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

8838

2009-2010 Regular Sessions

I N A S S E M B L Y

June 11, 2009

Introduced by M. of A. BARRON, V. LOPEZ -- read once and referred to the Committee on Housing

AN ACT to amend the private housing finance law, in relation to loans for state-aided limited-profit housing companies

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

Section 1. The private housing finance law is amended by adding a new section 22-b to read as follows:

S 22-B. LOANS FOR STATE-AIDED LIMITED-PROFIT HOUSING COMPANIES. 1. NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO THE CONTRARY, THE COMMISSIONER MAY FOR A PERIOD OF ONE YEAR FROM THE EFFECTIVE DATE OF THIS ACT APPROVE A LOAN AND ENCUMBRANCE IN EXCESS OF THE ACTUAL PROJECT COST OF A STATE-AIDED PROJECT COMPRISING MORE THAN FIVE THOUSAND RENTAL UNITS, PROVIDED THAT: (A) THE RENTS PAID BY THE TENANTS MAY NOT BE INCREASED TO PAY FOR ANY CONSEQUENT INCREASE IN INDEBTEDNESS THAT IS NOT ATTRIBUTABLE TO PROJECT COST; (B) THE COMPANY ENTERS INTO AN AGREEMENT TO CONTINUE TO REMAIN SUBJECT TO THE PROVISIONS OF THIS ARTICLE FOR A PERIOD OF NO LESS THAN AN ADDITIONAL THIRTY YEARS FROM ISSUANCE OF THE LOAN AND ENCUMBRANCE; AND (C) THE GREATER OF TWENTY-FIVE PERCENT OF THE AMOUNT OF SUCH LOAN WHICH EXCEEDS SUCH ACTUAL PROJECT COST OR FORTY MILLION DOLLARS OF THE PROCEEDS OF SUCH LOAN MUST BE DEDICATED TO CAPITAL IMPROVEMENTS TO EXISTING STRUCTURES AND FACILITIES.

2. ANY COMPANY THAT ENTERS INTO A LOAN PURSUANT TO SUBDIVISION ONE OF THIS SECTION SHALL CREATE A PLAN WITHIN ONE YEAR OF THE APPROVAL OF THE LOAN. THE PLAN SHALL INCLUDE DETAILS OF ALL CAPITAL IMPROVEMENTS THAT WILL OCCUR AS A RESULT OF THE LOAN. SUCH COMPANY SHALL OBLIGATE THE FUNDS DEDICATED TO THE CAPITAL IMPROVEMENTS WITHIN THREE YEARS OF THE APPROVAL OF THE LOAN. SUCH COMPANY SHALL SUBMIT A COPY OF THE PLAN WITHIN ONE YEAR OF THE APPROVAL OF THE LOAN AND WITHIN THREE YEARS OF THE APPROVAL OF THE LOAN, A REPORT THAT DETAILS THE USE OF THE LOAN FUNDS TO THE GOVERNOR, THE COMMISSIONER OF THE DIVISION OF HOUSING AND COMMUNITY

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

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RENEWAL, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE MINORITY LEADER OF THE SENATE, THE MINORITY LEADER OF THE ASSEMBLY, THE CHAIR OF THE SENATE FINANCE COMMITTEE, THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, THE CHAIR OF THE SENATE HOUSING, CONSTRUCTION, AND COMMUNITY DEVELOPMENT COMMITTEE, AND THE CHAIR OF THE ASSEMBLY HOUSING COMMITTEE.

3. SUCH COMPANY SHALL PARTICIPATE IN BIMONTHLY MEETINGS WITH ELECTED OFFICIALS AND THE MEMBERS OF THE PROJECT'S RESIDENTS' ASSOCIATION OR OTHER TENANT ORGANIZATION THAT REPRESENTS THE MAJORITY OF TENANTS IN THE PROJECT IN ORDER TO HEAR ANY ADVICE OR COMMENTS ON THE IMPLEMENTATION OF THE PLAN. THE MEETINGS SHALL OCCUR ON A REGULAR BASIS UNTIL ALL OF THE MONEY SET-ASIDE FOR CAPITAL IMPROVEMENTS IN SUBDIVISION ONE OF THIS SECTION HAS BEEN SPENT.

S 2. This act shall take effect immediately.