLE ON A TWENTY-FOUR HOUR  
11 BASIS TO INSURE THE AVAILABILITY OF EMERGENCY RESPONSE IN MATTERS  
12 AFFECTING THE HEALTH, SAFETY, WELL-BEING, AND/OR GENERAL WELFARE OF  
13 LEASE-HOLD RETIREMENT COMMUNITY TENANTS. THE TELEPHONE NUMBER SHALL BE  
14 POSTED IN A CONSPICUOUS PUBLIC LOCATION IN THE LEASE-HOLD RETIREMENT  
15 COMMUNITY, GIVEN IN WRITING TO EACH HOMEOWNER AND TENANT, AND REGISTERED  
16 WITH APPROPRIATE MUNICIPAL LAW ENFORCEMENT, HEALTH AND FIRE OFFICIALS.

17 9. RETALIATION. NO LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR  
18 MAY THREATEN REPRISAL AGAINST ANY OF SUCH HOME OWNERS OR TENANTS AS A  
19 RESULT OF THEIR LAWFUL PURSUITS AND ACTIVITIES.

20 10. REFUSAL TO FURNISH SERVICE. ANY LEASE-HOLD RETIREMENT COMMUNITY  
21 OWNER OR OPERATOR WHO HAS AGREED TO PROVIDE HOT OR COLD WATER, HEAT,  
22 LIGHT, POWER, OR ANY OTHER SERVICE OR FACILITY TO AN OCCUPANT OF THE  
23 LEASE-HOLD RETIREMENT COMMUNITY SHALL NOT WILLFULLY OR INTENTIONALLY  
24 FAIL TO FURNISH SUCH WATER, HEAT, LIGHT, POWER OR OTHER SERVICE OR  
25 FACILITY, OR INTERFERE WITH THE QUIET ENJOYMENT OF THE LEASED PREMISES.

26 11. RECEIPTS. UPON RECEIPT OF RENT, FEES, CHARGES OR OTHER ASSESS-  
27 MENTS, IN THE FORM OF CASH OR ANY INSTRUMENT OTHER THAN THE PERSONAL  
28 CHECK OF THE TENANT, IT SHALL BE THE DUTY OF THE LEASE-HOLD RETIREMENT  
29 COMMUNITY OWNER OR OPERATOR TO PROVIDE THE PAYOR WITH A WRITTEN RECEIPT  
30 CONTAINING THE FOLLOWING:

31 (A) THE DATE;

32 (B) THE AMOUNT;

33 (C) THE IDENTITY OF THE PREMISES AND THE PURPOSE FOR WHICH PAID;

34 (D) THE SIGNATURE AND TITLE OF THE PERSON RECEIVING PAYMENT.

35 12. REMEDIES. (A) ANY LEASE-HOLD RETIREMENT COMMUNITY HOME OWNER OR  
36 TENANT INJURED OR DAMAGED IN WHOLE OR IN PART AS A RESULT OF A VIOLATION  
37 OF ANY OF THE PROVISIONS OF THIS SECTION MAY BRING AN ACTION FOR RECOV-  
38 ERY OF ACTUAL DAMAGES PLUS REASONABLE ATTORNEY'S FEES OR INJUNCTIVE  
39 RELIEF AS APPROPRIATE. THE REMEDY SHALL BE IN ADDITION TO AND SHALL NOT  
40 PRECLUDE OR DIMINISH ANY ACTION THAT AN INDIVIDUAL MAY HAVE UNDER COMMON  
41 LAW OR ANY LOCAL, STATE OR FEDERAL LAW OR REGULATION.

42 (B) THE COUNTY ATTORNEY MAY COMMENCE AN ACTION TO RESTRAIN, PREVENT,  
43 AND/OR ENJOIN A VIOLATION OF THIS SECTION OR A CONTINUANCE OF SUCH  
44 VIOLATION OF THIS SECTION OR A CONTINUANCE OF SUCH VIOLATION BY A  
45 LEASE-HOLD RETIREMENT COMMUNITY OWNER OR OPERATOR.

46 S 2. Separability. If any part or provision of this act or the appli-  
47 cation thereof to a person or circumstance is adjudged invalid by any  
48 court of competent jurisdiction, such judgment shall be confined in its  
49 operation to the part or the provision or application directly involved  
50 in the controversy in which such judgment shall have been rendered and  
51 shall not affect or impair the validity of the remainder of this act or  
52 application thereof to other persons or circumstances.

53 S 3. This act shall take effect on the first of October next succeed-  
54 ing the date on which it shall have become a law and shall apply to  
55 sales, actions, or leases involving lease-hold retirement community  
56 homes occurring or entered into on or after such date.