

TO: BOARD OF LEGISLATORS
COUNTY OF WESTCHESTER

Your Committee has reviewed "A LOCAL LAW amending Chapter 700 to the Laws of Westchester County relating to applications for prospective purchasers of stock in Cooperative Housing Corporations."

Westchester County's Fair Housing Law, Article II of Chapter 700 of the Laws of Westchester County, is aimed at preventing and addressing discrimination in relation to housing practices. Among the housing practices regulated by the Fair Housing Law is the sale and transfer of shares of stock in cooperative housing corporations. Under the Fair Housing Law, it is an unlawful discriminatory practice for the governing board of a cooperative housing corporation to refuse to permit the sale or transfer of stock to a person on the basis of the group identity of the prospective purchaser(s) as defined in Section 700.21(H) of the Fair Housing Law.

Your Committee believes that prospective purchasers of stock in cooperative housing corporations can potentially face discrimination based on their group identity. However, currently, there is no requirement that the governing boards of cooperative housing corporations disclose the reason for the rejection of a prospective purchaser, which can make it more difficult for the Human Rights Commission to investigate and act on unlawful discriminatory practices. Requiring such governing boards to timely respond to applications to purchase shares of stock in the corporation and disclose the

reason for rejections thereof would both deter discriminatory practices and provide a basis upon which the Human Rights Commission could investigate any claims of discrimination relating to the sale or transfer of shares of stock in cooperative housing corporations.

Therefore, your Committee would recommend the adoption of the attached Local Law, which would require governing boards of cooperative housing corporations to provide applications to purchase shares of stock in the corporation, act on the applications in a timely manner, and provide the reason for the rejection of any application. The attached Local Law would further empower the Human Rights Commission to consider any non-compliance therewith in any investigation or proceeding under the Fair Housing Law.

Your Committee is aware that this Honorable Board must comply with the requirements of the State Environmental Quality Review Act ("SEQRA") and its implementing regulations. *See* Title 6, Part 617 of the New York Code Rules and Regulations (N.Y.C.R.R.). The Department of Planning has reviewed the applicable SEQRA regulations, and has concluded that this proposed Local Law is not an action which requires any environmental review. Your Committee concurs in this conclusion.

In light of all of the foregoing, your Committee recommends the adoption of this
Local Law in order to deter discriminatory housing practices.

Dated: 2018
White Plains, New York

COMMITTEE ON

RESOLUTION NO. ____ - 2018

RESOLVED, that this Board hold a public hearing pursuant to Section 209.141(4) of the Laws of Westchester County on Local Law Intro. No. ____ - 2018, entitled "A LOCAL LAW amending Chapter 700 to the Laws of Westchester County relating to applications for prospective purchasers of stock in Cooperative Housing Corporations." The public hearing will be held at __.m. on the ____ day of _____, 2018 in the Chambers of the Board of Legislators, 8th Floor, Michaelian Office Building, White Plains, New York. The Clerk of the Board shall cause notice of the time and date of such hearing to be published at least once in one or more newspapers published in the County of Westchester and selected by the Clerk of the Board for that purpose in the manner and time required by law.

LOCAL LAW INTRO. NO. -2018

A LOCAL LAW amending Chapter 700 to the Laws of Westchester County relating to applications for prospective purchasers of stock in Cooperative Housing Corporations..

BE IT ENACTED by the County Board of the County of Westchester as follows:

Section 1. Chapter 700 of the Laws of Westchester County is hereby amended to include a new section 700.21-a as follows:

Section 700.21-a. Applications to purchase shares of stock in cooperative housing corporations.

A. The governing board of any Cooperative Housing Corporation, incorporated as such in the State of New York that exercises control over real property located within the County of Westchester, shall provide prospective purchasers with an application to purchase shares of the corporation's stock.

B. Within ten days of the receipt of a purchaser's application, such a governing board shall either acknowledge to the prospective purchaser that it is in receipt of a properly completed application or inform the prospective purchaser of any defect in an application.

C. Within forty-five days of its receipt of a properly completed application, such a governing board shall either reject or approve an application to purchase shares of its stock and shall provide written notice thereof which, in the case of a rejection, shall state the reason for such a determination

D. Compliance or non-compliance with any of the requirements set forth in this section may be considered and received into evidence in any investigation or proceeding commenced pursuant to this Chapter.

Section 2. This Local Law shall take effect immediately.