

3508

2011-2012 Regular Sessions

I N S E N A T E

February 24, 2011

Introduced by Sen. BONACIC -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

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-

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

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1 dence prior to a flood event that rendered the home unsuitable for habi-
2 tation; (2) the current appraised value of the home does not exceed two
3 hundred fifty thousand dollars and the purchase price for the home will
4 not exceed the appraised value less the amount of any property casualty
5 insurance or disaster relief payments received by the owner as compen-
6 sation for damage incurred in a flood incident; (3) all recorded liens
7 or other encumbrances on the home will be released at closing; (4) the
8 county provides assurances that the home will be condemned and the prop-
9 erty will be dedicated and maintained in perpetuity for a use that is
10 compatible with open space, recreational, flood mitigation or wetlands
11 management practices; and (5) disbursements under this section shall be
12 limited to the costs of acquisition of eligible homes, including legal,
13 appraisal, recording and other transaction costs, and the costs of demo-
14 lition. In selecting homes for purchase pursuant to this act, each
15 county shall give preference to homes with a current appraised value of
16 less than one hundred fifty thousand dollars and to homes that have been
17 subject to two or more incidents of flooding since April 1, 2004. The
18 corporation shall establish policies and procedures consistent with this
19 section, which shall include county reporting requirements, and shall
20 report to the governor, the speaker of the assembly, the temporary pres-
21 ident of the senate and the director of the division of the budget on or
22 before December 31, 2008 regarding the implementation of this section.
23 Of the amounts transferred to the corporation pursuant to section one of
24 this act, the amounts disbursed to counties pursuant to this section
25 shall not exceed the following amounts: Broome, \$750,000; Chenango,
26 \$750,000; Delaware, \$2,000,000; Herkimer, \$750,000; Montgomery,
27 \$750,000; Orange, \$2,000,000; Otsego, \$750,000; Schoharie, \$750,000;
28 Sullivan, \$3,750,000; Tioga, \$750,000; and Ulster, \$2,000,000.

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

54 S 2. This act shall take effect immediately.