§ 309. Repairs, vacation and demolition of buildings. 1. a. The term "nuisance" shall be held to embrace public nuisance as known at common law or in equity jurisprudence. Whatever is dangerous to human life or detrimental to health, and whatever dwelling is overcrowded with occupants or is not provided with adequate ingress and egress or is not sufficiently supported, ventilated, sewered, drained, cleaned, or lighted in reference to its intended or actual use, and whatever renders the air or human food or drink unwholesome, are also severally, in contemplation of this law, nuisances. All such nuisances are unlawful.

b. Whenever the department shall certify that any multiple dwelling, or any part of its premises, or the plumbing, sewerage, drainage, lighting or ventilation thereof, is in a condition or in effect dangerous to life or health, the department may, after giving notice to the owner and an opportunity to be heard at a hearing held for such purpose declare the same, to the extent it may specify, a public nuisance. Such declaration shall be filed as provided by section three hundred twenty-eight of this chapter, if applicable, or as a public record in the department. The officers of a corporation upon which notice of such hearing has been served other than a banking organization as defined in section two of the banking law, a national banking association, a federal savings and loan association, The Mortgage Facilities Corporation, Savings Banks Life Insurance Fund, The Savings Banks Retirement System, an authorized insurer as defined in section one hundred seven of the insurance law, or a trust company or other corporation organized under the laws of this state all the capital stock of which is owned by at least twenty savings banks or a subsidiary corporation all of the capital stock of which is owned by such trust company or other corporation, shall serve similar notice on all stockholders of record of the corporation and other persons known to be stockholders or beneficial owners of the stock of the corporation. A stockholder upon whom such notice has been served shall serve similar notice upon any persons holding a beneficial interest in his stock.

c. The department may order or cause such nuisance to be removed, abated, suspended, purified, altered, repaired or otherwise improved as the order shall specify.

d. The department may order or cause any multiple dwelling or any part of its premises, or any excavation, structure, sewer, plumbing, pipe, passage, matter or thing in or about such premises to be purified, cleansed, disinfected, removed, altered, repaired or improved.

e. Whenever the department shall certify that a nuisance exists in a multiple dwelling, or any part of its premises, which constitutes a serious fire hazard or is a serious threat to life, health or safety, the department may issue a written order to the owner directing the removal or remedying of such nuisance in the manner and within the time specified in such order which shall be not less than twenty-one days after the service thereof on the owner in the manner specified in subdivision one of section three hundred twenty-six of this chapter except that if the department shall determine that the condition is such that a delay of twenty-one days in remedying or removing the same may cause irreparable harm to the building or constitutes an imminent danger to its occupants, or the occupants of adjoining property or the general public, then the time specified for such remedy or removal may be less than twenty-one days.

f. If any order of the department is not complied with or not so far complied with as the department may regard as reasonable, within the time therein designated, then such order may be executed by the department, its agents or contractors, or, as an alternative, if the multiple dwelling involved shall have been declared to be a public nuisance pursuant to paragraph b of subdivision one of section three hundred nine of this chapter and such declaration shall have been filed as therein provided, the department or a receiver appointed pursuant to subdivision five of this section or any tenant of such multiple dwelling may institute and maintain an action in the supreme court in the county where the multiple dwelling is located, or in the housing part of the New York city civil court, if the multiple dwelling is located in the city of New York, against any owner or owners to whom the order was issued pursuant to paragraph e of subdivision one of this section for an order compelling such owner of owners to comply with the department's order and, if such action be brought by such receiver or tenant, for

payment of the costs and disbursements of the action including legal fees. Except as owners may have otherwise agreed, any owner who removes or remedies the nuisance in compliance with an order of the department or court shall de entitled to recover a proportionate share of the total expense of such compliance from all other owners to whom the department's order was issued or to whom such owner sent a copy of the department's order within thirty days of receipt of same by registered mail.

g. The department may in its discretion let out contracts for the repairs to be done pursuant to this section in accordance with the provisions of local laws, ordinances, rules and regulations of the city applicable to the letting of contracts for public works.

2. a. An "untenanted hazard" is a multiple dwelling or any part thereof, or any structure on the same premises with a multiple dwelling, which has been untenanted for a period of sixty days or more and either is not guarded continuously by a resident caretaker or has any exterior openings which are not sealed in a manner approved by the department and is a fire hazard or in a condition dangerous or detrimental to human life, health or morals.

b. Whenever an officer of the department shall certify that any multiple dwelling or part thereof is an untenanted hazard, the department shall so notify the owner by attaching a notice in a conspicuous place on the premises to such effect, and sending by registered mail a copy of such notice to such owner, at the address or addresses registered with the department, or, if no address is registered with the department and such owner cannot with due diligence be served personally, by sending a copy of such notice by registered mail to the last known address of such owner. The department shall also send a copy of such notice by registered mail to every owner of record of a mortgage upon such premises, at the address of such owner appearing in the record of such mortgage in the office in which mortgages are registered in the county in which such premises are located or, if no address appear therein, by sending such notice by registered mail to the person at whose request such instrument was recorded.

c. Such notice shall contain a description of the dwelling, and a statement of the particulars in which the dwelling is deemed to be an untenanted hazard, and the order that the dwelling or part thereof be demolished. Such notice and order shall require the person thus served to certify within ten days thereafter to the department his assent or refusal to demolish the same.

d. If such demolition is not commenced within twenty-one days after the mailing and posting of such notice and order, such department shall then serve all such aforementioned persons further notice to the effect that on a certain day it will apply to the special term of the supreme court for the hearing of motions for the county in which such premises are located, or to the housing part of the New York city civil court, if the premises are located in the city of New York, for an order declaring such untenanted hazard to exist and directing the demolition of such premises or part thereof.

e. Such court shall, if it finds the statements in the notice to be true, direct that, if within five days after the order is entered it is not complied with, the department may proceed with the execution of such order through contractors in accordance with the provisions of local laws, ordinances, rules and regulations of the city applicable to the letting of contracts for public works, or through its own officers, agents or employees.

f. The expenses and disbursements incurred by the department in carrying out such orders shall be met from any appropriation for such purpose or, to the extent that no such appropriation has been made or that any such appropriation is insufficient, from the proceeds of the sale of obligations pursuant to the local finance law.

3. Whenever the department has incurred any expense for which payment is due under the provisions of this section, the department may institute and maintain a suit against the owner of the dwelling in respect to which such expense shall have been incurred and may recover the amount of such expense as in this section provided. In any case

where expenditures made or obligations incurred by a receiver appointed pursuant to subdivision five of this section in remedying a nuisance are not paid or reimbursed from the rents and income of the dwelling or where the receivership expenses, fees and commissions are not paid or reimbursed from the rents and income of the dwelling, the receiver may institute and maintain a suit against the owner of the dwelling to recover such deficiency.

4. a. The department or a receiver appointed pursuant to subdivision five of this section shall have a lien, for the expenses necessarily incurred in the execution of an order, upon the premises upon or in respect of which the work required by said order has been done or expenses incurred, which lien shall have priority over all other mortgages, liens and encumbrances of record, except taxes and assessments levied pursuant to law. In the event that a receiver having a lien, in favor of the department of real estate, is discharged and such lien is in effect at the time of such discharge, such lien shall continue to vest in the department of real estate.

b. No such lien shall be valid for any purpose until the department or receiver, as the case may be, shall file where notices of mechanics' liens are required to be filed, a notice containing the same particulars as required to be stated with reference to mechanics' liens, with the further statement that the expense has been incurred in pursuance of the order of the department, and giving the date of the order, or in performance by the receiver of the work required to remedy a condition pursuant to an order of the court establishing the receivership and giving the date of the order, or that a deficiency has accrued with respect to the receivership established pursuant to an order of the court and giving the date of the order, as the case may be. Such notice shall be filed at any time during the progress of the work required by such order or undertaken by the receiver, or within four months after the completion of the contract, or the final performance of the work or the final furnishing of the materials, dating from the last item of work performed or materials furnished or, in the case of a deficiency, at any time before the discharge of the receiver.

c. The officer with whom such notice is filed shall make the same entry on the book or index in which mechanics' liens are entered as he is required to enter in cases of mechanics' liens, together with a reference to such order by date; and thereafter such lien shall, except as herein otherwise provided, have the same effect in all respects as to all persons as a mechanics' lien; and all proceedings with reference to such lien, its enforcement and discharge, shall be carried on in the same manner as similar proceedings with reference to other mechanics' liens.

d. Unless, within six months after actual notice of such filing, proceedings are taken by the party against whom or whose premises a lien is claimed, to discharge such lien, the filing shall, as to all persons having such actual notice, become conclusive evidence that the amount claimed in the notice of lien, with interest, is due, and is a just lien upon the premises.

e. Such lien shall continue to be a lien for a period of one year from the time of its filing unless proceedings are in the meantime taken to enforce or discharge it, which may be done at any time during its continuance. In case proceedings are so taken, the lien shall remain in effect until the final termination of such proceedings; and if such proceedings shall result in a judgment for the amount claimed or any portion thereof, such judgment shall, to such extent, be a lien in the same manner and from the same time as the original lien.

5. a. If the department shall desire that a receiver be appointed as herein after provided to remove or remedy a nuisance described in paragraph e of subdivision one of this section and that such receiver shall obtain a lien for costs incurred in connection therewith in favor of the department of real estate, which shall have the priority with respect to existing mortgages or liens provided in paragraph e of this subdivision, it shall within five days after the service of the order upon the owner serve a copy of such order upon every mortgagee and lienor of record personally or by registered mail, return receipt requested, at the address set forth in the recorded mortgage or lien. Appended to the copy of such order shall be a notice addressed to such

mortgagee and lienor stating that in the event the nuisance is not removed or remedied in the manner and within the time specified in the order, the department may apply to the supreme court, or to the housing part of the New York city civil court, if the premises are located in the city of New York, or, to the district court, if the premises are located in whole or in part within a district of the court, or, to the city court of a city outside the city of New York, if the premises are located in whole or in part within such city, for an order to show cause why a receiver of the rents, issues and profits of the property shall not be appointed with rights therein superior to those of such owner, mortgagee or lienor.

b. The department shall file a copy of such notice and order in the office of the county clerk in which mechanics liens affecting the property would be filed.

c. 1. The department may thereafter apply to the supreme court in the county where the property is situated, or to the housing part of the civil court of the city of New York, if the property is situated in the city of New York, by verified petition for an order directing the owner and any mortgagees or lienors of record to show cause why the commissioner or chief executive of the bureau or department of real estate of the municipality should not be appointed receiver of the rents, issues and profits of the property and why said receiver should not remove or remedy such condition and obtain a lien in favor of the department of real estate against the property having the priority provided in paragraph e of this subdivision to secure repayment of the costs incurred by the receiver in removing or remedying such condition. Such application shall contain (a) proof by affidavit that an order of the department has been issued and served on the owner, mortgagees and lienors in accordance with and within the periods specified in paragraph e of subdivision one of this section and paragraph a of this subdivision and filed in accordance with the provisions of paragraph b of this subdivision; (b) a statement that a nuisance which constitutes a serious fire hazard or is a serious threat to life, health, or safety continued to exist in said property after the time fixed for the removal thereof in the department order and a description of the property and conditions

constituting such nuisance; (c) a brief description of the nature of the work required to remove or remedy the condition and an estimate as to the cost thereof. Such order to show cause shall be returnable not less than five days after service is completed and shall provide for personal service of a copy thereof and the papers on which it is based on the owners and mortgagees of record and lienors. If any such owner, mortgagee or lienor cannot with due diligence be served personally within the city where the property is located and within the time fixed in such order, then service may be made on such persons by posting a copy thereof in a conspicuous place on the premises where the nuisance exists, and by sending a copy thereof by registered mail, return receipt requested, to the owner at the last address registered by him with the department, or in the absence of such registration, to the address set forth in the last recorded deed with respect to said premises, or, in the case of a mortgagee or lienor, to the address set forth in the recorded mortgage or lien and by publication in a newspaper of general circulation in the county where such premises are located, which newspaper, if there is an official law paper for such county, shall be such official law paper. Service shall be deemed complete on filing proof of service thereof in the office of the clerk of the court in which such application is made.

2. If the condition constituting the nuisance is such that unless immediately cured irreparable damage may be caused to the building or it constitutes an imminent danger to its occupants, or the occupants of adjoining properties then the order to show cause may be returnable in the discretion of the court in less than five days, and in such case, service may be made on the owner, mortgagee and lienor by posting a copy thereof in a conspicuous place on the premises where the nuisance exists and by mailing a copy in the case of the owner to the address filed with the department and in the case of the mortgagee and lienor to the address recorded. If a receiver be appointed as hereinafter provided, and service shall not have been made in accordance with subparagraph one, then his appointment shall be temporary only and expire not more than thirty days thereafter unless, prior to the expiration of such thirty days, the department shall serve notice on the owner, mortgagees and lienors in the manner provided for in subparagraph one hereof of

intention to apply to the court at a date fixed in such notice and not less than five days after the service of such notice, for an extension of said receivership. In such event the period of the appointment of the temporary receiver shall be deemed to be extended for a further period of fifteen days. In addition to the requirements set forth in subparagraph one, such notice shall also contain a statement of any expenditures made or obligations incurred by the receiver during the period of his temporary appointment. On the date fixed in such notice, the court shall determine whether or not to extend the period of receivership and such determination shall be made as if the application were an original one for the appointment of a receiver, pursuant to subparagraph one.

3. On the return of said order to show cause, determination shall have precedence over every other business of the court unless the court shall find that some other pending proceeding, having a similar statutory precedence, shall have priority. If the court shall find that the facts stated in such application warrant the granting thereof, then the commissioner or chief executive of the bureau or department of real estate of the municipality shall be appointed receiver of the rents, issues and profits of the property. However after determination of the issue if the owner or any mortgagee or lienor or other person having an interest in the property shall apply to the court to be permitted to remove or remedy the conditions constituting the nuisance and shall (1) demonstrate the ability promptly to undertake the work required; and (2) post security for the performance thereof within the time, and in the amount and manner, deemed necessary by the court, then the court may in lieu of appointing such receiver issue an order permitting such person to perform the work within a time fixed by the court. If at the time fixed in the order the conditions constituting the nuisance have not been satisfactorily remedied or removed, then the court shall appoint such receiver. If after the granting of an order permitting a person to perform the work but before the time fixed by the court for the completion thereof it shall appear to the department that the person permitted to do the same is not proceeding with due diligence, then the department may apply to the court on notice to those persons who have appeared in the proceeding for a hearing to determine whether such

receiver shall be appointed immediately. On the failure of any such owner, mortgagee, lienor or other person having an interest in the property to complete the work in accordance with the provisions of said order, the department, or any such receiver thereafter appointed shall be reimbursed for costs incurred by him in removing or remedying the condition and other charges herein provided for out of such security.

d. 1. Any receiver appointed pursuant to this subdivision shall have all of the powers and duties of a receiver appointed in an action to foreclose a mortgage on real property, together with such additional powers and duties as herein granted and imposed. The receiver shall with all reasonable speed remedy the nuisance and remove all the delinquent matters and deficiencies in the dwelling including those constituting a fire hazard or a threat to life, health or safety and may, in addition to ordinary repairs, maintenance and replacement, make other improvements to effect a rehabilitation of the property, in such fashion as is consistent with maintaining safe and habitable conditions over the remaining useful life of the dwelling. He shall have the power to let contracts therefor or incur expenses in accordance with the provisions of local laws, ordinances, rules and regulations applicable to contracts for public works except that advertisement shall not be required for each such contract. Notwithstanding any such laws, ordinances, rules or regulations, the receiver may let contracts or incur expenses for individual items of repairs, improvements or supplies without the procurement of competitive bids where the total amount of any such individual item does not exceed twenty-five hundred dollars. The receiver shall not be required to file any bond. He shall collect the accrued and accruing rents, issues and profits of the dwelling and apply the same to the cost of removing or remedying such nuisance, to the making of such other improvements as aforestated, to the payment of expenses reasonably necessary to the proper operation and management of the property, including insurance and the fees of the managing agent, and the necessary expenses of his office as receiver, the repayment of all monies advanced to the receiver by the department of real estate to cover the costs incurred by the receiver and interest thereon; and then, if there be a surplus, to unpaid taxes, assessments, water rents, sewer rents and penalties and interest thereon, and then to sums due to

mortgagees or lienors. If the income of the property shall be insufficient to cover the cost of remedying or removing such nuisance, or to making of such other improvements as aforestated, or of the expenses reasonably necessary to the proper operation and management of the property and other necessary expenses of the receiver, the department of real estate shall advance to the receiver any sums required to cover such cost and expenses and thereupon shall have a lien against the property having the priority provided in paragraph e for any such sums so advanced with interest thereon.

2. Nothing herein contained shall be deemed to relieve the owner of any civil or criminal liability incurred or any duty imposed by this chapter by reason of acts or omissions of the owner prior to the appointment of any receiver hereunder, nor shall anything contained herein be construed to suspend during the receivership any obligation of the owner for the payment of taxes or other operating and maintenance expenses of the dwelling nor of the owner or any other person for the payment of mortgages or liens.

3. The receiver shall be entitled to the same fees, commissions and necessary expenses as receivers in actions to foreclose mortgages. Such fees and commissions shall be paid into the fund created pursuant to subdivision nine of this section. The receiver shall be liable only in his official capacity for injury to person and property by reason of conditions of the premises in a case where an owner would have been liable; he shall not have any liability in his personal capacity. The personnel and facilities of the bureau or department of real estate and the corporation counsel shall be availed of by the receiver for the purpose of carrying out his duties as such receiver and the cost of such services shall be deemed a necessary expense of the receiver.

4. The receiver shall be discharged upon rendering a full and complete accounting to the court when such condition has been removed and the cost thereof and all other costs authorized by this paragraph have been paid or reimbursed from the rents and income of the dwelling and the surplus money, if any, has been paid over to the owner or the mortgagee or lienor as the court may direct. However, at any time, the receiver

may be discharged upon filing his account as receiver without affecting the right of the department of real estate to its lien. Upon the removal of such condition, the owner, the mortgagee or any lienor may apply for the discharge of the receiver upon payment to the receiver of all moneys expended by the receiver for removal of such condition and all other costs authorized by this paragraph which have not been paid or reimbursed from the rents and income of the dwelling.

5. Anything herein contained to the contrary notwithstanding, a temporary receiver appointed on the return of an order to show cause served only in accordance with subparagraph two of paragraph c of this subdivision shall not, without express order of the court, make any repairs or improvements to the property or incur any expenses in the operation thereof during the period of his temporary appointment except such as may be necessary to remedy or remove the immediate condition which called for his appointment and to the ordinary operation and maintenance of the property. For such specific purpose the receiver shall be entitled to let such contracts and undertake such expenses as may be necessary to accomplish the specific results without advertisements and without procuring competitive bids.

e. Any lien of a receiver, in favor of the department of real estate, arising under this section shall have priority over all other mortgages, liens and encumbrances of record except taxes and assessments levied pursuant to law.

f. Failure to serve a copy of the order and notice required in the manner specified by paragraph e of subdivision one and paragraph a of this subdivision, or failure to serve any mortgagee or lienor with a copy of the order to show cause as required by subparagraph one of paragraph c of this subdivision shall not affect the validity of the proceeding or the appointment of a receiver, but the rights of the department of real estate or of the receiver shall not in such event be superior in any way to the rights of any mortgagee or lienor who shall not have been served as provided herein.

g. Any mortgagee or lienor who at his expense remedies or removes the

nuisance to the satisfaction of the court pursuant to the provisions of subparagraph three of paragraph c of this subdivision shall have and be entitled to enforce a lien equivalent to the lien granted to the receiver in favor of the department of real estate hereunder. Any mortgagee or lienor who, following the appointment of a receiver by the court, shall reimburse the receiver and the department of real estate for all costs and charges as hereinabove provided shall be entitled to an assignment of the lien granted to the receiver in favor of the department of real estate.

6. When the department shall have executed any order so far as it may require, the department shall file among its records such order and an affidavit stating with fairness and accuracy in general terms the items of expense and the date of execution of such order. When it shall appear that such execution, or the expenses thereof, related to several premises belonging to different persons, such affidavit shall state what part belongs to or arose in respect to each of the premises as the department may direct. The department may revise the correctness of such apportionment of expenses as truth and justice may require.

7. a. Whenever the department shall sue for the expenses involved in the execution of any order, it may join in the same suit any claim for any penalty for the violation of any provisions of this chapter. Joint or several judgments may be had against one or more of the defendants in the suit, as they or any of them may be liable in respect of all or any of such claims. The expenses of executing such an order, and any judgment in any abatement suit provided for in this chapter, and the several judgments that may be recovered for any such penalties and expenses, until the same are paid or discharged shall be a lien like other judgments, and also a lien and charge upon rent and compensation due or then maturing from any tenant or occupant of the dwelling and premises or parts thereof to which any such order or judgment relates, or in respect of which any such expenses were incurred.

b. The department may serve a copy of an order or a transcript of a judgment and any affidavit showing the expense of execution upon any person who owes or is about to owe any rent or compensation for the

occupancy of any premises to which such order or judgment relates, and in respect of which such expenses were incurred. The department may, at any time after such service, demand in writing that such rent or compensation to the extent of such claim shall, when such rent or compensation becomes due and payable, be paid to the department and such person shall thereupon become obligated to pay the same. A receipt shall be given for each such payment stating on account of what order or judgment and expenses it has been received. The amount so received shall be deposited wherever other funds of the department are kept. If a special fund has been created and maintained, as provided in section three hundred four, such payments shall be deposited to the credit of such fund.

c. Any person refusing or omitting to make such a payment after such service and demand may be sued therefor by the department. Such person shall not in such suit dispute the authority of the department to incur or order such expenses or the validity or correctness of such expenses or judgment in any particular, or the right of the department to have the same paid from such rent or compensation. The receipt of the department for any sum so paid shall, in all suits and proceedings and for every purpose, be as effectual in favor of any person holding the same as actual payment of the amount thereof to the owner or other person on persons who would, but for the provisions of this section and of such demand, have been entitled to receive the sum so paid. No tenant or occupant of any premises shall be dispossessed or disturbed, nor shall any lease or contract or rights be forfeited or impaired, nor any forfeiture or liability be incurred, by reason of any omission to pay to any owner, contractor or other person any sum so paid to the department.

8. The department shall retain any money so paid until twelve days after it has received evidence by satisfactory affidavit that the party or parties, or his or their agent, who but for the provisions hereof would have been entitled to receive the same, has had written notice of such payment being made, which notice shall be served in the manner provided by this chapter for the service of an order. If at the end of such twelve days the party or parties so notified have not instituted suit to recover such money the department shall pay it to the fiscal

officer of the city. If a special fund has been created and maintained as provided in section three hundred four, the fiscal officer shall deposit such money to the credit of such fund.

9. The expenses incurred by the receiver in removing or remedying a condition pursuant to the provisions of this section shall be met from a fund to be known as the multiple dwelling section three hundred nine operating fund. Such fund shall consist of such amounts as may be appropriated by the board of estimate or other analogous appropriating body of the city. Such fund shall be maintained in a separate account by the department of real estate and expenditures therefrom may be made by the receiver to meet the costs of removing or remedying such conditions, subject to audit by the comptroller or chief fiscal officer of the city. The receiver shall repay the amounts so expended to such fund from the proceeds of any amounts recovered pursuant to the provisions of this section. In the event that the amount in such fund is insufficient for such purposes and if no appropriation or an insufficient appropriation has been made therefor, the expenses incurred by the receiver in removing or remedying such conditions may be met from the proceeds of the sale of bonds issued in accordance with the provisions of the local finance law.

In the event that the amounts from time to time in such fund exceed two hundred thousand dollars ($200,000), such excess may be applied to the payment of the principal and interest due upon any bonds issued pursuant to this subdivision, or, if no such bonds are outstanding, any such excess may be transferred to the general fund of the city.

10. Reference in this section to a bureau or department of real estate or to a commissioner or chief executive of a bureau or department of real estate of a municipality, when used in connection with or affecting either a receiver or a multiple dwelling in the city of New York, shall be construed to mean the department or commissioner of housing preservation and development or the department or commissioner of buildings, or both such departments or commissioners, as the case may be, of the city of New York.

11. a. Notwithstanding any other provision of law, where a repair has been made by the department pursuant to this section, or any other law, to abate a hazardous condition or correct any violation of this chapter, or any other state or local law, which arises from the existence of lead based paint, the department may, in whole or in part, waive its right to a lien on the affected premises and repayment of such expenses and disbursements as were necessary to abate such hazardous conditions or correct such violation of law. The department shall promulgate rules setting forth the standards for such waivers.

b. Notwithstanding any other provision of law, where there is a hazardous condition or violation of this chapter or other state or local law which arises from the existence of lead based paint, the department may make grants or loans to owners for the expenses, in whole or in part, of abating such hazardous condition or correcting such violation of law. The department shall promulgate rules setting forth the standards for such grants or loans.