

Exhibit 1

ARTICLE XXXVI, Affordable Housing [Added 6-27-2000 by L.L. No. 13-2000; amended it its entirety 6-28-2004 by L.L. No. 17-2004]

NOTE: Local Law No. 17-2004 also provided as follows:

Section 1. Legislative Intent.

This Legislature hereby finds and determines that Local law No. 13-2000 established the Suffolk County Affordable Housing Program, thereby providing a comprehensive policy to enable the County to provide affordable housing opportunities directly and through other municipalities.

This Legislature hereby finds that Local Law No. 13-2000 has been a positive step in making affordable housing available to many segments of Suffolk County's population as follows:

- a. By providing an inventory of tax-default and other surplus parcels, both vacant and improved, directly and through town and village participation where practicable in carrying out a Countywide affordable housing program;
- b. By providing County-owned parcels to municipalities participating in and implementing programs of affordable housing, at below-market values, for individuals who would otherwise be unable to purchase homes in the Long Island real estate market; and
- c. By providing funding through the use of capital bond proceeds in connection with the affordable housing program.

This Legislature further finds that in the last four years the need for affordable housing has become more acute and that sharply rising housing costs have created an untenable situation for the County's residents and employers which has resulted in the outmigration of young adults, long commutes on overcrowded highways and an increase in the number of families, including seniors, forced to spend more than 35% of their income on housing.

The Legislature further finds that it is critical to the continued viability of the local economy to retain the County's young workforce and senior community by increasing flexibility and streamlining the existing Suffolk County Affordable Housing Program to assure it can be easily used and implemented to provide increased housing choices.

Therefore, the purpose of this law is to increase affordable housing opportunities by providing additional housing and funding options and to further streamline the Section 3. Applicability.

This law shall apply to all conveyances and transactions occurring on or after the effective date.

§ A36-1. Definitions.

As used in this article, the following terms shall have the meanings indicated:

AFFORDABLE HOUSING – Housing, including workforce housing, available to individuals and families meeting certain income guidelines based on the U.S. Department of Housing and Urban Development (HUD) area median incomes and as further defined in § A36-2A, B and C below.

AFFORDABLE HOUSING SUBSIDY (AHS) – The funding made available by Suffolk County for the acquisition, construction and/or reconstruction of parcels pursuant to § A36-2C(1)(ii) of this article. [Added 4-28-2009 by L.L. No. 11-2009 ^{EN}]

COMMUNITY DEVELOPMENT DIRECTOR – The Director of the Community Development Agency within the Suffolk County Department of Economic Development and Workforce Housing. [Added 11-16-2004 by L.L. No. 36-2004 ^{EN}]

CONVEYANCE -- The transfer by deed of any parcel for any municipally run, funded, and/or managed affordable housing program, with or without nonprofit agencies, pursuant to New York

DEVELOPER – A person, persons, corporation or other legal entity who will construct, rehabilitate or otherwise stimulate the creation of workforce housing that meets the criteria set forth herein. [Added 6-27-2006 by L.L. No. 37-2006]

NOTE: Local Law No. 37-2006 also provided as follows:

Section 1. Legislative Intent.

This Legislature hereby finds and determines that Suffolk County’s Affordable Housing Law was amended in its entirety by L.L. No. 17-2004.

This Legislature further finds and determines that certain amendments to Suffolk County’s Affordable Housing Law are necessary in order to further facilitate coordination of various affordability requirements between the County and the towns and villages.

This Legislature finds and determines that amendments to the County’s Affordable Housing Law will expand the capacity for development of owner-occupied, employee-assisted and rental housing and increase the flexibility of the current County subsidy programs.

Therefore, the purpose of this law is to expand and increase the opportunities to develop affordable housing and to increase coordination with the towns and villages regarding required affordability and income limits.

Section 3. Applicability.

This law shall apply to all actions occurring on or after the effective date of this law.

DIRECTOR – The Director of Affordable Housing within the Suffolk County Department of Economic Development and Workforce Housing. [Amended 4-28-2009 by L.L. No. 11-2009 ^{EN}]

FIRST-TIME HOMEBUYER – An individual or family unit that has not owned a home during the three-year period before the purchase of a home with the permitted exceptions delineated in the HUD Home Investment Partnership Regulations, as they are amended from time to time, including, but not limited to, exceptions for displaced homemakers, single parents and mobile home owners.

PARCEL – A separately assessed lot, parcel, piece or portion of real property, with or without improvements erected thereon, owned by the County of Suffolk.

PARTICIPATING EMPLOYER – A company, corporation or other legal entity that employs individuals who reside in or will reside in Suffolk County and provides land, down-payment assistance, loan guarantees, or other assistance to its employees in connection with workforce housing that meets the criteria set forth herein. [Added 6-27-2006 by L.L. No. 37-2006 ^{EN}]

PERSON WITH A DISABILITY -- A person who has a physical, mental or medical impairment resulting from anatomical, physiological, genetic or neurological conditions which prevent the exercise of a normal bodily function or is demonstrable by medically accepted clinical or laboratory diagnostic techniques; or a record of such an impairment; or a condition regarded as such as impairment as further defined by the Americans with Disabilities Act. [Added 4-28-2009 by L.L. No. 11-2009 ^{EN}]

WORKFORCE HOUSING -- Affordable housing that is subsidized by the County pursuant to § A36-2C of this article and available to the County’s workforce that meets income guidelines based on HUD area median incomes and as further defined in § A36-2A, B and C of this article. ^{EN}

WORKFORCE HOUSING SUBSIDY (WHS) – The funding made available by Suffolk County for the acquisition, construction and/or reconstruction of parcels pursuant to § A36-2C(1)(b) of this article. [Amended 4-28-2009 by L.L. No. 11-2009 ^{EN}]

§ A36-2. Suffolk County housing opportunities programs.

- A. First-time homebuyers’ auction:

- 1) Habitable improved parcels shall be offered for sale at public auction exclusively to first-time homebuyers whose income does not exceed 80% of the HUD established median income limits for the Nassau-Suffolk Primary Metropolitan Statistical Area (PMSA) adjusted by family size.
- 2) Deed restrictions.
 - a) Parcels transferred pursuant to this section must be to a first-time homebuyer and shall contain deed restrictions as follows:
 1. Property must remain the principal residence of the first time homebuyer for a period of at least five consecutive years; and
 2. Income of first-time homebuyer must not exceed 80% of the HUD established median income limits for the Nassau-Suffolk PMSA adjusted by family size.
 3. Failure to comply with any of the restrictions herein shall result in the property reverting to Suffolk County.

B. New York State General Municipal Law § 72-h transfer program.

- 1) Designated uninhabitable improved parcels and vacant parcels shall be transferred by the County to participating municipalities for nominal consideration and shall be constructed and/or reconstructed for affordable housing purposes. These parcels shall be subject to covenants and restrictions requiring cooperating municipalities to transfer these parcels to eligible individuals whose income does not exceed 80% of the HUD-established limits for the Nassau-Suffolk PMSA adjusted by family size, unless the Director, subject to legislative approval, issues a waiver and authorizes the transfer to eligible individuals whose income does not exceed 120% of the HUD-established limits. Units constructed and/or reconstructed on a parcel transferred pursuant to this Subsection B, and sold or rented subject to a hierarchy of local preferences established by the participating municipality, shall be constructed and/or reconstructed, as the case may be, using design and construction features in compliance with § A36-3 of this article, and shall be made available to military veterans pursuant to such local preference who served during expeditionary service in a theatre of conflict in Iraq or Afghanistan, as verified by the Director of the Suffolk County Veterans Agency, which credentials shall qualify such persons as first-time homebuyers as defined in this article, subject to the following: [Amended 4-28-2009 by L.L. No. 11-2009; 6-8-2010 by L.L. No. 27-2010^{EN}]

NOTE: Local Law No. 11-2009 also provided as follows:

Section 1. Legislative Intent.

This Legislature hereby finds that last year, the State of New York Mortgage agency (SONYMA) launched a program entitled "Homes for Veterans" that provides favorable interest rates on mortgages obtained by military veterans.

This Legislature further finds and determines that the current General Municipal Law § 72-h property transfer program administered by the County should provide more affordable housing opportunities to military veterans who have served this country and have offered their lives for the protection of others.

This Legislature further finds that the § 72-h property transfer program should include funding for exterior and interior construction to enable disabled persons to live independently in their homes, and for the installation of energy reduction and energy conservation equipment or devices in housing units constructed for affordable housing.

Therefore, the purpose of this local law is to; a) provide a local preference authorizing municipalities and nonprofit housing organizations to utilize the County's § 72-h property transfer program to construct and remodel housing units for occupancy by certain military veterans; and b) authorize the Director to, in connection with § 72-h property transfers, provide funding for specific exterior and/or interior elements of visitability design and construction requirements, and the installation of energy reduction or energy conservation equipment or devices with a useful life of five years or greater.

Section 3. Applicability.

This law shall apply to all actions occurring on or after the effective date of this law

NOTE: Local Law No. 27-2010 also provided as follows:

Section 1. Legislative Intent.

This Legislature hereby finds and determines that transfers of County-owned land to towns and villages pursuant to New York General Municipal Law § 72-h play a critical role in the creation of affordable/workforce housing in Suffolk County.

This Legislature further finds that while Local Law No. 37-2006 amended affordability and income limit requirements under the County's Workforce Housing Program in order to increase flexibility and expand opportunities to develop housing, § 72-h program requirements went unchanged by this local law.

The Legislature also determines that many prospective first time home buyers whose incomes exceed the limits currently prescribed under the § 72-h program, continue to be priced out of the Long Island housing market.

This Legislature also determines that the § 72-h transfer program should be flexible so that the County can take advantage of all opportunities to develop affordable housing in our communities and better serve the needs of first time home buyers.

Therefore, the purpose of this local law is to authorize the Director of Workforce Housing to waive the income limits of the § 72-h transfer program and authorize the transfer of homes constructed under this program to persons whose incomes do not exceed 120% of the HUD established median income limits for our region.

Section 3. Rules and regulations.

The Director of Affordable Housing shall, within 90 days of the effective date of this law, promulgate rules, regulations and criteria necessary to implement this law.

Section 4. Applicability.

This law shall apply to § 72-h transfers occurring on or after the effective date of this law.

(a) The Director of the Suffolk County Veterans Service Agency shall verify to the participating municipality that an applicant possesses a Form DD-214 to verify honorable service and one or more of the following awards/medals in order to qualify under this article:

- i. Afghanistan Campaign Medal;
- ii. Iraq Campaign Medal;
- iii. Global War on Terrorism Expeditionary Medal;
- iv. Navy Expeditionary Medal (Iraq or Afghanistan);
- v. Marine Corps Expeditionary Medal (Iraq or Afghanistan);
- vi. Combat Action Ribbon;
- vii. Combat Action Badge;
- viii. Combat Medical Badge;
- ix. Purple Heart Medal; and
- x. Silver Star Medal.

2) Deed restrictions.

a. Parcels transferred pursuant to this section shall be to a first-time homebuyer and shall contain deed restrictions as follows:

1. For owner-occupied housing:

- a. Property must remain the principal residence of owner for a period of at least five consecutive years;
- b. Income of first-time homebuyer must not exceed 80% of the HUD-established median income limits for the Nassau-Suffolk PMSA adjusted by family size, or, in the case where

a waiver has been issued by the Director as authorized under § A36-2(B)(1), income must not exceed 120% of the HUD-established median income limits for the Nassau-Suffolk PMSA adjusted by family size; [Amended 6-8-2010 by L.L. No. 27-2010^{EN}]

- c. Subsidized purchase price of home shall not exceed 60% of median sales price for Suffolk County based on State of New York Mortgage Agency (SONYMA) guidelines; and
- d. Construction must be completed and the housing occupied by eligible purchasers within three years of transfer unless an extension of time is granted in writing by the Director after good cause is shown. Said extension shall not exceed two two-year extensions unless approved by duly enacted resolution.
- e. Failure to comply with any of the restrictions herein shall result in the property reverting to Suffolk County.

2. For rental housing:

- a. Income of purchaser must not exceed 80% of the HUD-established median income limits for the Nassau-Suffolk PMSA adjusted by family size, or, in the case where a waiver has been issued by the Director as authorized under § A36-2(B)(1), income must not exceed 120% of the HUD-established median income limits for the Nassau-Suffolk PMSA adjusted by family size; [Amended 6-8-2010 by L.L. No. 27-2010^{EN}]
- b. Rent shall not exceed HUD established fair market rent for the Nassau-Suffolk PMSA based on bedroom size;
- c. Home must meet local building and zoning codes;
- d. Construction must be completed and the housing occupied by eligible tenants within three years of transfer unless an extension of time is granted in writing by the Director after good cause is shown. Said extension shall not exceed two two-year extensions unless approved by duly enacted resolution; and
- e. Property must remain in the possession of tenants who meet the income limits and rental limits set forth in § A36-2B(2)(a)[2][a] and [b] above for a least 10 consecutive years after the transfer date.
- f. Failure to comply with any of the restrictions herein shall result in the property reverting to Suffolk County.

3) In situations where federal or state grant funds are used to finance construction under the § 72-h program, federal and state requirements must be met. However, in the event the County requirements are more stringent, then the County requirements will prevail.

4) Reporting and management requirements.

- (a) Any municipality that accepts title pursuant to New York State General Municipal Law § 72-h to a parcel from the County of Suffolk for use in an affordable housing program shall, as a condition precedent to the receipt of a deed of conveyance of such parcel, agree in writing with the County of Suffolk to provide a report no later than December 31 of each year to the Director, including, but not limited to, the exact and precise use to which any such parcels have been put and the sales price generated by initial purchase of such affordable homes.
- (b) The report set forth at § A36-2B(4)(a) above shall explicitly state whether or not the parcel has been utilized for affordable housing purposes and whether or not the restrictive covenants to ensure such utilization contained in any such deeds of conveyance have been adhered to.
- (c) The Director shall then determine whether or not any restrictive covenants contained in the deed of conveyance to the municipality, state government, federal government, or any agency or department thereof, have been breached or violated.
- (d) In the event that the Director determines that any such covenants have been breached or violated, he or she shall advise the County Department of Law and the County Legislature as to the nature of such breach or violation and request authorization for such action as he or she shall deem necessary to enforce such covenant or to enjoin or to correct such breach or violation.

5) Conditions of County transfer:

- (a) The consideration paid to the County of Suffolk for any conveyance under § 72-h of the New York General Municipal Law shall be a nominal consideration not to exceed \$10 for any parcel.
- (b) Upon such payment of nominal consideration and actual conveyance of the parcel(s), all subsequent grantees shall comply with all applicable state, federal, and local regulations pertaining to the price, income eligibility and marketing standards for such affordable housing programs.

C. Workforce housing and affordable housing programs. [Amended 6-27-2006 by L.L. No. 37-2006;^{EN} 4-28-2009 by L.L. No. 11-2009^{EN}]

1) Funding initiatives.

- i. Funding initiatives for the workforce housing program by the County through the use of Capital bond proceeds (WHS) shall include funding for:
 - a. The acquisition of land by the County in conjunction with a municipality, which shall include both vacant parcels and improved parcels;
 - b. The construction and/or reconstruction of parcels transferred to participating municipalities pursuant to New York State General Municipal Law § 72-h;
 - c. Infrastructure improvements in conjunction with municipalities, which shall include, but not limited to, roads, parking, sewers, water, sidewalks, street lighting and appurtenant landscaping; and
 - d. The acquisition by the County in conjunction with a property owner, municipality, developer, or participating employer of conservation easements or infrastructure improvements which shall include, but not to be limited to, roads, parking, sewers, water, sidewalks, street lighting and appurtenant landscaping; and
 - e. The acquisition of land, which shall include both vacant parcels and improved parcels, by the County in conjunction with a property owner, developer, or participating employer.
- ii. Funding initiatives for the affordable housing program by the County through the use of capital bond proceeds (AHS) shall include funding for the construction and/or reconstruction of parcels transferred to participating municipalities pursuant to New York State General Municipal Law § 72-h; including:
 - a. Interior portions of units on such parcels using design and construction features in compliance with § A36-3 of the article for military veterans who are persons with a disability and qualify under § A36-2B(1); and
 - b. The installation of energy reduction or energy conservation equipment or devices with a useful life of five years or greater.

2) Program requirements.

- (a) The following provisions are applicable to § A36-2C(1)(i)(a), (b) and (c) and § A36-2C(1)(ii) above:
 - 1. A municipality must enter into a development agreement with the County, which shall require the participating municipality to offer incentives, such as density bonuses, fast-track approvals and fee waiver, and/or financial assistance, such as community development block grant funds, industrial development bonds and/or tax credits, to the proposed affordable housing development prior to the acquisition of a parcel.
 - 2. Prior to such acquisition or funding, the participating municipality shall, by resolution or other legislative act, approve the development agreement which shall specify the development plan;

the proposed builder, which may be a not-for-profit corporation or a for-profit builder; the number of units of housing; the targeted occupants; the method of selecting such occupants; and the sales/rental prices to be paid by the occupants. If a for-profit developer is utilized, then the amount of profit realized by the builder must conform to New York State Affordable Housing Corporation (or its successors') guidelines.

b) The following provision is applicable to § A36-2C(1)(d) and (e) above:

1. The property owner, municipality, developer, or participating employer, as the case maybe, must enter into an agreement with the County requiring the use of the parcels(s) for workforce housing purposes and specifying the proposed builder, which may be a not-for-profit corporation or a for-profit builder; the number of units of housing; the targeted occupants; the method of selection such occupants; and the sales/rental prices to be paid by the occupants. If a for-profit developer is utilized, then the amount of profit realized by the builder must conform to New York State Affordable Housing Corporation guidelines, or any successor thereto.

c) Deed restrictions for all housing subsidized pursuant to this section must reflect the following guidelines:

1. Any deed restrictions set forth in § A36-2B of this article that are more restrictive than those set forth in this section shall take precedence.
2. Both owner-occupied and rental housing will be eligible to receive assistance. Preference will be given to projects of 10 or more units.
3. Income limits.
 - a. Fifty percent of all units, including owner-occupied and rental housing units, must, at a minimum, be occupied by persons and families whose income does not exceed 120% of the HUD established median income limits, adjusted by family size for the Nassau-Suffolk PMSA, and 50% of all units must, at a minimum, be occupied by persons and families whose income does not exceed 80% of the HUD established median income limits, adjusted by family size, for the Nassau-Suffolk PMSA or any municipally approved affordable requirement that restricts occupancy to households whose income does not exceed 120% of the HUD established median income limits, adjusted by family size for the Nassau-Suffolk PMSA.
 - b. In situations where federal or state funding is utilized to subsidize development costs, applicable federal and state income requirements must be met. However, if the County requirements are more stringent, then the County requirements will prevail.
4. Affordability for owner-occupied housing. Units must be affordable to targeted income groups based on standard underwriting criteria.
5. Occupancy for owner-occupied housing. However ownership units must be owner-occupied and the principal residence of the occupant for at least 10 consecutive years. Failure to meet this requirement may result in the repayment to the County equal to the value of the subsidy provided.
6. Affordability for rental units. Rental units shall have maximum rent equal to the fair market rent adjusted for bedroom size established by HUD for the Nassau-Suffolk PMSA or any municipality-approved fair market rent standard, and must remain affordable for at least 10 consecutive years or until the WHS or AHS is repaid to the County, whichever is later.

D. Repayment.

1) All land acquired and housing subsidized pursuant to § A36-2C shall be subject to:

- a. Covenants and restrictions governing the use of the parcel(s) and housing thereon; and

b. Repayment of the WHS or AHS, as the case may be, pursuant to the terms set forth in any and all funding documents when the ownership/rental requirements and/or affordability requirements contained in the development/rental agreement(s) and deed are not met.
[Amended 4-28-2009 by L.L. No. 11-2009^{EN}]

2) Under certain circumstances, including but not limited to affordability requirements in excess of 30 years, repayment of the WHS or AHS, as the case may be, may be forgiven. [Amended 4-29-2009 by L.L. No. 11-2009^{EN}]

E. Monitoring and compliance.

1) The County shall administer the requirements of this article as follows:

- a. The Director shall develop and draft guidelines, rules and procedures necessary and appropriate to ensure compliance with this article.
- b. In addition to overseeing the reporting requirements set forth in § A36-2B of this article, the Director shall monitor all aspects of program and procedural compliance with the Suffolk County housing opportunities programs described herein.

NOTE: Local Law No. 1-2009 also provided as follows:

Section 1. Legislative Intent.

This Legislature hereby finds and determines that the availability of affordable and accessible housing opportunities is vital to persons with disabilities who are striving to live fully Independent lives in our community.

This Legislature also finds that the addition of certain Universal Design and Adaptable design applications into the construction of new dwelling units funded under the Suffolk County Affordable Housing Opportunities Programs will allow a person with a disability to occupy or visit the home, or age in place and that the addition of such applications has been recommended by public and private individuals and groups, including the Suffolk County Senior Citizen Task Force.

Therefore, the purpose of this local law is to require any new dwelling unit constructed with the assistance of the County on a vacant parcel under the 72-h transfer program, or certain multifamily units dedicated to affordable purposes pursuant to the requirements of Article XXXVI of the Suffolk County Administrative Code, to comply with Universal Design and Adaptability requirements set forth herein.

Section 3. Applicability

§ A36-3. Visitability requirements [Added 12-16-2008 by L.L. No. 1-2009]

This law shall apply to actions occurring on or after the effective date of this law.

Section 6. Effective Date.

This law shall take effect on the 90th day immediately subsequent to filing in the Office of the Secretary of State.

- A. Any new dwelling unit that is to be designed and/or constructed with the assistance of the County of Suffolk pursuant to § A36-2B of this article ("72-h transfer program") or § A36-2C of this article ("Workforce Housing Program") shall comply with the design and construction requirements set forth in this section.
- B. The design and construction of a new dwelling unit shall comply with the following requirements:
 - 1) At least one stepless entry shall be provided into a ground floor dwelling unit, and may be located at the front, rear or side of the building with a threshold not exceeding one-half inch in height.
 - 2) All interior passage doorways on the ground level of a dwelling unit shall have an unobstructed opening of at least 34 inches when the door is open at a ninety-degree angle.
 - 3) At least one bathroom shall be located on the ground level of the dwelling unit, containing a clear floor space of 30 inches by 48 inches centered on and contiguous to the sink, which is not encroached by the swing path of the bathroom door.

- 4) The required ground floor bathroom shall have walls that are reinforced with wood blocking between the interior studs, capable of supporting grab bars as follows:
 - a) Two reinforcements on the back wall of the bathtub, each at least 24 inches long, at least 20 inches wide and not more than 24 inches from the head end wall and not more than 12 inches from the foot end wall, one in a horizontal position at least 33 inches, but not more than 36 inches, above the floor, and one nine inches above the rim of the bathtub;
 - b) One backing reinforcement on the foot end wall of the bathtub, at least 20 inches long, at least 18 inches wide and located at the front edge of the bathtub;
 - c) One backing reinforcement on the head end wall of the bathtub, at least 12 inches long, at least 18 inches wide and located at the front edge of the bathtub;
 - d) Ground floor interior shower walls shall include backing reinforcements on at least two walls on which the control valves are not located, each centered at least 33 inches, but not more than 36 inches, above the floor and at least 18 inches wide; and
 - e) All walls adjacent to the toilet shall have horizontal backing reinforcements, each at least 33 inches, but not more than 36 inches, above the floor, and sufficient to allow for a twenty-four-inch grab bar on the wall behind the toilet and another forty-two inch grab bar on one of the other adjacent to the grab bar.
 - 5) To minimize alteration costs for a person with a disability or individuals who desire to age in place, the ground floor of a dwelling unit shall be designed with at least one room which can be converted into a bedroom.
 - 6) Each heating zone in a ground floor dwelling unit shall contain a thermostat located on the wall at least 15 inches but not more than 48 inches above the floor.
- C. Each municipality, developer or participating employer that receives County assistance under § A36-2B and § A36-2C shall submit assurance to the Workforce Housing Director that construction activities will be conducted in compliance with this section.
- D. The Workforce Housing Director is hereby authorized, empowered and directed to promulgate rules and regulations necessary to implement this section and is further directed to take all other actions necessary to ensure compliance with the requirements of this section.

§ A36-4. Prior laws.

Any provisions contained in Resolution No. 508-1989 that are inconsistent with this law shall be construed as being superseded by this law for the purposes of implementing the provisions of this law.