

3455--A

2009-2010 Regular Sessions

I N   S E N A T E

March 19, 2009

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Introduced by Sens. ESPADA, HASSELL-THOMPSON, KRUEGER, OPPENHEIMER -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development -- recommitted to the Committee on Housing, Construction and Community Development in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the private housing finance law, in relation to activities engaged in by neighborhood preservation companies

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. Subdivision 5 of section 902 of the private housing finance  
2     law, as amended by chapter 668 of the laws of 1985, is amended to read  
3     as follows:  
4     5. "Neighborhood preservation activities" shall mean activities  
5     engaged in by a neighborhood preservation company within a geograph-  
6     ically defined neighborhood of a municipality, PROVIDED, HOWEVER, THAT  
7     THE DIVISION MAY AUTHORIZE A NEIGHBORHOOD PRESERVATION COMPANY TO ENGAGE  
8     IN SUCH ACTIVITIES IN UNDERSERVED AREAS OF THE MUNICIPALITY LYING  
9     OUTSIDE OF ITS INITIALLY DESIGNATED NEIGHBORHOOD AREA, THAT ARE designed  
10    (a) to construct, maintain, preserve, repair, renovate, upgrade,  
11    improve, modernize, rehabilitate or otherwise prolong the useful life  
12    and to manage and coordinate the rehabilitation of residential dwelling  
13    accommodations within such neighborhood, to restore abandoned and vacant  
14    as well as occupied housing accommodations to habitable condition; to  
15    demolish structurally unsound or unsafe or otherwise unsightly or  
16    unhealthy structures which no longer serve or can economically be made  
17    to serve a useful purpose consistent with stabilizing or improving a  
18    neighborhood; to seal and maintain vacant but structurally sound struc-  
19    tures which are capable of being rehabilitated at a future time and used  
20    for housing purposes; to acquire, where appropriate, buildings which

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 contain housing accommodations; to facilitate the disposition of build-  
2 ings containing housing accommodations to individual occupants thereof  
3 or to cooperative groups whose members shall be occupants thereof; to  
4 assist owners, occupants and tenants of housing accommodations to obtain  
5 improvements in the physical conditions thereof and in the maintenance  
6 and management thereof; and to manage housing accommodations as agents  
7 for the owners thereof or administrators or receivers appointed or  
8 designated pursuant to any law of the state; and (b) to accomplish simi-  
9 lar purposes and meet similar needs with respect to retail and service  
10 establishments within such neighborhoods when carried out in connection  
11 with and incidental to a program of housing related activities.

12 S 2. Section 902 of the private housing finance law is amended by  
13 adding a new subdivision 7 to read as follows:

14 7. "COMPELLING PUBLIC PURPOSE" SHALL MEAN: (A) THE MERGER OR CONSOL-  
15 IDATION OF TWO OR MORE NEIGHBORHOOD PRESERVATION COMPANIES WHERE THE  
16 PRE-EXISTING SERVICE AREAS OF ALL MERGED OR CONSOLIDATED COMPANIES  
17 REMAIN SERVED FOLLOWING THE MERGER OR CONSOLIDATION, AND SUCH ACTION  
18 RESULTS IN MORE EFFICIENT AND COST EFFECTIVE DELIVERY OF SERVICES; OR  
19 (B) SERVICES VITAL TO THE HEALTH, SAFETY AND WELFARE OF A SERVICE AREA.

20 S 3. Subdivision 4 of section 903 of the private housing finance law,  
21 as amended by section 1 of part FF of chapter 57 of the laws of 2009, is  
22 amended to read as follows:

23 4. Contracts entered into hereunder with neighborhood preservation  
24 companies shall be limited in duration to periods of one year, but may  
25 thereafter be renewed, extended or succeeded by new contracts from year  
26 to year in the discretion of the commissioner; they shall be limited in  
27 amount to the sum of one hundred thousand dollars in a single year,  
28 provided that in any year in which the aggregate sum of three hundred  
29 thousand dollars shall have been reached and all succeeding years, the  
30 annual contract amount shall be subject to a limit of ninety-seven thou-  
31 sand five hundred dollars per year, AND FURTHER PROVIDED THAT THE APPLI-  
32 CABLE LIMIT ON THE ANNUAL CONTRACT AMOUNT MAY BE EXCEEDED IN INSTANCES  
33 WHERE THE DIVISION HAS DETERMINED THAT SUCH ADDITIONAL FUNDING WILL  
34 ADDRESS A COMPELLING PUBLIC PURPOSE; they shall define with particulari-  
35 ty the neighborhood or portion thereof within which the neighborhood  
36 preservation activities shall be performed; they shall specify the  
37 nature of the neighborhood preservation activities which shall be  
38 performed including the approximate number of buildings, residential  
39 dwelling units and local retail and service establishments which shall  
40 be affected; they shall locate and describe, with as much particularity  
41 as is reasonably possible, the buildings with respect to which such  
42 activities shall be performed during the contract term; and they shall  
43 specify the number of persons, salaries or rates of compensation and a  
44 description of duties of those who shall be engaged by the neighborhood  
45 preservation company to perform the activities embraced by the contract  
46 together with a schedule of other anticipated expenses.

47 S 4. Section 1002 of the private housing finance law is amended by  
48 adding a new subdivision 7 to read as follows:

49 7. "COMPELLING PUBLIC PURPOSE" SHALL MEAN: (A) THE MERGER OR CONSOL-  
50 IDATION OF TWO OR MORE CORPORATIONS WHERE THE PRE-EXISTING SERVICE AREAS  
51 OF ALL MERGED OR CONSOLIDATED CORPORATIONS REMAIN SERVED FOLLOWING THE  
52 MERGER OR CONSOLIDATION, AND SUCH ACTION RESULTS IN MORE EFFICIENT AND  
53 COST EFFECTIVE DELIVERY OF SERVICES; OR (B) SERVICES VITAL TO THE  
54 HEALTH, SAFETY AND WELFARE OF A SERVICE AREA.

1 S 5. Subdivision 4 of section 1003 of the private housing finance law,  
2 as amended by section 2 of part FF of chapter 57 of the laws of 2009, is  
3 amended to read as follows:

4 4. Contracts pursuant to this section shall be for a period of no more  
5 than one year, but may be renewed or extended from year to year, and  
6 shall provide for payment by the division of no more than one hundred  
7 thousand dollars per year, provided that in any year in which the aggre-  
8 gate sum of three hundred thousand dollars shall have been reached and  
9 all succeeding years, the annual contract amount shall be subject to a  
10 limit of ninety-seven thousand five hundred dollars per year, AND  
11 FURTHER PROVIDED THAT THE APPLICABLE LIMIT ON THE ANNUAL CONTRACT AMOUNT  
12 MAY BE EXCEEDED IN INSTANCES WHERE THE DIVISION HAS DETERMINED THAT  
13 SUCH ADDITIONAL FUNDING WILL ADDRESS A COMPELLING PUBLIC PURPOSE; they  
14 shall define with particularity the region or portion thereof within  
15 which the housing preservation and community renewal activities shall be  
16 performed; they shall specify the nature of the housing preservation and  
17 community renewal activities which shall be performed including the  
18 approximate number of buildings, residential dwelling units and local  
19 retail and service establishments which shall be affected; they shall  
20 locate and describe, with as much particularity as is reasonably possi-  
21 ble, the buildings with respect to which such activities shall be  
22 performed during the contract term; and they shall specify the number of  
23 persons, salaries or rates of compensation and a description of duties  
24 of those who shall be engaged by the corporation to perform the activ-  
25 ities embraced by the contract together with a schedule of other antic-  
26 ipated expenses.

27 S 6. This act shall take effect immediately.