

# STATE OF NEW YORK

8591

## IN SENATE

February 20, 2024

Introduced by Sen. RYAN -- 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 and the state finance law, in relation to establishing the rental improvement fund pilot program

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

1 Section 1. The private housing finance law is amended by adding a new  
2 article 32 to read as follows:

### ARTICLE XXXII

#### RENTAL IMPROVEMENT FUND PILOT PROGRAM

5 Section 1290. Statement of legislative findings and purpose.

6 1291. Rental improvement fund pilot program.

7 § 1290. Statement of legislative findings and purpose. It is hereby  
8 declared and found that there exists across upstate New York a shortage  
9 of safe and affordable rental units. It is further found that stable  
10 housing is tied to positive employment, education, and health outcomes,  
11 and that the state therefore has an interest in promoting safe and  
12 affordable housing opportunities. In order, further, to promote such  
13 opportunities, it is hereby declared that additional provisions should  
14 be made to provide public monies for the purpose of grants to small  
15 landlords to make necessary improvements to rental units on the condi-  
16 tion that renovated units will be leased at a reasonable rate for ten  
17 years. The necessity in the public interest for the provisions of this  
18 article is hereby declared as a matter of legislative determination.

19 § 1291. Rental improvement fund pilot program. 1. (a) Over a period of  
20 five years beginning on the effective date of this article, the division  
21 of housing and community renewal shall, subject to appropriation, make  
22 capital grants of up to seventy-five thousand dollars per unit available  
23 to small landlords for the purpose of making necessary improvements to  
24 up to four thousand rental units located in Albany, Buffalo, Rochester,  
25 and Syracuse. The allocation of the four thousand grants shall be  
26 proportional to the populations of each of the four cities.

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

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1 (b) Receipt of such capital grants shall be conditioned upon an agree-  
2 ment by such landlords to lease such renovated units at a reasonable  
3 rate for the ten-year period following the receipt of such capital  
4 grants. Over such ten-year period, each such rental unit shall be eligi-  
5 ble to receive an additional ten thousand dollars for maintenance  
6 purposes. Upon a finding by the commissioner of housing and community  
7 renewal that a landlord who has received a grant to renovate a rental  
8 unit pursuant to this section increased the rent at such unit at an  
9 unreasonable rate, any grants received by such landlord shall be subject  
10 to recoupment in full.

11 2. The commissioner of housing and community renewal shall promulgate  
12 rules and regulations deemed necessary and appropriate to establish and  
13 administer the rental improvement fund pilot program pursuant to this  
14 article, including but not limited to the application process, eligibil-  
15 ity requirements, disbursement of grants, determination of a reasonable  
16 lease rate, and any other rules, regulations, or definitions necessary  
17 to carry out the provisions of this article.

18 § 2. The state finance law is amended by adding a new section 99-rr to  
19 read as follows:

20 § 99-rr. Rental improvement fund. 1. There is hereby established in  
21 the joint custody of the state comptroller and the commissioner of hous-  
22 ing and community renewal a fund to be known as the "rental improvement  
23 fund".

24 2. Such fund shall consist of all moneys collected therefor, or moneys  
25 credited, appropriated or transferred thereto from any other fund or  
26 source pursuant to law, or any other moneys made available for the  
27 purposes of the fund.

28 3. Moneys of the fund, following appropriation by the legislature and  
29 allocation by the director of the budget, shall be available only for  
30 purposes of the rental improvement fund pilot program, as set forth in  
31 article thirty-two of the private housing finance law.

32 § 3. This act shall take effect on the sixtieth day after it shall  
33 have become a law. Effective immediately, the addition, amendment and/or  
34 repeal of any rule or regulation necessary for the implementation of  
35 this act on its effective date are authorized to be made and completed  
36 on or before such effective date.