

STATE OF NEW YORK

7758

2023-2024 Regular Sessions

IN ASSEMBLY

June 6, 2023

Introduced by M. of A. BRAUNSTEIN -- read once and referred to the
Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to authorizing a
tax abatement for alterations and improvements to multiple dwellings
for purposes of preserving habitability in affordable housing

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

1 Section 1. Section 489 of the real property tax law is amended by
2 adding a new subdivision 21 to read as follows:

3 21. (a) Definitions. For the purposes of this subdivision:

4 (1) "Affordable rent" shall mean the maximum rent within the marketing
5 band that is allowed for an affordable rental unit as such rent is
6 established by the local housing agency.

7 (2) "Affordable rental unit" shall mean a dwelling unit in an eligible
8 rental building that, as of the filing of an application for a certifi-
9 cate of eligibility and reasonable cost, has a rent at or below the
10 affordable rent.

11 (3) "Certificate of eligibility and reasonable cost" shall mean a
12 document issued by the local housing agency that establishes that a
13 property is eligible for rehabilitation program benefits and sets forth
14 the certified reasonable cost of the eligible construction for which
15 such benefits shall be received.

16 (4) "Certified reasonable cost schedule" shall mean a table providing
17 maximum dollar limits for specified alterations and improvements, estab-
18 lished, and updated as necessary, by the local housing agency.

19 (5) "Checklist" shall mean a document that the local housing agency
20 issues requesting additional information or documentation that is neces-
21 sary for further assessment of an application for a certificate of
22 eligibility and reasonable cost where such application contained all
23 information and documentation required at the initial filing.

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

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(6) "Commencement date" shall mean, with respect to eligible construction, the date on which any physical operation undertaken for the purpose of performing such eligible construction lawfully begins.

(7) "Completion date" shall mean, with respect to eligible construction, the date on which:

(A) every physical operation undertaken for the purpose of all eligible construction has concluded; and

(B) all such eligible construction has been completed to a reasonable and customary standard that renders such eligible construction capable of use for the purpose for which such eligible construction was intended.

(8) "Dwelling unit" shall mean any residential accommodation in a class A multiple dwelling that:

(A) is arranged, designed, used or intended for use by one or more persons living together and maintaining a common household;

(B) contains at least one room; and

(C) contains within such accommodation lawful sanitary and kitchen facilities reserved for its occupants.

(9) "Eligible building" shall mean an eligible rental building, an eligible homeownership building, or an eligible regulated homeownership building, provided that such building contains three or more dwelling units.

(10) "Eligible construction" shall mean alterations or improvements to an eligible building that:

(A) are specifically identified on the certified reasonable cost schedule;

(B) meet the minimum scope of work threshold;

(C) have a completion date that is after June twenty-ninth, two thousand twenty-two and prior to June thirtieth, two thousand twenty-six and that is not more than thirty months after their commencement date; and

(D) are not attributable to any increased cubic content in such eligible building.

(11) "Eligible homeownership building" shall mean an existing building that:

(A) is a class A multiple dwelling operated as condominium or cooperative housing;

(B) is not operating in whole or in part as a hotel; and

(C) has an average assessed valuation, including the valuation of the land, that as of the commencement date does not exceed the homeownership average assessed valuation limitation.

(12) "Eligible regulated homeownership building" shall mean an existing building that is a class A multiple dwelling owned and operated by either:

(A) a mutual company that continues to be organized and operated as a mutual company and that has entered into and recorded a mutual company regulatory agreement; or

(B) a mutual redevelopment company that continues to be organized and operated as a mutual redevelopment company and that has entered into and recorded a mutual redevelopment company regulatory agreement.

(13) "Eligible rental building" shall mean an existing building that:

(A) is a class A multiple dwelling in which all of the dwelling units are operated as rental housing;

(B) is not operating in whole or in part as a hotel; and

(C) satisfies one of the following conditions:

(i) not less than fifty percent of the dwelling units in such building are affordable rental units;

1 (ii) such building is owned and operated by a limited-profit housing
2 company; or

3 (iii) such building is the recipient of substantial governmental
4 assistance.

5 (14) "Existing building" shall mean an enclosed structure which:

6 (A) is permanently affixed to the land;

7 (B) has one or more floors and a roof;

8 (C) is bounded by walls;

9 (D) has at least one principal entrance utilized for day-to-day pedes-
10 trian ingress and egress;

11 (E) has a certificate of occupancy or equivalent document that is in
12 effect prior to the commencement date; and

13 (F) exclusive of the land, has an assessed valuation of more than one
14 thousand dollars for the fiscal year immediately preceding the commence-
15 ment date.

16 (15) "Homeownership average assessed valuation limitation" shall mean
17 an average assessed valuation of forty-five thousand dollars per dwell-
18 ing unit.

19 (16) "Limited-profit housing company" shall have the same meaning as
20 "company" set forth in section twelve of the private housing finance
21 law.

22 (17) "Market rental unit" shall mean a dwelling unit in an eligible
23 rental building other than an affordable rental unit.

24 (18) "Marketing band" shall mean maximum rent amounts ranging from
25 twenty percent of eighty percent of the area median income, adjusted for
26 family size, to thirty percent of eighty percent of the area median
27 income, adjusted for family size.

28 (19) "Minimum scope of work threshold" shall mean a total amount of
29 certified reasonable cost established by rules and regulations of the
30 local housing agency, provided that such amount shall be no less than
31 one thousand five hundred dollars for each dwelling unit in existence on
32 the completion date.

33 (20) "Multiple dwelling" shall have the meaning set forth in section
34 four of the multiple dwelling law.

35 (21) "Mutual company" shall have the meaning set forth in section
36 twelve of the private housing finance law.

37 (22) "Mutual company regulatory agreement" shall mean a binding and
38 irrevocable agreement between a mutual company and the commissioner of
39 housing, the mutual company supervising agency, the New York city hous-
40 ing development corporation, or the New York state housing finance agen-
41 cy prohibiting the dissolution or reconstitution of such mutual company
42 pursuant to section thirty-five of the private housing finance law for
43 not less than fifteen years from the commencement of rehabilitation
44 program benefits for the existing building owned and operated by such
45 mutual company.

46 (23) "Mutual company supervising agency" shall have the same meaning,
47 with respect to any mutual company, as "supervising agency" set forth in
48 section two of the private housing finance law.

49 (24) "Mutual redevelopment company" shall have the same meaning as
50 "mutual" when applied to a redevelopment company as set forth in section
51 one hundred two of the private housing finance law.

52 (25) "Mutual redevelopment company regulatory agreement" shall mean a
53 binding and irrevocable agreement between a mutual redevelopment company
54 and the commissioner of housing, the redevelopment company supervising
55 agency, the New York city housing development corporation, or the New
56 York state housing finance agency prohibiting the dissolution or recon-

stitution of such mutual redevelopment company pursuant to section one hundred twenty-three of the private housing finance law until the earlier of: (A) fifteen years from the commencement of rehabilitation program benefits for the existing building owned and operated by such mutual redevelopment company; or (B) the expiration of any tax exemption granted to such mutual redevelopment company pursuant to section one hundred twenty-five of the private housing finance law.

(26) "Redevelopment company" shall have the meaning set forth in section one hundred two of the private housing finance law.

(27) "Redevelopment company supervising agency" shall have the same meaning, with respect to any redevelopment company, as "supervising agency" set forth in section one hundred two of the private housing finance law.

(28) "Rehabilitation program benefits" shall mean abatement of real property taxes pursuant to this subdivision.

(29) "Rent regulation" shall mean, collectively, the emergency housing rent control law, any local law enacted pursuant to the local emergency housing rent control act, the rent stabilization law of nineteen hundred sixty-nine, the rent stabilization code, and the emergency tenant protection act of nineteen seventy-four, all as in effect as of the effective date of this subdivision, or as any such statute is amended thereafter, together with any successor statutes or regulations addressing substantially the same subject matter.

(30) "Restriction period" shall mean, notwithstanding any termination or revocation of rehabilitation program benefits prior to such period, fifteen years from the initial receipt of rehabilitation benefits, or such additional period of time as may be imposed pursuant to clause (A) of subparagraph five of paragraph (e) of this subdivision.

(31) "Substantial governmental assistance" shall mean grants, loans, or subsidies from any federal, state, or local government agency or instrumentality in furtherance of a program for the development of affordable housing approved by the local housing agency, provided that such grants, loans, or subsidies are provided in accordance with a regulatory agreement entered into with such agency or instrumentality that is in effect as of the filing date of the application for a certificate of eligibility and reasonable cost.

(32) "Substantial interest" shall mean an ownership interest of ten percent or more.

(b) Abatement. Notwithstanding the provisions of any other subdivision of this section or of any general, special or local law to the contrary, any city to which the multiple dwelling law is applicable, acting through its local legislative body or other governing agency, is hereby authorized and empowered, until and including June thirtieth, two thousand twenty-five, to adopt and amend local laws or ordinances allowing for an abatement of real property taxes on an eligible building in which eligible construction has been completed, provided that:

(1) Such abatement shall not exceed seventy percent of the certified reasonable cost of the eligible construction, as determined under rules and regulations of the local housing agency;

(2) Such abatement shall not be effective for more than twenty years;

(3) The annual abatement of real property taxes on such eligible building shall not exceed eight and one-third percent of the total certified reasonable cost of such eligible construction;

(4) The annual abatement of real property taxes on such eligible building in any consecutive twelve-month period shall in no event exceed the amount of real property taxes payable in such twelve-month period

1 for such building, provided, however, that such abatement shall not
2 exceed fifty percent of the amount of real property taxes payable in
3 such twelve-month period for any of the following:

4 (A) an eligible rental building owned by a limited-profit housing
5 company or a redevelopment company;

6 (B) an eligible homeownership building; and

7 (C) an eligible regulated homeownership building; and

8 (5) Such abatement shall become effective beginning with the first
9 quarterly tax bill immediately following the date of issuance of the
10 certificate of eligibility and reasonable cost.

11 (c) Authority of city to adopt rules and regulations. Any such local
12 law or ordinance shall authorize the adoption of rules and regulations,
13 not inconsistent with this subdivision, by the local housing agency and
14 any other local agency necessary for the implementation of this subdivi-
15 sion.

16 (d) Application. (1) Any such local law or ordinance shall require
17 that an application for a certificate of eligibility and reasonable cost
18 pursuant to this subdivision be made after the completion date and on or
19 before the later of (A) four months from the effective date of such
20 local law or ordinance; or (B) four months from such completion date.

21 (2) Such application shall include evidence of eligibility for reha-
22 ilitation program benefits and evidence of reasonable cost as shall be
23 satisfactory to the local housing agency including, but not limited to,
24 evidence showing the cost of eligible construction.

25 (3) The local housing agency shall require a non-refundable filing fee
26 that shall be paid by a certified check or cashier's check upon the
27 filing of an application for a certificate of eligibility and reasonable
28 cost. Such fee shall be (A) one thousand dollars, plus (B) seventy-five
29 dollars for each dwelling unit in excess of six dwelling units in the
30 eligible building that is the subject of such application.

31 (4) Any application that is filed pursuant to this paragraph that is
32 missing any of the information and documentation required at initial
33 filing by such local law or ordinance and any rules and regulations of
34 the local housing agency shall be denied, provided that a new applica-
35 tion for the same eligible construction, together with a new non-refund-
36 able filing fee, may be filed within fifteen days of the date of issu-
37 ance of such denial. If such second application is also missing any such
38 required information and documentation, it shall be denied and no
39 further applications for the same eligible construction shall be permit-
40 ted.

41 (5) The failure of an applicant to respond to any checklist within
42 thirty days of the date of its issuance by the local housing agency
43 shall result in denial of such application, and no further applications
44 for the same eligible construction shall be permitted. The local housing
45 agency shall issue not more than three checklists per application. An
46 application for a certificate of eligibility and reasonable cost shall
47 be denied when the local housing agency does not have a sufficient basis
48 to issue a certificate of eligibility and reasonable cost after the
49 timely response of an applicant to the third checklist concerning such
50 application. After the local housing agency has denied an application
51 for the reason described in the preceding sentence, such agency shall
52 permit no further applications for the same eligible construction.

53 (6) An application for a certificate of eligibility and reasonable
54 cost shall also include an affidavit of no harassment.

55 (A) Such affidavit shall set forth the following information:

1 (i) the name of every owner of record and owner of a substantial
2 interest in the eligible building or entity owning the eligible building
3 or sponsoring the eligible construction; and

4 (ii) a statement that none of such persons had, within the five years
5 prior to the completion date, been found to have harassed or unlawfully
6 evicted tenants by judgment or determination of a court or agency,
7 including a non-governmental agency having appropriate legal jurisdic-
8 tion under the penal law, any state or local law regulating rents or any
9 state or local law relating to harassment of tenants or unlawful
10 eviction.

11 (B) No eligible building shall be eligible for an abatement pursuant
12 to paragraph (b) of this subdivision where:

13 (i) any affidavit required under this subparagraph has not been filed;
14 or

15 (ii) any such affidavit contains a willful misrepresentation or omis-
16 sion of any material fact; or

17 (iii) any owner of record or owner of a substantial interest in the
18 eligible building or entity owning the eligible building or sponsoring
19 the eligible construction has been found, by judgment or determination
20 of a court or agency, including a non-governmental agency having appro-
21 priate legal jurisdiction under the penal law, any state or local law
22 regulating rents or any state or local law relating to harassment of
23 tenants or unlawful eviction, to have, within the five years prior to
24 the completion date, harassed or unlawfully evicted tenants, until and
25 unless the finding is reversed on appeal.

26 (C) Notwithstanding the provisions of any general, special or local
27 law to the contrary, the corporation counsel or other legal represen-
28 tative of a city having a population of one million or more or the
29 district attorney of any county, may institute an action or proceeding
30 in any court of competent jurisdiction that may be appropriate or neces-
31 sary to determine whether any owner of record or owner of a substantial
32 interest in the eligible building or entity owning the eligible building
33 or sponsoring the eligible construction has harassed or unlawfully
34 evicted tenants as described in this subparagraph.

35 (7) Notwithstanding the provisions of any general, special or local
36 law to the contrary, the local housing agency may require by rules and
37 regulations that an application for a certificate of eligibility and
38 reasonable cost be filed electronically.

39 (e) Additional requirements for an eligible rental building other than
40 one owned and operated by a limited-profit housing company. Any such
41 local law or ordinance shall, in addition to all other conditions of
42 eligibility for rehabilitation program benefits set forth in this subdi-
43 vision, require that an eligible rental building, other than one owned
44 and operated by a limited-profit housing company, also comply with all
45 provisions of this paragraph. Notwithstanding the foregoing, an eligible
46 rental building that is the recipient of substantial governmental
47 assistance shall not be required to comply with the provisions of
48 subparagraph two of this paragraph.

49 (1) Notwithstanding any provision of rent regulation to the contrary,
50 any market rental unit within such eligible rental building subject to
51 rent regulation as of the filing date of the application for a certif-
52 icate of eligibility and reasonable cost and any affordable rental unit
53 within such eligible rental building shall be subject to rent regulation
54 until such unit first becomes vacant after the expiration of the
55 restriction period at which time such unit, unless it would be subject
56 to rent regulation for reasons other than the provisions of this subdi-

1 vision, shall be deregulated, provided, however, that during the
2 restriction period, no exemption or exclusion from any requirement of
3 rent regulation shall apply to such dwelling units.

4 (2) Additional requirements for an eligible rental building that is
5 not a recipient of substantial governmental assistance.

6 (A) Not less than fifty percent of the dwelling units in such eligible
7 rental building shall be designated as affordable rental units.

8 (B) The owner of such eligible rental building shall ensure that no
9 affordable rental unit is held off the market for a period that is long-
10 er than reasonably necessary.

11 (C) The owner of such eligible rental building shall waive the
12 collection of any major capital improvement rent increase granted by the
13 New York state division of housing and community renewal pursuant to
14 rent regulation that is attributable to eligible construction for which
15 such eligible rental building receives rehabilitation program benefits,
16 and shall file a declaration with the New York state division of housing
17 and community renewal providing such waiver.

18 (D) An affordable rental unit shall not be rented on a temporary,
19 transient or short-term basis. Every lease and renewal thereof for an
20 affordable rental unit shall be for a term of one or two years, at the
21 option of the tenant, and shall include a notice in at least twelve-
22 point type informing such tenant of their rights pursuant to this subdi-
23 vision, including an explanation of the restrictions on rent increases
24 that may be imposed on such affordable rental unit.

25 (E) The local housing agency may establish by rules and regulations
26 such requirements as the local housing agency deems necessary or appro-
27 priate for designating affordable rental units, including, but not
28 limited to, designating the unit mix and distribution requirements of
29 such affordable rental units in an eligible building.

30 (3) The owner of such eligible rental building shall not engage in or
31 cause any harassment of the tenants of such eligible rental building or
32 unlawfully evict any such tenants during the restriction period.

33 (4) No dwelling units within such eligible rental building shall be
34 converted to cooperative or condominium ownership during the restriction
35 period.

36 (5) Any non-compliance of an eligible rental building with the
37 provisions of this paragraph shall permit the local housing agency to
38 take the following action:

39 (A) extend the restriction period;

40 (B) increase the number of affordable rental units in such eligible
41 rental building;

42 (C) impose a penalty of not more than the product of one thousand
43 dollars per instance of non-compliance and the number of dwelling units
44 contained in such eligible rental building; and

45 (D) terminate or revoke any rehabilitation program benefits in accord-
46 ance with paragraph (m) of this subdivision.

47 (f) Compliance with applicable law. Any such local law or ordinance
48 may also provide that rehabilitation program benefits shall not be
49 allowed for any eligible building unless and until such eligible build-
50 ing complies with all applicable provisions of law.

51 (g) Implementation of rehabilitation program benefits. Upon issuance
52 of a certificate of eligibility and reasonable cost and payment of
53 outstanding fees, the local housing agency shall be authorized to trans-
54 mit such certificate of eligibility and reasonable cost to the local
55 agency responsible for real property tax assessment. Upon receipt of a
56 certificate of eligibility and reasonable cost, the local agency respon-

1 sible for real property tax assessment shall certify the amount of taxes
2 to be abated pursuant to paragraph (b) of this subdivision and pursuant
3 to such certificate of eligibility and reasonable cost provided by the
4 local housing agency.

5 (h) Outstanding taxes and charges. Any such local law or ordinance
6 shall also provide that rehabilitation program benefits shall not be
7 allowed for an eligible building in either of the following cases:

8 (1) there are outstanding real estate taxes or water and sewer charges
9 or payments in lieu of taxes that are due and owing as of the last day
10 of the tax period preceding the date of the receipt of the certificate
11 of eligibility and reasonable cost by the local agency responsible for
12 real property tax assessment; or

13 (2) real estate taxes or water and sewer charges due at any time
14 during the authorized term of such benefits remain unpaid for one year
15 after the same are due and payable.

16 (i) Additional limitations on eligibility. Any such local law or
17 ordinance shall also provide that:

18 (1) rehabilitation program benefits shall not be allowed for any
19 eligible building receiving tax exemption or abatement concurrently for
20 rehabilitation or new construction under any other provision of state or
21 local law or ordinance with the exception of any eligible construction
22 to an eligible building receiving a tax exemption or abatement under the
23 provisions of the private housing finance law;

24 (2) rehabilitation program benefits shall not be allowed for any item
25 of eligible construction in an eligible building if such eligible build-
26 ing is receiving tax exemption or abatement for the same or a similar
27 item of eligible construction as of the December thirty-first preceding
28 the date of application for a certificate of eligibility and reasonable
29 cost for such rehabilitation program benefits;

30 (3) where the eligible construction includes or benefits a portion of
31 an eligible building that is not occupied for dwelling purposes, the
32 assessed valuation of such eligible building and the cost of the eligi-
33 ble construction shall be apportioned so that rehabilitation program
34 benefits shall not be provided for eligible construction made for other
35 than dwelling purposes; and

36 (4) rehabilitation program benefits shall not be applied to abate the
37 taxes upon the land portion of real property, which shall continue to be
38 taxed based upon the assessed valuation of the land and the applicable
39 tax rate at the time such taxes are levied.

40 (j) Re-inspection penalty. Any such local law or ordinance shall also
41 provide that if the local housing agency cannot verify the eligible
42 construction claimed by an applicant upon the first inspection by the
43 local housing agency of the eligible building, such applicant shall be
44 required to pay ten times the actual cost of any additional inspection
45 needed to verify such eligible construction.

46 (k) Strict liability for inaccurate applications. Any such local law
47 or ordinance shall also provide that if the local housing agency deter-
48 mines that an application for a certificate of eligibility and reason-
49 able cost contains a material misstatement of fact, the local housing
50 agency may reject such application and bar the submission of any other
51 application pursuant to this subdivision with respect to such eligible
52 building for a period not to exceed three years. An applicant shall not
53 be relieved from liability under this paragraph because it submitted its
54 application under a mistaken belief of fact. Furthermore, any person or
55 entity that files more than six applications containing such a material
56 misstatement of fact within any twelve-month period shall be barred from

1 submitting any new application for rehabilitation program benefits on
2 behalf of any eligible building for a period not to exceed five years.

3 (1) Investigatory authority. Any such local law or ordinance shall
4 also allow the local housing agency to require such certifications and
5 consents necessary to access records, including other tax records, as
6 may be deemed appropriate to enforce the eligibility requirements of
7 this subdivision. Any such local law or ordinance shall further provide
8 that, for purposes of determining and certifying eligibility for reha-
9 bilitation program benefits and the reasonable cost of any eligible
10 construction, the local housing agency shall be authorized to:

11 (1) administer oaths to and take the testimony of any person, includ-
12 ing, but not limited to, the owner of such eligible building;

13 (2) issue subpoenas requiring the attendance of such persons and the
14 production of any bills, books, papers or other documents as it may deem
15 necessary;

16 (3) make preliminary estimates of the maximum reasonable cost of such
17 eligible construction;

18 (4) establish maximum allowable costs of specified units, fixtures or
19 work in such eligible construction;

20 (5) require the submission of plans and specifications of such eligi-
21 ble construction before the commencement thereof;

22 (6) require physical access to inspect the eligible building; and

23 (7) on an annual basis, require the submission of leases for any
24 dwelling unit in a building granted a certificate of eligibility and
25 reasonable cost.

26 (m) Termination or revocation. Any such local law or ordinance shall
27 provide that failure to comply with the provisions of this subdivision,
28 any such local law or ordinance, any rules and regulations promulgated
29 thereunder, or any mutual company regulatory agreement or mutual rede-
30 velopment company regulatory agreement entered into thereunder, may
31 result in termination or revocation of any rehabilitation program bene-
32 fits retroactive to the commencement thereof. Such termination or revo-
33 cation shall not exempt such eligible building from continued compliance
34 with the requirements of this subdivision, such local law or ordinance,
35 such rules and regulations, and such mutual company regulatory agreement
36 or mutual redevelopment company regulatory agreement.

37 (n) Criminal liability for unauthorized uses. Any such local law or
38 ordinance shall also provide that in the event that any recipient of
39 rehabilitation program benefits uses any dwelling unit in such eligible
40 building in violation of the requirements of such local law or ordinance
41 as adopted pursuant to this subdivision and any rules and regulations
42 promulgated pursuant thereto, such recipient shall be guilty of an
43 unclassified misdemeanor punishable by a fine in an amount equivalent to
44 double the value of the gain of such recipient from such unlawful use or
45 imprisonment for not more than ninety days, or both.

46 (o) Private right of action. Any prospective, present, or former
47 tenant of an eligible rental building may sue to enforce the require-
48 ments and prohibitions of this subdivision, any such local law or ordi-
49 nance, or any rules and regulations promulgated thereunder, in the
50 supreme court of New York. Any such individual harmed by reason of a
51 violation of such requirements and prohibitions may sue therefor in the
52 supreme court of New York on behalf of himself or herself, and shall
53 recover threefold the damages sustained and the cost of the suit,
54 including a reasonable attorney's fee. The local housing agency may use
55 any court decision under this paragraph that is adverse to the owner of
56 an eligible building as the basis for further enforcement action.

1 Notwithstanding any other provision of law, an action by a tenant of an
2 eligible rental building under this paragraph shall be commenced within
3 six years from the date of the latest violation.

4 (p) Appointment of receiver. In addition to the remedies for non-com-
5 pliance provided for in subparagraph five of paragraph (e) of this
6 subdivision, any such local law or ordinance may also provide that the
7 local housing agency may make application for the appointment of a
8 receiver in accordance with the procedures contained in such local law
9 or ordinance. Any receiver appointed pursuant to this paragraph shall be
10 authorized, in addition to any other powers conferred by law, to effect
11 compliance with the provisions of this subdivision, such local law or
12 ordinance, and rules and regulations of the local housing agency. Any
13 expenditures incurred by the receiver to effect such compliance shall
14 constitute a debt of the owner and a lien upon the property, and upon
15 the rents and income thereof, in accordance with the procedures
16 contained in such local law or ordinance. The local housing agency in
17 its discretion may provide funds to be expended by the receiver, and
18 such funds shall constitute a debt recoverable from the owner in accord-
19 ance with applicable local laws or ordinances.

20 (q) Authority of city to limit local law. Where a city enacts or
21 amends a local law or ordinance under this subdivision, such local law
22 or ordinance may restrict, limit or condition the eligibility, scope or
23 amount of rehabilitation program benefits under the local law or ordi-
24 nance in any manner, provided that the local law or ordinance may not
25 grant rehabilitation program benefits beyond those provided in this
26 subdivision.

27 § 2. This act shall take effect immediately.