

STATE OF NEW YORK

2244

2025-2026 Regular Sessions

IN ASSEMBLY

January 15, 2025

Introduced by M. of A. SANTABARBARA -- read once and referred to the Committee on Housing

AN ACT to amend the private housing finance law, in relation to affordable housing for persons with disabilities and those having attained the age of sixty-two

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

1 Section 1. Subdivision 7 of section 45-b of the private housing
2 finance law is amended by adding a new paragraph (i) to read as follows:

3 (i) Establish a disabled and elderly accessory apartment loan program,
4 loans issued for which purpose shall be subject to the following param-
5 eters:

6 (i) proceeds of loans shall be used to construct an additional dwell-
7 ing unit of up to two bedrooms within a structure, or to improve, reno-
8 vate, or rehabilitate not more than one dwelling unit of up to two
9 bedrooms located in a structure that, at the time of the loan applica-
10 tion, contains a total of not more than two dwelling units; each dwell-
11 ing unit may not be less than four hundred fifty square feet of gross
12 living area;

13 (ii) at least one dwelling unit within the structure shall be owner-
14 occupied, and, following completion of the project, at least one dwell-
15 ing unit within the structure shall be occupied by a household that
16 includes one person with a disability or one person having attained the
17 age of sixty-two, either of whom may be related to the borrower;

18 (iii) loans shall be limited to the less of fifty percent of the
19 financing of the total development costs or fifty thousand dollars;

20 (iv) loans shall not be issued unless a contract or agreement for the
21 use of the property for the purposes of such housing provides for the
22 recording of a restriction in the registry of deeds maintained by the
23 clerk of the county in which the affected real property is located, for
24 the benefit of said corporation, running with the land, that the land be

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

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1 used for the purpose of providing alternative forms of rental and owner-
2 ship housing. Such property shall not be released from such restriction
3 until the balance of the principal and interest for any such loan shall
4 be repaid in full or until a mortgage foreclosure deed shall be
5 recorded;

6 (v) loans shall be issued for a term of up to thirty years which time
7 repayment may be deferred by the loan issuing authority. At maturity,
8 the corporation may extend a loan for an additional period of up to ten
9 years. Thereafter, as long as the housing continues to comply with the
10 requirements set forth in the loan documents, additional ten-year exten-
11 sions may be approved.

12 (vi) interest rates for loans shall be fixed at a rate to be deter-
13 mined by the director of housing and community development, in consulta-
14 tion with the state treasurer;

15 (vii) expenditures from this paragraph shall not be made for the
16 purpose of refinancing outstanding mortgage loans for housing in exist-
17 ence prior to the effective date of this paragraph;

18 (viii) the corporation shall take due consideration of a balanced
19 geographic plan for such alternative forms of housing when issuing such
20 loans;

21 (ix) at least one half of the beneficiaries of the loan program
22 created by this paragraph shall be persons whose income is less than
23 eighty percent of the area-wide median income as determined from time to
24 time by the United States department of housing and urban development;
25 and

26 (x) the corporation shall promulgate rules and regulations for the
27 implementation of the loan program created by this paragraph.

28 § 2. This act shall take effect immediately.