

Downsizing Program for Seniors and DRIE-Qualified Shareholders

The New York State Division of Housing and Community Renewal (HCR), the supervisory agency for Mitchell-Lama developments, has approved a five-year extension of the apartment downsizing program open to Co-op City senior and DRIE-eligible shareholders.

Through this program, eligible shareholders can downsize to smaller sized apartment without paying the current equity price for the new apartment and without paying the three months of carrying charges for their old apartment.

The downsizing program was first approved by HCR in 2019 and it was the very first time that the agency had approved an apartment downsizing waiver to a Mitchell-Lama housing corporation. The approval came after more than six years of advocacy for the program, which began to take shape officially in 2014 when the Riverbay Board passed a resolution asking Management to bring back a plan to be presented to HCR. In April 2019, the Board unanimously passed Resolution 19-18 requesting HCR review and approval of Riverbay's waiver request. And so, after years of petitioning – which included calling on local elected officials and the governor's office to support Riverbay's request, and years-long negotiations with HCR, Co-op City's mortgage holder Wells Fargo, and other stakeholders, to iron out mutually agreed upon details of the program – HCR granted the waiver.

The goal of the program is to allow senior shareholders who have since raised their families and no longer require a large unit, and who wish to age in place, to downsize to a smaller unit without the added financial burden of paying the current and higher equity for the new, smaller unit and the three months of carrying charges for the old apartment, as required by HCR regulations, a cost prohibitive undertaking for some seniors living on fixed incomes. Under the program, transferring seniors and those who are DRIE-eligible would pay only for damages to the old unit beyond normal wear and tear. By accommodating senior and disabled shareholders who qualify for the waiver, this program also frees up the corporation's stock of larger apartments.

Eligibility for the apartment downsizing waiver is limited to:

- Shareholders who are 62 years or older.
- Shareholders who are considered handicapped for eligibility purposes under the New York City Disability Rent Increase Exemption (DRIE) Program.
- Shareholders whose annual income does not exceed \$59,000, as reported on their most recently submitted Income Affidavit.
- Shareholders who are not currently paying a surcharge.
- Shareholders who are not in arrears.

To apply for the downsizing program, eligible shareholders must submit a completed Co-op City Downsizing Transfer Application to the Riverbay Residential Sales department. The transfer application can be picked up at the Sales office located at 2057-A Bartow Avenue.

All household members on the transfer application must be documented as living in the current unit and anyone being added as a co-owner of the new unit is required to have a minimum 650 credit score and submit \$24.99 for a credit check. Those 18 years or older are also required to submit their most recent tax returns.

Anyone 18 years and older being added to the transfer application who was not listed on the applicant's original application must undergo a criminal background check and Home Visit, consistent with Riverbay's Residential Sales application procedures and requirements.

Shareholders interested in downsizing should note that there are additional fees associated with these requirements. The Criminal Investigation fee is \$172.03 and the Home Visit fee is \$87.10. There is also a non-refundable administrative fee of \$75, which must be paid to Riverbay Corporation by certified or bank check or money order; personal checks and cash payments are not accepted.

For DRIE-qualified applicants, documentation of the shareholder's handicap must also be submitted. This includes proof of award of federal Supplemental Security Income (SSI) or US Department of Veterans Affairs disability pension or compensation or Disability-related Medicaid, if the shareholder received either SSI or SSDI in the past.

After an application is approved, the total equity for the shareholder's current apartment will be transferred to the new apartment.

At closing for the new apartment, the shareholder will also pay the first month's carrying charges in advance. The shareholder will then be billed the pro-rated amount based upon the scheduled move-in date for the new apartment.

Shareholders wishing to downsize should also be aware that Riverbay does not warrant or represent that shareholders will remain eligible for the same SCRIE or DRIE benefits after downsizing to a smaller apartment. Shareholders should confirm their continuing eligibility for benefits with SCRIE and/or DRIE.

For more information about the downsizing program, shareholders can reach out to the Sales department at 718-320-3300 and select option 6.

To fill out a Transfer application, please visit the Apply page and click on "Transfer Application."