

STATE OF NEW YORK

1399--A

2025-2026 Regular Sessions

IN SENATE

January 9, 2025

Introduced by Sen. S. RYAN -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the private housing finance law and the state finance law, in relation to establishing the vacant rental improvement 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 33 to read as follows:

ARTICLE XXXIII

VACANT RENTAL IMPROVEMENT PROGRAM

5 Section 1300. Statement of legislative findings and purpose.

6 1301. Vacant rental improvement program.

7 § 1300. 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 owners of
15 buildings with five or fewer units to make necessary improvements to
16 rental units on the condition that renovated units will be leased at a
17 reasonable rate for ten years. The necessity in the public interest for
18 the provisions of this article is hereby declared as a matter of legis-
19 lative determination.

20 § 1301. Vacant rental improvement program. 1. (a) The housing trust
21 fund corporation shall, subject to appropriation, make capital grants of
22 up to seventy-five thousand dollars per unit to owners of buildings with
23 five or fewer units for the purpose of making necessary improvements to

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

LBD03464-02-5

1 rental units located outside of a city with a population of one million
2 or more. The housing trust fund corporation, to the extent practicable,
3 shall prioritize funding for units that are currently vacant or have
4 outstanding code violations.

5 (b) Receipt of such capital grants shall be conditioned upon a regula-
6 tory agreement by such owners to lease such renovated units at a rate
7 affordable to persons earning no more than eighty percent of area median
8 income, as calculated by the United States department of housing and
9 urban development, for the ten-year period commencing at the start of
10 the first lease agreement following a renovation or rehabilitation
11 completed pursuant to this article. Upon a finding by the housing trust
12 fund corporation that an owner who has received a grant to renovate a
13 rental unit pursuant to this section has violated the regulatory agree-
14 ment, any grants received by such owner shall be subject to recoupment
15 in full. Rental restrictions shall not expire if the unit is trans-
16 ferred or sold to a new owner. The housing trust fund corporation shall
17 promulgate rules and regulations to ensure compliance with this section.

18 2. The chief executive officer of the housing trust fund corporation
19 shall promulgate rules and regulations deemed necessary and appropriate
20 to establish and administer the vacant rental improvement program pursu-
21 ant to this article, including but not limited to the application proc-
22 ess, eligibility requirements, disbursement of grants, determination of
23 a reasonable lease rate, and any other rules, regulations, or defi-
24 nitions necessary to carry out the provisions of this article.

25 § 2. The state finance law is amended by adding a new section 99-ss to
26 read as follows:

27 § 99-ss. Rental improvement fund. 1. There is hereby established in
28 the joint custody of the state comptroller and the commissioner of hous-
29 ing and community renewal a fund to be known as the "rental improvement
30 fund".

31 2. Such fund shall consist of all moneys collected therefor, or moneys
32 credited, appropriated or transferred thereto from any other fund or
33 source pursuant to law, or any other moneys made available for the
34 purposes of the fund.

35 3. Moneys of the fund, following appropriation by the legislature and
36 allocation by the director of the budget, shall be available only for
37 purposes of the vacant rental improvement program, as set forth in arti-
38 cle thirty-three of the private housing finance law.

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