

## Ownership of Real Property

—*Purchasing property from the City*—

**Q. I work for the City as a computer programmer/analyst for the Department of City Planning. I have submitted an application to purchase a single-family home from the City. My job has nothing to do with the sale or management of these homes, and the final selection is through a lottery. Is this a conflict of interest?**

A. The City Charter states that the law will not prohibit a public servant, except for certain employees of certain agencies, from bidding on and purchasing City-owned property. Since you are not employed by any of those agencies, and since your department has nothing to do with selling or maintaining these buildings, and since the sale is held through a lottery system, there is no conflict here and you may proceed with your planned purchase.

**Q. I am a Real Property Manager at the Department of Housing Preservation and Development. I want to purchase the house I am living in, which is owned by the City but is being sold through a program at my agency that gives tenants of small City-owned homes an opportunity to buy them. Is this permissible?**

A. Most City employees are expressly not prohibited from making such a purchase. However, NYC Charter section 2604 (c) (7) states that *employees of HPD working in the Office of Property Management* (and certain other City employees) are specifically prohibited from bidding on and purchasing any City-owned real property, through a public auction or sealed bid sale, or from purchasing any City-owned residential building containing six or fewer units.

As an employee of this particular office in your agency, you are prohibited from buying this property.

*—Renting property to recipients of Public Assistance—*

**Q. I work in the personnel unit of the Human Resources Administration and own a 6-family apartment building. May I rent any of my apartments to public assistance recipients?**

A. Yes. The COIB has said that, generally, it is ok for City employees to rent apartments they own to recipients of public assistance and Section 8, with two provisions. First, the rental property must have fewer than eight units. Second, the City employee cannot work in the unit or division of the City agency administering their tenant's rent subsidies without obtaining their agency's approval. So, as long as you have met these two conditions, renting to public assistance recipients should be fine.

Any City employee who works in an agency that deals with Section 8 or public assistance (such as HRA, HPD, or NYCHA) and is interested in renting to persons receiving public assistance or Section 8 funds should check with their agency counsel regarding extra rules their respective agencies may have adopted.

And, as with all outside activities, you must be careful not to misuse City time, resources, or position in pursuing your activities as a landlord.

*—Serving on co-op boards—*

**Q. I am an attorney in the Tort Division of the NYC Law Department. I would like to serve on the Board of Directors of the cooperative corporation, which owns the building I live in. As a Board member I would recuse myself from any direct dealings with the City. Is this permissible?**

A. You may serve on the Board as long as you adhere to the following:

- ✓ You must perform all of your duties for the co-op on your own time.

- ✓ You may not use your City position to obtain any private advantage for yourself, the co-op, or its shareholders.
- ✓ You may not use City equipment or other City resources in connection with your work for the co-op.
- ✓ You may not use or disclose confidential information concerning the City.
- ✓ You may not be compensated for this work.
- ✓ You may not represent the cooperative or its shareholders (other than yourself) before the City.
- ✓ You may not have direct business dealings with the City for the coop board. However, you may have direct dealings with the City on behalf of your own co-op apartment.

*Remember, each personal situation is different, and answers from the Board will vary based on the differences. The above hypothetical situations are typical of the questions brought before the Board. However, each answer, no matter how similar the situation, may not exactly apply to your particular situation. Contact the Board for a specific answer to your own personal situation. You should also ask your personnel office or counsel's office about your own agency's rules, which may be stricter than the Board's rules.*

**FOR ADDITIONAL INFORMATION, CONTACT**

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**OR VISIT THE BOARD'S WEB SITE AT  
<http://nyc.gov/ethics>**