

STATE OF NEW YORK

6242

2019-2020 Regular Sessions

IN SENATE

May 29, 2019

Introduced by Sen. METZGER -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend the real property law, in relation to rent increases in manufactured home parks

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

1 Section 1. Section 233 of the real property law is amended by adding a
2 new subdivision y to read as follows:

3 y. 1. (a) The owner of a manufactured home park may not raise a manu-
4 factured home tenant's lot rent above the consumer price index averaged
5 over the most recently available preceding thirty-six month period,
6 unless the proposed rent increase is approved by the division of housing
7 and community renewal and directly related to operating, maintaining, or
8 improving the manufactured home park for the following purposes:

9 (i) The completion and incurring of costs for any capital improvements
10 or rehabilitation work in the manufactured home park, as distinguished
11 from ordinary repair, replacement, or maintenance. Capital improvements
12 shall include roadway improvements, plumbing and piping infrastructure,
13 community structures, natural disaster recovery. All other maintenance
14 shall be considered ordinary, and shall not be grounds for a rent
15 increase. All rent increases resulting from capital improvements shall
16 expire once the improvement is paid for;

17 (ii) Changes in property taxes or other taxes within the manufactured
18 home park;

19 (iii) Changes in utility charges within the manufactured home park;

20 (iv) Changes in insurance costs and financing associated with the
21 manufactured home park;

22 (v) Changes in reasonable operating and maintenance expenses relating
23 to the manufactured home park including, but not limited to costs for:

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

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1 water service; sewer service; septic service; water disposal; trash
2 collection; and employee expenses.

3 (b) (i) A manufactured home park owner shall not incorporate the cost
4 of a civil penalty, criminal fine, or litigation-related costs for rent-
5 related proceedings into rent charged under any circumstance.

6 (ii) A manufactured home park owner shall not utilize the cost of
7 capital improvements or rehabilitation work as justification for any
8 future rental increase once such cost has been fully recovered by rental
9 increases that were incorporated into a prior rental increase in excess
10 of the consumer price index and where such prior rental increase was
11 properly implemented pursuant to this subdivision.

12 (c) When a manufactured home tenant first moves onto a lot in a manu-
13 factured home park, the tenant shall be offered rent at a rate not
14 exceeding the average rent for lots similar in size to such lot which
15 are located within such manufactured home park.

16 2. (a) In addition to the notice required pursuant to paragraph three
17 of subdivision g of this section, a manufactured home park owner shall
18 give written notice to the home owners' association, if one exists, and
19 the division of housing and community renewal at least ninety days prior
20 to any increase in rent. The notice shall identify all affected manufac-
21 tured home owners by lot number, name, group or phase. If the affected
22 manufactured home owners are not identified by name, the manufactured
23 home park owner shall make the names and addresses available to any
24 affected manufactured home owner, the home owners' association, if one
25 exists, and the division of housing and community renewal upon request.

26 (b) (i) If the proposed rent increase exceeds the consumer price
27 index, the division of housing and community renewal shall schedule a
28 final meeting between the parties at a mutually-convenient time and
29 place to be held within thirty days from the mailing of the notice of
30 the rent increase, to discuss the reasons for the increase. At the
31 manufactured home park owner's election, the division of housing and
32 community renewal shall also schedule one or more optional informal
33 meetings prior to the final meeting. The manufactured home park owner
34 proposing the rent increase shall recommend to the division of housing
35 and community renewal a date, time and place of the final meeting and of
36 any preceding informal meetings, and the division of housing and commu-
37 nity renewal shall affirm such recommendation with the manufactured home
38 park owner, if the division finds the date, time and place to be reason-
39 able. At or before the final meeting the manufactured home park owner
40 shall, in good faith, disclose in writing all of the material factors
41 resulting in the decision to increase the rent.

42 (ii) The parties may agree in a writing signed by the manufactured
43 home park owner and at least one affected manufactured home owner or the
44 home owners' association to extend or continue any meetings required by
45 this paragraph to a date specified in the writing and approved by the
46 division of housing and community renewal as reasonable. Within two
47 business days of signing an agreement to continue or extend meetings,
48 the manufactured home park owner shall notify the division of housing
49 and community renewal of such agreement by forwarding the signed agree-
50 ment to the division.

51 (c) After the final meeting, any affected manufactured home owner who
52 has not already accepted the proposed increase, or the home owners'
53 association on behalf of one or more affected manufactured home owners
54 who have not already accepted the proposed increase may, within thirty
55 days from the conclusion of the final meeting, petition the division of
56 housing and community renewal to appoint an arbitrator to conduct arbi-

1 tration subject to the provisions of article seventy-five of the civil
2 practice law and rules.

3 3. A manufactured home park owner who raises a manufactured home
4 owner's rent more than the annual average increase of the consumer price
5 index for the preceding thirty-six month period without having obtained
6 approval of the division of housing and community renewal shall be
7 required to immediately reduce the rent to the amount in effect before
8 the unauthorized increase and rebate the unauthorized rent collected to
9 the manufactured home owners with interest.

10 4. Manufactured home park cooperatives shall be exempt from the
11 provisions of this subdivision.

12 § 2. This act shall take effect immediately.