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:

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

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

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

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

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

§ 92-gg. Mitchell-Lama buyout affordable 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 "Mitchell-Lama buyout affordable housing fund".

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

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

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

§ 4. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.