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I N S E N A T E

March 9, 2016

Introduced by Sen. LITTLE -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

AN ACT to amend the private housing finance law, in relation to the rural mobile home replacement program

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

1 Section 1. The private housing finance law is amended by adding a new
2 article 28 to read as follows:

3 ARTICLE XXVIII

4 RURAL MOBILE HOME REPLACEMENT PROGRAM

5 SECTION 1240. STATEMENT OF LEGISLATIVE FINDINGS AND PURPOSE.

6 1241. DEFINITIONS.

7 1242. RURAL MOBILE HOME REPLACEMENT CONTRACTS.

8 S 1240. STATEMENT OF LEGISLATIVE FINDINGS AND PURPOSE. THE LEGISLATURE
9 HEREBY FINDS AND DECLARES THAT THERE EXISTS IN NEW YORK STATE A SERIOUS
10 NEED TO ELIMINATE OLDER, DILAPIDATED MOBILE HOMES AND REPLACE THEM WITH
11 NEW MODULAR OR STICK-BUILT HOMES ON SITE. OLDER MOBILE HOME UNITS WITH
12 RUSTED, LEAKING METAL ROOFS, METAL-FRAMED WINDOWS WITH INTERIOR TAKE-OUT
13 STORMS, AND METAL SIDING, ARE THOSE THAT MOST NEED REPLACEMENT. NO
14 MATTER THE AMOUNT OF REHABILITATION INVESTMENT, THE END RESULT IS UNSAT-
15 ISFACTORY IN TERMS OF LONGEVITY, ENERGY EFFICIENCY AND AFFORDABILITY.
16 THE LEGISLATURE THEREFORE FINDS THAT, IN RURAL AREAS OF THE STATE, A
17 PROGRAM SHOULD BE ESTABLISHED TO FUND THE REPLACEMENT OF MOBILE HOMES
18 WITH NEW AFFORDABLE AND ENERGY EFFICIENT MODULAR OR STICK-BUILT HOMES.

19 S 1241. DEFINITIONS. FOR THE PURPOSES OF THIS ARTICLE THE FOLLOWING
20 TERMS SHALL HAVE THE FOLLOWING MEANINGS:

21 1. "CORPORATION" SHALL MEAN THE HOUSING TRUST FUND CORPORATION ESTAB-
22 LISHED IN SECTION FORTY-FIVE-A OF THIS CHAPTER.

23 2. "RURAL MOBILE HOME REPLACEMENT PROGRAM" OR "PROGRAM" SHALL MEAN A
24 PROPOSAL BY AN ELIGIBLE APPLICANT FOR THE REPLACEMENT OF A DILAPIDATED
25 MOBILE HOME IN A RURAL AREA WITH A NEW MODULAR OR STICK-BUILT HOME.

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

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1 3. "RURAL AREA OF THE STATE" SHALL MEAN CITIES, TOWNS AND VILLAGES
2 HAVING A POPULATION OF LESS THAN TWENTY-FIVE THOUSAND AS DETERMINED BY
3 THE LAST FEDERAL DECENNIAL CENSUS.

4 4. "ELIGIBLE APPLICANT" SHALL MEAN A PERSON WHO OWNS AND LIVES IN A
5 DILAPIDATED MOBILE HOME THAT IS AT LEAST TEN YEARS OLD, ON LAND THAT THE
6 APPLICANT OWNS, WITH THE DEED IN THE APPLICANT'S NAME.

7 5. "ELIGIBLE PROPERTY" SHALL MEAN A MOBILE HOME IN A RURAL AREA THAT
8 IS THE PRIMARY RESIDENCE OF A PERSON WITH A TOTAL HOUSEHOLD INCOME THAT
9 DOES NOT EXCEED EIGHTY PERCENT OF AREA MEDIAN INCOME FOR THE COUNTY IN
10 WHICH A PROJECT IS LOCATED AS CALCULATED BY THE UNITED STATES DEPARTMENT
11 OF HOUSING AND URBAN DEVELOPMENT.

12 S 1242. RURAL MOBILE HOME REPLACEMENT CONTRACTS. 1. ASSISTANCE. WITHIN
13 AMOUNTS APPROPRIATED OR OTHERWISE AVAILABLE THEREFOR, THE HOUSING TRUST
14 FUND CORPORATION SHALL DEVELOP AND ADMINISTER A RURAL MOBILE HOME
15 REPLACEMENT PROGRAM WHICH SHALL PROVIDE ASSISTANCE IN THE FORM OF GRANTS
16 TO AN ELIGIBLE APPLICANT FOR THE REPLACEMENT OF DILAPIDATED MOBILE HOMES
17 IN RURAL AREAS OF THE STATE.

18 2. PROGRAM CRITERIA. THE CORPORATION SHALL DEVELOP PROCEDURES, CRITE-
19 RIA AND REQUIREMENTS RELATED TO THE APPLICATION AND AWARD OF PROJECTS
20 PURSUANT TO THIS SECTION WHICH SHALL INCLUDE: ELIGIBILITY, MARKET
21 DEMAND, FEASIBILITY AND FUNDING CRITERIA; THE FUNDING DETERMINATION
22 PROCESS; SUPERVISION AND EVALUATION OF CONTRACTING APPLICANTS; REPORT-
23 ING, BUDGETING AND RECORD-KEEPING REQUIREMENTS; PROVISIONS FOR MODIFICA-
24 TION AND TERMINATION OF CONTRACTS; AND SUCH OTHER MATTERS NOT INCONSIST-
25 ENT WITH THE PURPOSES AND PROVISIONS OF THIS ARTICLE AS THE CORPORATION
26 SHALL DEEM NECESSARY OR APPROPRIATE. THE CORPORATION SHALL REQUIRE THAT,
27 IN ORDER TO RECEIVE A GRANT PURSUANT TO THIS ARTICLE, THE ELIGIBLE
28 APPLICANT SHALL HAVE NO LIENS ON THE LAND AFTER CLOSING THE GRANT OTHER
29 THAN THE NEW HOME FINANCING AND CURRENTLY EXISTING MORTGAGE OR MORT-
30 GAGES; ALL PROPERTY TAXES AND INSURANCES MUST BE CURRENT; ONE HUNDRED
31 PERCENT GRANTS IN THE FORM OF DEFERRED PAYMENT LOANS (DPL) WILL BE
32 PROVIDED. A TEN YEAR DECLINING BALANCE LIEN IN THE FORM OF A NOTE AND
33 MORTGAGE, DULY FILED AT THE COUNTY CLERK'S OFFICE, WILL BE UTILIZED FOR
34 STICK-BUILT REPLACEMENT PROJECTS. NO INTEREST OR PAYMENTS WILL BE
35 REQUIRED ON THE DPL UNLESS THE PROPERTY IS SOLD OR TRANSFERRED BEFORE
36 THE REGULATORY TERM EXPIRES. IN SUCH CASES FUNDS WILL BE RECAPTURED FROM
37 THE PROCEEDS OF THE SALE OF THE HOME, ON A DECLINING BALANCE BASIS,
38 UNLESS AN INCOME-ELIGIBLE IMMEDIATE FAMILY MEMBER ACCEPTS OWNERSHIP OF,
39 AND RESIDES IN THE HOME FOR THE REMAINDER OF THE REGULATORY TERM. THE
40 ELIGIBLE APPLICANT MUST AGREE TO ATTEND AN APPROVED HOMEOWNERSHIP TRAIN-
41 ING PROGRAM FOR POST-PURCHASE, CREDIT/BUDGET, AND HOME MAINTENANCE COUN-
42 SELING AS PART OF THE APPLICATION PROCESS.

43 3. FUNDING CRITERIA. THE TOTAL PAYMENT PURSUANT TO ANY ONE GRANT
44 CONTRACT SHALL NOT EXCEED SEVENTY-FIVE THOUSAND DOLLARS AND THE CONTRACT
45 SHALL PROVIDE FOR COMPLETION OF THE PROGRAM WITHIN A REASONABLE PERIOD,
46 AS SPECIFIED THEREIN, NOT TO EXCEED FOUR YEARS.

47 4. FUNDING AND ANNUAL REPORT. THE CORPORATION IN ITS SOLE DISCRETION
48 SHALL AUTHORIZE ALL FUNDING DECISIONS AND MAKE ALL AWARD ANNOUNCEMENTS.
49 THE CORPORATION SHALL, ON OR BEFORE DECEMBER THIRTY-FIRST IN EACH YEAR
50 SUBMIT A REPORT TO THE LEGISLATURE ON THE IMPLEMENTATION OF THIS ARTI-
51 CLE. SUCH REPORT SHALL INCLUDE, BUT NOT BE LIMITED TO, FOR EACH AWARD
52 MADE TO A GRANTEE UNDER THIS ARTICLE: A DESCRIPTION OF SUCH AWARD;
53 CONTRACT AMOUNT AND CUMULATIVE TOTAL; AND SUCH OTHER INFORMATION AS THE
54 CORPORATION DEEMS PERTINENT.

55 S 2. This act shall take effect immediately.