

2601 ELIGIBILITY: GENERAL

- 2601.1 Seed Money Loans shall be made only to tenant associations which, on the first of the month in which the application is filed, meet the following requirements:
- (a) The members of the tenant association are tenants of the housing accommodation; and
 - (b) The members occupy units constituting more than fifty percent (50%) of the occupied rental units in the housing accommodation.
- 2601.2 Seed Money Loans shall be available on a citywide basis. Priority shall be given to properties located in designated Neighborhood Strategy Areas and other community development areas.
- 2601.3 Seed Money Loans shall be made only to tenant associations with more than fifty percent (50%) of their member households having lower incomes. The Department may verify incomes as it deems necessary.
- 2601.4 Seed Money Loans shall be made only to tenant associations which are incorporated and have in place an elected board of directors, adopted bylaws, and a bank account, and which are capable of owning real property.
- 2601.5 Seed Money Loans shall be made only to tenant associations which demonstrate in the bylaws the intent to be a low-yield cooperative as defined in § 2699.
- 2601.6 Seed Money Loans shall be made only to tenant associations which demonstrate, to the Department's satisfaction, an ability to achieve acquisition of their building and repay the loans by showing evidence of adequate financial resources and organizational development.
- 2601.7 Priority shall be given to tenant associations being assisted by the Department's Apartment Improvement Program or by Department-supported providers of cooperative conversion technical assistance.

SOURCE: Notice of Final Rulemaking published at 27 DCR 4606, 4607-4608 (October 17, 1980).