

STATE OF NEW YORK

S. 8661

A. 10678

SENATE - ASSEMBLY

May 10, 2018

IN SENATE -- Introduced by Sen. LAVALLE -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

IN ASSEMBLY -- Introduced by M. of A. THIELE -- read once and referred to the Committee on Higher Education

AN ACT authorizing the lease of lands located at the State University of New York at Stony Brook

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

1 Section 1. Legislative findings. The legislature finds that as part of
2 the Amended and Restated Integration and Affiliation Agreement, dated as
3 of April 7, 2017 (the "IAA"), between the Southampton Hospital Association ("SHA") and the State University of New York acting through its
4 Stony Brook University Hospital ("SBUH"), the parties committed to work
5 together to construct, if feasible, a new hospital facility on Stony
6 Brook University's ("University") Southampton campus ("New SH") to
7 replace the current SHA facilities, which are currently leased to SBUH
8 which uses them to operate a hospital in Southampton, New York. New SH
9 is a key part of the strategy for the growth of Stony Brook Medicine and
10 University as a regional center of health care and a national leader in
11 innovation and discovery. It will be a state of the art facility located
12 on the Southampton campus that replaces an aging plant located in the
13 midst of Southampton village. New SH will serve as the focus of innovative
14 hospital, community, and population based health care for the East
15 End and beyond. It will also be an anchor for the development of the
16 Southampton campus as a site of advanced technology, clinical research,
17 and education for the health sciences and the general health care community. In addition to its proximity to other health science programs, the
18 new location will enhance access to care for the community and broaden
19 the reach of Stony Brook Medicine well beyond its current area.

22 The legislature further finds that granting the trustees of the State
23 University of New York the authority and power to lease and otherwise
24 contract to make available grounds and facilities of the campus of the
25 State University of New York at Stony Brook will enable SBUH to fulfill
26 its obligations, further its legislatively mandated mission of research,
27 education and provision of health services, enhance access to care for

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

LBD15788-01-8

1 the community and broaden the reach of SBUH and the University well
2 beyond its current area.

3 § 2. Notwithstanding any other law to the contrary, the state univer-
4 sity trustees are hereby authorized and empowered, without any public
5 bidding, to lease and otherwise contract to make available to the South-
6 ampton Hospital Association, a not-for-profit corporation (the "ground
7 lessee"), a portion of the lands of the University on its Southampton
8 campus, being one of two separate parcels of land, one approximately 15
9 acres and the other approximately 8.9 acres, for an aggregate total of
10 approximately 23.9 acres generally described in this act for the purpose
11 of constructing and operating New SH. Such lease or contract shall be
12 for a period not exceeding 100 years without any fee simple conveyance
13 and otherwise upon terms and conditions determined by such trustees,
14 subject to the approval of the director of the division of the budget,
15 the attorney general and the state comptroller. In the event that the
16 real property that is the subject of such lease or contract shall cease
17 to be used for the purpose described in this act, such lease or contract
18 shall immediately terminate and the real property and any improvements
19 thereon shall revert to the State University of New York. Any lease or
20 contract entered into pursuant to this act shall provide that the real
21 property that is the subject of such lease or contract and any improve-
22 ments thereon shall revert to the State University of New York on the
23 expiration of such contract or lease.

24 § 3. Any contract or lease entered into pursuant to this act shall be
25 deemed to be a state contract for purposes of article 15-A of the execu-
26 tive law, and any contractor, subcontractor, lessee or sublessee enter-
27 ing into such contract or lease for the construction, demolition, recon-
28 struction, excavation, rehabilitation, repair, renovation, alteration or
29 improvement authorized pursuant to this act shall be deemed a state
30 agency for the purposes of article 15-A of the executive law and subject
31 to the provisions of such article.

32 § 4. Notwithstanding any general, special or local law or judicial
33 decision to the contrary, all work performed on a project authorized by
34 this act where all or any portion thereof involves a lease or agreement
35 for construction, demolition, reconstruction, excavation, rehabili-
36 tation, repair, renovation, alteration or improvement shall be deemed
37 public work and shall be subject to and performed in accordance with the
38 provisions of article 8 of the labor law to the same extent and in the
39 same manner as a contract of the state, and compliance with all the
40 provisions of article 8 of the labor law shall be required of any
41 lessee, sublessee, contractor or subcontractor on the project, including
42 the enforcement of prevailing wage requirements by the fiscal officer as
43 defined in paragraph e of subdivision 5 of section 220 of the labor law
44 to the same extent as a contract of the state.

45 § 5. Notwithstanding any law, rule or regulation to the contrary, the
46 State University of New York shall not contract out to the Southampton
47 Hospital Association or any subsidiary for the instruction or any peda-
48 gogical functions or services, or any administrative services, and simi-
49 lar professional services currently being performed by state employees.
50 All such functions and services shall be performed by state employees
51 pursuant to the civil service law. Nothing in this act shall result in
52 the displacement of any currently employed state worker or the loss of
53 position (including partial displacement such as reduction in the hours
54 of non-overtime, wages or employment benefits), or result in the impair-
55 ment of existing contracts for services or collective bargaining rights
56 pursuant to existing agreements. All positions currently at the State

1 University of New York in the unclassified service of the civil service
2 law shall remain in the unclassified service.

3 Nothing in this act shall be deemed to waive or impair any rights or
4 benefits of employees of the State University of New York that otherwise
5 would be available to them pursuant to the terms of agreements between
6 the certified representatives of such employees and the state of New
7 York pursuant to article 14 of the civil service law.

8 § 6. For the purposes of this act: (a) "project" shall mean work at
9 the property authorized by this act to be leased to the Southampton
10 Hospital Association as described in section eleven of this act that
11 involves the design, construction, reconstruction, demolition, excavat-
12 ing, rehabilitation, repair, renovation, alteration or improvement of
13 New SH.

14 (b) "project labor agreement" shall mean a pre-hire collective
15 bargaining agreement between a contractor and a labor organization,
16 establishing the labor organization as the collective bargaining repre-
17 sentative for all persons who will perform work on the project, and
18 which provides that only contractors and subcontractors who sign a pre-
19 negotiated agreement with the labor organization can perform project
20 work.

21 Notwithstanding the provisions of any general, special, or local law
22 or judicial decision to the contrary: (a) the Southampton Hospital Asso-
23 ciation may require a contractor awarded a contract, subcontract, lease,
24 grant, bond, covenant or other agreement for a project to enter into a
25 project labor agreement during and for the work involved with such
26 project when such requirement is part of the ground lessee's request for
27 proposals for the project and when the State University of New York at
28 Stony Brook determines that the record supporting the decision to enter
29 into such an agreement establishes that the interests underlying the
30 competitive bidding laws are best met by requiring a project labor
31 agreement including obtaining the best work at the lowest possible
32 price; preventing favoritism, fraud and corruption; the impact of delay;
33 the possibility of cost savings; and any local history of labor unrest.

34 (b) If the State University of New York at Stony Brook does not
35 require a project labor agreement, then any contractor, subcontractor,
36 lease, grant, bond, covenant or other agreements for a project shall be
37 awarded pursuant to section 135 of the state finance law.

38 § 7. Without limiting the determination of the terms and conditions of
39 such contracts or leases, such terms and conditions may provide for
40 leasing, subleasing, construction, reconstruction, rehabilitation,
41 improvement, operation and management of and provision of services and
42 assistance and the granting of licenses, easements and other arrange-
43 ments with regard to such grounds and facilities by the ground lessee,
44 and parties contracting with the ground lessee, and, in connection with
45 such activities, the obtaining of funding or financing, whether public
46 or private, unsecured or secured (including, but not limited to, secured
47 by leasehold mortgages and assignments of rents and leases), by the
48 ground lessee and parties contracting with the ground lessee for the
49 purposes of completing the project described in this act.

50 § 8. Such lease shall include an indemnity provision whereby the
51 lessee or sublessee promises to indemnify, hold harmless and defend the
52 lessor against all claims, suits, actions, and liability to all persons
53 on the leased premises, including tenant, tenant's agents, contractors,
54 subcontractors, employees, customers, guests, licensees, invitees and
55 members of the public, for damage to any such person's property, whether

1 real or personal, or for personal injuries arising out of tenant's use
2 or occupation of the demised premises.

3 § 9. Any contracts entered into pursuant to this act between the
4 ground lessee and parties contracting with the ground lessee shall be
5 awarded by a competitive process.

6 § 10. The State University of New York shall not lease lands described
7 in this act unless any such lease shall be executed within ten years of
8 the effective date of this act.

9 § 11. The property authorized by this act to be leased to the South-
10 ampton Hospital Association is generally described as one of two parcels
11 of real property with improvements thereon consisting of a total of
12 approximately 23.9 acres situated on the campus of the State University
13 of New York at Stony Brook. The description in this section of the
14 parcels to be made available pursuant to this act is not meant to be a
15 legal description, but is intended only to identify the parcels:

16 Parcel 1

17 Beginning at a point formed by the intersection of the southerly line
18 of M.T.A. (Long Island Rail Road) and the westerly line of Tuckahoe
19 Road;

20 Running thence South 32° 27' 30" West for a distance of 710.08 feet to
21 a point;

22 Running thence North 83° 56' 30" West for a distance of 555.33 feet to
23 a point;

24 Running thence South 89° 10' 00" West for a distance of 321.40 feet to
25 a point;

26 Running thence North 10° 35' 30" East for a distance of 692.66 feet to
27 a point;

28 Running thence South 83° 08' 20" East for a distance of 1135.50 feet
29 to the point or place of beginning.

30 Containing 653,704 sq. ft. (15.007 acres), more or less. Subject to
31 all existing easements and restrictions of record.

32 Parcel 2

33 Beginning at a point formed by the intersection of the southerly line
34 of M.T.A. (Long Island Rail Road) and the easterly widened line of Tuck-
35 ahoe Road;

36 Running thence South 81° 38' 20" East for a distance of 751.98 feet to
37 a point;

38 Running thence South 15° 10' 59" West for a distance of 620.58 feet to
39 a point;

40 Running thence North 66° 08' 50" West for a distance of 342.64 feet to
41 a point;

42 Running thence North 55° 07' 30" West for a distance of 550.64 feet to
43 a point;

44 Running thence North 33° 57' 30" East for a distance of 219.18 feet to
45 a point;

46 Running thence South 57° 32' 30" East for a distance of 10.00 feet to
47 a point;

48 Running thence North 33° 57' 30" East for a distance of 94.79 feet to
49 the point or place of beginning.

50 Containing 389,465 sq. ft. (8.941 acres), more or less. Subject to all
51 existing easements and restrictions of record.

52 § 12. Insofar as the provisions of this act are inconsistent with the
53 provisions of any law, general, special or local, the provisions of this
54 act shall be controlling.

55 § 13. This act shall take effect immediately.