Legislation Details (With Text)

File #:	Res 0800-2025	**Version:**	*	**Name:**	Subsidizing closing costs for low income current tenants who are purchasing a home (S.3068).
Type:	Resolution			**Status:**	Filed (End of Session)
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Title:	Resolution calling on the New York State Legislature to pass, and the Governor to sign, S.3068, in relation to subsidizing closing costs for low income current tenants who are purchasing a home.				
Sponsors:					
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Attachments:	1. Res. No. 800, 2. March 12, 2025 - Stated Meeting Agenda, 3. Hearing Transcript - Stated Meeting 3-12-25				

Date	Ver.	Action By	Action	Result
3/12/2025	*	City Council	Introduced by Council	
3/12/2025	*	City Council	Referred to Comm by Council	
12/31/2025	*	City Council	Filed (End of Session)	

Res. No. 800

Resolution calling on the New York State Legislature to pass, and the Governor to sign, S.3068, in relation to subsidizing closing costs for low income current tenants who are purchasing a home.

By Council Members Williams, Feliz and Banks

Whereas, According to the New York Times, the path to homeownership has become more expensive since the COVID-19 pandemic and risks pushing middle-class and working-class families out of the city; and

Whereas, This is reflected in homeownership rates reported by the office of the state of New York's comptroller ("state comptroller") in 2022, in which the homeownership rate for New York State was 53.6 percent, the lowest rate of homeownership across all 50 states; and

Whereas, According to the state comptroller this low rate of statewide homeownership is likely driven by the low rates of homeownership in the city of New York, which at the time contained over 40 percent of the state of New York's population; and

Whereas, In the city of New York, 69 percent of the city's households are renters, with 52.1 percent of

those renters being rent-burdened and paying 30 percent or more of their gross income on housing costs; and

Whereas, According to the triennial housing vacancy survey, the median household income for public housing residents was $20,600, which was less than a third of the median household income for all city renters; and

Whereas, This leaves public housing residents with fewer opportunities to save for large purchases like a home; and

Whereas, According to StreetEasy, a real estate search engine and blog, there are several costs that a prospective homeowner can expect to pay in order to acquire a home, including a down payment, assorted fees, and closing costs, the last of which is a collection of fees that include city and state taxes that vary based on the type of home purchased, or the cost of the home purchased, and are paid at the closing of the home purchase; and

Whereas, Also according to StreetEasy, closing costs for homebuyers in 2023 ranged from 2 percent to 5 percent of the purchase price; and

Whereas, The state of New York mortgage agency, a public benefit corporation established by the state government to facilitate affordable homeownership for low- and moderate-income New Yorkers, administers several programs that provide financial assistance to prospective homeowners that make less than 80 percent of the area median income ("A.M.I."), through 30-year fixed rate mortgages with lower interest rates and forgivable down payment assistance loans; and

Whereas, The city of New York also administers a financial assistance program through the department of housing preservation and development for first-time home buyers that make less than 80 percent A.M.I. called HomeFirst Down Payment Assistance Program ("HomeFirst program"); and

Whereas, The HomeFirst program provides a forgivable loan of up to $100,000 to qualified homebuyers to purchase a 1 to 4 family home, cooperative, or condominium as a primary residence within the city of New York; and

Whereas, S.3068, introduced by state senator James Sanders Jr. and pending in the New York state senate, would create a tenant to homeownership initiative, administered by the division on housing and community renewal, to subsidize a portion of home purchase closing costs for eligible renting households; and

Whereas, This initiative would provide a $1,000 subsidy towards the closing cost of a conventional loan or federal housing administration loan to prospective homebuyers who have resided in public housing within the state of New York for at least 5 years; and

Whereas, The initiative would also provide a $500 subsidy towards the closing cost of a conventional loan or federal housing administration loan to prospective homebuyers who have resided in a low income or rent subsidized apartment in the state of New York for at least 5 years; and

Whereas, A state law that seeks to remove financial obstacles associated with purchasing a home would help low-income families in the city of New York achieve the dream of homeownership; now, therefore, be it

Resolved, That the Council of the City of New York calls on the New York State Legislature to pass, and the Governor to sign, S.3068, in relation to subsidizing closing costs for low income current tenants who are purchasing a home.

DJS
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02/24/2025