STATE OF NEW YORK

2660

2023-2024 Regular Sessions

IN SENATE

January 24, 2023

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

AN ACT relating to protecting the rights of current and converted Mitchell-Lama residents

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

Section 1. Protecting the rights of current and converted Mitchell-Lama residents. 1. New York State Homes and Community Renewal, in consultation with the New York City Department of Housing Preservation, shall appoint an independent agency or office, which will solicit resident complaints and will provide unbiased grievance and complaint procedures that are consistent with the administrative procedures act. The independent agency or office will handle all Mitchell-Lama complaints including, but not limited to, the following:

a. owner/management company/co-op board harassment and abuse;

b. enjoying the benefit of unnecessarily and financially unsupported rent/carrying charge increases;

c. failure to adequately reconcile tenant rent/carrying charge records;

d. failure to provide essential services on a consistent basis;

e. failure to provide a decent, sanitary and safe living environment;

f. failure to hold open and transparent co-op board elections;

g. failure to notify and include all residents of building/development conversions; and

h. failure to lower rents/carrying charges for eligible residents, when a subsidy program that is already in development will lower that resident's rent/carrying charges.

2. The practice of approving refinancing and/or conversion "windfall" deals shall be eliminated unless the ownership, managing agents, co-ops boards, the New York city supervised Mitchell-Lama developments (HPD)

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

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and the New York state supervised Mitchell-Lama developments (DHCR) can produce verified financial documentation from the comptroller which accounts for every dollar spent during the ten year period prior to the application for refinancing and/or conversion.

3. All rent and carrying charge increases approved by HPD and DHCR shall receive final approval from the respective New York city or New York state comptroller and he or she shall have certified that the increase is financially necessary and supported by a comptroller-verified financial review of expenses, assets and income.

4. Unless the comptroller with the jurisdiction officially agrees to monitor and confirm the validity and accuracy of future expenses or losses, owners and co-op boards shall not be permitted to continue to receive rent/carrying charge increases based on those projections.

5. Unless a resident's household income confirms that he or she is subject to a surcharge, there shall be no audit surcharges.

6. Legal representation and adequate pro se litigant support shall be provided by the state of New York for litigants in landlord/tenant cases.

7. A comprehensive help desk shall be provided by the supreme courts of the state of New York to support pro se litigants.

8. Judges and court staff with knowledge and experience with the Mitchell-Lama law and regulations shall oversee all Mitchell-Lama related cases.

§ 2. This act shall take effect immediately.