STATE OF NEW YORK

2244

2025-2026 Regular Sessions

IN ASSEMBLY

January 15, 2025

Introduced by M. of A. SANTABARBARA -- read once and referred to the Committee on Housing

AN ACT to amend the private housing finance law, in relation to affordable housing for persons with disabilities and those having attained the age of sixty-two

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision 7 of section 45-b of the private housing finance law is amended by adding a new paragraph (i) to read as follows:

(i) Establish a disabled and elderly accessory apartment loan program, loans issued for which purpose shall be subject to the following parameters:

(i) proceeds of loans shall be used to construct an additional dwelling unit of up to two bedrooms within a structure, or to improve, renovate, or rehabilitate not more than one dwelling unit of up to two bedrooms located in a structure that, at the time of the loan application, contains a total of not more than two dwelling units; each dwelling unit may not be less than four hundred fifty square feet of gross living area;

(ii) at least one dwelling unit within the structure shall be owner-occupied, and, following completion of the project, at least one dwelling unit within the structure shall be occupied by a household that includes one person with a disability or one person having attained the age of sixty-two, either of whom may be related to the borrower;

(iii) loans shall be limited to the less of fifty percent of the financing of the total development costs or fifty thousand dollars;

(iv) loans shall not be issued unless a contract or agreement for the use of the property for the purposes of such housing provides for the recording of a restriction in the registry of deeds maintained by the clerk of the county in which the affected real property is located, for the benefit of said corporation, running with the land, that the land be

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

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used for the purpose of providing alternative forms of rental and ownership housing. Such property shall not be released from such restriction until the balance of the principal and interest for any such loan shall be repaid in full or until a mortgage foreclosure deed shall be recorded;

(v) loans shall be issued for a term of up to thirty years which time repayment may be deferred by the loan issuing authority. At maturity, the corporation may extend a loan for an additional period of up to ten years. Thereafter, as long as the housing continues to comply with the requirements set forth in the loan documents, additional ten-year extensions may be approved.

(vi) interest rates for loans shall be fixed at a rate to be determined by the director of housing and community development, in consultation with the state treasurer;

(vii) expenditures from this paragraph shall not be made for the purpose of refinancing outstanding mortgage loans for housing in existence prior to the effective date of this paragraph;

(viii) the corporation shall take due consideration of a balanced geographic plan for such alternative forms of housing when issuing such loans;

(ix) at least one half of the beneficiaries of the loan program created by this paragraph shall be persons whose income is less than eighty percent of the area-wide median income as determined from time to time by the United States department of housing and urban development; and

(x) the corporation shall promulgate rules and regulations for the implementation of the loan program created by this paragraph.

§ 2. This act shall take effect immediately.