

STATE OF NEW YORK

3805

2017-2018 Regular Sessions

IN SENATE

January 27, 2017

Introduced by Sen. BAILEY -- 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 public housing law, in relation to creating a middle income home ownership subsidy program

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

1 Section 1. The public housing law is amended by adding a new article
2 11-A to read as follows:

ARTICLE 11-A

MIDDLE INCOME HOME OWNERSHIP SUBSIDY

Section 250. Definitions.

6 251. Middle income home ownership subsidy program.

7 252. Applications.

8 253. Amount and procedure for middle income home ownership
9 subsidy payments.

10 254. Rules and regulations.

11 255. Funding for the middle income home ownership subsidy
12 program.

13 § 250. Definitions. For purposes of this article, the following terms
14 shall have the following meanings:

15 1. "Eligible unit" shall mean:

16 a. any (i) home with two or fewer units; (ii) condominium; or (iii)
17 cooperative;

18 b. where the purchase of such home, condominium, or cooperative is
19 provided for, insured, or guaranteed by the state or federal government;

20 c. located in an urban area as defined by the division.

21 2. "Qualified household" shall mean any person or his or her family
22 member who:

23 a. has an annual household income below the current median income for
24 the city of New York, provided, that any subsidy received as a result of

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

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1 a social program shall not be considered when calculating an individ-
2 ual's gross income. The division shall determine income eligibility of
3 home buyers using the income determination methodology utilized by the
4 United States department of housing and urban development in accordance
5 with their section 8 housing program.

6 b. does not currently own a housing unit, including a single family
7 house, condominium unit, cooperative unit, or rental unit that could be
8 owner occupied;

9 c. has not previously received home ownership assistance.

10 § 251. Middle income home ownership subsidy program. There is hereby
11 established a middle income home ownership subsidy program. The purpose
12 of the program is to provide financial assistance to middle income
13 households, with an annual income below the current median income for
14 the city of New York who do not currently own a home, to purchase an
15 eligible unit for purposes of rehabilitation and ownership.

16 § 252. Applications. 1. A qualified household must make an application
17 to the division to receive a home ownership subsidy.

18 2. The division shall approve an individual's application if it finds
19 that:

20 a. such individual is part of a qualified household as defined in
21 subdivision two of section two hundred fifty of this article;

22 b. the home to be purchased by the individual is an eligible unit as
23 defined in subdivision one of section two hundred fifty of this article;

24 c. the home to be purchased has been inspected by a division approved
25 home inspector;

26 d. the home to be purchased has been appraised at a value not exceed-
27 ing the maximum purchase price as set by the division.

28 3. If any qualified household that has been approved and is receiving
29 home ownership assistance payments defaults on its mortgage payment,
30 such home ownership subsidy payments shall automatically cease and be
31 terminated.

32 § 253. Amount and procedure for middle income home ownership subsidy
33 payments. Subsidy amounts under this program shall equal more than one
34 hundred twenty-five thousand dollars in the aggregate.

35 § 254. Rules and regulations. 1. The division is authorized to imple-
36 ment any rule or regulation necessary for the successful implementation
37 of this program.

38 2. The division may create any form and require any applicant to fill
39 out such form before receiving departmental approval for the home owner-
40 ship assistance payments.

41 3. The division may charge an application fee for the processing of a
42 household's home ownership assistance payment application. Such fee
43 shall not exceed one hundred dollars.

44 § 255. Funding for the middle income home ownership subsidy program.
45 Funding shall be obtained by using funds from the community development
46 block grant.

47 § 2. This act shall take effect on the one hundred eightieth day after
48 it shall have become a law; provided, however, that effective immediate-
49 ly, the addition, amendment and/or repeal of any rule or regulation
50 necessary for the timely implementation of this act on its effective
51 date is hereby authorized and directed to be made on or before such
52 effective date.