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2009-2010 Regular Sessions

I N S E N A T E

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Introduced by Sens. ESPADA, AUBERTINE, VALESKY -- (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 establishing the New York main street 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 26 to read as follows:

3 ARTICLE XXVI

4 NEW YORK MAIN STREET PROGRAM

5 SECTION 1220. STATEMENT OF LEGISLATIVE FINDINGS AND PURPOSE.

6 1221. DEFINITIONS.

7 1222. MAIN STREET CONTRACTS.

8 S 1220. STATEMENT OF LEGISLATIVE FINDINGS AND PURPOSE. THE LEGISLATURE
9 HEREBY FINDS AND DECLARES THAT THERE EXISTS IN NEW YORK STATE A SERIOUS
10 NEED FOR FINANCIAL AND TECHNICAL RESOURCES TO HELP COMMUNITIES WITH
11 THEIR EFFORTS TO PRESERVE AND REVITALIZE MAIN STREET AND DOWNTOWN BUSI-
12 NESS DISTRICTS WHICH INCLUDE COMMERCIAL AND RESIDENTIAL USES. THE LEGIS-
13 LATURE THEREFORE FINDS THAT A PROGRAM SHOULD BE ESTABLISHED TO PROVIDE
14 FINANCIAL ASSISTANCE TO STIMULATE REINVESTMENT IN PROPERTIES LOCATED
15 WITHIN MAIN STREET, MIXED-USE COMMERCIAL, AND DOWNTOWN BUSINESS
16 DISTRICTS IN URBAN, SMALL TOWN, AND RURAL AREAS BY PRESERVING EXISTING
17 HOUSING UNITS, FOSTERING THE DEVELOPMENT OF NEW HOUSING UNITS, UPGRADING
18 COMMERCIAL AND RETAIL AREAS, AND BY CREATING INNOVATIVE APPROACHES TO
19 NEIGHBORHOOD AND COMMUNITY REVITALIZATION, INCLUDING THE IMPROVEMENT OF
20 CULTURAL, CIVIC AND COMMUNITY FACILITIES.

21 S 1221. DEFINITIONS. AS USED IN THIS ARTICLE:

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

24 2. "ELIGIBLE APPLICANT" SHALL MEAN A UNIT OF LOCAL GOVERNMENT OR NOT-
25 FOR-PROFIT CORPORATION IN EXISTENCE FOR A PERIOD OF ONE OR MORE YEARS
26 PRIOR TO APPLICATION, WHICH IS, OR WILL BE AT THE TIME OF AWARD, INCOR-

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

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1 PORATED UNDER THE NOT-FOR-PROFIT CORPORATION LAW AND HAS BEEN ENGAGED
2 PRIMARILY IN COMMUNITY DEVELOPMENT ACTIVITIES.

3 3. "ELIGIBLE AREA" SHALL MEAN AN AREA: (I) THAT HAS EXPERIENCED
4 SUSTAINED PHYSICAL DETERIORATION, DECAY, NEGLECT, OR DISINVESTMENT; (II)
5 HAS A NUMBER OF SUBSTANDARD BUILDINGS OR VACANT RESIDENTIAL OR COMMER-
6 CIAL UNITS; AND (III) IN WHICH MORE THAN FIFTY PERCENT OF THE RESIDENTS
7 ARE PERSONS OF LOW INCOME, OR WHICH IS DESIGNATED BY A STATE OR FEDERAL
8 AGENCY TO BE ELIGIBLE FOR A COMMUNITY OR ECONOMIC DEVELOPMENT PROGRAM.

9 4. "MAIN STREET PROGRAM" OR "PROGRAM" SHALL MEAN A PROPOSAL BY AN
10 ELIGIBLE APPLICANT FOR A SPECIFIC WORK OR SERIES OF WORKS FOR THE REVI-
11 TALIZATION AND IMPROVEMENT OF AN ELIGIBLE AREA THROUGH THE CREATION,
12 PRESERVATION OR IMPROVEMENT OF RESIDENTIAL HOUSING UNITS; LOCAL COMMER-
13 CIAL FACILITIES; PUBLIC FACILITIES OR OTHER ASPECTS OF THE AREA ENVIRON-
14 MENT. NOT LESS THAN EIGHTY PERCENT OF THE TOTAL AMOUNT AWARDED PURSUANT
15 TO THIS ARTICLE IN ANY FISCAL YEAR SHALL BE ALLOCATED TO MAIN STREET
16 PROGRAMS THAT INCLUDE THE CREATION, PRESERVATION OR IMPROVEMENT OF RESI-
17 DENTIAL HOUSING UNITS AS AN OBJECTIVE.

18 5. "PERSONS OF LOW INCOME" SHALL MEAN THOSE PERSONS AND FAMILIES WHOSE
19 INCOMES DO NOT EXCEED NINETY PERCENT OF THE MEDIAN INCOME FOR THE METRO-
20 POLITAN STATISTICAL AREA IN WHICH A PROJECT IS LOCATED.

21 S 1222. MAIN STREET CONTRACTS. 1. WITHIN THE LIMIT OF FUNDS AVAILABLE
22 IN THE MAIN STREET PROGRAM, THE CORPORATION IS HEREBY AUTHORIZED TO
23 ENTER INTO CONTRACTS WITH ELIGIBLE APPLICANTS TO PROVIDE FINANCIAL
24 ASSISTANCE FOR THE ACTUAL COSTS OF A MAIN STREET PROGRAM. THE FINANCIAL
25 ASSISTANCE SHALL BE EITHER IN THE FORM OF PAYMENTS, GRANTS OR LOANS, AS
26 THE CORPORATION SHALL DETERMINE. NO MORE THAN FIFTY PERCENT OF THE TOTAL
27 AMOUNT AWARDED PURSUANT TO THIS ARTICLE IN ANY FISCAL YEAR SHALL BE
28 ALLOCATED TO MAIN STREET PROGRAMS LOCATED WITHIN ANY SINGLE MUNICI-
29 PALITY.

30 2. THE TOTAL PAYMENT PURSUANT TO ANY ONE CONTRACT SHALL NOT EXCEED
31 FIVE HUNDRED THOUSAND DOLLARS AND THE CONTRACT SHALL PROVIDE FOR
32 COMPLETION OF THE PROGRAM WITHIN A REASONABLE PERIOD, AS SPECIFIED THER-
33 EIN WHICH SHALL NOT IN ANY EVENT EXCEED TWO YEARS FROM ITS COMMENCEMENT.
34 UPON REQUEST, THE CORPORATION MAY EXTEND THE TERM OF THE CONTRACT FOR UP
35 TO AN ADDITIONAL TWO YEAR PERIOD FOR GOOD CAUSE SHOWN BY THE ELIGIBLE
36 APPLICANT.

37 3. THE CORPORATION MAY AUTHORIZE THE ELIGIBLE APPLICANT TO SPEND UP TO
38 SEVEN AND ONE-HALF PERCENT OF THE CONTRACT AMOUNT FOR APPROVED PLANNING
39 AND ADMINISTRATIVE COSTS OF CARRYING OUT A PROGRAM.

40 4. THE CORPORATION SHALL REQUIRE THAT, IN ORDER TO RECEIVE FUNDS
41 PURSUANT TO THIS ARTICLE, THE ELIGIBLE APPLICANT MUST SUBMIT A PLAN
42 WHICH SHALL INCLUDE BUT NOT BE LIMITED TO PROGRAM FEASIBILITY, LEVERAG-
43 ING OF OTHER RESOURCES, IMPACT ON THE COMMUNITY, AFFIRMATIVE ACTION AND
44 MINORITY BUSINESS PARTICIPATION.

45 5. IF THE ELIGIBLE APPLICANT IS A NOT-FOR-PROFIT CORPORATION, ITS
46 OFFICERS, DIRECTORS AND MEMBERS MUST BE REPRESENTATIVE OF THE RESIDENTS
47 AND OTHER LEGITIMATE INTERESTS OF THE COMMUNITY.

48 6. THE OWNER OF A PROPERTY IMPROVED WITH FUNDS MADE AVAILABLE UNDER
49 THIS ARTICLE MUST AGREE FOR A MINIMUM OF FIVE YEARS TO: MAINTAIN THE
50 PROPERTY IN GOOD OPERATING ORDER AND CONDITION; TO MAKE AVAILABLE AND
51 MAINTAIN THE AFFORDABILITY OF RESIDENTIAL HOUSING UNITS TO PERSONS OF
52 LOW INCOME; AND TO OBTAIN THE CONSENT OF THE CORPORATION PRIOR TO MAKING
53 ALTERATIONS TO THE PROPERTY OR CHANGING ITS USE.

54 S 2. This act shall take effect immediately.