



Legislation Text

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By Council Members Richards, Miller, Rodriguez, Chin, Salamanca, Maisel, Grodenchik, Levin, Menchaca, Lander, Rosenthal, Reynoso, Kallos, Williams, Johnson, Rose, Perkins, Espinal, Ferreras-Copeland, King, Levine, Gentile, Cumbo, Van Bramer, Koslowitz and Barron

A Local Law to amend the administrative code of the city of New York, in relation to the creation of regulatory agreements with community land trusts

Be it enacted by the Council as follows:

Section 1. Title twenty-six of the administrative code of the city of New York is amended by adding a new chapter 20 to read as follows:

CHAPTER 20

COMMUNITY LAND TRUST REGULATORY AGREEMENTS

§ 26-2001 Community land trust regulatory agreements. a. For the purposes of this section:

Eligible community land trust. The term “eligible community land trust” means a corporation that satisfies the following criteria: (i)(a) is incorporated pursuant to article 11 of the private housing finance law and section 402 of the not-for-profit corporation law; (b) the certificate of incorporation of which specifically provides for the provision of housing for persons of low income in the form of a community land trust; (c) has submitted such disclosure statements as shall be required by the supervising agency and received the approval of such supervising agency; (d) lawfully acquired all of its real property in full compliance with such corporation’s certificate of incorporation and any agreements with a governmental entity with respect to such property or such corporation; and (ii) provides in its by-laws that it will (a) acquire parcels of land, primarily for conveyance under long-term ground leases, (b) transfer ownership of any structural improvements located

on such leased parcels to the lessees, (c) retain a preemptive option to purchase any such structural improvement at a price determined by formula that is designed to ensure that the improvement remains affordable to low-income households, and (d) have a board of directors composed of lessees of housing associated with the entity, an adult resident of a particular geographic area specified in the bylaws of the organization and any other category of persons described in the bylaws of the organization.

Persons of low income. The term “persons of low income” means “persons of low income” as defined in section 2(19) of the private housing finance law.

Supervising agency. The term “supervising agency” means the department of housing preservation and development.

b. The supervising agency shall enter into a regulatory agreement with an eligible community land trust that applies for such regulatory agreement and meets such supervising agency’s standardized terms and conditions for such agreement. Such regulatory agreement shall also require that the community land trust enter into a 99-year ground lease agreement with the owners of structures or improvements located on land which is subject to the regulatory agreement.

c. The supervising agency may enter into a regulatory agreement with an eligible community land trust, provided that such trust agrees to such terms and conditions as such agency deems necessary; and (i) is a recipient of a loan or grant from the city of New York; (ii) acquires real property or an interest therein from the city of New York; or (iii) receives a tax exemption approved by the council of the city of New York, upon the recommendation of the supervising agency.

§2. This local law shall take effect 120 days after it becomes law, except that the commissioner of housing preservation and development may take such actions as are necessary for its implementation, including the promulgation of rules, prior to such effective date.

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