

S T A T E O F N E W Y O R K

3455--B

2009-2010 Regular Sessions

I N S E N A T E

March 19, 2009

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 -- reported favorably from said committee and committed to the Committee on Finance -- 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

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

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1 neighborhood; to seal and maintain vacant but structurally sound struc-
2 tures which are capable of being rehabilitated at a future time and used
3 for housing purposes; to acquire, where appropriate, buildings which
4 contain housing accommodations; to facilitate the disposition of build-
5 ings containing housing accommodations to individual occupants thereof
6 or to cooperative groups whose members shall be occupants thereof; to
7 assist owners, occupants and tenants of housing accommodations to obtain
8 improvements in the physical conditions thereof and in the maintenance
9 and management thereof; and to manage housing accommodations as agents
10 for the owners thereof or administrators or receivers appointed or
11 designated pursuant to any law of the state; and (b) to accomplish simi-
12 lar purposes and meet similar needs with respect to retail and service
13 establishments within such neighborhoods when carried out in connection
14 with and incidental to a program of housing related activities.

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

17 7. "COMPELLING PUBLIC PURPOSE" SHALL MEAN: (A) THE MERGER OR CONSOL-
18 IDATION OF TWO OR MORE NEIGHBORHOOD PRESERVATION COMPANIES WHERE THE
19 PRE-EXISTING SERVICE AREAS OF ALL MERGED OR CONSOLIDATED COMPANIES
20 REMAIN SERVED FOLLOWING THE MERGER OR CONSOLIDATION, AND SUCH ACTION
21 RESULTS IN MORE EFFICIENT AND COST EFFECTIVE DELIVERY OF SERVICES; OR
22 (B) SERVICE TO AN AREA UNDERSERVED BY AN EXISTING NEIGHBORHOOD PRESERVA-
23 TION COMPANY TO PROMOTE THE HEALTH, SAFETY AND WELFARE OF A SERVICE
24 AREA.

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

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

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

54 7. "COMPELLING PUBLIC PURPOSE" SHALL MEAN: (A) THE MERGER OR CONSOL-
55 IDATION OF TWO OR MORE NEIGHBORHOOD PRESERVATION COMPANIES WHERE THE
56 PRE-EXISTING SERVICE AREAS OF ALL MERGED OR CONSOLIDATED COMPANIES

1 REMAIN SERVED FOLLOWING THE MERGER OR CONSOLIDATION, AND SUCH ACTION
2 RESULTS IN MORE EFFICIENT AND COST EFFECTIVE DELIVERY OF SERVICES; OR
3 (B) SERVICE TO AN AREA UNDERSERVED BY AN EXISTING NEIGHBORHOOD PRESERVA-
4 TION COMPANY TO PROMOTE THE HEALTH, SAFETY AND WELFARE OF A SERVICE
5 AREA.

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

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

32 S 6. This act shall take effect immediately.