

S T A T E O F N E W Y O R K

2378--A

2009-2010 Regular Sessions

I N A S S E M B L Y

January 15, 2009

Introduced by M. of A. SCHIMMINGER, DelMONTE, SCHROEDER, LUPARDO, DESTI-
TO, KOON, MORELLE -- Multi-Sponsored by -- M. of A. BOYLAND, BRENNAN,
CAHILL, COOK, CROUCH, JOHN -- read once and referred to the Committee
on Local Governments -- committee discharged, bill amended, ordered
reprinted as amended and recommitted to said committee

AN ACT to amend the general municipal law, in relation to the municipal
redevelopment law authorizing tax increment bonds payable from and
secured by real property taxes levied by a school district within a
project area

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. The first undesignated paragraph of section 970-b of the
2 general municipal law, as added by chapter 916 of the laws of 1984 and
3 such section as renumbered by chapter 686 of the laws of 1986, is
4 amended and a new fourth undesignated paragraph is added to read as
5 follows:
6 It is hereby found and declared that there exists in many communities
7 blighted areas which threaten the economic and social well-being of the
8 people of the state. Blighted areas are characterized by one or more of
9 the conditions set forth in subdivision (a) of section nine hundred
10 [sixty-c] SEVENTY-C of this article.
11 IT IS FURTHER FOUND AND DECLARED THAT SOUND DEVELOPMENT AND REDEVELOP-
12 MENT OF BLIGHTED AREAS INCREASES PUBLIC SCHOOL ENROLLMENT BY PROVIDING
13 AFFORDABLE HOUSING AND EMPLOYMENT OPPORTUNITIES AND THE NEED FOR
14 EXPANDED PUBLIC EDUCATION FACILITIES AND SERVICES.
15 S 2. Subdivisions (b) and (f) of section 970-c of the general municipi-
16 pal law, as added by chapter 916 of the laws of 1984 and such section as
17 renumbered by chapter 686 of the laws of 1986, are amended and a new
18 subdivision (i) is added to read as follows:
19 (b) "Legislative body" means (I) the governing body of a municipality
20 empowered to adopt and amend local laws and ordinances[; provided,

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

LBD03807-04-9

however, that in the case of the city of New York, the legislative body shall, for the purposes of this article be the board of estimate], AND (II) THE BOARD OF EDUCATION OF A SCHOOL DISTRICT OF WHICH CONSENTS TO AN ALLOCATION OF TAXES PRESCRIBED IN SECTION NINE HUNDRED SEVENTY-P OF THIS ARTICLE.

(f) "Planning agency" means the planning board or commission of [the] A municipality OR THE PLANNING BOARD OR COMMITTEE OF A SCHOOL DISTRICT.

(I) "SCHOOL DISTRICT" MEANS ANY SCHOOL DISTRICT, A CITY SCHOOL DISTRICT OR A SCHOOL DISTRICT IN A CITY, AS THOSE TERMS ARE DEFINED IN SECTION 2.00 OF THE LOCAL FINANCE LAW, WHICH APPROVES THE REDEVELOPMENT PLAN AND CONSENTS TO AN ALLOCATION OF TAXES PRESCRIBED IN SECTION NINE HUNDRED SEVENTY-P OF THIS ARTICLE.

S 3. Subdivisions (l) and (n) of section 970-f of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, are amended and a new subdivision (o) is added to read as follows:

(l) shall provide a limitation on the amount of bonds which may be issued pursuant to section nine hundred [sixty-o] SEVENTY-O of this article for the purpose of carrying out or administering the redevelopment plan;

(n) shall provide a plan for the relocation of families and persons to be temporarily or permanently displaced from housing facilities in the project area, which plan shall include the provision required by section nine hundred [sixty-j] SEVENTY-J OF THIS ARTICLE that no person or family of low and moderate income shall be displaced unless and until there is suitable housing available and ready for occupancy by such displaced person or family at rents comparable to those paid at the time of their displacement.

(O) MAY PROVIDE FOR THE CONSENT TO AND APPROVAL OF THE PROJECT AREA AND THE REDEVELOPMENT PLAN BY THE BOARD OF EDUCATION OF THE SCHOOL DISTRICT.

S 4. Subdivisions (b) and (c) of section 970-h of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, are amended to read as follows:

(b) Notice of the hearing shall be posted in at least four prominent places within the project area for a period of three weeks prior to such hearing and shall be published not less than once a week for three successive weeks prior to the hearing in a newspaper of general circulation in the municipality involved. The notice of hearing shall include a legal description of the boundaries of the PROJECT area [or areas] designated in the proposed redevelopment plan [and], a general statement of the scope and objectives of the plan, AND A STATEMENT WHETHER ONE OR MORE SCHOOL DISTRICTS HAVE CONSENTED TO AN ALLOCATION OF TAXES PRESCRIBED IN SECTION NINE HUNDRED SEVENTY-P OF THIS ARTICLE. A copy of the notices shall be mailed to the last known owner of each parcel of land in the area designated in the redevelopment plan. A copy of the notice shall also be mailed to the legislative body of each of the taxing jurisdictions which levies taxes upon any real property in the project area designated in the proposed redevelopment plan.

(c) Any and all persons who have any objections to the proposed redevelopment plan or who deny the existence of blight as defined by subdivision (a) of section nine hundred [sixty-c] SEVENTY-C of this article, in the proposed project area, or the legality or appropriateness of any of the prior proceedings, may appear before the legislative body at such public hearing and show cause why the proposed plan should not be

1 adopted. At any time not later than the hour set for hearing objections
2 to the proposed redevelopment plan, any person may file in writing with
3 the clerk of the legislative body a statement of such person's
4 objections to the proposed plan.

5 S 5. Section 970-m of the general municipal law, as added by chapter
6 916 of the laws of 1984 and as renumbered by chapter 686 of the laws of
7 1986, is amended to read as follows:

8 S 970-m. Amendment of redevelopment plan. If at any time after the
9 adoption of a redevelopment plan for a project area by the legislative
10 body, it becomes necessary or desirable to amend or modify such plan,
11 the legislative body may by resolution amend such plan. Such amendments
12 may include a change in the boundaries of the project area to add land
13 to or, prior to the issuance of indebtedness pursuant to section nine
14 hundred [sixty-o] SEVENTY-O OF THIS ARTICLE as provided by such redevel-
15 opment plan, exclude land from the project area. An amendment or modifi-
16 cation of the plan shall be approved pursuant to subdivisions (a)
17 through (g) of section nine hundred [sixty-h] SEVENTY-H of this article.
18 Upon adoption of the amended plan by the legislative body the legisla-
19 tive body shall transmit the amended plan as provided by subdivision (h)
20 of such section.

21 S 6. Paragraphs (iii), (iv) and (v) of subdivision (a) of section
22 970-n of the general municipal law, as added by chapter 916 of the laws
23 of 1984 and such section as renumbered by chapter 686 of the laws of
24 1986, are amended to read as follows:

25 (iii) If two or more municipalities jointly exercise the powers grant-
26 ed under this subdivision and a redevelopment plan as adopted provides
27 for the allocation of real property tax revenues pursuant to section
28 nine hundred [sixty-o] SEVENTY-O of this article the real property taxes
29 of each municipality shall be allocated pursuant to such section.

30 (iv) If two or more municipalities jointly exercise the powers granted
31 under this subdivision and the redevelopment plan as adopted provides
32 for the issuance of indebtedness pursuant to section nine hundred
33 [sixty-o] SEVENTY-O of this article, such indebtedness shall either be
34 issued jointly by the municipalities and the resolution authorizing the
35 issuance of such indebtedness must be approved by the legislative body
36 of each municipality acting separately or shall be issued by resolution
37 of the [the] designated agent on behalf of the municipality it repres-
38 ents and, by resolution of its legislative body, each municipality shall
39 irrevocably pledge the revenues allocated pursuant to section nine
40 hundred [sixty-p] SEVENTY-P of this article to the repayment of such
41 indebtedness and any interest thereon.

42 (v) The joint exercise of powers authorized by this subdivision shall
43 be permitted only for the purpose of redevelopment of an area located
44 wholly within each municipality AND WITHIN ONE OR MORE SCHOOL DISTRICTS.

45 S 7. Paragraphs (ii) and (iii) and subparagraph 1 of paragraph (v) of
46 subdivision (b) of section 970-n of the general municipal law, as added
47 by chapter 916 of the laws of 1984 and such section as renumbered by
48 chapter 686 of the laws of 1986, are amended to read as follows:

49 (ii) A municipal redevelopment authority shall be a corporate govern-
50 mental agency constituting a public benefit corporation. Except as
51 otherwise provided by special act of the legislature, an authority shall
52 consist of not less than five nor more than nine members. Membership
53 shall be apportioned among the municipalities AND SCHOOL DISTRICTS, and
54 the manner of selection of a chairman determined by an [intermunicipal]
55 agreement approved by local law by each such municipality, AND BY RESOL-
56 UTION OF THE BOARD OF EDUCATION OF EACH SCHOOL DISTRICT. Members shall

1 serve at the pleasure of the appointing authority, and each member shall
2 continue to hold office until his successor is appointed and has quali-
3 fied. The [governing] LEGISLATIVE body shall file with the secretary of
4 state a certificate of appointment or reappointment of any member
5 appointed or reappointed by it. Members shall receive no compensation
6 for their services but shall be entitled to reimbursement of the neces-
7 sary expenses, including traveling expenses, incurred in the discharge
8 of their duties. No action shall be taken by an authority except pursu-
9 ant to the favorable vote of a majority of the members then in office.
10 Any one or more of the members of an authority may be an official or an
11 employee of such municipality. In the event that an official or an
12 employee of such municipality shall be appointed as a member of the
13 agency, acceptance or retention of such appointment shall not be deemed
14 a forfeiture of his OR HER municipal office or employment, or incompat-
15 ible therewith or affect his OR HER tenure or compensation in any way.
16 The term of office of a member of an authority who is an official or an
17 employee of such municipality when appointed as a member thereof by
18 special act of the legislature creating the authority shall terminate at
19 the expiration of the term of his OR HER municipal office. Upon THE
20 creation of an authority, from time to time the [governing] LEGISLATIVE
21 body of a municipality OR A SCHOOL DISTRICT, may, by resolution, appro-
22 priate sums of money to defray the expenses of the authority.

23 (iii) Unless otherwise provided by this subdivision or by the special
24 act of the legislature establishing a municipal redevelopment authority
25 or empowering an existing public corporation to carry out the purposes
26 and provisions of this article, such authority or public corporation
27 shall have the powers, duties and responsibilities granted a municipa-
28 lity AND SCHOOL DISTRICT and its legislative body pursuant to sections
29 nine hundred [sixty-d] SEVENTY-D through nine hundred [sixty-m] SEVEN-
30 TY-M of this article, as well as the authority to receive the taxes of
31 each municipality AND SCHOOL DISTRICT allocated and paid pursuant to
32 section nine hundred [sixty-p] SEVENTY-P of this article. Such authority
33 or public corporation shall have the power to designate survey areas and
34 select project areas as provided by sections nine hundred [sixty-d]
35 SEVENTY-D and nine hundred [sixty-e] SEVENTY-E of this article. Such
36 authority or public corporation shall obtain the report and recommenda-
37 tion of the planning agency of each municipality OR SCHOOL DISTRICT on
38 the redevelopment plan and its conformity to the master plan of each
39 municipality AND SCHOOL DISTRICT before presenting the redevelopment
40 plan to the legislative body of each municipality OR SCHOOL DISTRICT.
41 In order for a preliminary plan to be adopted or for a redevelopment
42 plan to be adopted or amended approval must be obtained by resolution of
43 the legislative body of each municipality AND SCHOOL DISTRICT acting
44 separately.

45 (1) An authority or public corporation shall have the powers and
46 duties granted municipalities pursuant to section nine hundred [sixty-o]
47 SEVENTY-O of this article to issue tax increment bonds and tax increment
48 bond anticipation notes. Such bonds and notes shall be bonds and notes
49 of the authority or public corporation and neither the state nor any
50 municipality shall be liable on such bonds and notes and such bonds and
51 notes shall not be a debt of the state or of any municipality.

52 S 8. Subdivisions (a), (b), (g) and (i) of section 970-o of the gener-
53 al municipal law, as added by chapter 916 of the laws of 1984 and such
54 section as renumbered by chapter 686 of the laws of 1986, are amended
55 and a new subdivision (j) is added to read as follows:

1 (a) For the purpose of carrying out or administering a redevelopment
2 plan adopted by the legislative body, a municipality is hereby author-
3 ized, without limiting its authority under other provisions of law, to
4 issue by resolution of its legislative body tax increment bonds or tax
5 increment bond anticipation notes of the municipality which are payable
6 from and secured by real property taxes, in whole or in part, allocated
7 to and paid pursuant to the provisions of section nine hundred [sixty-p]
8 SEVENTY-P of this article. The pledge of such real property taxes allo-
9 cated and paid shall constitute a first lien on the revenues derived
10 therefrom and tax increment bonds or tax increment bond anticipation
11 notes, the repayment of which is secured by such revenues shall not be
12 subordinate to any other indebtedness of the municipality with respect
13 to the pledge of such revenues. The municipality shall have the power to
14 issue renewal notes, to issue bonds to pay notes and whenever it deems
15 refunding expedient, to refund any bonds by the issuance of new bonds,
16 whether the bonds to be refunded have or have not matured, and to issue
17 bonds partly to refund bonds then outstanding and partly for any other
18 purposes.

19 (b) In contracting indebtedness pursuant to subdivision (a) of this
20 section NEITHER a municipality NOR A SCHOOL DISTRICT shall [not] pledge
21 its faith and credit or the faith and credit of the state to the payment
22 of THE principal thereof and the interest thereon. INDEBTEDNESS
23 REFERRED TO IN SECTION SIX OF ARTICLE XVI OF THE STATE CONSTITUTION
24 SHALL NOT APPLY TO A SCHOOL DISTRICT.

25 (g) The amount of any indebtedness contracted under this section shall
26 be excluded in ascertaining the power of the municipality OR A SCHOOL
27 DISTRICT to contract indebtedness within the provisions of the state
28 constitution or the local finance law relating thereto.

29 (i) The municipality may [only] contract indebtedness pursuant to this
30 section for the following objects [and] OR purposes, EACH OF WHICH SHALL
31 BE A PUBLIC USE AND A PUBLIC PURPOSE:

32 (i) acquisition AND ASSEMBLAGE of land INCLUDING ENVIRONMENTAL REMEDI-
33 ATION AND BROWNFIELD REDEVELOPMENT AUTHORIZED IN THE ENVIRONMENTAL
34 CONSERVATION LAW;

35 (ii) demolition and removal of buildings, structures and improvements
36 and site preparation;

37 (iii) installation, construction or reconstruction of streets, walk-
38 ways, docks, drainage, parking facilities, flood control facilities,
39 water and sewer systems and other [public] utilities, parks and play-
40 grounds;

41 (iv) other public improvements or services integral to the redevel-
42 opment plan authorized by or for which a period of probable usefulness has
43 been established by section 11.00 of the local finance law. [Such
44 objects] OBJECTS and purposes REFERRED TO IN THIS SUBDIVISION shall be
45 deemed to have the period of probable usefulness as provided GENERALLY
46 for such objects and purposes by such section.

47 (J) IN ADDITION TO THE ALLOCATION OF TAXES AUTHORIZED IN SECTION NINE
48 HUNDRED SEVENTY-P OF THIS ARTICLE, INDEBTEDNESS AUTHORIZED PURSUANT TO
49 THIS SECTION MAY BE SECURED BY A MUNICIPALITY AS FOLLOWS:

50 (I) PURSUANT TO SECTION ONE HUNDRED NINETEEN-O OF THIS CHAPTER, A
51 MUNICIPALITY MAY BY RESOLUTION OF ITS GOVERNING BOARD, PLEDGE A PORTION
52 OF THE SALES TAX RECEIVED IN ANY FISCAL YEAR PURSUANT TO SECTION TWELVE
53 HUNDRED SIXTY-ONE OF THE TAX LAW FROM BUSINESSES OPERATING IN THE
54 PROJECT AREA AND BENEFITTING FROM THE REDEVELOPMENT PLAN TO THE PAYMENT
55 OF THE PRINCIPAL OF AND INTEREST ON SUCH INDEBTEDNESS;

(II) A MUNICIPALITY MAY ESTABLISH AN ASSESSMENT AREA, PURSUANT TO THE PROCEDURES IN SECTION 22-2200 OF THE VILLAGE LAW TO ACCESS PARCELS IN THE PROJECT AREA AS BENEFITED PROPERTIES IN THE AMOUNTS AND IN THE YEARS EQUAL TO THE ALLOCATION OF TAXES PROJECTED TO BE COLLECTED AS DETERMINED UNDER SECTION NINE HUNDRED SEVENTY-P OF THIS ARTICLE.

S 9. Paragraph (i) of subdivision (d) of section 970-o of the general municipal law, as added by chapter 916 of the laws of 1984 and such section as renumbered by chapter 686 of the laws of 1986, is amended to read as follows:

(i) pledging all or a part of the taxes allocated pursuant to section nine hundred [sixty-p] SEVENTY-P of this article or the proceeds from the sale of property acquired with the proceeds of such notes or bonds to secure the payment of such notes or bonds or of any issue thereof, subject to such agreements with bondholders or noteholders as may exist;

S 10. Section 970-p of the general municipal law, as added by chapter 916 of the laws of 1984 and as renumbered by chapter 686 of the laws of 1986, is amended to read as follows:

S 970-p. Allocation of taxes. (a) Any redevelopment plan may contain a provision that real property taxes levied upon taxable real property in the project area each year by or for the benefit of the municipality or municipalities AND SCHOOL DISTRICTS after the effective date of the resolution approving the redevelopment plan, shall be divided as follows:

(i) that portion of the real property taxes not in excess of the amount which would be produced by applying the rate upon which the tax is levied each year by or for each municipality AND SCHOOL DISTRICT to the total sum of the assessed value of the taxable real property in the project area as shown upon the assessment roll used in connection with the taxation of such property by such municipality AND SCHOOL DISTRICT, last adopted prior to the effective date of the resolution approving such plan, shall be allocated to and when collected shall be paid into the funds of the respective municipalities AND SCHOOL DISTRICTS as real property taxes collected by or for said municipalities AND SCHOOL DISTRICTS adopting the redevelopment plan;

(ii) that portion of the real property taxes levied each year in excess of the portion allocated and paid pursuant to paragraph (i) of this subdivision shall be allocated to and when collected shall be paid into the fund or funds established for such purposes to pay the principal and interest on indebtedness incurred by such municipality OR SCHOOL DISTRICT pursuant to section nine hundred [sixty-o] SEVENTY-O of this article or, if the redevelopment plan so provides, the amount allocated and paid in excess of interest and principal and necessary reserves may be expended for amounts of money to be paid in lieu of taxes. Unless and until the total assessed valuation of the taxable property in a project area exceeds the total assessed value of the taxable real property in such project area as shown by the last assessment roll referred to in paragraph (i) of this subdivision, all of the real property taxes levied and collected upon the taxable real property in such project area shall be paid into the funds of the respective municipalities AND SCHOOL DISTRICTS. When such indebtedness, if any and interest thereon, have been paid, all moneys thereafter received from real property taxes upon the taxable real property in such project area shall be paid into the funds of the respective municipalities AND SCHOOL DISTRICTS as real property taxes on all other real property are paid;

(iii) whenever the total amount of real property taxes allocated pursuant to paragraph (ii) of this subdivision exceeds the amounts allo-

1 cated and paid for interest and principal and necessary reserves, and
2 for amounts to be paid in lieu of taxes, the amount of taxes in excess
3 of such amounts shall be paid into the funds of the respective municipi-
4 palities as taxes on all other real property are paid;

5 (iv) the allocation of taxes authorized by this section (1) shall
6 apply to taxable years beginning after the effective date of the resol-
7 ution approving the redevelopment plan, AND

8 (2) SHALL BE ESTIMATED BY THE APPROPRIATE REAL PROPERTY ASSESSMENT
9 OFFICER PRIOR TO THE ISSUANCE OF SUCH INDEBTEDNESS FOR EACH YEAR THE
10 INDEBTEDNESS TO BE INCURRED BY SUCH MUNICIPALITY PURSUANT TO SECTION
11 NINE HUNDRED SEVENTY-0 OF THIS ARTICLE IS SCHEDULED TO BE OUTSTANDING IN
12 AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH
13 INDEBTEDNESS IN EACH YEAR REAL PROPERTY TAXES OF THE MUNICIPALITY OR THE
14 SCHOOL DISTRICT LEVIED UPON TAXABLE PROPERTY IN THE PROJECT AREA IS
15 DIVIDED PURSUANT TO THIS SECTION. DURING THE PERIOD SUCH INDEBTEDNESS IS
16 OUTSTANDING, THE APPROPRIATE REAL PROPERTY ASSESSMENT OFFICER SHALL
17 ENDEAVOR IN GOOD FAITH TO DETERMINE ASSESSED VALUES ON PARCELS IN THE
18 PROJECT AREA TO ACHIEVE SUCH ESTIMATE IN EACH SUCH YEAR. UPON REQUEST
19 BY A MUNICIPALITY OR SCHOOL DISTRICT, THE OFFICE OF REAL PROPERTY
20 SERVICES SHALL PROVIDE GUIDANCE ON METHODOLOGIES FOR ASSESSMENTS AND/OR
21 REVIEW SUCH ESTIMATES.

22 (b) [Whenever real property in any redevelopment project has been
23 redeveloped and thereafter is leased by the municipality to any person
24 or persons or whenever the agency leases real property in any redevelop-
25 ment project to any person or persons for redevelopment, the property
26 shall be assessed and taxed in the same manner as privately owned real
27 property and the lease or contract shall provide that the lessee shall
28 pay real property taxes upon the assessed value of the entire real prop-
29 erty and not merely the assessed value of his or her leasehold interest.

30 (c)] In any municipality OR SCHOOL DISTRICT subject to the allocation
31 of revenues pursuant to this section the assessed value of taxable real
32 property located in a project area shall be included on the taxable
33 portion of the assessment roll, provided, however, that notwithstanding
34 any provision of law to the contrary, the assessed value determined in
35 accordance with paragraph (ii) of subdivision (a) of this section shall
36 not be included in the taxable value of real property when determining
37 the tax rate for such municipality OR SCHOOL DISTRICT.

38 [(d)] (C) The rate of tax resulting from the levy of real property
39 taxes shall be applied to the assessed value of any real property
40 subject to the allocation provisions of this section as determined
41 pursuant to subdivision (a) of this section, however, the amount of tax
42 levied as a result of the application of the tax rate to the increase in
43 assessed value determined in accordance with paragraph (ii) of subdivi-
44 sion (a) of this section shall not be paid into the fund of the municipi-
45 30 pality OR THE SCHOOL DISTRICT as real property taxes but shall be allo-
46 31 cated pursuant to that paragraph.

47 [(e)] (D) The official or officials responsible for the preparation of
48 the assessment roll or rolls specified in subdivision (a) of this
49 section shall provide to the municipality or municipalities AND SCHOOL
50 DISTRICTS, in addition to the assessment roll or rolls, such information
51 as is deemed necessary by the legislative bodies of the municipality or
52 municipalities AND SCHOOL DISTRICTS to effectuate the purpose of this
53 section.

54 [(f)] (E) The allocation of real property taxes authorized by this
55 section shall be permitted only with respect to municipalities AND
56 SCHOOL DISTRICTS which have adopted a redevelopment plan providing for

1 such allocation pursuant to section nine hundred [sixty-h] SEVENTY-H or
2 section nine hundred [sixty-n] SEVENTY-N of this article and such allo-
3 cation shall not apply to special ad valorem levies and special assess-
4 ments as defined by subdivisions fourteen and fifteen of section one
5 hundred two of the real property tax law, EXCEPT AS PROVIDED IN PARA-
6 GRAPH (III) OF SUBDIVISION (J) OF SECTION NINE HUNDRED SEVENTY-O OF THIS
7 ARTICLE.

8 [(g)] (F) If, after adoption of a redevelopment plan, the official or
9 officials responsible for the preparation of the assessment roll or
10 rolls specified in subdivision (a) of this section undertake to revalue
11 real property for real property tax purposes by altering the standard of
12 assessment utilized to establish the value of real property for assess-
13 ment purposes, the assessment of real property within a project area as
14 provided by paragraph (i) of subdivision (a) of this section shall be
15 adjusted in such manner as if such new standard of assessment had been
16 utilized in the preparation of the assessment roll last adopted prior to
17 adoption of the redevelopment plan.

18 (G) WITH RESPECT TO A SCHOOL DISTRICT WHICH CONSENTS TO AN ALLOCATION
19 OF TAXES PRESCRIBED IN THIS SECTION, THE OBJECT OR PURPOSE OF WHICH SUCH
20 INDEBTEDNESS MAY BE INCURRED BY A MUNICIPALITY SHALL BE A SCHOOL BUILD-
21 ING. HOWEVER, THERE SHALL BE NO APPORTIONMENT OF PUBLIC MONEYS UNDER
22 SECTION THREE THOUSAND SIX HUNDRED ONE OF THE EDUCATION LAW WITH RESPECT
23 TO SUCH ALLOCATION OF TAXES LEVIED BY A SCHOOL DISTRICT.

24 (H) IN ESTABLISHING A UNIFORM TAX EXEMPTION POLICY PURSUANT TO SECTION
25 EIGHT HUNDRED SEVENTY-FOUR OF THIS CHAPTER, AN AGENCY SHALL NOT TAKE
26 INTO ACCOUNT THE PORTION OF REAL PROPERTY TAXES MEASURED UNDER PARAGRAPH
27 (II) OF SUBDIVISION (A) OF THIS SECTION IN COMPUTING A PAYMENT IN LIEU
28 OF TAXES AGREEMENT.

29 S 11. This act shall take effect immediately and shall apply to any
30 indebtedness incurred by a municipality pursuant to section 970-o of the
31 general municipal law on or after July 30, 1986.