

5258

2011-2012 Regular Sessions

I N S E N A T E

May 3, 2011

Introduced by Sen. YOUNG -- 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 payments by neighborhood preservation companies and not-for-profit corporations for housing preservation and community renewal, for compelling public purposes

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

1 Section 1. Section 902 of the private housing finance law is amended
2 by adding a new subdivision 7 to read as follows:
3 7. "COMPELLING PUBLIC PURPOSE" SHALL MEAN: (A) THE MERGER OR CONSOL-
4 IDATION OF TWO OR MORE NEIGHBORHOOD PRESERVATION COMPANIES WHERE THE
5 MERGED OR NEWLY CREATED NEIGHBORHOOD PRESERVATION COMPANY ENGAGES IN
6 NEIGHBORHOOD PRESERVATION ACTIVITIES IN A GEOGRAPHICALLY DEFINED NEIGH-
7 BORHOOD WHICH INCLUDES EACH OF THE PREEXISTING GEOGRAPHICALLY DEFINED
8 NEIGHBORHOODS OF THE MERGED OR CONSOLIDATED COMPANIES, AND SUCH ACTION
9 RESULTS IN MORE EFFICIENT AND COST EFFECTIVE DELIVERY OF SERVICES; OR
10 (B) THE PERFORMANCE OF NEIGHBORHOOD PRESERVATION ACTIVITIES BY AN EXIST-
11 ING NEIGHBORHOOD PRESERVATION COMPANY TO UNDERSERVED AREAS LYING OUTSIDE
12 OF SAID COMPANY'S PREEXISTING DESIGNATED NEIGHBORHOOD AREA.
13 S 2. Subdivision 4 of section 903 of the private housing finance law,
14 as amended by section 1 of part FF of chapter 57 of the laws of 2009, is
15 amended and a new subdivision 9 is added to read as follows:
16 4. Contracts entered into hereunder with neighborhood preservation
17 companies shall be limited in duration to periods of one year, but may
18 thereafter be renewed, extended or succeeded by new contracts from year
19 to year in the discretion of the commissioner; they shall be limited in
20 amount to the sum of one hundred thousand dollars in a single year,
21 provided that in any year in which the aggregate sum of three hundred
22 thousand dollars shall have been reached and all succeeding years, the

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

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1 annual contract amount shall be subject to a limit of ninety-seven thou-
2 sand five hundred dollars per year; they shall define with particularity
3 the neighborhood or portion thereof within which the neighborhood pres-
4 ervation activities shall be performed; they shall specify the nature of
5 the neighborhood preservation activities which shall be performed
6 including the approximate number of buildings, residential dwelling
7 units and local retail and service establishments which shall be
8 affected; they shall locate and describe, with as much particularity as
9 is reasonably possible, the buildings with respect to which such activ-
10 ities shall be performed during the contract term; and they shall speci-
11 fy the number of persons, salaries or rates of compensation and a
12 description of duties of those who shall be engaged by the neighborhood
13 preservation company to perform the activities embraced by the contract
14 together with a schedule of other anticipated expenses. ANY FUNDS PAID
15 BY THE DIVISION TO A NEIGHBORHOOD PRESERVATION COMPANY FOR THE PROVISION
16 OF NEIGHBORHOOD PRESERVATION ACTIVITIES BASED UPON A COMPELLING PUBLIC
17 PURPOSE SHALL NOT BE COUNTED AGAINST THE FUNDING CAPS CREATED BY THIS
18 SUBDIVISION.

19 9. (A) THE DIVISION SHALL PROMULGATE RULES AND REGULATIONS NECESSARY
20 TO ESTABLISH A PROCEDURE WHICH PROVIDES THE NEIGHBORHOOD PRESERVATION
21 COMPANIES WITH THE ABILITY TO SEEK AN AMENDMENT OF THEIR CONTRACT TO
22 ENGAGE IN NEIGHBORHOOD PRESERVATION ACTIVITIES FOR A COMPELLING PUBLIC
23 PURPOSE.

24 (B) THE DIVISION MAY AUTHORIZE THE PERFORMANCE OF NEIGHBORHOOD PRESER-
25 VATION ACTIVITIES FOR A COMPELLING PUBLIC PURPOSE AS PART OF A NEIGHBOR-
26 HOOD PRESERVATION COMPANY'S CONTRACT RENEWAL OR EXTENSION PROCESS PURSU-
27 ANT TO THIS SECTION.

28 S 3. Section 1002 of the private housing finance law is amended by
29 adding a new subdivision 7 to read as follows:

30 7. "COMPELLING PUBLIC PURPOSE" SHALL MEAN: (A) THE MERGER OR CONSOL-
31 IDATION OF TWO OR MORE RURAL PRESERVATION COMPANIES WHERE THE MERGED OR
32 NEWLY CREATED RURAL PRESERVATION COMPANY ENGAGES IN HOUSING PRESERVATION
33 AND COMMUNITY RENEWAL ACTIVITIES IN A REGION WHICH INCLUDES EACH OF THE
34 PREEXISTING REGIONS OF THE MERGED OR CONSOLIDATED COMPANIES, AND SUCH
35 ACTION RESULTS IN MORE EFFICIENT AND COST EFFECTIVE DELIVERY OF
36 SERVICES; OR (B) THE PERFORMANCE OF HOUSING PRESERVATION AND COMMUNITY
37 RENEWAL ACTIVITIES BY AN EXISTING RURAL PRESERVATION COMPANY TO UNDER-
38 SERVED AREAS LYING OUTSIDE OF SAID COMPANY'S PREEXISTING REGION.

39 S 4. Subdivision 4 of section 1003 of the private housing finance law,
40 as amended by section 2 of part FF of chapter 57 of the laws of 2009, is
41 amended and a new subdivision 9 is added to read as follows:

42 4. Contracts pursuant to this section shall be for a period of no more
43 than one year, but may be renewed or extended from year to year, and
44 shall provide for payment by the division of no more than one hundred
45 thousand dollars per year, provided that in any year in which the aggre-
46 gate sum of three hundred thousand dollars shall have been reached and
47 all succeeding years, the annual contract amount shall be subject to a
48 limit of ninety-seven thousand five hundred dollars per year; they shall
49 define with particularity the region or portion thereof within which the
50 housing preservation and community renewal activities shall be
51 performed; they shall specify the nature of the housing preservation and
52 community renewal activities which shall be performed including the
53 approximate number of buildings, residential dwelling units and local
54 retail and service establishments which shall be affected; they shall
55 locate and describe, with as much particularity as is reasonably possi-
56 ble, the buildings with respect to which such activities shall be

1 performed during the contract term; and they shall specify the number of
2 persons, salaries or rates of compensation and a description of duties
3 of those who shall be engaged by the corporation to perform the activ-
4 ities embraced by the contract together with a schedule of other antic-
5 ipated expenses. ANY FUNDS PAID BY THE DIVISION TO A RURAL PRESERVATION
6 COMPANY FOR THE PROVISION OF HOUSING PRESERVATION AND COMMUNITY RENEWAL
7 ACTIVITIES BASED UPON A COMPELLING PUBLIC PURPOSE SHALL NOT BE COUNTED
8 AGAINST THE FUNDING CAPS CREATED BY THIS SUBDIVISION.

9 9. (A) THE DIVISION SHALL PROMULGATE RULES AND REGULATIONS NECESSARY
10 TO ESTABLISH A PROCEDURE WHICH PROVIDES THE RURAL PRESERVATION COMPANIES
11 WITH THE ABILITY TO SEEK AN AMENDMENT OF THEIR CONTRACT TO ENGAGE IN
12 HOUSING PRESERVATION AND COMMUNITY RENEWAL ACTIVITIES FOR A COMPELLING
13 PUBLIC PURPOSE.

14 (B) THE DIVISION MAY AUTHORIZE THE PERFORMANCE OF HOUSING PRESERVATION
15 AND COMMUNITY RENEWAL ACTIVITIES FOR A COMPELLING PUBLIC PURPOSE AS PART
16 OF A RURAL PRESERVATION COMPANY'S CONTRACT RENEWAL OR EXTENSION PROCESS
17 PURSUANT TO THIS SECTION.

18 S 5. This act shall take effect on the one hundred twentieth day after
19 it shall have become a law, provided that, effective immediately, the
20 division of housing and community renewal is authorized and directed to
21 promulgate any rules and regulations necessary to implement the
22 provisions of this act on its effective date on or before such date.