

3455

2009-2010 Regular Sessions

I N S E N A T E

March 19, 2009

Introduced by Sen. ESPADA -- (at request of the Division of Housing & Community Renewal) -- 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 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
21 contain housing accommodations; to facilitate the disposition of build-
22 ings containing housing accommodations to individual occupants thereof
23 or to cooperative groups whose members shall be occupants thereof; to

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

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

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

11 7. "COMPELLING PUBLIC PURPOSE" SHALL MEAN: (I) THE MERGER OR CONSOL-
12 IDATION OF TWO OR MORE NEIGHBORHOOD PRESERVATION COMPANIES WHERE THE
13 PRE-EXISTING SERVICE AREAS OF ALL MERGED OR CONSOLIDATED COMPANIES
14 REMAIN SERVED FOLLOWING THE MERGER OR CONSOLIDATION, AND SUCH ACTION
15 RESULTS IN MORE EFFICIENT AND COST EFFECTIVE DELIVERY OF SERVICES; (II)
16 SERVICES VITAL TO THE HEALTH, SAFETY AND WELFARE OF A SERVICE AREA; OR
17 (III) AS DETERMINED BY THE DIVISION PURSUANT TO RULES AND REGULATIONS
18 PROMULGATED UNDER THIS ARTICLE.

19 S 3. Subdivision 4 of section 903 of the private housing finance law,
20 as amended by section 1 of part II of chapter 59 of the laws of 2008, is
21 amended to read as follows:

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

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

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

1 DIVISION PURSUANT TO RULES AND REGULATIONS PROMULGATED UNDER THIS ARTI-
2 CLE.

3 S 5. Subdivision 4 of section 1003 of the private housing finance law,
4 as amended by section 2 of part II of chapter 59 of the laws of 2008, is
5 amended to read as follows:

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

31 S 6. This act shall take effect immediately.