



2024 Legal & Legislative Update and Outlook

NYHA 74th Annual Convention
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Agenda

- Good Cause Eviction
- Right of First Refusal
- MMHR Program Codification
- NYS Building Code Amendments
- NYS Political Update
- Overview of the NYS Legislative Process
- 2025 Legislative Session

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Good Cause Eviction

- Enacted as part of the NYS Budget this year.
- Significant changes to the rights and obligations of certain landlords and their tenants.
 - *I.e.*, Limits evictions, mandatory lease renewals, caps rent increases.
- Landlords must demonstrate "good cause" to evict a tenant.
 - Defined in statute – examples include non-payment of rent (unless the rent is deemed "unreasonable"), nuisance behavior, malicious or grossly negligent damage to the property, or unreasonable refusal of access to the premises for necessary repairs.

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Good Cause Eviction

- **Manufactured housing is exempt** except for new notice requirements.
- **All landlords** – regardless of whether covered by GCE – must include a standard form in their leases and renewals to inform their tenants whether GCE applies.
- Required language is in Real Property Law § 231-c.
- Must be included within or appended to all initial leases, lease renewals, 14-day written demand of rent notices, and RPAPL petitions.
- Notice requirement cannot be satisfied by posting on website or in the community– it must be incorporated in the lease.

Right of First Refusal “ROFR”

- Went into effect April 25, 2024.
- MH community owner must notify the residents of the community of an offer to purchase the community and provide them with an opportunity to purchase the community on the same terms and conditions as that offer.
- If there is a HOA in the community (at least 50% + 1 of all residents must be members), community owner must notify HOA officers and provide them with terms of the offer.
- If no HOA exists or officer contact information is unavailable, the community owner must notify all residents of the sale and their right to purchase the community.

Right of First Refusal “ROFR”

- Notice to HOA/residents must contain the following information:
 - purchase price;
 - material terms and conditions of the sale;
 - notice that the homeowners have the right to organize a HOA if none exists;
 - purchase financing may be available through HCR; and
 - the HOA/residents have 140 days to exercise their right to purchase the community.

Right of First Refusal "ROFR"

- If HOA exists at time of notification, and HOA wants to purchase the park, the HOA must give notice to the community owner within 60 days of the notice.
 - If no notice is given, community owner has no obligation to sell to residents.
 - If notice is given, the HOA has 140 days to deliver an offer that matches the terms and conditions of the initial offer, unless community owner agrees to different terms.

Right of First Refusal "ROFR"

- If no HOA exists, and homeowners want to purchase the park, they have 60 days from of receipt of the notice to notify the community owner. If no notice is given, community owner can proceed with the sale of the community.
 - Notice must be signed by 50%+1 of the manufactured homeowners in the community.
 - If the required notice is given, homeowners residents must form a HOA consisting of not less than 50%+1 of the residents within 140 days, designate officers, and deliver an offer that matches the terms and conditions of the initial offer.

Right of First Refusal "ROFR"

- During the 140-day period, the community owner may not accept a final, unconditional offer to purchase the community.
- If no offer is received within the 140-day period, the community owner may proceed with the original offer under the same the terms and conditions as described in the notice to the community.
- If the community owner lowers the price or substantially alters the terms of the original offer, the HOA must be given another 30 days to match that lower price or meet those conditions.

Right of First Refusal “ROFR”

- If community owner markets the park for sale or intends to accept an offer or make a counteroffer, community owner must include a notice that states that the offer is subject to ROFR.
- Every purchase agreement must include language saying the purchase is subject to ROFR.
- Community owner must notify HCR any time they plan to accept an offer to sell the park.

MMHR Program Codification

- S.3141-A/A.9158-A (Senator Mannion/Assemblymember Barrett).
- Codifies the Mobile and Manufactured Home Replacement Program.
- Historically funded as a line item in HCR’s budget.
- Funds the replacement of older, dilapidated homes.
- Local governments or NFPs eligible to apply for funding to administer a local program.
- Eligible homeowners (household income no more than 80% of area median income) may apply to local programs for up to \$200,000.
- Passed both houses, not yet delivered to Governor.
- NYHA has issued memos in support.

Building Code Amendments

- DOS issued a Notice of Rule in Development for the NYS Fire and Building Code and the Energy Conservation, comments due September 24, 2024.
- NYHA submitted comments re: mandatory sprinkler system requirements in all one- or two-family homes.
- Position - mandating fire sprinklers in HUD Code manufactured housing is premature given federal activity; mandate would impose significant costs on manufactured housing construction; offered alternative language for private wells.
- HUD code amended September 16, 2024 to implement an enhanced voluntary fire sprinkler system standard within the Manufactured Home Construction and Safety Standards.
- Manufactured Home Consensus Committee has not yet recommended mandatory sprinklers to HUD.

NYS Political Update

- Governor Hochul
 - Up for reelection in 2026.
 - Strong interest in housing policy.
 - Outcome of Presidential Election could influence NYS policies and political future.
- Governor Hochul's Housing Initiatives
 - Housing Compact – all cities, towns, and villages must achieve new home creation targets on a three-year cycle: downstate municipalities = 3% target; upstate municipalities = 1% target.
 - \$250 million Infrastructure Fund and \$20 million Planning Fund available to municipalities to support new housing production statewide.
 - \$500 million capital fund to develop housing on state-owned sites.

NYS Political Update

- NYS Legislature
 - Approaching end of two-year terms, General Election in November.
 - Democratic majority in both Senate and Assembly.
 - Housing Chairs – Senator Kavanagh and Assemblymember Linda Rosenthal (both NYC members).
 - Affordable housing continues to be a hot topic. Legislative activity generally focuses on NYC, multi-tenant housing.
 - Opportunities to engage with the Legislature to highlight manufactured housing as one of the solutions to the housing crisis.

Overview of NYS Legislative Process

- An idea for a bill is submitted to the Bill Drafting Commission where it is translated into formal language.
- Legislation is introduced and assigned a bill number.
- Bill is assigned to the relevant committee for discussion and analysis. If a majority of committee members support it, the bill is reported to the floor. If not, it "dies in committee."
- Bills with a fiscal impact are sent to the Ways and Means Committee. Bills which impose criminal and civil sanctions are sent to the Codes Committee.

Overview of NYS Legislative Process

- A final version of the bill must be approved by both houses of the Legislature, unless the governor authorizes, and the Legislature accepts a Message of Necessity for that bill.
- The bill reaches the floor for debate and vote. If both houses pass a bill, it is then sent to the governor for approval or veto. Note – most bills do not reach this part of the process.
- The governor can sign a bill, veto it, or give it “pocket approval,” which means if the governor fails to act on a bill within 10 days of receiving it, the bill is automatically approved. If the governor vetoes a bill, it can still become a law if a two-thirds majority of both houses votes in favor of the bill.
- The bill, once signed by the governor, becomes law.

2025 Legislative Session

- Housing issues will likely continue to be a focal point for policymakers.
- Two bills to watch:
 - S. 101-A/A.1703-A: Establishes a process for surrendering the certificate of title to a manufactured home and “converting” the home to real property. NYHA Supports.
 - Many manufactured homes are financed as personal property. Financing land and home with a mortgage provides more favorable financing terms.
 - 43 states utilize a certificate of title process to establish ownership of, and to perfect a security interest in, a manufactured home.
 - Sponsored by Senator Ryan and Assemblymember Fred Thiele, who has retired. The Senator is looking for a new sponsor.

2025 Legislative Session

- Two bills to watch:
 - S.5198/A.5704: rent increases over 3% must “be shown to be above and beyond costs incurred for ordinary maintenance, including preventive maintenance, replacement, or repair of the roads, infrastructure, or other community property or services.” NYHA opposes.
 - Sponsored by Senator Skoufis and Assemblymember Barrett.
 - NYHA has met with the sponsors and has been pushing for amendments to the bill.



Questions?



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