

VILLAGE OF HAVERSTRAW
LOCAL LAW NO. 1 of 2024

This Local Law creates a new Section 170 “Property Ownership Disclosure” as follows:

Section 1. TITLE.

A Local Law to create Chapter 170 of the Village Code of the Village of Haverstraw to institute a filing requirement disclosing beneficial owners of all entities that own residential or commercial real estate in the Village of Haverstraw.

Section 2. AUTHORITY.

This local law is adopted pursuant to the provisions of § 10(1)(ii)(a)(1) of the Municipal Home Rule Law of the State of New York, which grants to local governments the authority to enact local laws.

§170-1 LEGISLATIVE INTENT; PURPOSE.

A. The intent of this article is to institute a filing requirement disclosing beneficial owners of all entities that own residential or commercial real estate in the Village of Haverstraw. The Village Board recognizes many benefits that beneficial ownership transparency of entities holding residential or commercial real property in the Village of Haverstraw offers, and wishes to require the disclosure of LLC members, corporations or similar entities involved in residential or commercial real estate transactions by instituting a filing requirement disclosing beneficial owners and company applicants of all entities that own residential or commercial real estate in the Village of Haverstraw;

B. Anonymous LLCs, corporations or similar entities owning and leasing residential or commercial real property is correlated with numerous code violations, high rents and evictions. They hamper routine code enforcement, burdening the Village government. Anonymous ownership of a significant portion of residential real estate hampers policy making and upends centuries of precedent by obscuring the answer to the question: who owns what?

C. Instituting a filing requirement disclosing beneficial owners of all entities that own residential or commercial real estate in the Village of Haverstraw will advance:

- (1) The protection of the character and stability of all areas; and
- (2) The correction and prevention of housing conditions/violations that adversely affect, or are likely to adversely affect, the life, safety, general welfare and health, including the physical, mental and social well-being of persons occupying dwellings; and
- (3) The preservation of the value of land and buildings throughout the Village of Haverstraw.

§170-2. DEFINITIONS. For use in this article only, the following words and phrases shall have the meanings respectively ascribed to them in this section:

OWNER – Any entity that owns any legally cognizable interest in any residential or commercial real property, including, but not limited to, outright ownership or ownership through a partnership, corporation or limited liability company.

BENEFICIAL OWNER—

A. With respect to a legally organized entity, an individual who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise—

(i) exercises substantial control over the entity; or

(ii) owns or controls not less than 5 percent of the ownership interests of the entity; and

B. does not include—

(i) a minor child, as defined in the [State](#) in which the entity is formed, if the information of the parent or guardian of the minor child is reported in accordance with this section;

(ii) an individual acting as a nominee, intermediary, custodian, or agent on behalf of another individual;

(iii) an individual acting solely as an employee of a corporation, limited liability company, or other similar entity and whose control over or economic benefits from such entity is derived solely from the employment status of the person;

(iv) a creditor of a corporation, limited liability company, or other similar entity, unless the creditor meets the requirements of subparagraph (A).

REPORTING COMPANIES—Corporations, partnerships, joint ventures, limited liability companies, professional limited liability companies, trusts or other similar entities that are—

(i) created by the filing of a document with a secretary of state or a similar office under the law of a State or Indian Tribe; or

(ii) formed under the law of a foreign country and registered to do business in the United States by the filing of a document with a secretary of state or a similar office under the laws of a State or Indian Tribe

§170-3 FILING REQUIREMENT OF ALL OWNERS OF RESIDENTIAL OR COMMERCIAL REAL ESTATE IN THE VILLAGE OF HAVERSTRAW

A. All entities, excluding natural persons, that own residential or commercial real estate in the Village of Haverstraw are considered reporting companies, as defined herein, and must file with the Building Department of the Village of Haverstraw within 90 days of the effective date of this article disclosing all beneficial owners, as defined herein, on a form approved by the Village of Haverstraw. In the event a beneficial owner is yet another legally organized entity, each subsequent entity must likewise disclose all beneficial owners to reach the level of the identities of natural persons who own or control the entity.

B. It shall be unlawful and a violation of this article for any entity, exclusive of natural persons, to own residential or commercial real property within the Village of Haverstraw after the effective date of this chapter without having filed as an owner of said property with the Building Department.

C. This article shall not be construed to require the filing by any owner of residential or commercial real property in the Village of Haverstraw so long as the owner of record is a natural person and not an organized legal corporate entity.

§170-4. FILING FORM.

A. It shall be the responsibility of the owner of each residential or commercial real property which is subject to the provisions of this chapter to timely file a form with the Building Department, which form shall require the following information:

- (1) The full legal name of the reporting company, any trade name or d/b/a, business street address of principal place of business, and the state or Tribal jurisdiction of formation.
- (2) The legal name, residential street address, phone number, date of birth, and driver's license or passport number of all beneficial owners, as defined herein, of the residential real property.
- (3) A statement of the designated agent of the entity attesting to the truth of matters asserted in the filing.

B. Filings shall be on forms provided by the Village Building Department. Each filing shall be accompanied by a fee which shall be set by resolution from time to time by the Village Board.

C. If the status of the information changes during the course of ownership of the residential or commercial real property, it is the responsibility of the reporting company to submit such changes to the Building Department in writing within thirty (30) days of the occurrence of such change. Failure to do so shall be deemed a violation of this Article.

§170-5. PUBLIC ACCESS TO FILINGS.

The general public shall have access to said owner filings upon submitting the proper Freedom of Information Law form.

§170-6. PENALTIES FOR OFFENSES.

(A) Any entity that shall violate any of the provisions of this Article or that fails to comply with any of the requirements thereof shall be guilty of a violation, punishable by a fine of not less than \$3,500 and not exceeding \$5,000 upon conviction.

(B) Each week a violation continues shall be deemed a separate offense subjecting the offender to additional fines in the amount equaling the original fine.

(C) Civil remedies. In the event an owner fails or refuses to correct a violation under this chapter, the Village may commence a civil action and seek money damages to compensate the Village for the costs it has and will incur because of the violation including reasonable attorney's fees expended by the Village.

(D) Other remedies. The remedies provided for in this section are in addition to, and not in lieu of, all other legal remedies, criminal or civil, which may be pursued by the Village to address any violation of the Village Code.

§170-7. NONPAYMENT OF PENALTIES.

Should the aforesaid penalties not be paid within thirty (30) days of being assessed, and after notice of said failure is served as provided by law, then the property covered by this Article will be assessed for the unpaid penalties and shall be collected in the same manner and time as Village taxes.

§170-8. ENFORCEMENT.

(A) The Building Inspector and/or Code Enforcement Officer and/or his or her assistants shall be responsible for documenting violations of any case of this Article within the Village of Haverstraw.

(B) Prosecutions for violations of this Article may be instituted in the Village Justice Court of the Village of Haverstraw or any other court of competent jurisdiction.

§170-9. SEVERABILITY.

If any section, paragraph, clause, provision or portion of this chapter shall be adjudged invalid or held unconstitutional, the same shall not affect the validity of the balance of this chapter as a whole or any part or provision other than the part held to be invalid or unenforceable.

Section 3. WHEN EFFECTIVE.

This local law shall take effect immediately upon filing with the Secretary of State of the State of New York.

I, Isabel Gonzalez-Soto, Clerk of the Village of Haverstraw, New York, do hereby certify that the above law was adopted at a Regular Meeting of the Board of Trustees held on January 16, 2024, and is on file and that said law has not been altered, amended, or revoked and is in full force and effect.

January 17, 2024
Haverstraw, New York

Isabel Gonzalez-Soto

Seal of Municipality