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I N   A S S E M B L Y

March 5, 2010

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

AN ACT to amend section 3 of part NN of chapter 57 of the laws of 2008 relating to authorizing the New York state mortgage agency to transfer certain moneys, in relation to the use of surplus funds from the greater Catskills flood remediation program

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

1     Section 1. Section 3 of part NN of chapter 57 of the laws of 2008  
2 relating to authorizing the New York state mortgage agency to transfer  
3 certain moneys, as amended by section 1 of part B of chapter 2 of the  
4 laws of 2009, is amended to read as follows:  
5     S 3. (A) Within the amounts transferred to the corporation pursuant to  
6 section one of this act for the greater Catskills flood remediation  
7 program, the corporation shall provide funds to the counties of Broome,  
8 Chenango, Delaware, Herkimer, Montgomery, Orange, Otsego, Schoharie,  
9 Sullivan, Tioga and Ulster, upon application by a county and within the  
10 amounts available for disbursement to such county, to enable the coun-  
11 ties to purchase and demolish one or two family homes that have been  
12 certified by the local building inspector and county emergency manage-  
13 ment director, to the satisfaction of the corporation, as having been  
14 subject to one or more incidents of flooding since April 1, 2004 and as  
15 likely to be subject to a future flood incident that would cause  
16 substantial damage thereto. Any application by a county for disbursement  
17 of funds under this act shall demonstrate, to the satisfaction of the  
18 corporation, that: (1) the home is occupied as the primary residence of  
19 an owner with a family income of up to one hundred fifty percent of the  
20 area median income as defined by the United States department of housing  
21 and urban development, provided, however, that an otherwise eligible  
22 home shall be eligible for purchase under this act if the current owner  
23 can demonstrate that the home was occupied as the owner's primary resi-  
24 dence prior to a flood event that rendered the home unsuitable for habi-  
25 tation; (2) the current appraised value of the home does not exceed two  
26 hundred fifty thousand dollars and the purchase price for the home will

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

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1 not exceed the appraised value less the amount of any property casualty  
2 insurance or disaster relief payments received by the owner as compen-  
3 sation for damage incurred in a flood incident; (3) all recorded liens  
4 or other encumbrances on the home will be released at closing; (4) the  
5 county provides assurances that the home will be condemned and the prop-  
6 erty will be dedicated and maintained in perpetuity for a use that is  
7 compatible with open space, recreational, flood mitigation or wetlands  
8 management practices; and (5) disbursements under this section shall be  
9 limited to the costs of acquisition of eligible homes, including legal,  
10 appraisal, recording and other transaction costs, and the costs of demo-  
11 lition. In selecting homes for purchase pursuant to this act, each  
12 county shall give preference to homes with a current appraised value of  
13 less than one hundred fifty thousand dollars and to homes that have been  
14 subject to two or more incidents of flooding since April 1, 2004. The  
15 corporation shall establish policies and procedures consistent with this  
16 section, which shall include county reporting requirements, and shall  
17 report to the governor, the speaker of the assembly, the temporary pres-  
18 ident of the senate and the director of the division of the budget on or  
19 before December 31, 2008 regarding the implementation of this section.  
20 Of the amounts transferred to the corporation pursuant to section one of  
21 this act, the amounts disbursed to counties pursuant to this section  
22 shall not exceed the following amounts: Broome, \$750,000; Chenango,  
23 \$750,000; Delaware, \$2,000,000; Herkimer, \$750,000; Montgomery,  
24 \$750,000; Orange, \$2,000,000; Otsego, \$750,000; Schoharie, \$750,000;  
25 Sullivan, \$3,750,000; Tioga, \$750,000; and Ulster, \$2,000,000.

26 (B) ANY FUNDS NOT UNDER CONTRACT OR GRANT AGREEMENT BETWEEN ANY COUNTY  
27 PROVIDED FOR BY THIS SECTION AND THE STATE OF NEW YORK OR ANY OF ITS  
28 DIVISIONS OR AGENCIES ON OR BY JANUARY 1, 2010 MAY BE USED, UPON A FIND-  
29 ING BY THE CORPORATION THAT SUCH FUNDS ARE AVAILABLE, BY ULSTER COUNTY,  
30 WHETHER THE FUNDS ARE ALLOCATED TO SUCH COUNTY OR TO ANOTHER COUNTY  
31 UNDER THIS PROGRAM, TO PURCHASE HOMES WHICH ARE VALUED AT UNDER \$250,000  
32 UPON A FINDING BY THE CORPORATION THAT: (1) THE HOMES HAVE BEEN  
33 SUBJECTED TO SEEPAGE OF WATER INTO THE HOMES EITHER THROUGH THE WALLS OR  
34 FOUNDATION OF SUCH HOME OR WATER OTHERWISE ENTERS INTO THE HOME OTHER  
35 THAN THROUGH PIPES INTENDED FOR SUCH PURPOSE AND (2) THE HOME IS SITU-  
36 ATED WITHIN TWO MILES OF AN UNDERGROUND AQUEDUCT OWNED, MAINTAINED OR  
37 OPERATED BY THE CITY OF NEW YORK OR ANY BOARD, AGENCY, DEPARTMENT OR  
38 BUREAU THEREOF AND IS USED FOR THE TRANSPORT OF DRINKING WATER TO THE  
39 CITY OF NEW YORK. THE REQUIREMENTS ENUMERATED IN PARAGRAPHS ONE THROUGH  
40 FIVE OF SUBDIVISION (A) OF THIS SECTION SHALL APPLY, PROVIDED, HOWEVER  
41 THAT NOTWITHSTANDING THE REQUIREMENTS OF PARAGRAPH ONE OF SUBDIVISION  
42 (A) OF THIS SECTION, NO PERSON OR PERSONS WHO OTHERWISE MEETS THE  
43 REQUIREMENTS OF THIS SUBDIVISION SHALL BE EXCLUDED ON THE BASIS OF  
44 INCOME AND IT IS FURTHER PROVIDED THAT THE COSTS OF DEMOLITION OF ANY  
45 HOME PURCHASED THROUGH THIS SECTION ARE AN ELIGIBLE COST.

46 S 2. This act shall take effect immediately.