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

9537

I N A S S E M B L Y

March 15, 2016

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

AN ACT to amend the state finance law, in relation to establishing the senior housing fund, the emergency affordable housing construction fund and the jobs training fund; to direct the commissioner of housing and community renewal to enter into a contract with New York Homes and Community Renewal to make periodic subsidies for one or more projects to assist in developing rental units for seniors and other persons or families having a monthly income at or below seventy percent of the area median income; to increase the amount of the state low income tax credit allowable under article 2-A of the public housing law and to increase the amount of the real property tax exemption allowable under article 18-A of the private housing finance law for certain projects; to establish certain operational subsidies; to require property owners and developers to utilize certified minority and women-owned business enterprises on certain capital projects; to establish a specialized jobs training program; and making an appropriation therefor

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

Section 1. This act shall be known and may be cited as the "emergency affordable housing construction act".

S 2. (a) The provisions of this section apply to projects to assist in developing rental units for persons or families all of whom have a monthly income at or below seventy percent of the area median income (AMI) and one-third of whom have a monthly income at or below forty percent of the area median income (AMI) as determined on an annual basis by the U.S. department of housing and urban development.

(b) The commissioner of housing and community renewal shall be authorized to enter into contracts by and through New York Homes and Community Renewal to make periodic subsidies for one or more projects to assist in developing rental units for persons or families having a monthly income at or below seventy percent of the AMI. Any property owner or developer of such a project shall be eligible to receive a capital subsidy for the construction of such unit in an amount not to exceed one hundred thou-

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

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sand dollars ($100,000) per unit. The subsidy shall be administered by New York Homes and Community Renewal and its affiliates. Funding for such subsidy shall come from the emergency affordable housing construction fund established by section 97-zzzz of the state finance law.

(c) The commissioner of housing and community renewal shall increase the amount of the state low income housing tax credit allowable under article 2-A of the public housing law to assist in the development of property consisting of units one hundred percent of which are occupied by persons or families all of whom have a monthly income at or below seventy percent of the area median income (AMI) and one-third of whom have a monthly income at or below forty percent of the area median income (AMI) as determined on an annual basis by the U.S. department of housing and urban development, regardless of the designation or marketing of such property, as follows:

(i) the allowable per unit amount shall be increased from twenty thousand dollars to twenty-five thousand dollars; and

(ii) the allowable per project amount shall be increased from seven hundred fifty thousand dollars to one million dollars.

(d) The commissioner of housing and community renewal shall increase the amount of loan funding under the homes for working families program allowable under article 18-A of the private housing finance law to assist in the development of property consisting of units one hundred percent of which are occupied by persons or families having a monthly income at or below seventy percent of the AMI, regardless of the designation or marketing of such property, from thirty-five thousand dollars per unit to forty-five thousand dollars per unit.

(e) The commissioner of housing and community renewal shall increase the amount of the state low income housing tax credit allowable under article 2-A of the public housing law for projects to assist in developing rental units for senior housing as follows:

(i) the allowable per unit amount shall be fifty thousand dollars; and

(ii) an additional annual subsidy of up to three hundred thousand dollars per project shall be allowable for services performed at any qualifying senior housing building that offers preventive health and wellness activities and case management services. Funding for such subsidy shall come from the senior housing fund established by section 97-yyyy of the state finance law.

(f) The commissioner of housing and community renewal, in conjunction with the state comptroller shall monitor the senior housing fund established by section 97-yyyy of the state finance law and the emergency affordable housing construction fund established by section 97-zzzz of the state finance law and shall ensure that an initial deposit of twenty-five million dollars is placed into each fund.

(g) Any subsidy awarded pursuant to the terms of this section shall be subject to the provisions of article 4 of the public housing law.

(h) Contracts for projects eligible for subsidies, loans and tax credits as provided in this section shall be awarded on a competitive basis. The process for applying for and the criteria for awarding such contracts shall be established by the commissioner of housing and community renewal, upon consultation with the New York city housing development corporation or the New York state housing finance agency. Preference shall be given to projects that are developed in conjunction with non-profit partners or that are located in HUD neighborhoods of opportunity or in neighborhoods that are ripe for gentrification as evidenced

by increased median household incomes and rent levels in a community ward board or district.

(i) As used in this section, "senior housing" means any rental property consisting of units one hundred percent of which are occupied by tenants, substantially all of whom are over sixty-two years of age and all of whom have a monthly income at or below seventy percent of the area median income (AMI) and one-third of whom have a monthly income at or below forty percent of the area median income (AMI) as determined on an annual basis by the U.S. department of housing and urban development, regardless of the designation or marketing of such property.

S 3. The state finance law is amended by adding two new sections 97-yyyy and 97-zzzz to read as follows:

S 97-YYYY. SENIOR HOUSING FUND. 1. THERE IS HEREBY ESTABLISHED IN THE JOINT CUSTODY OF THE STATE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE A FUND TO BE KNOWN AS THE "SENIOR HOUSING FUND".

2. SUCH FUND SHALL CONSIST OF TWENTY-FIVE MILLION DOLLARS, OR SO MUCH THEREOF AS MAY BE NECESSARY, APPROPRIATED TO THE DIVISION OF HOUSING AND COMMUNITY RENEWAL FROM ANY MONEYS IN THE STATE TREASURY IN THE ABANDONED PROPERTY FUND ESTABLISHED BY SECTION NINETY-FIVE OF THIS ARTICLE, NOT OTHERWISE APPROPRIATED, AND ALL OTHER MONEYS CREDITED OR TRANSFERRED THERETO FROM ANY OTHER FUND OR SOURCE PURSUANT TO LAW.

3. MONEYS OF THE FUND SHALL BE EXPENDED FOR PROJECTS TO ASSIST IN THE DEVELOPMENT OF SENIOR HOUSING IN CITIES HAVING A POPULATION OF NINETY-FIVE THOUSAND OR MORE PERSONS AS PROVIDED IN THE CHAPTER OF THE LAWS OF TWO THOUSAND SIXTEEN WHICH ADDED THIS SECTION. MONEYS SHALL BE PAID OUT OF THE FUND ON THE AUDIT AND WARRANT OF THE STATE COMPTROLLER ON VOUCHERS APPROVED BY THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL. ANY INTEREST RECEIVED BY THE COMPTROLLER ON MONEYS ON DEPOSIT IN THE SENIOR HOUSING FUND SHALL BE RETAINED IN AND BECOME PART OF SUCH FUND. NO MONEY FROM SUCH FUND MAY BE WITHDRAWN, TRANSFERRED, OR USED BY ANY PERSON FOR ANY PURPOSE OTHER THAN AS PERMITTED IN THIS SECTION.

4. AS USED IN THIS SECTION, "SENIOR HOUSING" MEANS ANY RENTAL PROPERTY CONSISTING OF UNITS ONE HUNDRED PERCENT OF WHICH ARE OCCUPIED BY TENANTS, SUBSTANTIALLY ALL OF WHOM ARE OVER SIXTY-TWO YEARS OF AGE, REGARDLESS OF THE DESIGNATION OR MARKETING OF SUCH PROPERTY.

S 97-ZZZZ. EMERGENCY AFFORDABLE HOUSING CONSTRUCTION FUND. 1. THERE IS HEREBY ESTABLISHED IN THE JOINT CUSTODY OF THE STATE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE A FUND TO BE KNOWN AS THE "EMERGENCY AFFORDABLE HOUSING CONSTRUCTION FUND".

2. SUCH FUND SHALL CONSIST OF TWENTY-FIVE MILLION DOLLARS, OR SO MUCH THEREOF AS MAY BE NECESSARY, APPROPRIATED TO THE DIVISION OF HOUSING AND COMMUNITY RENEWAL FROM ANY MONEYS IN THE STATE TREASURY IN THE ABANDONED PROPERTY FUND ESTABLISHED BY SECTION NINETY-FIVE OF THIS ARTICLE, NOT OTHERWISE APPROPRIATED, AND ALL OTHER MONEYS CREDITED OR TRANSFERRED THERETO FROM ANY OTHER FUND OR SOURCE PURSUANT TO LAW.

3. MONEYS OF THE FUND SHALL BE EXPENDED FOR PROJECTS TO ASSIST IN THE DEVELOPMENT OF LOW INCOME HOUSING IN CITIES HAVING A POPULATION OF NINETY-FIVE THOUSAND OR MORE PERSONS AS PROVIDED IN THE CHAPTER OF THE LAWS OF TWO THOUSAND SIXTEEN WHICH ADDED THIS SECTION. MONEYS SHALL BE PAID OUT OF THE FUND ON THE AUDIT AND WARRANT OF THE STATE COMPTROLLER ON VOUCHERS APPROVED BY THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL. ANY INTEREST RECEIVED BY THE COMPTROLLER ON MONEYS ON DEPOSIT IN THE HOUSING FUND SHALL BE RETAINED IN AND BECOME PART OF SUCH FUND. NO MONEY FROM SUCH FUND MAY BE WITHDRAWN, TRANSFERRED, OR USED BY ANY PERSON FOR ANY PURPOSE OTHER THAN AS PERMITTED IN THIS SECTION.

4. AS USED IN THIS SECTION, "LOW INCOME HOUSING" MEANS ANY RENTAL PROPERTY CONSISTING OF UNITS ONE HUNDRED PERCENT OF WHICH ARE OCCUPIED BY PERSONS OR FAMILIES ALL OF WHOM HAVE A MONTHLY INCOME AT OR BELOW SEVENTY PERCENT OF THE AREA MEDIAN INCOME (AMI) AND ONE-THIRD OF WHOM HAVE A MONTHLY INCOME AT OR BELOW FORTY PERCENT OF THE AREA MEDIAN INCOME (AMI) AS DETERMINED ON AN ANNUAL BASIS BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, REGARDLESS OF THE DESIGNATION OR MARKETING OF SUCH PROPERTY.

S 4. (a) New York Homes and Community Renewal shall establish an operational subsidy in the amount of eight million dollars ($8,000,000) for the purpose of providing rental assistance to persons or families having a monthly income at or below forty percent of the area median income (AMI) as determined on an annual basis by the U.S. department of housing and urban development. The subsidy shall be administered by New York Homes and Community Renewal and its affiliates. Funding for such subsidy shall come from the emergency affordable housing construction fund established by section 97-zzzz of the state finance law.

(b) The subsidy shall consist of project-based rental assistance and shall be specific to qualifying units in qualifying projects to ensure long-term affordability.

(c) The amount of rental assistance paid on behalf of eligible tenants shall be the difference between the tenant contribution and the contract rent for the qualifying unit. The tenant contribution shall be twenty percent of the family's monthly income or thirty percent of the tenant's monthly adjusted gross income less a utility allowance, whichever is greater.

(d) New York Homes and Community Renewal shall take all measures necessary to implement the processing of the subsidy, including developing application and distribution procedures.

S 5. (a) Any property owner or developer of projects receiving a capital subsidy or an operating subsidy pursuant to the provisions of section two of this act shall enter into a minority and women-owned business enterprise (MWBE) utilization agreement with New York Homes and Community Renewal regarding the utilization of certified minority and women-owned business enterprises on capital projects during the applicable period of such subsidy.

(b) The MWBE utilization agreement shall include terms consistent with the following provisions:

(i) the property owner or developer shall use best efforts to meet a goal of thirty percent utilization of certified minority and women-owned business enterprises on all capital projects during the applicable term of the subsidy or subsidies;

(ii) the property owner or developer shall submit an annual report to New York Homes and Community Renewal indicating its compliance with the MWBE utilization agreement;

(iii) such other terms deemed necessary by New York Homes and Community Renewal to carry out the provisions of this act.

(c) Notwithstanding the provisions of subdivision (b) of this section, capital projects entailing a total expenditure of less than ten million dollars ($10,000,000) shall be exempted from the MWBE utilization agreement.

(d) As used in this section:

(i) "applicable period" means the period of time up to, but not longer than, the period required to complete the initial construction of the project;

(ii) "capital project" means any construction project with an estimated value equal to or exceeding forty million dollars ($40,000,000); and

(iii) "certified minority and women-owned enterprises" means a minority or women-owned business enterprise certified by the director of the division of minority and women's business development in the department of economic development pursuant to section 314 of the executive law.

S 6. A specialized job training program will be established within the department of labor for the purposes of: (i) assisting eligible job trainees to study for and pass the GED examination; (ii) provide technical skills training; and (iii) link basic education to occupational or trade skills development.

(a) The job training program shall be funded by the jobs training fund established pursuant to section 97-ss of the state finance law.

(b) The training program will be administered by the department of labor.

(c) The training program administrator will use best efforts to:

(i) allocate seventy-five percent of the funds in the jobs training fund established pursuant to section 97-ss of the state finance law to provide training through locally based not-for-profit organizations; provided that the provisions of this paragraph shall not include programs operated by trade organizations; and

(ii) direct training first to recently incarcerated persons, persons on parole, persons sentenced to probation for commission of a felony or a misdemeanor as defined in section 55.10 of the penal law, and sixteen to twenty-four year old "disconnected youth".

S 7. The state finance law is amended by adding a new section 97-ss to read as follows:

S 97-SS. JOBS TRAINING FUND. 1. THERE IS HEREBY ESTABLISHED IN THE JOINT CUSTODY OF THE STATE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE A FUND TO BE KNOWN AS THE "JOBS TRAINING FUND".

2. SUCH FUND SHALL CONSIST OF TWENTY-FIVE MILLION DOLLARS, OR SO MUCH THEREOF AS MAY BE NECESSARY, APPROPRIATED TO THE DIVISION OF HOUSING AND COMMUNITY RENEWAL FROM ANY MONEYS IN THE STATE TREASURY IN THE ABANDONED PROPERTY FUND ESTABLISHED BY SECTION NINETY-FIVE OF THIS ARTICLE, NOT OTHERWISE APPROPRIATED, AND ALL OTHER MONEYS CREDITED OR TRANSFERRED THERETO FROM ANY OTHER FUND OR SOURCE PURSUANT TO LAW.

3. MONEYS OF THE FUND SHALL BE EXPENDED FOR EDUCATIONAL INSTRUCTION FOR YOUNG ADULTS SIXTEEN TO TWENTY-FOUR YEARS OF AGE, LOW WAGE WORKERS AND HOUSEHOLDS WITH INCOME AT OR BELOW TWO HUNDRED AND FIFTY PERCENT OF THE FEDERAL POVERTY GUIDELINES AS SET BY THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, AS PROVIDED IN THE CHAPTER OF THE LAWS OF TWO THOUSAND SIXTEEN WHICH ADDED THIS SECTION. MONEYS SHALL BE PAID OUT OF THE FUND ON THE AUDIT AND WARRANT OF THE STATE COMPTROLLER ON VOUCHERS APPROVED BY THE COMMISSIONER OF LABOR. ANY INTEREST RECEIVED BY THE COMPTROLLER ON MONEYS ON DEPOSIT IN THE JOBS TRAINING FUND SHALL BE RETAINED IN AND BECOME PART OF SUCH FUND. NO MONEY FROM SUCH FUND MAY BE WITHDRAWN, TRANSFERRED, OR USED BY ANY PERSON FOR ANY PURPOSE OTHER THAN AS PERMITTED IN THIS SECTION.

S 8. The sum of two hundred million dollars ($200,000,000), or so much thereof as may be necessary, is hereby appropriated to the division of housing and community renewal from any moneys in the state treasury in the general fund to the credit of the local assistance account, not otherwise appropriated, for the purposes of carrying out the provisions sections two and six of this act. Such sum shall be payable on the audit and warrant of the state comptroller on vouchers certified or

approved by the commissioner of housing and community renewal, or his or her duly designated representative in the manner provided by law. No expenditure shall be made from this appropriation until a certificate of approval of availability shall have been issued by the director of the budget and filed with the state comptroller and a copy filed with the chair of the senate finance committee and the chair of the assembly ways and means committee. Such certificate may be amended from time to time by the director of the budget and a copy of each such amendment shall be filed with the state comptroller, the chair of the senate finance committee and the chair of the assembly ways and means committee.

S 9. This act shall take effect on the one hundred eightieth day after it shall have become a law; provided that, effective immediately, the division of housing and community renewal, the New York city housing development corporation and the New York state housing finance agency shall make and implement all rules, regulations and standards and take such other actions as are necessary to implement this act on or before its effective date.