

STATE OF NEW YORK

9672

IN ASSEMBLY

April 3, 2024

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

AN ACT to amend the public housing law, in relation to the conversion
and transfer of real property in public housing developments

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

1 Section 1. Legislative Findings. The legislature finds and declares
2 that supplemental protections, enhanced resident engagement, and trans-
3 parency in reporting are crucial for the stability and welfare of public
4 housing residents during conversions of public housing projects, as
5 authorities seek to use private public partnerships to renovate, reha-
6 bilitate, rebuild, and take measures to preserve public housing develop-
7 ments.

8 § 2. The public housing law is amended by adding a new section 62 to
9 read as follows:

10 § 62. Supplemental tenant rights and protections. 1. For the purposes
11 of this section, the following terms shall have the following meanings:

12 (a) "Conversion" shall include acts by an authority to dispose, trans-
13 fer, convey, sublease, lease, or mortgage real property, or a leasehold
14 interest in real property, in a public housing development or ancillary
15 property owned by such public housing agency, in accordance with the RAD
16 program, section eighteen of the federal housing act of 1937 (42 U.S.C.
17 § 1427p), or similar plan approved by the federal department of housing
18 and urban development.

19 (b) "Management agent" shall mean the entity being contracted with
20 through a management agreement or similar contract for the maintenance
21 of a property following a conversion;

22 (c) "RAD program" shall mean the rental assistance demonstration
23 program pursuant to 42 U.S.C. § 1437f.

24 2. Upon the provision to tenants of notice that a public housing
25 development is under consideration for the RAD program, as required
26 pursuant to such program, an authority shall:

27 (a) provide notice to tenants, tenant associations, as described by
28 part nine hundred sixty-four of title twenty-four of the code of federal

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

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1 regulations, and any group, committee, and any other organization
2 comprised of tenants that conducts meetings authorized pursuant to
3 section two hundred thirty of the real property law that the development
4 is under consideration for a conversion;

5 (b) distribute RAD handbooks, as described by subdivision five of this
6 section, to residents between the time the authority gives notice that
7 the development is under consideration for a conversion pursuant to
8 paragraph (a) of this subdivision and the first meeting conducted pursu-
9 ant to RAD program notice requirements; and

10 (c) with the consultation of the tenant association at the development
11 where the conversion is being considered, or, where there is no such
12 existing organization, with the approval of the commissioner, create and
13 implement an engagement plan that lasts no less than a period of one
14 hundred days to provide tenants with information relating to the
15 proposed conversion, including but not limited to the difference between
16 section nine and section eight housing, the tenant rights and
17 protections, the process which precedes the conversion, and the voting
18 process for such conversion.

19 3. (a) No development may be converted unless:

20 (i) a voting process is carried out in compliance with subdivision
21 four of this section and more voters vote in favor of the proposed
22 conversion than against such conversion; and

23 (ii) at least twenty-five percent of eligible voters vote in favor of
24 the conversion.

25 (b) An authority shall contract with a company, local or state govern-
26 ment representative or agency, or entity or person selected by or
27 contracted with the commissioner to carry out the counting of ballots,
28 certification of the vote, and audit of the process, which shall provide
29 a process for tenants, tenant associations, and the public to register
30 complaints about the process and allegations of impropriety or vote
31 inaccuracies. Such complaints shall be considered and responded to with-
32 in seventy-two hours of the end of the voting period.

33 4. (a) In no less than thirty days prior to providing to residents the
34 notice required pursuant to paragraph (a) of subdivision two of this
35 section that a public housing development is under consideration for a
36 conversion, an authority shall publish voting rules and the process by
37 which tenants can vote regarding the proposed conversion. Such informa-
38 tion shall include but not be limited to:

39 (i) eligibility to vote, including a right to vote for all tenants
40 aged eighteen and over;

41 (ii) the date and time of the beginning and end of the voting period,
42 which shall be no less than thirty days in length, and instructions for
43 casting of a ballot during such voting period via an in-person ballot
44 box, a by-mail option with how to access a mailable ballot and pre-ad-
45 ressed envelope, and an online option; and

46 (iii) available materials and sources to learn about conversion
47 programs and how to vote, where those materials and sources can be
48 accessed, and how to access language translation and accessibility
49 services, which shall include written translation for materials, docu-
50 ments, the ballot and webpages and oral translation in all languages
51 that a significant portion of residents of the development under consid-
52 eration for conversion speak and sign language interpretation.

53 (b) An authority shall conduct no less than six meetings, at least two
54 of which shall be held virtually and at least two of which shall be held
55 in person at an accessible location for tenants, at which the informa-

1 tion required pursuant to paragraph (a) of this subdivision shall be
2 provided to tenants.

3 5. The commissioner shall create, contract for the creation of, or
4 select an existing document to serve as a RAD handbook. Such handbook
5 shall include but not be limited to a brief description of the differ-
6 ence between section nine and section eight housing, as they relate to a
7 proposed conversion, the rights and protections afforded tenants in
8 converted properties, including the supplemental protections provided by
9 this section, a fair and objective review of risks involved in remaining
10 in section nine housing and converting to section eight housing, dispo-
11 sitions and demolitions under section eighteen of the federal housing
12 act of 1937 (42 U.S.C. § 1427p) and the RAD program, and other relevant
13 facts and information, as determined by the commissioner. The RAD hand-
14 book should be updated upon the occurrence of relevant changes to feder-
15 al regulation, code, state law, and/or administrative and industry prac-
16 tice.

17 6. An authority shall include in any contract or agreement with a
18 managing agent that such managing agent shall, for the duration of the
19 agreement and any subsequent agreement as managing agent:

20 (a) invite tenant associations, as described by part nine hundred
21 sixty-four of title twenty-four of the code of federal regulations, and
22 any group, committee, and any other organization comprised of tenants
23 that conducts meetings authorized pursuant to section two hundred thirty
24 of the real property law to all meetings held by such managing agents
25 relating to tenants;

26 (b) meet regularly with tenant associations to discuss emerging
27 property-wide issues, particularly during the construction and rehabili-
28 tation process. Managing agents should consult the tenant associations
29 in scheduling such meetings and the frequency of such meetings. If there
30 is no tenant association at a development, the managing agent shall meet
31 with tenants and inform them of the right to form a tenant association,
32 the federal requirements for managing agents to provide no less than
33 twenty-five dollars per unit per year for tenant participation activ-
34 ities, which may include education, organizing around resident issues,
35 and trainings, and no less than fifteen dollars per unit per year for
36 tenant organization-eligible activities, and other relevant information;

37 (c) adhere to a set of procedures for tenant grievances and lease
38 termination proceedings that will take effect upon conversion. Such
39 procedures shall be uniform for each converted development and shall be
40 implemented by each managing agent. Every managing agent shall provide
41 ongoing orientations regarding the details and procedures for tenants to
42 sign new leases;

43 (d) explicitly notify residents of their rights to eligibility deter-
44 mination and succession and how these differ from typical section eight
45 eligibility and succession rights, including rights resulting from the
46 definition of family pursuant to subdivision seven of this section; and

47 (e) notwithstanding any provisions of law to the contrary, allow
48 tenants of converted developments to engage in profit-making businesses
49 within their units.

50 7. (a) For the purposes of determining eligibility and household
51 composition for public housing occupancy and continued occupancy,
52 authorities shall define a "family" as:

53 (i) a single person, who may be an elderly, displaced, or near-elderly
54 person, or any other single person;

55 (ii) an otherwise eligible youth who is at least eighteen years of age
56 but not more than twenty-four years of age and who has left foster care,

1 or will leave foster care within ninety days, in accordance with a tran-
2 sition plan described in section 475(5)(H) of the federal social securi-
3 ty Act (42 U.S.C. § 675(5)(H)), or who is at least sixteen years of age
4 and is homeless or at risk of becoming homeless; or

5 (iii) a group of persons residing together that includes, but is not
6 limited to, a family with or without children, including children who
7 are temporarily away from the home because of placement in foster care,
8 an elderly family, a near-elderly family, a family with one or more
9 persons with disabilities, a displaced family, the remaining member of a
10 tenant family, or a group of individuals who would otherwise be eligible
11 to reside in public housing who reside together.

12 (b) The definition of family pursuant to paragraph (a) of this subdi-
13 vision may not be restricted to kin, descendants, marital relations, or
14 relatives.

15 § 3. Section 38 of the public housing law, as amended by chapter 260
16 of the laws of 1945, is amended to read as follows:

17 § 38. 1. For the purposes of this section, the following terms shall
18 have the following meanings:

19 (a) "Conversion" shall include acts by an authority to dispose, trans-
20 fer, convey, sublease, lease, or mortgage real property, or a leasehold
21 interest in real property, in a public housing development or ancillary
22 property owned by such public housing agency, in accordance with the RAD
23 program, section eighteen of the federal housing act of 1937 (42 U.S.C.
24 § 1427p), or similar plan approved by the federal department of housing
25 and urban development.

26 (b) "Management agent" shall mean the entity being contracted with
27 through a management agreement or similar contract for the maintenance
28 of a property following a conversion.

29 (c) "RAD program" shall mean the rental assistance demonstration
30 program pursuant to 42 U.S.C. § 1437f.

31 2. (a) An authority shall file with the commissioner a copy of each
32 proposed project embodying the plans, layout, estimated costs and
33 proposed method of financing. Any change made in the project shall be
34 filed with the commissioner by the authority. With reasonable promptness
35 after each project shall have been completed, and from time to time
36 prior to completion upon request of the commissioner, an authority shall
37 file with the commissioner a detailed statement of the cost thereof.

38 (b) Upon receipt of a copy of a proposed state project, or of any
39 proposed change therein, the commissioner may transmit [~~his~~] their crit-
40 icisms and suggestions with reasonable promptness to the authority or
41 the municipality. No change in a state project may be made by an author-
42 ity or a municipality without the approval of the commissioner.

43 3. (a) Within thirty days of being requested by the commissioner, an
44 authority shall provide the commissioner with the following information:

45 (i) the name of such authority;

46 (ii) the name of the public housing development;

47 (iii) the total number of units in such development;

48 (iv) the distribution of units by bedroom count, race, income, elderly
49 status, and disability status;

50 (v) the status of a development's subsidy, broken down by units,
51 detailing the number of units counted as section nine housing on an
52 annual contributions contract with the federal department of housing and
53 urban development, a project-based voucher or project-based rental
54 assistance via conversions or other conditions such as vacancy, both
55 funded and unfunded, and/or under other federal department of housing

1 and urban development programs outside of those that result from RAD
2 program conversions;

3 (vi) the application date of any proposed conversion, disposition, or
4 demolition to the federal department of housing and urban development;

5 (vii) the approval date of any proposed conversion, disposition, or
6 demolition by the federal department of housing and urban development,
7 and date of approval of such project by the commissioner;

8 (viii) a summary of the criteria used to justify any section eight or
9 RAD program demolition application to the federal department of housing
10 and urban development;

11 (ix) information on the relocation of affected residents and the
12 amount of persons displaced by a project, conversion, or demolition
13 approved by the federal department of housing and urban development; and

14 (x) details regarding the cost test conducted, if applicable, as
15 required by the federal department of housing and urban development.

16 (b) By December thirtieth of each year, the commissioner shall post on
17 a public webpage the information required pursuant to paragraph (a) of
18 this subdivision and other relevant information regarding projects and
19 conversion and any section eighteen dispositions or demolitions approved
20 by the federal department of housing and urban development, as deter-
21 mined by the commissioner.

22 (c) The commissioner shall maintain a centralized online database
23 where the information required pursuant to this subdivision can be
24 accessed. Such information shall be listed on such database based on
25 the year of their publication.

26 § 4. This act shall take effect immediately.