New York State Department of State
Division of Corporations, State Records and Uniform Commercial Code
One Commerce Plaza, 99 Washington Avenue
Albany, NY 12231-0001
www.dos.state.ny.us/corps

Local Law Filing

(Use this form to file a local law with the Secretary of State.)

Text of law should be given as amended. Do not include matter being eliminated and do not use italics or underlining to indicate new matter.

☒ **County** ☐ **City** ☐ **Town** ☐ **Village**
(Select one:)

of Westchester

Local Law No. 5 **of the year 2021**

A LOCAL LAW amending Local Law No. 11-2018 relating to applications for prospective purchasers of stock in Cooperative Housing Corporations.

Be it enacted by the County Board **of the**
(Name of Legislative Body)

☒ **County** ☐ **City** ☐ **Town** ☐ **Village**
(Select one:)

of Westchester **as follows:**

SECTION 1: Section 1 of Local Law 2018-11 is hereby amended to read 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.

1. The application to purchase shares of the corporation's stock shall include a cover sheet containing the following notice, which must be printed in a minimum 12-point font:

Article II of Chapter 700 of the Laws of Westchester County, known as the Westchester County Fair Housing Law, prohibits discrimination in housing accommodations on the basis of a person or persons' actual or perceived race, color, religion, age, national origin, alienage or citizenship status, ethnicity, familial status, creed, gender, sexual orientation, marital status, disability, source of income, or status as a victim of domestic violence, sexual abuse, or stalking.

(If additional space is needed, attach pages the same size as this sheet, and number each.)

Section 700.21-a of the Westchester County Fair Housing Law governs applications to purchase shares of stock in cooperative housing corporations, and applies to this application. Under this section, the cooperative housing corporation is required to comply with the following deadlines:

1. Within fifteen days of the receipt of this application, the cooperative housing corporation must either acknowledge that it has received a complete application, or shall notify you of any defect in the application.

2. If you are notified of any defect in the application, within fifteen days of the receipt of the corrected application the cooperative housing corporation must either acknowledge that is has received a complete application, or shall notify you any defect in the application.

3. Within sixty days of receipt of a complete application, the cooperative housing corporation must approve or deny your application, and provide written notice thereof.

4. If your application is denied, the cooperative housing corporation is required to provide notice to the Westchester County Human Rights Commission, including your contact information.

2. The application to purchase shares of the corporation's stock must disclose:

a. any minimum financial qualifications that a prospective purchaser must meet to qualify to purchase the shares.

b. If a cooperative housing corporation does not have stated mandatory minimum financial qualifications under subparagraph a, at a minimum, the corporation's preferred minimum income, total assets, and credit score, and preferred maximum debt-to-income ratio and percentage of purchase price being financed, noting that these criteria may vary in the discretion of the governing board weighing these factors when it makes a decision on an application.

B. Within fifteen 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. Where the governing board has informed a prospective purchaser of a defect in an application, upon resubmission of the application the governing board shall have fifteen days to either acknowledge to the prospective purchaser that it is in receipt of a properly completed application or inform the prospective purchaser of any uncured defect in the resubmitted application.

C. Within sixty 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. In the case of a rejection, the governing board shall provide to the Human Rights Commission notice of the rejection. This notice shall be in a form promulgated by the Executive Director of the Human Rights Commission, and published on the Human Rights Commission website. The form shall, at a minimum, require the following information:

1. the full legal name and address of the Cooperative Housing Corporation;

2. the full address and unit number of the unit that had been applied for;

3. the full names, addresses, telephone numbers, and e-mail addresses (if available) for the denied applicant(s) and seller(s);

4. the full names, addresses, telephone numbers and e-mail addresses (if available) for all legal counsel and real estate brokers involved in the rejected transaction;
5. the date of receipt of the initial application;
6. the date of receipt of the completed application;
7. the date(s) of any interview;
8. the date of rejection; and
9. the reason for rejection.

The completed notice of rejection form shall be transmitted to the Human Rights Commission within fifteen days of the notice being provided to the prospective purchaser. The Human Rights Commission shall include instructions on how it may be transmitted to the Human Rights Commission.

D. All members of the governing board of cooperative housing corporations are required to undergo fair housing training, in accordance with the following:

1. Any new member of a governing board is required to have a minimum of two hours of fair housing training within sixty days of becoming a member of the board. All members of a governing board are required to have a minimum of two hours of fair housing training every two years.
2. The Human Rights Commission shall develop an outline of minimum standards for fair housing training. Such outline shall be made publicly available on the commission's website. A cooperative housing corporation is required to ensure that the fair housing training given to members of its governing board covers, at a minimum, all topics identified in that outline. The minimum standards for fair housing training shall include, but not be limited to:
    a. A discussion of housing discrimination under local, state, and federal law;
    b. A discussion of protected classes and characteristics under local, state, and federal law;
    c. The obligations and responsibilities of members of governing boards to adhere to fair housing laws, including in the evaluation of applicants, the evaluation of requests for reasonable accommodations, and other common scenarios; and
    d. The role of local, state, and federal agencies in fair housing.
3. The Executive Director of the Human Rights Commission shall determine the minimum qualifications required for a person providing the fair housing training required under subparagraph 2. These minimum qualifications shall be reasonably related to fair housing and the specific items contained in the training outline, and shall be published therewith. If a cooperative housing corporation receives training from a person or persons who do not meet the minimum qualifications, it shall constitute *prima facie* evidence of noncompliance with the training requirement.
3. Cooperative housing corporations are required to maintain records of each member's training, and produce those records to the Human Rights Commission upon request. A failure to maintain or produce training records shall constitute *prima facie* evidence of noncompliance with the training requirement.

E. 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. Furthermore, non-compliance with any of the requirements set forth in this section shall be an independent violation of this Chapter, and shall be punishable by a fine of $1,000 for the first offense, $1,500 for the second offense, and $2,000 for the third and any subsequent offense. Any such violation shall be brought within one year of the violation, except that any violation initiated by the Executive Director

shall be brought within one year of when the Human Rights Commission first learned of the violation.

SECTION 2: Section 2 of Local Law 2018-11 is hereby amended to read as follows:

Section 2. This Local Law shall take effect immediately.

SECTION 3: The Human Rights Commission shall publish the rejection form, the fair housing training outline, and the minimum qualifications for training, required by Section 1 within 15 days of the date this Local Law shall become effective. Persons who are members of governing boards of cooperative housing corporations at the time this Local Law becomes effective, or who become members within the first seven (7) months thereafter, shall receive the fair housing training required under Section 1 as soon as practicable, but in no instance later than nine (9) months after the date this Local Law becomes effective.

SECTION 4: This Local Law shall take effect August 1, 2021.

(Complete the certification in the paragraph that applies to the filing of this local law and strike out that which is not applicable.)

1. (Final adoption by local legislative body only.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20____, in accordance with the applicable
(Name of Legislative Body)
provisions of law.

2. (Passage by local legislative body with approval, no disapproval or repassage after disapproval by the Elective Chief Executive Officer*.)

I hereby certify that the local law annexed hereto, designated as local law No. 5 of 2021 of the (County)(~~City~~)(~~Town~~)(~~Village~~) of Westchester was duly passed by the Board of Legislators on June 28, 2021, and was (approved)(~~not approved~~)
(Name of Legislative Body)
(~~repassed after disapproval~~) by the County Executive and was deemed duly adopted
(Elective Chief Executive Officer)*
on June 28, 2021, in accordance with the applicable provisions of law.

3. (Final adoption by referendum.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(City)(Town)(Village) of _____ was duly passed by the _____ on _____ 20____, and was (approved)(not approved)
(Name of Legislative Body)
(repassed after disapproval) by the _____ on _____ 20____.
(Elective Chief Executive Officer)*

Such local law was submitted to the people by reason of a (mandatory)(permissive) referendum, and received the affirmative vote of a majority of the qualified electors voting thereon at the (general)(special)(annual) election held on _____ 20____, in accordance with the applicable provisions of law.

4. (Subject to permissive referendum and final adoption because no valid petition was filed requesting referendum.)

I hereby certify that the local law annexed hereto, designated as local law No. _____ of 20____ of the (County)(~~City~~)(~~Town~~)(~~Village~~) of _____ was duly passed by the _____ on _____ 20____, and was (approved)(not approved)
(Name of Legislative Body)
(repassed after disapproval) by the _____ on _____ 20____. Such local
(Elective Chief Executive Officer)*
law was subject to permissive referendum and no valid petition requesting such referendum was filed as of _____ 20____, in accordance with the applicable provisions of law.

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* Elective Chief Executive Officer means or includes the chief executive officer of a county elected on a county-wide basis or, if there be none, the chairperson of the county legislative body, the mayor of a city or village, or the supervisor of a town where such officer is vested with the power to approve or veto local laws or ordinances.

5. (City local law concerning Charter revision proposed by petition.)
I hereby certify that the local law annexed hereto, designated as local law No._____of 20_____of the City of_____having been submitted to referendum pursuant to the provisions of section (36)(37)of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of such city voting thereon at the (special)(general) election held on_____20_____, became operative.

6. (County local law concerning adoption of Charter.)
I hereby certify that the local law annexed hereto, designated as local lawNo._____of 20_____of the County of_____State of New York, having been submitted to the electors at the General Election of November_____20_____, pursuant to subdivisions 5 and 7 of section 33 of the Municipal Home Rule Law, and having received the affirmative vote of a majority of the qualified electors of the cities of said county as a unit and a majority of the qualified electors of the towns of said county considered as a unit voting at said general election, became operative.

(If any other authorized form of final adoption has been followed, please provide an appropriate certification.)
I further certify that I have compared the preceding local law with the original on file in this office and that the same is a correct transcript therefrom and of the whole of such original local law, and was finally adopted in the manner indicated in paragraph, 2 above.

Clerk of the county legislative body, City, Town or Village Clerk or officer designated by local legislative body

(Seal)

Date: 7/8/21