

5522

2009-2010 Regular Sessions

I N A S S E M B L Y

February 13, 2009

Introduced by M. of A. V. LOPEZ, TOWNS -- Multi-Sponsored by -- M. of A. BRENNAN, P. RIVERA -- read once and referred to the Committee on Housing

AN ACT to amend the general municipal law, the real property tax law and the tax law, in relation to authorizing the creation of housing opportunity zones in certain counties, cities, towns and villages within the state

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

1 Section 1. The general municipal law is amended by adding a new arti-
2 cle 19-AA to read as follows:

3 ARTICLE 19-AA

4 NEW YORK STATE HOUSING OPPORTUNITY ZONES ACT

5 SECTION 981. SHORT TITLE.

6 982. LEGISLATIVE FINDINGS AND DECLARATION.

7 983. DEFINITIONS.

8 984. CRITERIA FOR APPROVAL OF HOUSING OPPORTUNITY ZONE DESIG-
9 NATION PLANS.

10 985. RESPONSIBILITIES OF THE COMMISSIONER.

11 986. APPLICATION FOR HOUSING OPPORTUNITY ZONE DESIGNATION.

12 987. HOUSING OPPORTUNITY ZONE DESIGNATION PLANS.

13 988. LOCAL HOUSING OPPORTUNITY ZONE ADMINISTRATOR.

14 989. SPECIAL PROVISIONS.

15 S 981. SHORT TITLE. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS
16 THE "NEW YORK STATE HOUSING OPPORTUNITY ZONES ACT".

17 S 982. LEGISLATIVE FINDINGS AND DECLARATION. IT IS HEREBY FOUND AND
18 DECLARED THAT MANY AREAS WITHIN THE STATE ARE CHARACTERIZED BY OR ARE IN
19 DANGER OF BEING CHARACTERIZED BY A SEVERE SHORTAGE OF SAFE, DECENT AND
20 AFFORDABLE HOUSING, DILAPIDATED AND ABANDONED RESIDENTIAL STRUCTURES AND
21 SHRINKING TAX BASES, WHICH NEEDS ARE NOT CURRENTLY BEING ADDRESSED BY
22 THE FREE MARKET. MOREOVER, IT IS FOUND THAT THE LACK OF AFFORDABLE

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

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1 HOUSING IN THESE AREAS THREATENS EMPLOYMENT GROWTH PROSPECTS AND THAT
2 WITHOUT ADEQUATE PROVISION OF HOUSING THESE REGIONS OF THE STATE MAY NOT
3 RETAIN SKILLED LABOR AND SUSTAIN THE GROWTH IN EMPLOYMENT AND OUTPUT OF
4 WHICH THEY ARE CAPABLE. WE FURTHER FIND THAT STATE RESOURCES ALONE ARE
5 INSUFFICIENT TO MEET THE GROWING NEED FOR AFFORDABLE HOUSING WITHIN THE
6 STATE AND THAT A COMBINATION OF STATE AND LOCAL INCENTIVES MAY FOSTER
7 PRIVATE INVOLVEMENT IN MEETING THE AFFORDABLE HOUSING NEEDS OF THE
8 STATE. THEREFORE, TO ENCOURAGE SUCH PRIVATE PARTICIPATION AND INVESTMENT
9 IN THE CONSTRUCTION, CONVERSION AND/OR REHABILITATION OF AFFORDABLE
10 HOUSING, WE HEREBY ESTABLISH THE HOUSING OPPORTUNITY ZONES PILOT
11 PROGRAM.

12 S 983. DEFINITIONS. FOR THE PURPOSES OF THIS ARTICLE:

13 (A) "COMMISSIONER" SHALL MEAN THE COMMISSIONER OF HOUSING AND COMMUNI-
14 TY RENEWAL.

15 (B) "APPLICANT" SHALL MEAN THE COUNTY, CITY, TOWN OR VILLAGE SUBMIT-
16 TING AN APPLICATION IN THE MANNER AUTHORIZED BY LOCAL LAW FOR APPROVAL
17 OF A HOUSING OPPORTUNITY ZONE DESIGNATION PLAN.

18 (C) "HOUSING OPPORTUNITY ZONE" SHALL MEAN AN AREA WITHIN THE STATE
19 THAT HAS BEEN DESIGNATED AS A HOUSING OPPORTUNITY ZONE PURSUANT TO THIS
20 ARTICLE.

21 (D) "HOUSING OPPORTUNITY ZONE DESIGNATION PLAN" SHALL MEAN A PLAN
22 SUBMITTED BY AN APPLICANT WHICH DEFINES THE BOUNDARIES OF THE ZONE AND
23 SETS FORTH THE BENEFITS AND INCENTIVES TO BE APPLIED WITHIN THE ZONE
24 PURSUANT TO THIS ARTICLE, INCLUDING ANY MODIFICATIONS TO LOCAL ZONING.

25 (E) "REHABILITATION" SHALL MEAN ALL WORK NECESSARY TO BRING A RESIDEN-
26 TIAL PROPERTY INTO COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS
27 INCLUDING BUT NOT LIMITED TO THE INSTALLATION, REPLACEMENT OR REPAIR OF
28 HEATING, PLUMBING, ELECTRICAL AND RELATED SYSTEMS AND THE ELIMINATION OF
29 ALL HAZARDOUS VIOLATIONS IN THE STRUCTURE IN ACCORDANCE WITH STATE AND
30 LOCAL LAWS, REGULATIONS OF STATE AND LOCAL AGENCIES AND STANDARDS AS MAY
31 BE PROMULGATED BY THE COMMISSIONER. REHABILITATION MAY ALSO INCLUDE
32 RECONSTRUCTION OR WORK TO IMPROVE THE HABITABILITY OR PROLONG THE USEFUL
33 LIFE OF THE RESIDENTIAL PROPERTY, CONSISTENT WITH STANDARDS AS MAY BE
34 PROMULGATED BY THE COMMISSIONER.

35 (F) "CONVERSION" SHALL MEAN ALL WORK NECESSARY TO CONVERT NON-RESIDEN-
36 TIAL PROPERTY TO RESIDENTIAL PROPERTY.

37 (G) "CONSTRUCTION, CONVERSION OR REHABILITATION OF RESIDENTIAL UNITS"
38 SHALL MEAN, FOR THE PURPOSES OF THIS ARTICLE, THE NEW CONSTRUCTION,
39 CONVERSION OR REHABILITATION OF RESIDENTIAL HOUSING UNITS, OF WHICH AT
40 LEAST ONE-THIRD ARE AFFORDABLE HOUSING UNITS. NO RESIDENTIAL HOUSING
41 SHALL BE ELIGIBLE FOR THE BENEFITS DESCRIBED HEREIN AS ACCRUING TO THE
42 CONSTRUCTION, CONVERSION OR REHABILITATION OF RESIDENTIAL UNITS IN A
43 HOUSING OPPORTUNITY ZONE UNLESS SUCH RESIDENTIAL HOUSING IS COMPOSED OF
44 AT LEAST ONE-THIRD AFFORDABLE HOUSING UNITS AS DEFINED HEREIN.

45 (H) "AFFORDABLE HOUSING UNITS" SHALL MEAN, FOR THE PURPOSES OF THIS
46 ARTICLE, THOSE SPECIFIC UNITS TO BE CONSTRUCTED, CONVERTED OR REHABILI-
47 TATED PURSUANT TO A PLAN APPROVED BY THE COMMISSIONER, TO INSURE THAT
48 THOSE UNITS REMAIN AFFORDABLE FOR AT LEAST THE TERM OF ANY ASSISTANCE
49 PROVIDED HEREIN TO PERSONS AND FAMILIES WHOSE INCOME DO NOT EXCEED
50 EIGHTY PERCENT OF THE MEDIAN INCOME FOR THE METROPOLITAN STATISTICAL
51 AREA IN WHICH THE ZONE IS LOCATED OR, IF THE ZONE IS OUTSIDE A METROPOL-
52 ITAN STATISTICAL AREA, THE COUNTY IN WHICH THE ZONE IS LOCATED.

53 (I) "CHIEF EXECUTIVE" SHALL MEAN (I) A COUNTY EXECUTIVE OR MANAGER OF
54 A COUNTY; (II) IN A COUNTY NOT HAVING A COUNTY EXECUTIVE OR MANAGER, THE
55 CHAIRPERSON OR OTHER PRESIDING OFFICER OF THE COUNTY LEGISLATIVE BODY;
56 (III) A MAYOR OF A CITY OR VILLAGE, EXCEPT WHERE A CITY OR VILLAGE HAS A

1 MANAGER, IT SHALL MEAN SUCH A MANAGER; OR (IV) A SUPERVISOR OF A TOWN,
2 EXCEPT WHERE A TOWN HAS A MANAGER, IT SHALL MEAN SUCH MANAGER.

3 (J) "LOCAL HOUSING OPPORTUNITY ZONE ADMINISTRATOR" SHALL MEAN THE
4 ENTITY OR PERSON DESIGNATED BY THE APPLICANT THAT IS RESPONSIBLE FOR
5 MONITORING, EVALUATING AND COORDINATING ALL HOUSING OPPORTUNITY ZONE
6 BENEFITS AND COMPLYING WITH ALL FILING, REPORTING, RECERTIFICATION AND
7 OTHER REQUIREMENTS ON BEHALF OF THE APPLICANT AS SET FORTH IN THIS ARTI-
8 CLE OR IN RULES AND REGULATIONS PROMULGATED BY THE COMMISSIONER.

9 S 984. CRITERIA FOR APPROVAL OF HOUSING OPPORTUNITY ZONE DESIGNATION
10 PLANS. TO BE ELIGIBLE FOR APPROVAL BY THE COMMISSIONER, A PROPOSED HOUS-
11 ING OPPORTUNITY ZONE DESIGNATION PLAN MUST DESIGNATE A ZONE WHICH ENCOM-
12 PASSES AN AREA WHICH IS CHARACTERIZED BY A SHORTAGE OF AFFORDABLE HOUS-
13 ING AND WHICH CORRESPONDS TO RECOGNIZED OR ESTABLISHED NEIGHBORHOODS OR
14 AREAS DEFINED BY GEOGRAPHIC BOUNDARIES WITHIN A COUNTY, CITY, TOWN OR
15 VILLAGE AND DOES NOT EXCEED NINE SQUARE MILES; AND MEETS SUCH OTHER
16 REQUIREMENTS AS MAY BE ESTABLISHED IN RULES AND REGULATIONS PROMULGATED
17 BY THE COMMISSIONER AFTER CONSULTATION WITH THE DIRECTOR OF THE BUDGET
18 AND COMMISSIONER OF TAXATION AND FINANCE, INCLUDING BUT NOT LIMITED TO:

19 (A) A COMPREHENSIVE DEMONSTRATION OF A SHORTAGE OF AFFORDABLE HOUSING
20 AND THE REASONS THEREFOR AS EVIDENCED BY EMPLOYMENT DECLINE, INCREASE IN
21 UNEMPLOYMENT AND PUBLIC ASSISTANCE RECIPIENTS, DECLINE IN PER CAPITA
22 INCOME, THE EXTENT OF DETERIORATED RESIDENTIAL PROPERTIES, OR OTHER
23 FACTORS;

24 (B) A DEMONSTRATION OF THE MANNER IN WHICH THE HOUSING OPPORTUNITY
25 ZONE DESIGNATION PLAN ENUNCIATES THE NEEDS OF THE ZONE AND SETS FORTH
26 SHORT-TERM AND LONG-TERM PROPOSALS TO ADDRESS THEM;

27 (C) A DEMONSTRATION OF THE MANNER IN WHICH PROGRESS IN IMPLEMENTING
28 THE HOUSING OPPORTUNITY ZONE DESIGNATION PLAN WILL BE REGULARLY EVALU-
29 ATED ON THE LOCAL LEVEL AND HOW INFORMATION ESSENTIAL FOR PERIODIC EVAL-
30 UATIONS WILL BE COMPILED; AND

31 (D) A DEMONSTRATION OF SUBSTANTIAL LONG-TERM AND SHORT-TERM LOCAL
32 PUBLIC AND PRIVATE COMMITMENTS TO MEETING THE HOUSING NEEDS OF LOW-IN-
33 COME AND MEDIUM-INCOME PERSONS IN THE AREA.

34 S 985. RESPONSIBILITIES OF THE COMMISSIONER. THE COMMISSIONER SHALL:

35 (A) AFTER CONSULTATION WITH THE DIRECTOR OF THE BUDGET AND THE COMMIS-
36 SIONER OF TAXATION AND FINANCE, PROMULGATE RULES AND REGULATIONS GOVERN-
37 ING: (I) THE CRITERIA FOR APPROVAL OF A PROPOSED HOUSING OPPORTUNITY
38 ZONE DESIGNATION PLAN AS SET FORTH IN SECTION NINE HUNDRED EIGHTY-FOUR
39 OF THIS ARTICLE, (II) THE APPLICATION PROCESS, AND (III) OTHER MATTERS
40 AS MAY BE APPROPRIATE, INCLUDING PROGRAM EVALUATION AND ASSESSMENT;

41 (B) RECEIVE AND REVIEW PROPOSED HOUSING OPPORTUNITY ZONE DESIGNATION
42 PLANS AND REVISIONS THERETO; SUCH REVIEW SHALL INCLUDE A DETERMINATION
43 OF WHETHER THE PLAN IS CONSISTENT WITH THE INTENT AND PURPOSE OF THIS
44 ARTICLE AND ANY APPLICABLE FEDERAL, STATE, OR LOCAL LAW. IN REVIEWING
45 PROPOSED HOUSING OPPORTUNITY ZONE DESIGNATION PLANS, THE COMMISSIONER
46 SHALL CONSIDER THE LEVEL OF LOCAL PARTICIPATION INCLUDING, BUT NOT
47 LIMITED TO, LOCAL TAX AND OTHER INCENTIVES AND THE PROVISION OF LOCAL
48 SERVICES;

49 (C) APPROVE NOT MORE THAN FIVE HOUSING OPPORTUNITY ZONE DESIGNATION
50 PLANS;

51 (D) COORDINATE WITH THE COMMISSIONER OF ECONOMIC DEVELOPMENT AND THE
52 NEIGHBORHOOD BASED INITIATIVES OVERSIGHT COMMITTEE, APPROVAL OF SUCH
53 DESIGNATION PLANS FOR HOUSING OPPORTUNITY ZONES WHICH ARE ALSO DESIG-
54 NATED EMPIRE ZONES PURSUANT TO ARTICLE EIGHTEEN-B OF THIS CHAPTER OR
55 NEIGHBORHOOD BASED ALLIANCES PURSUANT TO ARTICLE NINETEEN-L OF THE EXEC-
56 UTIVE LAW;

1 (E) REVIEW REPORTS ON PERFORMANCE OBJECTIVES PROGRESS AS PART OF THE
2 PLAN REVIEW AND RECERTIFICATION PROCESS SET FORTH IN THIS ARTICLE AND
3 PERIODICALLY SUBMIT A REPORT TO THE LEGISLATURE, THE FIRST REPORT BEING
4 DUE THREE YEARS AND SIX MONTHS AFTER THE EFFECTIVE DATE OF THIS ARTICLE;

5 (F) TERMINATE HOUSING OPPORTUNITY ZONES WHICH FAIL TO RECERTIFY, AS
6 SET FORTH IN THIS ARTICLE, A CONTINUING NEED FOR SUCH DESIGNATION.

7 S 986. APPLICATION FOR HOUSING OPPORTUNITY ZONE DESIGNATION. (A) A
8 COUNTY (OTHER THAN A COUNTY LOCATED WITHIN A CITY), CITY, TOWN OR
9 VILLAGE MAY ADOPT A LOCAL LAW AUTHORIZING SUCH MUNICIPAL CORPORATION TO
10 PREPARE AND SUBMIT AN APPLICATION TO THE COMMISSIONER FOR DESIGNATION OF
11 AN AREA THEREIN AS A HOUSING OPPORTUNITY ZONE; AND THE ADOPTION OF SUCH
12 A LOCAL LAW BY THE MUNICIPAL CORPORATION WITHIN WHICH THE PROPOSED HOUS-
13 ING OPPORTUNITY ZONE IS TO BE LOCATED SHALL BE A PREREQUISITE TO THE
14 SUBMISSION OF AN APPLICATION FOR SUCH DESIGNATION. SUCH LOCAL LAW SHALL
15 ALSO DESIGNATE THE BOUNDARIES OF SUCH AREA, PROVIDED, HOWEVER, THAT:

16 (I) A TOWN SHALL NOT BE AUTHORIZED AND EMPOWERED TO APPLY FOR DESIG-
17 NATION OF AN AREA AS A HOUSING OPPORTUNITY ZONE WHICH IS LOCATED WHOLLY
18 OR PARTLY WITHIN A VILLAGE UNLESS SUCH ACTION IS CONCURRED IN BY THE
19 GOVERNING BODY OF SUCH VILLAGE, AND THAT A COUNTY SHALL NOT BE AUTHOR-
20 IZED AND EMPOWERED TO APPLY FOR DESIGNATION OF AN AREA AS A HOUSING
21 OPPORTUNITY ZONE UNLESS SUCH ACTION IS CONCURRED IN BY THE GOVERNING
22 BODY OF EACH CITY, TOWN OR VILLAGE IN WHICH SUCH ZONE IS LOCATED; AND

23 (II) NO APPLICATION FOR DESIGNATION OF AN AREA AS A HOUSING OPPORTU-
24 NITY ZONE PURSUANT TO THIS ARTICLE SHALL BE ACCEPTED UNLESS THE APPLI-
25 CANT DEMONSTRATES THAT IT HAS, TO THE MAXIMUM EXTENT FEASIBLE, SOLICITED
26 AND CONSIDERED THE VIEWS OF RESIDENTS OF THE PROPOSED ZONE, THE VIEWS OF
27 STATE AND LOCAL OFFICIALS ELECTED TO REPRESENT SUCH RESIDENTS AND THE
28 LOCAL PRIVATE ORGANIZATIONS REPRESENTING SUCH RESIDENTS.

29 (B) EACH APPLICATION SHALL:

30 (I) BE PREPARED IN A MANNER AND FORM PRESCRIBED BY RULES AND REGU-
31 LATIONS PROMULGATED BY THE COMMISSIONER; THE CHIEF EXECUTIVE OF THE
32 APPLICANT SHALL ENSURE THAT THE INFORMATION CONTAINED IN SUCH APPLICA-
33 TION, TO THE MAXIMUM EXTENT POSSIBLE, IS ACCURATE AND COMPLETE;

34 (II) INCLUDE EVIDENCE OF THE ADOPTION OF LOCAL LAW AUTHORIZING
35 SUBMISSION OF A HOUSING OPPORTUNITY ZONE DESIGNATION PLAN BY THE LOCAL
36 GOVERNING BODY OF THE AREA IN WHICH THE HOUSING OPPORTUNITY ZONE IS TO
37 BE LOCATED;

38 (III) IDENTIFY A LOCAL HOUSING OPPORTUNITY ZONE ADMINISTRATOR WHO WILL
39 BE RESPONSIBLE FOR COMPLYING WITH THE FILING, REPORTING AND CERTIF-
40 ICATION REQUIREMENTS SET FORTH IN THIS ARTICLE AND RULES AND REGULATIONS
41 WHICH MAY BE PROMULGATED BY THE COMMISSIONER;

42 (IV) INCLUDE A MAP OF THE AREA COMPRISING THE PROPOSED HOUSING OPPOR-
43 TUNITY ZONE, SHOWING EXISTING STREETS, HIGHWAYS, WATERWAYS, NATURAL
44 BOUNDARIES AND OTHER PHYSICAL FEATURES;

45 (V) INCLUDE EVIDENCE THAT THE APPLICANT HAS, TO THE MAXIMUM EXTENT
46 FEASIBLE, SOLICITED AND CONSIDERED THE VIEWS OF THE RESIDENTS OF THE
47 PROPOSED HOUSING OPPORTUNITY ZONE AND THE LOCAL GOVERNMENTAL AND PRIVATE
48 ORGANIZATIONS REPRESENTING SUCH RESIDENTS INCLUDING, BUT NOT LIMITED TO,
49 CONDUCTING AT LEAST ONE PUBLIC HEARING; AND

50 (VI) SPECIFY GOALS AND OBJECTIVES, BOTH SHORT TERM AND LONG TERM, FOR
51 ADDRESSING THE AFFORDABLE HOUSING NEEDS OF THE PROPOSED ZONE.

52 S 987. HOUSING OPPORTUNITY ZONE DESIGNATION PLANS. A HOUSING OPPORTU-
53 NITY ZONE DESIGNATION PLAN SHALL BE FILED WITH THE COMMISSIONER, AND
54 SHALL DEMONSTRATE THE METHODS BY WHICH THE APPLICANT INTENDS TO MEET THE
55 AFFORDABLE HOUSING NEEDS OF THE AREA IN WHICH THE PROPOSED HOUSING

1 OPPORTUNITY ZONE IS LOCATED AND SHALL INCLUDE, BUT SHALL NOT BE LIMITED
2 TO:

3 (A) A DEMONSTRATION OF COMPLIANCE WITH ALL APPLICABLE PROVISIONS OF
4 TITLE VIII OF THE CIVIL RIGHTS ACT OF 1968, AS AMENDED, THE REGULATIONS
5 ISSUED THEREUNDER, AND STATE ANTI-DISCRIMINATION STATUTES, AND SHALL
6 AFFIRMATIVELY FURTHER FAIR HOUSING;

7 (B) IDENTIFICATION OF FINANCIAL AND OTHER COMMITMENTS THE APPLICANT
8 WILL MAKE TO THE ZONE INCLUDING, BUT NOT LIMITED TO, (I) A STATEMENT
9 IDENTIFYING THOSE LOCAL TAX AND OTHER INCENTIVES PROPOSED TO BE OFFERED
10 WITHIN THE ZONE, (II) A DESCRIPTION OF A PROCEDURE TO EXPEDITE THE ISSU-
11 ANCE OF ANY REQUIRED LOCAL PERMITS OR LICENSES, AND (III) A DESCRIPTION
12 OF OTHER ACTIVITIES TO BE UNDERTAKEN BY MUNICIPAL AGENCIES, BUSINESS
13 ENTITIES, NOT-FOR-PROFIT CORPORATIONS, COMMUNITY-BASED ORGANIZATIONS OR
14 ANY OTHER PERSONS, WHICH ARE DESIGNED TO PROMOTE THE AVAILABILITY OF
15 AFFORDABLE HOUSING IN THE PROPOSED ZONE;

16 (C) IDENTIFIED LOCAL INCENTIVES REFERENCED IN SUBDIVISION (B) OF THIS
17 SECTION WHICH MAY INCLUDE, BUT ARE NOT LIMITED TO:

18 (I) ZONING MODIFICATIONS. A HOUSING OPPORTUNITY ZONE DESIGNATION PLAN
19 MAY INCLUDE MODIFICATIONS TO LOCAL ZONING WITHIN THE BOUNDARIES OF SUCH
20 HOUSING OPPORTUNITY ZONE, WHICH MODIFICATIONS MAY RELATE TO DENSITY,
21 SETBACKS AND OTHER PROVISIONS OF THE LOCAL ZONING ORDINANCE WHICH MAY BE
22 BARRIERS TO THE CONSTRUCTION, CONVERSION OR REHABILITATION OF RESIDEN-
23 TIAL UNITS PURSUANT TO THIS ARTICLE. ANY ZONING MODIFICATIONS CONTAINED
24 IN A PROPOSED HOUSING OPPORTUNITY ZONE DESIGNATION PLAN MUST BE SET
25 FORTH IN THE SAME MANNER AND DETAIL AS WOULD A LOCAL ZONING ORDINANCE.
26 SUCH ZONING MODIFICATION SHALL APPLY ONLY FOR THE CONSTRUCTION, CONVER-
27 SION OR REHABILITATION OF RESIDENTIAL UNITS IN CONFORMANCE WITH THE
28 STANDARDS SET FORTH IN THIS ARTICLE. A PROPOSED HOUSING OPPORTUNITY ZONE
29 DESIGNATION PLAN CONTAINING A ZONING MODIFICATION SHALL NOT BE APPROVED
30 BY THE COMMISSIONER UNLESS THE PROPOSED DESIGNATION PLAN HAS BEEN
31 APPROVED BY ALL LOCAL GOVERNMENTS WHICH PROMULGATED THE ZONING ORDINANCE
32 OR ORDINANCES AFFECTED BY SUCH MODIFICATION.

33 THE APPLICANT SHALL BE RESPONSIBLE FOR THE PREPARATION OF AN ENVIRON-
34 MENTAL IMPACT STATEMENT IF REQUIRED BY LAW. NOTWITHSTANDING ANY OTHER
35 PROVISION OF LAW, MUNICIPALITIES APPLYING FOR APPROVAL OF A HOUSING
36 OPPORTUNITY ZONE DESIGNATION PLAN ARE ELIGIBLE FOR ADVANCES FROM THE
37 HOUSING DEVELOPMENT FUND CREATED PURSUANT TO ARTICLE ELEVEN OF THE
38 PRIVATE HOUSING FINANCE LAW; SUCH ADVANCES MAY BE USED TO DEFRAY THE
39 COST OF PREPARING AN ENVIRONMENTAL IMPACT STATEMENT;

40 (II) PROPERTY TAX RELIEF. A HOUSING OPPORTUNITY ZONE DESIGNATION PLAN
41 MAY PROVIDE THAT ALL CONSTRUCTION, CONVERSION OR REHABILITATION OF RESI-
42 DENTIAL UNITS WITHIN A HOUSING OPPORTUNITY ZONE COMPLETED SUBSEQUENT TO
43 THE APPROVAL OF A HOUSING OPPORTUNITY ZONE DESIGNATION PLAN MAY BE ENTI-
44 TLED TO AN EXEMPTION FROM PROPERTY TAXES AS PROVIDED FOR IN SECTION FOUR
45 HUNDRED EIGHTY-FIVE-N OF THE REAL PROPERTY TAX LAW FOR AS LONG AS SUCH
46 RESIDENTIAL HOUSING IS COMPOSED OF AT LEAST ONE-THIRD AFFORDABLE HOUSING
47 UNITS AS THAT TERM IS DEFINED IN THIS ARTICLE;

48 (III) WAIVER OF PERMIT FEES. A HOUSING OPPORTUNITY ZONE DESIGNATION
49 PLAN MAY PROVIDE THAT ALL PERMIT FEES REQUIRED BY THE APPLICANT FOR ANY
50 PHASE OF THE CONSTRUCTION, CONVERSION OR REHABILITATION OF RESIDENTIAL
51 UNITS AS DEFINED IN THIS ARTICLE, WITHIN A HOUSING OPPORTUNITY ZONE
52 SHALL BE WAIVED IN TOTAL BY THE APPLICANT;

53 (IV) WATER AND SEWER TAX EXEMPTION. WHERE WATER AND/OR SEWER ASSESS-
54 MENTS ARE COLLECTED BY AN APPLICANT APPLYING FOR APPROVAL OF A HOUSING
55 OPPORTUNITY ZONE DESIGNATION PLAN, A HOUSING OPPORTUNITY ZONE DESIG-
56 NATION PLAN MAY PROVIDE THAT WATER AND/OR SEWER ASSESSMENTS UPON AFFORD-

1 ABLE HOUSING UNITS BE REDUCED IN AN AMOUNT TO BE SPECIFIED IN THE HOUS-
2 ING OPPORTUNITY ZONE DESIGNATION PLAN SO LONG AS SUCH UNITS REMAIN
3 AFFORDABLE;

4 (D) A STATEMENT INDICATING HOW HOUSING OPPORTUNITY ZONE DESIGNATION
5 WOULD ASSIST IN THE AVAILABILITY OF AFFORDABLE HOUSING IN THE AREA IN
6 WHICH THE ZONE IS PROPOSED TO BE LOCATED;

7 (E) A DESCRIPTION OF PROPOSALS FOR HOUSING CONSTRUCTION, CONVERSION OR
8 REHABILITATION OF RESIDENTIAL UNITS AND INFRASTRUCTURE IMPROVEMENTS AND
9 INVESTMENTS AND A TIMETABLE FOR THEIR COMPLETION;

10 (F) A STATEMENT OF THE REASONS WHY THE PARTICULAR GEOGRAPHIC CONFIG-
11 URATION OF THE ZONE WAS SELECTED.

12 S 988. LOCAL HOUSING OPPORTUNITY ZONE ADMINISTRATOR. UPON APPROVAL OF
13 THE PLAN, THE DESIGNATED LOCAL HOUSING OPPORTUNITY ZONE ADMINISTRATOR
14 SHALL BE RESPONSIBLE FOR COMPLYING WITH ALL FILING, REPORTING, AND OTHER
15 REQUIREMENTS ON BEHALF OF THE APPLICANT AS SET FORTH IN THIS ARTICLE OR
16 RULES AND REGULATIONS AS PROMULGATED BY THE COMMISSIONER INCLUDING, BUT
17 NOT LIMITED TO:

18 (A) FILING NOTICE OF APPROVAL OF THE HOUSING OPPORTUNITY ZONE DESIG-
19 NATION PLAN OR, REVISIONS OR TERMINATION OF SUCH DESIGNATION PLAN WITH
20 THE DEPARTMENT OF TAXATION AND FINANCE, THE SECRETARY OF STATE, WITH THE
21 COUNTY, CITY, TOWN, OR VILLAGE, RESPECTIVELY, IN WHICH THE HOUSING
22 OPPORTUNITY ZONE IS LOCATED, WITH THE STATE BOARD OF EQUALIZATION AND
23 ASSESSMENT AND WITH OTHER STATE AND LOCAL ENTITIES; PROVIDED, HOWEVER,
24 THAT SUCH NOTICE SHALL SPECIFY THE DATE SUCH ACTION WAS TAKEN AND SHALL
25 CONTAIN A DESCRIPTION SUFFICIENT TO IDENTIFY THE HOUSING OPPORTUNITY
26 ZONE, INCLUDING THE NAMES OF ABUTTING STREETS, ROADS, HIGHWAYS, BODIES
27 OF WATER, OR OTHER IDENTIFYING PHYSICAL FEATURES;

28 (B) SUBMITTING TO THE COMMISSIONER AN ANNUAL REPORT ON THE PROGRESS
29 AND RESULTS OF THE PLAN, WITH COPIES TO THE DEPARTMENT OF AUDIT AND
30 CONTROL, DEPARTMENT OF TAXATION AND FINANCE AND THE DIRECTOR OF THE
31 BUDGET; AND

32 (C) EVERY THREE YEARS, RECERTIFYING TO THE COMMISSIONER THAT A NEED
33 FOR THE PLAN CONTINUES TO EXIST. IF THE APPLICANT DOES NOT RECERTIFY THE
34 NEED FOR THE PLAN, THE ZONE AND THE BENEFITS ASSOCIATED THEREWITH MAY BE
35 TERMINATED BY THE COMMISSIONER. TERMINATION OF A ZONE SHALL NOT AFFECT
36 ANY AGREEMENT ENTERED INTO NOR BENEFIT OR INCENTIVE PREVIOUSLY ALLOCATED
37 WITHIN THE ZONE.

38 S 989. SPECIAL PROVISIONS. (A) EACH APPLICANT SHALL USE ITS BEST
39 EFFORTS TO ENSURE THAT ANY CONSTRUCTION, CONVERSION OR REHABILITATION OF
40 RESIDENTIAL UNITS IS CARRIED OUT IN SUCH A MANNER AS TO MINIMIZE THE
41 LIKELIHOOD OF ANY INVOLUNTARY PHYSICAL OR ECONOMIC DISPLACEMENT OF
42 TENANTS AND OWNERS.

43 (B) APPLICATIONS FOR FUNDING TO ANY HOUSING PROGRAM ADMINISTERED BY
44 THE STATE OF NEW YORK, A PUBLIC BENEFIT CORPORATION OR A LOCAL GOVERN-
45 MENT SHALL BE GIVEN A PREFERENCE IN SELECTION IF THE APPLICATION
46 PROPOSES THE CONSTRUCTION, CONVERSION OR REHABILITATION OF RESIDENTIAL
47 UNITS ELIGIBLE FOR BENEFITS PURSUANT TO THIS ARTICLE.

48 S 2. The real property tax law is amended by adding a new section
49 485-n to read as follows:

50 S 485-N. EXEMPTION FROM LOCAL REAL PROPERTY TAXATION OF CERTAIN RESI-
51 DENTIAL PROPERTY LOCATED WITHIN A HOUSING OPPORTUNITY ZONE. 1. REAL
52 PROPERTY LOCATED WITHIN A HOUSING OPPORTUNITY ZONE WHICH HAS BEEN CERTI-
53 FIED BY THE HOUSING OPPORTUNITY ZONE ADMINISTRATOR AS A NEWLY
54 CONSTRUCTED, CONVERTED OR REHABILITATED RESIDENTIAL UNIT, AND IN COMPLI-
55 ANCE WITH AN APPROVED HOUSING OPPORTUNITY ZONE DESIGNATION PLAN PURSUANT
56 TO ARTICLE NINETEEN-AA OF THE GENERAL MUNICIPAL LAW, SHALL BE EXEMPT, IN

1 WHOLE OR IN PART, FROM TAXATION, SPECIAL AD VALOREM LEVIES AND SPECIAL
2 ASSESSMENTS LEVIED BY OR ON BEHALF OF ANY MUNICIPAL CORPORATION IN WHICH
3 REAL PROPERTY IS LOCATED, PROVIDED THAT THE GOVERNING BOARD OF SUCH
4 MUNICIPAL CORPORATION ADOPTS A LOCAL LAW, ORDINANCE OR RESOLUTION
5 PROVIDING THEREFOR.

6 SUCH TAX EXEMPTION SHALL APPLY FOR THE PERIOD AND TO THE EXTENT
7 PROVIDED IN SUCH LOCAL LAW, ORDINANCE OR RESOLUTION.

8 2. NO SUCH EXEMPTION SHALL BE GRANTED UNLESS: (A) A COPY OF AN OFFI-
9 CIAL NOTICE THAT THE HOUSING OPPORTUNITY ZONE DESIGNATION PLAN HAS BEEN
10 APPROVED PURSUANT TO ARTICLE NINETEEN-AA OF THE GENERAL MUNICIPAL LAW
11 HAS BEEN FILED BY THE LOCAL HOUSING OPPORTUNITY ZONE ADMINISTRATOR WITH
12 THE CLERK OF THE ASSESSING UNIT AND WITH THE STATE BOARD OF EQUALIZATION
13 AND ASSESSMENT ON OR BEFORE THE APPLICABLE TAXABLE STATUS DATE;

14 (B) THE CONSTRUCTION, CONVERSION OR REHABILITATION OF RESIDENTIAL
15 UNITS COMMENCED ON OR AFTER THE DATE THAT THE HOUSING OPPORTUNITY ZONE
16 DESIGNATION PLAN WAS APPROVED;

17 (C) THE LOCAL HOUSING OPPORTUNITY ZONE ADMINISTRATOR CERTIFIES TO THE
18 ASSESSOR THAT THE REAL PROPERTY IS ELIGIBLE FOR BENEFITS PURSUANT TO
19 SUCH HOUSING OPPORTUNITY ZONE DESIGNATION PLAN; AND

20 (D) THE REAL PROPERTY IS USED SOLELY FOR RESIDENTIAL PURPOSES DURING
21 THE PERIOD SUCH EXEMPTION IS GRANTED.

22 3. SUCH REAL PROPERTY SHALL BE EXEMPT FOR A PERIOD OF YEARS PROVIDED
23 FOR IN THE LOCAL LAW, ORDINANCE OR RESOLUTION AUTHORIZING THE TAX
24 EXEMPTION, AND THE HOUSING OPPORTUNITY ZONE DESIGNATION PLAN, WHICH
25 PERIOD SHALL NOT EXCEED TEN YEARS. SUCH REAL PROPERTY SHALL BE IMME-
26 DIATELY SUBJECT TO TAXATION IF THE ASSESSOR RECEIVES NOTICE FROM THE
27 LOCAL HOUSING OPPORTUNITY ZONE ADMINISTRATOR THAT THE AFFORDABLE HOUSING
28 UNITS, AS DEFINED IN ARTICLE NINETEEN-AA OF THE GENERAL MUNICIPAL LAW,
29 ARE NOT IN CONFORMITY WITH THE PLAN PROPOSED BY THE LOCALITY IN WHICH
30 THEY ARE LOCATED AND APPROVED BY THE COMMISSIONER OF HOUSING AND COMMU-
31 NITY RENEWAL TO INSURE THEIR AFFORDABILITY.

32 4. SUCH EXEMPTION SHALL BE GRANTED ONLY UPON APPLICATION BY THE OWNER
33 OF SUCH REAL PROPERTY ON A FORM PRESCRIBED BY THE STATE BOARD. SUCH
34 APPLICATION SHALL BE FILED WITH THE ASSESSOR OF THE COUNTY, CITY, TOWN
35 OR VILLAGE HAVING THE POWER TO ASSESS PROPERTY FOR TAXATION ON OR BEFORE
36 THE APPROPRIATE TAXABLE STATUS DATE OF SUCH COUNTY, CITY, TOWN OR
37 VILLAGE AND WITHIN ONE YEAR FROM THE DATE OF COMPLETION OF SUCH
38 CONSTRUCTION, CONVERSION OR REHABILITATION OF RESIDENTIAL UNITS.

39 S 3. Section 490 of the real property tax law, as amended by chapter
40 87 of the laws of 2001, is amended to read as follows:

41 S 490. Exemption from special ad valorem levies and special assess-
42 ments. Real property exempt from taxation pursuant to subdivision two
43 of section four hundred, subdivision one of section four hundred four,
44 subdivision one of section four hundred six, sections four hundred
45 eight, four hundred ten, four hundred ten-a, four hundred ten-b, four
46 hundred eighteen, four hundred twenty-a, four hundred twenty-b, four
47 hundred twenty-two, four hundred twenty-six, four hundred twenty-seven,
48 four hundred twenty-eight, four hundred thirty, four hundred thirty-two,
49 four hundred thirty-four, four hundred thirty-six, four hundred thirty-
50 eight, four hundred fifty, four hundred fifty-two, four hundred fifty-
51 four, four hundred fifty-six, four hundred sixty-four, four hundred
52 seventy-two, four hundred seventy-four [and], four hundred eighty-five
53 AND FOUR HUNDRED EIGHTY-FIVE-N of this [chapter] ARTICLE shall also be
54 exempt from special ad valorem levies and special assessments against
55 real property located outside cities and villages for a special improve-
56 ment or service or a special district improvement or service and special

1 ad valorem levies and special assessments imposed by a county improve-
2 ment district or district corporation except (1) those levied to pay for
3 the costs, including interest and incidental and preliminary costs, of
4 the acquisition, installation, construction, reconstruction and enlarge-
5 ment of or additions to the following improvements, including original
6 equipment, furnishings, machinery or apparatus, and the replacements
7 thereof: water supply and distribution systems; sewer systems (either
8 sanitary or surface drainage or both, including purification, treatment
9 or disposal plants or buildings); waterways and drainage improvements;
10 street, highway, road and parkway improvements (including sidewalks,
11 curbs, gutters, drainage, landscaping, grading or improving the right of
12 way) and (2) special assessments payable in installments on an indebt-
13 edness including interest contracted prior to July first, nineteen
14 hundred fifty-three, pursuant to section two hundred forty-two of the
15 town law or pursuant to any other comparable provision of law.

16 S 4. Section 252-a of the tax law is amended by adding a new subdivi-
17 sion 3 to read as follows:

18 3. (A) THE FOLLOWING MORTGAGES SHALL BE EXEMPT FROM ANY TAX OR FEE
19 IMPOSED UNDER THIS ARTICLE: ANY MORTGAGE OF REAL PROPERTY GIVEN TO
20 SECURE AN OBLIGATION INCURRED BY THE MORTGAGOR TO ACQUIRE SUCH REAL
21 PROPERTY, PROVIDED THAT (I) SUCH REAL PROPERTY IS IMPROVED BY
22 CONSTRUCTION, CONVERSION OR REHABILITATION OF RESIDENTIAL UNITS, AS
23 THOSE TERMS ARE DEFINED IN ARTICLE NINETEEN-AA OF THE GENERAL MUNICIPAL
24 LAW, AND LOCATED IN A HOUSING OPPORTUNITY ZONE DESIGNATION PLAN APPROVED
25 BY THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL PURSUANT TO SUCH
26 ARTICLE, AND (II) SUCH REAL PROPERTY CONTINUES TO BE ELIGIBLE FOR BENE-
27 FITS UNDER SUCH ARTICLE.

28 (B) PROVIDED, HOWEVER, THAT IN EACH CASE WHERE AN EXEMPTION IS CLAIMED
29 UNDER THIS SUBDIVISION, SUCH EXEMPTION SHALL NOT APPLY UNLESS THE PERSON
30 CLAIMING THE EXEMPTION PROVIDES DOCUMENTATION IN A FORMAT APPROVED BY
31 THE COMMISSIONER SUFFICIENT TO ENABLE A RECORDING OFFICER TO DETERMINE
32 AFFIRMATIVELY WHETHER THE MORTGAGE BEING PRESENTED FOR RECORDING IS A
33 MORTGAGE OF REAL PROPERTY WHICH SATISFIES THE REQUIREMENTS SET FORTH IN
34 THIS SUBDIVISION. SUCH DOCUMENTATION MAY TAKE THE FORM OF A CERTIF-
35 ICATION FROM THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL OR SUCH
36 COMMISSIONER'S DELEGATE.

37 S 5. Subdivision (b) of section 1201 of the tax law is amended by
38 adding a new paragraph (xiii) to read as follows:

39 (XIII) THE LOCAL LAW IMPOSING THE TAX AUTHORIZED BY THIS SUBDIVISION
40 MAY PROVIDE THAT THE CONVEYANCES EXEMPT PURSUANT TO PARAGRAPH ELEVEN OF
41 SUBDIVISION (B) OF SECTION FOURTEEN HUNDRED FIVE OF THIS CHAPTER SHALL
42 BE EXEMPT FROM THE TAX AUTHORIZED BY THIS SUBDIVISION.

43 S 6. Subdivision b of section 1203 of the tax law, as amended by chap-
44 ter 345 of the laws of 1984, is amended to read as follows:

45 b. Notwithstanding any provision of law to the contrary, the local
46 governing body of the city of Yonkers, by the adoption of local laws,
47 ordinances or resolutions may impose in such city the tax otherwise
48 authorized under subdivision (b) of section twelve hundred one OF THIS
49 PART, at a rate not to exceed three per centum, such taxes to be admin-
50 istered and collected in the manner provided for in subpart A of part
51 III of this article. Such local law, ordinance, or resolution may
52 provide that any transfer of property owned and occupied as a residence
53 by one or more persons, each of whom is sixty-five years of age or over,
54 shall be exempt from such tax. SUCH LOCAL LAW, ORDINANCE OR RESOLUTION
55 ALSO MAY PROVIDE THAT THE CONVEYANCES EXEMPT PURSUANT TO PARAGRAPH ELEV-

1 EN OF SUBDIVISION (B) OF SECTION FOURTEEN HUNDRED FIVE OF THIS CHAPTER
2 SHALL BE EXEMPT FROM THE TAX AUTHORIZED BY THIS SUBDIVISION.

3 S 7. Section 1205 of the tax law is amended by adding a new subdivi-
4 sion (c) to read as follows:

5 (C) THE LOCAL LAW, ORDINANCE OR RESOLUTION IMPOSING THE TAX AUTHORIZED
6 BY THIS SECTION MAY PROVIDE THAT THE CONVEYANCES EXEMPT PURSUANT TO
7 PARAGRAPH ELEVEN OF SUBDIVISION (B) OF SECTION FOURTEEN HUNDRED FIVE OF
8 THIS CHAPTER SHALL BE EXEMPT FROM THE TAX AUTHORIZED BY THIS SECTION.

9 S 8. Subdivision (b) of section 1405 of the tax law is amended by
10 adding a new paragraph 11 to read as follows:

11 11. CONVEYANCES OF RESIDENTIAL HOUSING PROVIDED THAT (I) SUCH REAL
12 PROPERTY IS IMPROVED BY CONSTRUCTION, CONVERSION OR REHABILITATION OF
13 RESIDENTIAL UNITS, AS THOSE TERMS ARE DEFINED IN ARTICLE NINETEEN-AA OF
14 THE GENERAL MUNICIPAL LAW, AND LOCATED IN A HOUSING OPPORTUNITY ZONE
15 DESIGNATION PLAN APPROVED BY THE COMMISSIONER OF HOUSING AND COMMUNITY
16 RENEWAL PURSUANT TO SUCH ARTICLE, (II) SUCH REAL PROPERTY CONTINUES TO
17 BE ELIGIBLE FOR BENEFITS UNDER SUCH ARTICLE, AND (III) IN EACH CASE
18 WHERE AN EXEMPTION IS CLAIMED UNDER THIS SUBDIVISION, SUCH EXEMPTION
19 SHALL NOT APPLY UNLESS THE PERSON CLAIMING THE EXEMPTION PROVIDES
20 DOCUMENTATION IN A FORMAT APPROVED BY THE COMMISSIONER SUFFICIENT TO
21 ENABLE A RECORDING OFFICER TO DETERMINE AFFIRMATIVELY WHETHER THE MORT-
22 GAGE BEING PRESENTED FOR RECORDING IS A MORTGAGE OF REAL PROPERTY WHICH
23 SATISFIES THE REQUIREMENTS SET FORTH IN THIS SUBDIVISION. SUCH DOCUMEN-
24 TATION MAY TAKE THE FORM OF A CERTIFICATION FROM THE COMMISSIONER OF
25 HOUSING AND COMMUNITY RENEWAL OR SUCH COMMISSIONER'S DELEGATE.

26 S 9. Section 1428 of the tax law is amended by adding a new subdivi-
27 sion 3 to read as follows:

28 3. THE LOCAL LAW IMPOSING THE TAX AUTHORIZED BY THIS ARTICLE MAY
29 PROVIDE THAT THE CONVEYANCES EXEMPT PURSUANT TO PARAGRAPH ELEVEN OF
30 SUBDIVISION (B) OF SECTION FOURTEEN HUNDRED FIVE OF THIS CHAPTER SHALL
31 BE EXEMPT FROM THE TAX.

32 S 10. This act shall take effect immediately.