



Whereas, These bills would clarify the rights and responsibilities of the shareholders and boards of directors of cooperative corporations and of the unit owners and boards of managers of condominium associations; and

Whereas, These bills would add a new section 352-eeee to the General Business Law to establish a number of important due process rights for individual property owners in dealing with their board or association and also create general standards for the conduct of business by these boards and associations; and

Whereas, The rights granted to cooperative shareholders and condominium unit owners in these bills would require cooperative corporations and condominium associations to process requests for action in an expeditious, non-discriminatory fashion, according to uniform written procedures; hold elections by secret ballot and post the results; fill board vacancies in a timely fashion; provide for the prompt resignation of board members who sell their interest in the corporation or association; make various documents, including financial statements, available to individual owners in a timely fashion; post notice of meetings at least ten days in advance; and, with the exception of some special cases, obtain permission through a shareholder or unit owner vote before imposing special assessments or entering into contracts for extraordinary expenses; and

Whereas, These protections would help to ensure that property owners are dealt with fairly and have access to important information regarding the management of the buildings which constitute their homes; and

Whereas, These bills would require the boards of directors of cooperative corporations and boards of managers of condominium associations to, within one year, amend their organizational and operating documents to reflect the rights granted and responsibilities imposed in these bills; and

Whereas, These bills would require the Attorney General of the State of New York to, within six months, promulgate a handbook summarizing the rights of shareholders and unit owners vis-à-vis cooperative corporations and condominium associations and the procedures and processes available to enforce those rights; now therefore, be it

Resolved, That the Council of the city of New York calls upon the New York State Legislature to pass

and the Governor to sign into law S.2386 and A.5673, which enact a bill of rights for cooperative shareholders and condominium unit owners and direct the Attorney General to promulgate a handbook summary of these rights and the procedures available to enforce them.

LS# 6370

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