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:

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

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

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

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

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

(b) Any resident meeting the requirements of paragraph (a) of this subdivision may purchase his or her dwelling unit directly from the authority if the authority determines that such purchase will not interfere with the rights of other residents residing in the project or harm the efficient operation of such project. Such purchase of a dwelling unit by a resident shall also include a fixed percentage of the common elements of the project as determined by the authority. The price for any such purchase shall not be more than the fair market value of the 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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(c) For the purpose of assisting any purchase by a resident pursuant to this subdivision the authority involved or any subsidiary corporation of such authority may make a loan on the security of the property involved to such purchasing resident at a rate of interest determined by the authority to be appropriate.

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

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

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

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

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

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

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

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

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

§ 2. This act shall take effect immediately.