

STATE OF NEW YORK

5011

2017-2018 Regular Sessions

IN ASSEMBLY

February 6, 2017

Introduced by M. of A. O'DONNELL, GLICK -- Multi-Sponsored by -- M. of A. GOTTFRIED -- read once and referred to the Committee on Housing

AN ACT to amend the private housing finance law and the state finance law, in relation to dedicating Mitchell-Lama buyout revenues to affordable housing

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Legislative findings and intent. Mitchell-Lama housing was
2 built in the 1950's as a response to the housing crisis after World War
3 II. This housing created new vibrant communities that attracted busi-
4 nesses, schools, day care centers and stimulated economic activity that
5 has allowed New York city to thrive. Without programs like Mitchell-
6 Lama, New York City would only be inhabitable for the very rich or the
7 very poor. Mitchell-Lama housing allows people of all economic means to
8 live together in decent, affordable housing. This community is being
9 threatened by the specter of buy-outs. Applying buy-out revenues to
10 provide more affordable housing will preserve and promote the well being
11 of our state's communities.

12 § 2. The private housing finance law is amended by adding a new
13 section 36-b to read as follows:

14 § 36-b. Buyout revenues to be dedicated to affordable housing.
15 Notwithstanding any inconsistent provision of law, any revenues derived
16 by the state from a buyout of a state-aided project shall be deposited
17 to the credit of the Mitchell-Lama buyout affordable housing fund estab-
18 lished pursuant to section ninety-two-gg of the state finance law and
19 used for the purposes of providing affordable housing to projects and
20 persons that meet the eligibility criteria provided for in this article
21 and no other. Any revenues derived by a municipality from the buyout of
22 a municipally-aided project shall be deposited to a special municipal
23 fund consisting solely of such revenues and shall be used solely for
24 affordable housing purposes.

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

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1 § 3. The state finance law is amended by adding a new section 92-gg to
2 read as follows:

3 § 92-gg. Mitchell-Lama buyout affordable housing fund. 1. There is
4 hereby established in the joint custody of the state comptroller and the
5 commissioner of taxation and finance a fund to be known as the "Mitc-
6 hell-Lama buyout affordable housing fund".

7 2. The Mitchell-Lama buyout affordable housing fund shall be classi-
8 fied by the comptroller within the capital project fund type and shall
9 consist of all moneys collected therefor or credited, appropriated or
10 transferred thereto from any other fund or source pursuant to law or any
11 other moneys made available for the purposes of the fund.

12 3. Moneys of the fund may be invested by the state comptroller and
13 income from such investments shall be credited to such fund.

14 4. Moneys of the fund shall be appropriated by the legislature and
15 paid out pursuant to the terms of such appropriation and only for
16 affordable housing purposes as specified in section thirty-six-b of the
17 private housing finance law.

18 § 4. This act shall take effect on the first of January next succeed-
19 ing the date on which it shall have become a law.