

3031

2009-2010 Regular Sessions

I N   A S S E M B L Y

January 22, 2009

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Introduced by M. of A. CHRISTENSEN, V. LOPEZ -- read once and referred  
to the Committee on Housing

AN ACT to amend the private housing finance law, in relation to affordable  
home ownership development contracts

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

1     Section 1. Subdivision 1 of section 1112 of the private housing  
2     finance law, as amended by chapter 333 of the laws of 2004, is amended  
3     to read as follows:  
4     1. Within the limit of funds available in the affordable housing  
5     development account, the corporation is hereby authorized to enter into  
6     contracts with eligible applicants to provide grants which such appli-  
7     cants shall use to finance affordable home ownership development  
8     programs subject to the terms and conditions of this article. Any grants  
9     received by a municipality hereunder shall not be deemed to be municipal  
10    funds.     Grantees shall utilize funds provided pursuant to this article  
11    solely as payments, grants and loans to owners to reduce the costs of  
12    new construction, rehabilitation or home improvement or the cost of  
13    acquisition, but only where such acquisition is part of an affordable  
14    home ownership development program or project to construct or rehabili-  
15    tate homes, or as otherwise authorized by law. Such financial assistance  
16    may be in the form of loans, participation in loans including but not  
17    limited to participation in loans originated or financed by lending  
18    institutions as defined in section forty-two of this chapter, private or  
19    public employee pension funds or the state of New York mortgage agency,  
20    or grants, on such terms and conditions as the grantee with the approval  
21    of the corporation shall determine, provided that no such payments,  
22    grants and loans shall exceed the lesser of (i) sixty percent of the  
23    project cost FOR PROJECTS INVOLVING ACQUISITION OR ONE HUNDRED PERCENT  
24    OF REHABILITATION PROGRAMS WITHOUT AN ACQUISITION COMPONENT or (ii) the  
25    following per dwelling unit limitations (A) thirty-five thousand dollars

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

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1 for projects except as provided in [clause] ITEM (B) of this [item (ii)]  
2 CLAUSE or (B) forty thousand dollars for a high cost project or a  
3 project which will receive a loan from the federal farmers home adminis-  
4 tration. UP TO TEN PERCENT OF THE PROGRAM OR PROJECT COST MAY BE USED  
5 FOR GRANTEE OPERATING EXPENSES INCLUDING EXPENSES RELATED TO THE ORGAN-  
6 IZATION OPERATING SUPPORT AND ADMINISTRATION OF THE CONTRACT. Among the  
7 criteria the corporation shall consider in determining whether a project  
8 is a high cost project are: average cost of construction in the area,  
9 location of the project, and the impact of the additional funding on the  
10 affordability of the project for the occupants of such project. No more  
11 than fifty percent of the total amount appropriated pursuant to this  
12 article in any fiscal year shall be allocated to homes located within  
13 any single municipality.  
14 S 2. This act shall take effect immediately.