



## Zoning Resolution

THE CITY OF NEW YORK

Eric Adams, Mayor

CITY PLANNING COMMISSION

Daniel R. Garodnick, Chair

# **23-913 - Definitions applying to homeownership affordable housing**

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## 23-913 - Definitions applying to homeownership affordable housing

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LAST AMENDED

3/22/2016

The following definitions shall apply to #homeownership affordable housing#, where #homeownership# is as defined in this Section:

### Appreciated price

The “appreciated price” for any #homeownership affordable housing unit# is the product of the #sale# or #resale# price of such #homeownership affordable housing unit# on the previous #sale date# and the #appreciation index# applicable at #resale# as specified in the #guidelines#.

### Appreciation cap

The “appreciation cap” is the #resale# price at which the combined cost of #monthly fees#, #mortgage payments#, utilities and property taxes to be paid by the #homeowner# would be equal to 30 percent of:

- (a) 125 percent of the #income index# for a #homeownership affordable housing unit# that was restricted to occupancy by #low income households# at #sale#; or
- (b) 175 percent of the #income index# for a #homeownership affordable housing unit# that was restricted to occupancy by #moderate income households# at #sale#; or
- (c) 200 percent of the #income index# for a #homeownership affordable housing unit# that was restricted to occupancy by #middle income households# at #sale#.

For #MIH sites#, the multiple of the #income index# for #homeownership affordable housing units# occupied by #qualifying households# shall be as specified in the #guidelines#.

### Appreciation index

The “appreciation index” is 100 until August 1, 2010. On or after August 1, 2010, the #appreciation index# shall be a number greater than 100, representing the cumulative increase in #resale# price of a #homeownership affordable housing unit# permitted pursuant to the annual rates of increase established by #HPD#.

#HPD# shall set the annual rate of increase at the same rate as the percentage change in the Consumer Price Index for all urban consumers, as defined by the U.S. Bureau of Labor Statistics, for the 12 months ended on June 30 of that year, plus one percent per year, but the annual rate of increase shall be no less than one percent per year. #HPD# shall adjust the Consumer Price Index component of the #appreciation index# on August 1 of each calendar year, commencing on August 1, 2010, based on the percentage change in the Consumer Price Index for the 12 months ended on June 30 of that calendar year. For a fraction of a year, the components of the #appreciation index# shall be set as specified in the #guidelines#. #HPD# may adjust the methodology for calculating the #appreciation index# not more than once every two years in accordance with the #guidelines#.

## Commencement date

The “commencement date” is the date upon which #sales# for a percentage of #homeownership affordable housing units# in a #generating site# or #MIH site# set forth in the #guidelines# have been completed, except that, where one or more #homeownership affordable housing units# in #preservation affordable housing# or #substantial rehabilitation affordable housing# were occupied by #grandfathered tenants# on the #regulatory agreement date#, the #commencement date# is the #regulatory agreement date#.

## Condominium association

A “condominium association” is an organization of condominium #homeowners#, with a form of governance specified in the #guidelines#, that manages the common areas and #capital elements# of a #generating site# or #MIH site#.

## Cooperative corporation

A “cooperative corporation” is any corporation organized exclusively for the purpose of providing housing accommodations to shareholders who are persons or families entitled, by reason of ownership of shares in such corporation, to residential occupancy.

## Down payment

The “down payment” is a payment that is not secured by any form of debt, made on or before the #sale date# by the #eligible buyer# approved by the #administering agent# to purchase a #homeownership affordable housing unit#.

## Eligible buyer

An “eligible buyer” is a #household# that qualifies to buy a specific #homeownership affordable housing unit#. Such a #household# shall:

- (a) except in the case of #succession# :
  - (1) be, at the time of application for an initial #sale#, a #low income household#, #moderate income household#, #middle income household# or #qualifying household# for which, at the #initial price#, the combined cost of #monthly fees#, #mortgage payments#, utilities and property taxes that would be paid for a #homeownership affordable housing unit# is not more than 35 percent and not less than 25 percent of such #household's# income. However, for a #household# that resided on a #generating site# or #MIH site# on the date of submission of an #affordable housing plan#, #HPD# may waive the requirement that housing costs be not less than 25 percent of such #household's# income;
  - (2) be, at the time of application for a #resale#, in the case of an #affordable housing unit# initially limited to #sale# to a #low income household#, #moderate income household#, #middle income household# or #qualifying household#, any #household# for which, at the #maximum resale price#, the combined cost of #monthly fees#, #mortgage payments#, utilities and property taxes that would be paid for a #homeownership affordable housing unit# is not more than 35 percent and not less than 25 percent of such #household's# income;

- (3) have cash or equivalent assets that are at least equal to the required #down payment# for such #affordable housing unit#. However, #HPD# may waive this requirement for a #household# that resided on a #generating site# or #MIH site# on the date of submission of an #affordable housing plan# to #HPD#; and
  - (4) meet such additional eligibility requirements as may be specified in the #guidelines#.
- (b) in the case of #succession# :
- (1) be, at the time of application, a #household# for which, at the #maximum resale price#, the combined cost of #monthly fees#, #imputed mortgage payments#, utilities and property taxes for the subject #homeownership affordable housing unit# is not less than 25 percent of such #household's# income; and
  - (2) meet such additional eligibility requirements as may be specified in the #guidelines#.

A #grandfathered tenant# is not an #eligible buyer# unless such #grandfathered tenant# has been certified by the #administering agent# to have an annual income at or below the #low income limit#, #moderate income limit# or #middle income limit#, as applicable to such #homeownership affordable housing unit# or, for #MIH sites#, meets such qualifications for eligibility specified in the #guidelines#.

#### Family member

“Family member” shall have the meaning set forth in the #guidelines#.

#### Homeowner

A “homeowner” is a person or persons who:

- (a) owns a condominium #homeownership affordable housing unit# and occupies such condominium #homeownership affordable housing unit# in accordance with owner occupancy requirements set forth in the #guidelines#; or
- (b) owns shares in a #cooperative corporation#, holds a proprietary lease for an #homeownership affordable housing unit# owned by such #cooperative corporation# and occupies such #homeownership affordable housing unit# in accordance with owner occupancy requirements set forth in the #guidelines#.

#### Homeownership

“Homeownership” is a form of tenure for housing, including #dwelling units# occupied by either the owner as a separate condominium, a shareholder in a #cooperative corporation# pursuant to the terms of a proprietary lease, a #grandfathered tenant# or an authorized sublettor pursuant to the #guidelines#.

#### Imputed mortgage payment

An “imputed mortgage payment” is the maximum #mortgage payment# at prevailing interest rates for a qualifying #mortgage# that could be paid to purchase a #homeownership affordable housing unit# at the #maximum resale price#, calculated in accordance with the #guidelines#.

## Initial price

The “initial price” is the price at which a #homeownership affordable housing unit# may be offered for #sale# for the first time, pursuant to a #regulatory agreement#.

## Maximum resale price

The “maximum resale price” for a #homeownership affordable housing unit# is the lesser of the #appreciated price# or the #appreciation cap# for such #homeownership affordable housing unit#.

## Monthly fees

The “monthly fees” are any payments charged to a #homeowner# by a #cooperative corporation# or #condominium association# to provide for the reimbursement of the applicable #homeownership affordable housing unit’s# share of the expenses of such #cooperative corporation# or #condominium association#, as permitted by the #regulatory agreement#.

## Mortgage

A “mortgage” is a mortgage loan, or a loan to purchase shares in a #cooperative corporation#, that has been approved by the #administering agent# and that has a fixed rate of interest, a term of at least 30 years at every #sale# and #resale#, a value not exceeding 90 percent of the #sale# price of such #homeownership affordable housing unit# at the time of the initial #sale# or 90 percent of the #maximum resale price# of such #homeownership affordable housing unit# at any time after the initial #sale#, and that is otherwise in compliance with the #guidelines#.

## Mortgage payment

The “mortgage payment” is any monthly repayment of principal and interest on a #mortgage#.

## Resale

A “resale” is any transfer of title to a condominium #homeownership affordable housing unit# after the first #sale# or any transfer of ownership of the shares in a #cooperative corporation# which are appurtenant to a #homeownership affordable housing unit# after the first #sale#.

## Sale

A “sale” is the first transfer of title to a condominium #homeownership affordable housing unit# or the first transfer of ownership of the shares in a #cooperative corporation# which are appurtenant to an #homeownership affordable housing unit# on or after the #regulatory agreement date#.

## Sale date

A “sale date” is the date of the #sale# or #resale# of any #homeownership affordable housing unit#. However, for #homeownership affordable housing units# in #preservation affordable housing# or #substantial rehabilitation affordable housing# occupied by #grandfathered tenants# on the #regulatory agreement date#, the initial #sale date# shall be the #regulatory agreement date#.

## Succession

“Succession” is a #resale# from a #homeowner# to a #family member# of such #homeowner#.