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Int. No. 251

By Council Members Hudson, Ossé, Won, Hanif, Restler, Avilés, Schulman and Moya

A Local Law to amend the administrative code of the city of New York, in relation to affordable housing lottery processes

Be it enacted by the Council as follows:

Section 1. Title 26 of the administrative code of the city of New York is amended by adding a new chapter 32 to read as follows:

CHAPTER 32

AFFORDABLE HOUSING LOTTERIES

§ 26-3201 Definitions.

§ 26-3202 Affordable housing lotteries.

§ 26-3201 Definitions. For the purposes of this chapter, the following terms have the following meanings:

Affordable housing lottery. The term "affordable housing lottery" means any lottery for affordable housing units that is administered by or on behalf of the department.

Affordable housing unit. The term "affordable housing unit" means "affordable housing unit" as defined in section 26-2201.

Applicant. The term "applicant" means an applicant for an affordable housing unit.

Application. The term "application" means an application for occupancy of an affordable housing unit.

Appeal. The term "appeal" means an appeal of a marketing agent's determination not to select an applicant to occupy an affordable housing unit.

Department. The term "department" means the department of housing preservation and development.

Marketing agent. The term "marketing agent" means any individual or entity responsible for the advertising of and resident selection for affordable housing units.

§ 26-3202 Affordable housing lotteries. a. The department shall promulgate rules governing affordable housing lotteries consistent with, but not limited to, the provisions of this subdivision.

1. The department shall provide every applicant a written notification, online or by electronic mail, and by regular mail, stating whether such applicant was selected in an affordable housing lottery.

2. The department shall maintain a compliance hotline for the purpose of providing information and guidance to marketing agents.

3. Every marketing agent shall attend at least one in-person or online training regarding resident selection for affordable housing units. Such training shall be developed by the department.

4. Every applicant shall be permitted a reasonable amount of time, but not less than five business days after receiving notice from a marketing agent of any deficiencies identified in an application, to cure any such deficiencies before such marketing agent may reject the application. Marketing agents shall accept an applicant's revised application online or by electronic mail, and by regular mail.

5. Every applicant shall be permitted a reasonable amount of time, but not less than five business days, to respond to a marketing agent's request for information before such marketing agent may reject the application. Marketing agents shall accept an applicant's responses to requests for information online or by electronic mail, and by regular mail.

6. Marketing agents shall provide every applicant a written notification stating whether such applicant is selected to occupy an affordable housing unit. If any applicant is not selected to occupy an affordable housing unit such written notification shall provide specific and detailed reasoning why an applicant cannot be approved, information explaining how the applicant may appeal and information about community-based service providers that may assist the applicant. All written notifications sent pursuant to this paragraph shall be

delivered online or by electronic mail, and by regular mail. Marketing agents shall send the department or the New York city housing development corporation, as applicable, a copy of every written notification sent pursuant to this paragraph.

7. Marketing agents shall not use the following information and criteria to determine if an applicant is selected to occupy an affordable housing unit:

(a) Home visits, photographs, videos, or other representations of an applicant's current living situation;

(b) Report cards or other school records relating to minor children residing with an applicant; or

(c) Such other information and criteria as the department may specify by rule.

8. Marketing agents shall not reject any applicant based solely on an applicant's credit score. Marketing agents may consider an applicant's credit score only as an indicator of such applicant's financial stability, consistent with rules promulgated by the department.

9. Marketing agents shall review and evaluate all sources of an applicant's income, including, but not limited to, wages, self-employment income, unemployment income and income from other sources consistent with rules promulgated by the department.

10. Any applicant not selected to occupy an affordable housing unit shall be permitted a reasonable amount of time, but not less than 30 business days, to appeal such determination. Marketing agents shall accept an applicant's appeal online or by electronic mail, and by regular mail. Marketing agents shall send the department or the New York city housing development corporation, as applicable, a copy of every appeal.

11. Marketing agents shall provide every applicant who submits an appeal a written notification stating whether such applicant is selected to occupy an affordable housing unit. If any applicant is not selected to occupy an affordable housing unit such written notification shall provide specific and detailed reasoning why an applicant cannot be approved, information explaining how to file a complaint with the department or the New York city housing development corporation, as applicable, and information about community-based service providers that may assist the applicant. All written notifications sent pursuant to this paragraph shall be

delivered online or by electronic mail, and by regular mail. Marketing agents shall send the department or the New York city housing development corporation, as applicable, a copy of every written notification sent pursuant to this paragraph.

12. Any applicant whose appeal is rejected shall be permitted a reasonable amount of time, but not less than five business days, to file a complaint with the department or the New York city housing development corporation, as applicable. Such complaint shall include a written explanation of why the applicant believes the appeal was rejected in error and documentation to support the explanation. The department or the New York city housing development corporation, as applicable, shall accept such complaints online or by electronic mail, and by regular mail. During the pendency of its review of such complaint, provided no other affordable housing units are available, the department or the New York city housing development corporation, as applicable, may prohibit a marketing agent from selecting another applicant to occupy an affordable housing unit at issue in the complaint. The department or the New York city housing development corporation, as applicable, shall provide every applicant who submits a complaint a written notification stating whether such applicant is selected to occupy an affordable housing unit. All written notifications sent pursuant to this paragraph shall be delivered online or by electronic mail, and by regular mail.

§ 2. This local law takes effect 120 after it becomes law, except that the commissioner of housing preservation and development shall take such measures as are necessary for the implementation of this local law, including the promulgation of rules, before such date.

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