

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

9932--A

I N A S S E M B L Y

April 28, 2016

Introduced by M. of A. MAYER, PRETLOW -- read once and referred to the Committee on Education -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT establishing the Yonkers city school district joint schools construction and modernization act; and to amend the education law and the public authorities law, in relation to implementing such joint schools construction and modernization act

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

1 Section 1. Short title. This act shall be known and may be cited as
2 "the Yonkers city school district joint schools construction and modern-
3 ization act".
4 S 2. Legislative findings and declaration of need. The legislature
5 finds that Yonkers schools have a growing population yet the average age
6 of the school buildings in Yonkers is seventy-five years with the oldest
7 building at one hundred nineteen years old; nine are over ninety-seven
8 years old and most are past their useful life and in need of extensive
9 refurbishment. The age of buildings in Yonkers is significantly over
10 the sixty-five years average age of schools in New York State. Even by
11 maximizing the debt borrowing under existing constitutional and statuto-
12 ry limits Yonkers city is unable to finance modernization of its facili-
13 ties at a reasonable rate as needs are far greater than the availability
14 of capital. The city school district's facilities are landlocked in
15 highly dense urban neighborhoods lacking proper school bus loops,
16 athletic facilities and other essential school amenities required for
17 the safe and proper administration of an educational institution, and
18 while Yonkers city has invested significant capital, deterioration of
19 building stock outpaces the district's ability to repair it.
20 The legislature further finds that such deterioration of the schools
21 and inability to expand school sites to provide even a modicum of
22 customary facilities and amenities to students is a serious impediment
23 to learning and teaching. If the quality of education in the city is to
24 be improved, existing schools must be rehabilitated and reconstructed
25 and new city schools must be built. This will include the retirement of

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

LBD14978-06-6

1 old facilities which will be replaced by more efficiently operating
2 buildings with better use of space. Renovations shall result in facili-
3 ties more conducive to current education requirements and shall be
4 equipped to operate at lower maintenance costs with improved energy
5 efficiency.

6 The city of Yonkers' student population has been rising, especially
7 with students with special needs and students with English as a second
8 language. Yonkers' increased enrollment has required overuse of avail-
9 able classroom space for regular instruction and resulted in a shortage
10 of libraries, art rooms, music rooms, computer rooms and other common
11 school facility elements. Construction of new facilities will allow for
12 reallocation of classroom space to essential specialized uses. However
13 the city's fiscal limitations magnify the inability to maintain existing
14 aging facilities or provide new facilities to accommodate the increasing
15 student populations. Yonkers is unable to pursue a modernization
16 program without special legislation as was provided to the Buffalo,
17 Rochester and Syracuse city school districts. As a result the city of
18 Yonkers has an immediate need for special legislation providing for new
19 school buildings and a joint schools construction and modernization
20 program patterned after the mechanism for funding received by or related
21 to the Buffalo, Rochester and Syracuse school districts.

22 The legislature further finds that as a result of the foregoing,
23 legislation granting certain new or additional authority to the city and
24 the city school district of the city of Yonkers as set forth in such
25 legislation is necessary, which authority should enable both parties to
26 better, more economically and more innovatively manage the acquisition,
27 design, construction, financing, operation, and maintenance of new
28 educational facilities.

29 S 3. Definitions. As used or referred to in this act:

30 (a) "Capital improvement plan" shall mean the city school district's
31 ongoing, annually updated five-year capital financing plan for the
32 construction and reconstruction of facilities, the acquisition and
33 replacement of equipment and the completion of other long-term capital
34 projects undertaken and financed by the issuance of general obligation
35 bonds by the city on behalf of the city school district pursuant to
36 existing state law applicable to all school districts.

37 (b) "City" shall mean the city of Yonkers.

38 (c) "City school district" shall mean the city school district of the
39 city of Yonkers acting by and through the board of education of the city
40 school district of the city of Yonkers.

41 (d) "City council" shall mean the city council of the city of Yonkers.

42 (e) "Commissioner" shall mean the commissioner of education of the
43 state of New York.

44 (f) "Compliance officer" shall mean an independent compliance firm
45 with an in-depth knowledge base and breadth of experience conducting
46 minority and women-owned business enterprise (MWBE) and disadvantaged
47 business enterprise (DBE) utilization compliance monitoring for public
48 contracts within New York state including school districts and auditing
49 contractors and subcontractors in construction and reconstruction
50 projects like those to be undertaken and contracted for by the YJSC
51 board pursuant to this act. Such firm shall support the facilities
52 modernization program by developing and implementing an MWBE/DBE Utili-
53 zation Master Plan for the governance of all project contracts to ensure
54 compliance with all federal, State, and local laws, rules, and regu-
55 lations as applicable.

56 (g) "Comptroller" shall mean the comptroller of the state of New York.

(h) "Joint schools construction and modernization plan" or "joint schools construction and modernization program" shall mean the comprehensive, strategic plan developed by the city school district as described in section five of this act.

(i) "MWBE/DBE utilization master plan" shall be a plan prepared by the compliance officer to the satisfaction of the YJSC board to meet disparity as established by existing state studies.

(j) "Person" shall mean a municipality or other governmental body, a public corporation or an authority, a private corporation, a limited liability company or partnership, or an individual.

(k) "Program manager" shall mean an independent program management firm that has been selected by the city and the city school district through the request for proposal process to oversee the implementation of the joint schools construction and modernization plan to assist it in: (1) developing and implementing procedures for the projects undertaken and contracted for by the city school district or the YJSC board; (2) reviewing plans and specifications for projects; (3) developing and implementing policies and procedures to utilize employment resources to provide sufficient skilled employees for such projects, including developing and implementing training programs, if required; and (4) managing such projects.

(l) "Project" shall mean (1) work at an existing school building site that involves the design, reconstruction, or rehabilitation of all or a portion of an existing school building for its continued use as a school of the city school district, which may include an addition to existing school buildings for such continued use and which also may include (i) the construction or reconstruction of athletic fields, playgrounds, and other recreational facilities for such existing school buildings, and/or (ii) the acquisition and installation of all equipment necessary and attendant to and for the use of such existing school buildings and/or (2) the acquisition of land for new school buildings and athletic fields, playgrounds and other recreations facilities; and/or (3) construction of up to three new school buildings and land acquisition from the city or private parties which also may include (i) the construction or reconstruction of athletic fields, playgrounds, and other recreational facilities for such new school buildings and (ii) the acquisition and installation of all equipment necessary and attendant to and for the use of such new school buildings; and/or (iii) the acquisition of additional real property by the city to facilitate the project. For purposes of this act, the term "construction" shall include all work related to construction, demolition, reconstruction, excavation, rehabilitation, repairs, renovations, alterations, or improvements.

(m) "Project labor agreement" shall mean a pre-hire collective bargaining agreement between a contractor and a bona fide building and construction trades labor organization establishing the signatory unions as the collective bargaining representatives for all persons who will perform work on the project, and which provides that only contractors and subcontractors who sign a pre-negotiated agreement with the labor organization can perform project work.

(n) "YJSC board" or "board" shall mean the Yonkers joint schools construction board, a joint instrumentality of the city and the city school district, acting for and on behalf of the city and the city school district.

(o) "SED" shall mean the state education department.

(p) "Related party" means: (1) any member, officer or employee of the board, or any other person who exercises the powers of members, officers

1 or employees over the affairs of the board; (2) any relative of any
2 individual described in paragraph one of this subdivision; or (3) any
3 entity in which any individual described in paragraphs one and two of
4 this subdivision has a thirty-five percent or greater ownership or bene-
5 ficial interest or, in the case of a partnership or professional corpo-
6 ration, a direct or indirect ownership interest in excess of five
7 percent.

8 (q) "Related party transaction" means any transaction, agreement or
9 any other arrangement in which a related party has a financial interest
10 and in which the board is a participant.

11 S 4. Yonkers joint schools construction board. (a) For the benefit of
12 the city of Yonkers and the inhabitants thereof, a board to be known as
13 the Yonkers joint schools construction board, and sometimes referred to
14 as the YJSC board, is hereby established for the accomplishment of the
15 purposes specified in this act. The YJSC board shall conduct meetings as
16 often as deemed necessary to accomplish its purposes, but not less than
17 quarterly.

18 (b) (1) The board shall be composed of nine voting members: one of
19 whom, sitting ex officio, shall be the mayor of Yonkers; one of whom
20 shall be the president of the Yonkers board of education; one of whom
21 shall be the superintendent of the Yonkers city school district; one of
22 whom shall be the designee of the Yonkers council of Parent Teach Asso-
23 ciations; two of whom shall be Yonkers city council designees of whom
24 one shall be from the majority and one from the minority; and three of
25 whom shall be jointly designated by the mayor and the superintendent of
26 the city school district, but shall be not employed by the city or the
27 school district. In selecting designees to serve on the board, prefer-
28 ence shall be granted to those with expertise or experience in school
29 construction, school financing, and education policy. The members of
30 the board shall serve without salary, but each member shall be reim-
31 bursed for actual and necessary expenses incurred in the performance of
32 such member's official duties as a member of the board. To ensure flex-
33 ibility and continuity, the mayor and/or the superintendent may from
34 time to time designate and authorize their chief of staff, chief finan-
35 cial officer, or other designee to attend and vote in their stead.

36 (2) Notwithstanding any inconsistent provision of any general, special
37 or local law, ordinance, resolution or charter, no officer, board of
38 trustees, member or employee of the state, any city, county, town or
39 village, any governmental entity operating any public school or college,
40 any school district or any other public agency or instrumentality which
41 exercises governmental powers under the laws of the state, shall forfeit
42 his or her office or employment by reason of his or her acceptance of
43 appointment as a member, officer or employee of the YJSC board, nor
44 shall service as such member, officer or employee of the YJSC board be
45 deemed incompatible or in conflict with such office or employment,
46 except for the three board members who were jointly appointed by the
47 mayor and the superintendent of the city school district.

48 (3) Except for the mayor of Yonkers, the president of the Yonkers
49 board of education and the superintendent of the city school district,
50 the remaining members of the board shall be independent members. The
51 official or officials having the authority to appoint or remove such
52 remaining members shall take such actions as may be necessary to satisfy
53 this requirement and further, shall consider the prospective diversity
54 of the members of the board when making their determinations to appoint
55 any member. For purposes of this section, an independent member is one
56 who: (i) is not, and in the past two years has not been employed by the

1 board, the city or the school district; (ii) is not, and in the past two
2 years has not been, employed by an entity that received remuneration
3 valued at more than fifteen thousand dollars for goods and services
4 provided to the board, the city or the school district or received any
5 other form of financial assistance valued at more than fifteen thousand
6 dollars from the board, the city or the school district; (iii) is not a
7 relative of an executive officer or employee in an executive position
8 with the city of Yonkers or the Yonkers city school district or a member
9 of the Yonkers city council or the Yonkers board of education; and (iv)
10 is not, and in the past two years has not been, a lobbyist registered
11 under a state or local law and paid by a client to influence the manage-
12 ment decisions, contract awards, rate determinations or any other simi-
13 lar actions of the board, the city or the school district.

14 (4) Notwithstanding any other provision of any general, special or
15 local law, municipal charter or ordinance to the contrary, board
16 members, officers and employees of the board shall file annual financial
17 disclosure statements with the county board of ethics for the county in
18 which the board has its primary office pursuant to article 18 of the
19 general municipal law.

20 (c) A majority of the whole board shall constitute a quorum for the
21 transaction of any business or the exercise of any power of the board.
22 No action shall be taken by the board except pursuant to a favorable
23 vote of at least a majority of the whole board participating in a meet-
24 ing at which such action is taken.

25 (d) The board shall be effective upon filing with the secretary of
26 state a certificate of organization indicating that its organizational
27 meeting has been held and its conflict of interest policy has been
28 adopted and shall continue after the tenth anniversary of its date of
29 organizational meeting during any period when bonds or notes are
30 outstanding.

31 (e) Except as otherwise limited by this act, the YJSC board shall have
32 the following powers and responsibilities in addition to those specially
33 conferred elsewhere in this act, subject only to agreements with bond-
34 holders:

35 (1) to make plans and studies necessary, convenient or desirable for
36 the effectuation of the purposes and powers of the board and to prepare
37 recommendations in regard thereto;

38 (2) to make use of existing studies, surveys, plans, data and other
39 material in the possession of the city, the city school district, or any
40 person in order to avoid duplication of effort;

41 (3) to enter into cooperative agreements with the state, any state
42 agency, the city, or the city school district for any lawful purposes
43 necessary or desirable to effect the purposes of this act upon such
44 terms and conditions as shall be determined to be reasonable;

45 (4) to develop and maintain the joint schools construction and modern-
46 ization plan for so long as the projects authorized pursuant to this
47 act, are yet to be undertaken; and

48 (5) to do all things necessary, convenient or desirable to carry out
49 its purposes and for the exercise of the powers granted in this act.

50 (f) (1) The board shall adopt a conflict of interest policy to ensure
51 that its directors, officers and employees act in the city's and city
52 school district's best interest and comply with applicable legal
53 requirements, including but not limited to the requirements set forth in
54 subdivision (g) of this section.

55 (2) The conflict of interest policy shall include, at a minimum, the
56 following provisions: (i) a definition of the circumstances that consti-

1 tute a conflict of interest; (ii) procedures for disclosing a conflict
2 of interest to the board; (iii) a requirement that the person with the
3 conflict of interest not be present at or participate in board deliber-
4 ation or vote on the matter giving rise to such conflict, provided that
5 nothing in this subdivision shall prohibit the board from requesting
6 that the person with the conflict of interest present information as
7 background or answer questions at a board meeting prior to the commence-
8 ment of deliberations or voting relating thereto; (iv) a prohibition
9 against any attempt by the person with the conflict to influence improper-
10 ly the deliberation or voting on the matter giving rise to such
11 conflict; (v) a requirement that the existence and resolution of the
12 conflict be documented in the board's records, including in the minutes
13 of any meeting at which the conflict was discussed or voted upon; and
14 (vi) procedures for disclosing, addressing, and documenting related
15 party transactions in accordance with subdivision (g) of this section.

16 (3) The conflict of interest policy shall require that prior to the
17 filing of the certificate of organization, and annually thereafter, all
18 members of the board shall complete, sign and submit to the county board
19 of ethics for the county in which the board has its primary office
20 pursuant to article 18 of the general municipal law a written statement
21 identifying, to the best of the member's knowledge, any entity of which
22 such member is an officer, director, trustee, member, owner (either as a
23 sole proprietor or a partner), or employee and with which the board has
24 a relationship, and any transaction in which the board is a participant
25 and in which the member might have a conflicting interest. The policy
26 shall require that each board member annually resubmit such written
27 statement. The county board of ethics shall provide a copy of all
28 completed statements to each board member.

29 (4) If the board has complied substantially with section 2824 and
30 subdivision 3 of section 2825 of the public authorities law, it shall be
31 deemed in compliance with this subdivision.

32 (5) Nothing in this subdivision shall be interpreted to require the
33 board to adopt any specific conflict of interest policy not otherwise
34 required by this subdivision or any other law or rule, or to supersede
35 or limit any requirement or duty governing conflicts of interest
36 required by any other law or rule.

37 (g) (1) The board shall not enter into any related party transaction
38 unless the transaction is determined by the board to be fair, reasonable
39 and in the board's best interest at the time of such determination. Any
40 member, officer or employee who has an interest in a related party tran-
41 saction shall disclose in good faith to the board the material facts
42 concerning such interest.

43 (2) With respect to any related party transaction in which a related
44 party has an substantial financial interest, the board, shall: (i) prior
45 to entering into the transaction, consider alternative transactions to
46 the extent available; (ii) approve the transaction by not less than a
47 majority vote of the entire board; and (iii) contemporaneously document
48 in writing the basis for the board's approval, including its consider-
49 ation of any alternative transactions.

50 (3) SED may bring an action to enjoin, void or rescind any related
51 party transaction or proposed related party transaction that violates
52 any provision of this section or was otherwise not reasonable or in the
53 best interests of the board at the time the transaction was approved, or
54 to seek restitution, and the removal of members or officers, or seek to
55 require any person or entity to: (i) account for any profits made from
56 such transaction, and pay them to the board; (ii) pay the board the

1 value of the use of any of its property or other assets used in such
2 transaction; (iii) return or replace any property or other assets lost
3 to the board as a result of such transaction, together with any income
4 or appreciation lost to the board by reason of such transaction, or
5 account for any proceeds of sale of such property, and pay the proceeds
6 to the board together with interest at the legal rate; and (iv) pay, in
7 the case of willful and intentional conduct, an amount up to double the
8 amount of any benefit improperly obtained.

9 (4) No related party may participate in deliberations or voting relat-
10 ing to a related party transaction in which he or she has an interest;
11 provided that nothing in this section shall prohibit the board from
12 requesting that a related party present information as background or
13 answer questions concerning a related party transaction at a board meet-
14 ing prior to the commencement of deliberations or voting relating there-
15 to.

16 (h) Notwithstanding any other provision of any general, special or
17 local law, municipal charter or ordinance to the contrary, for the
18 purposes of title 2 of article 1 of the public authorities law the board
19 shall be considered a local authority.

20 S 5. Joint schools construction and modernization plan; project costs.

21 (a) The superintendent, in consultation with the Yonkers board of educa-
22 tion, shall submit to the YJSC board a comprehensive draft plan recom-
23 mending and outlining the projects for phase one it proposes to be
24 undertaken pursuant to this act. The YJSC board shall consider the plan
25 in developing a comprehensive joint schools construction and moderniza-
26 tion plan recommending and outlining the projects it proposes to be
27 potentially undertaken pursuant to this act. The comprehensive joint
28 schools construction and modernization plan shall include:

29 (1) an estimate of total costs to be financed, not to exceed five
30 hundred twenty-three million dollars (\$523,000,000), plus such addi-
31 tional amount of bonds, notes and other obligations necessary to provide
32 for a debt service reserve fund and to pay reasonable costs of issuance,
33 a proposed financing plan, a proposed method of financing, terms and
34 conditions of the financing, and estimated financing costs (calculated
35 on a net interest cost basis). The plan shall address what specific
36 options would be used to ensure that sufficient resources exist to cover
37 the local share of any such project cost on an annual basis;

38 (2) information concerning the number of buildings to be constructed
39 or reconstructed to the satisfaction of SED;

40 (3) a district wide technology plan and a description of related inci-
41 dental expenses;

42 (4) information concerning the potential persons to be involved in the
43 financing and such persons' roles and responsibilities;

44 (5) estimates on the design, construction, reconstruction and rehabil-
45 itation costs by project, any administrative costs for potential
46 projects, and an outline of the timeframe expected for completion of
47 each potential project;

48 (6) direction to the program manager in the implementation of the
49 plan;

50 (7) any proposed amendments to the city school district's five year
51 capital facilities plan submitted in accordance with subdivision 6 of
52 section 3602 of the education law, the regulations of the commissioner
53 and the provisions of this section; and

54 (8) a diversity plan, in compliance with section eleven of this act,
55 to develop diversity goals, including appropriate community input and
56 public discussion, and develop strategies that would create and coordi-

1 nate any efforts to ensure a more diverse workforce for the projects.
2 The MWBE/DBE utilization master plan should address accountability for
3 attainment of the diversity goals, what forms of monitoring would be
4 used, and how such information would be publicly communicated. Prior to
5 the development of the comprehensive joint schools construction and
6 modernization plan, the YJSC board and district shall hold not less than
7 one public hearing per school site to ensure sufficient public input and
8 allow for significant public discussion on school building needs in such
9 city, with at least one such hearing to be held in each neighborhood
10 potentially impacted by a proposed project and in each neighborhood from
11 which the majority of students impacted reside. The hearing must be
12 widely publicized, including, but not limited to, social media distrib-
13 ution by the board of education and the YJSC board. The Yonkers joint
14 schools construction board shall submit the components of such plan
15 described in paragraph one of this subdivision to the comptroller, along
16 with any other information requested by the comptroller, for his or her
17 review and approval.

18 (b) The aggregate amount of project costs authorized and undertaken
19 pursuant to this act as phase one shall not exceed five hundred twenty-
20 three million dollars (\$523,000,000), plus such additional amount of
21 bonds, notes and other obligations necessary to provide for a debt
22 service reserve fund and to pay reasonable costs of issuance, unless
23 otherwise authorized by law. Due to the urgent need to address increased
24 enrollment, phase one shall consist of construction of up to three new
25 schools along with critical infrastructure system replacements at the
26 existing schools to maintain safe operation of the existing schools
27 until future renovations are made as part of the joint schools
28 construction and modernization plan. Such infrastructure system replace-
29 ment will be coordinated so that the work remains in place and is incor-
30 porated into the future renovation of the schools.

31 S 6. Project eligibility. To be eligible for selection as a project to
32 be undertaken pursuant to this section, such project shall be included
33 by the city school district in its joint schools construction and
34 modernization plan as a special section of the district's five-year
35 capital facilities plan that is required pursuant to subdivision 6 of
36 section 3602 of the education law and the regulations of the commission-
37 er. The facilities modernization plan and any portions of such plan
38 relating to such projects, including any amendments thereto, shall have
39 the contents required in the regulations of the commissioner and shall
40 be submitted to the commissioner for approval. Notwithstanding anything
41 to the contrary in this section, the city school district may elect to
42 finance a project under its ongoing capital improvement plan pursuant to
43 the powers and authority granted to all school districts in the state or
44 as part of the joint schools construction and modernization plans pursu-
45 ant to the special powers and authority granted to the city school
46 district and the YJSC board by this act. Commencing on the effective
47 date of this section, the city school district shall create and maintain
48 a written schedule listing each project undertaken, certified to annual-
49 ly by the city's commissioner of finance, which schedule shall identify
50 each project and its cost and formally designate such project as being
51 undertaken pursuant to either the joint schools construction and modern-
52 ization plan or the capital improvement plan.

53 S 7. Determination of projects. (a) Upon approval by the commissioner
54 of the YJSC board's joint schools construction and modernization plan,
55 the YJSC board may select projects to be undertaken pursuant to this
56 section, as provided for in such approved joint schools construction and

1 modernization plan. After the board has selected a new project and plans
2 and specifications for such project have been prepared and approved by
3 the board, which are consistent with the approved comprehensive plan,
4 the board shall deliver such plans and specifications to the commission-
5 er for his or her approval. After approval by the commissioner, the
6 plans and specifications shall be returned to the board. All such spec-
7 ifications shall detail the number of students the completed project is
8 intended to serve, the site description, the types of subjects to be
9 taught, the types of activities for school, recreational, social, safe-
10 ty, or other purposes intended to be incorporated in the school building
11 or on its site and such other information as the board and the commis-
12 sioner shall deem necessary or advisable.

13 (b) The YJSC board, upon receipt of such approved plans and specifica-
14 tions for a project may enter into contracts for such project, as
15 described in section eight of this act.

16 S 8. Contracts. Notwithstanding the provisions of any general,
17 special, or local law or judicial decision to the contrary:

18 (a) (1) The YJSC board is hereby authorized and empowered to enter
19 into contracts relating to the design (pursuant to the approved plans
20 and specifications), construction, reconstruction, rehabilitation,
21 equipping, financing or managing of one or more projects undertaken
22 pursuant to this section with any person, upon such terms and conditions
23 and for such consideration and for such terms and duration, not to
24 exceed thirty years, as may be agreed upon by the board and such person
25 notwithstanding the provisions of any other general, special, or local
26 law to the contrary, relating to the length, duration, and terms of
27 contracts that the city or the city school district may enter into, as
28 set forth in subdivision (e) of this section. The district program
29 manager shall establish reasonable guidelines or limits on incidental
30 costs to assure that to the greatest extent possible such costs for each
31 project do not exceed the state's maximum incidental cost allowance, in
32 order to maximize efficient use of state building aid.

33 (2) Notwithstanding any other provision of law to the contrary, the
34 YJSC board shall submit estimated project costs for the projects author-
35 ized pursuant to paragraph five of subdivision (a) of section five of
36 this act after the completion of schematic plans and specifications for
37 review by the commissioner. If the total project costs associated with
38 such projects exceed the sum of the estimated individual approved cost
39 allowance of each building project by more than the lesser of fifty-two
40 million dollars (\$52,000,000) or ten percent of the approved costs, and
41 the city school district has not otherwise demonstrated to the satisfac-
42 tion of the SED the availability of additional local shares for such
43 excess costs, then the YJSC board shall not proceed with the preparation
44 of final plans and specifications for such projects until the projects
45 have been redesigned or value-engineered to reduce estimated project
46 costs so as not to exceed the above cost limits.

47 (3) Notwithstanding any other provision of law to the contrary, the
48 YJSC board shall submit estimated project costs for the projects author-
49 ized pursuant to paragraph five of subdivision (a) of section five of
50 this act after the completion of fifty percent of the final plans and
51 specifications for review by the commissioner. If the total project
52 costs associated with such projects exceed the sum of the estimated
53 individual approved cost allowance of each building project by more than
54 the lesser of fifty-two million dollars (\$52,000,000) or ten percent of
55 the approved costs, and the city school district has not otherwise
56 demonstrated to the satisfaction of the SED the availability of addi-

1 tional local share for such excess costs, then the YJSC board shall not
2 proceed with the completion of the remaining fifty percent of the plans
3 and specifications for such projects until the projects have been rede-
4 signed or value-engineered to reduce estimated project costs so as not
5 to exceed the above cost limits.

6 (b) A contract entered into between the board and any person pursuant
7 to this section may be awarded either pursuant to public bidding in
8 compliance with section 103 of the general municipal law or, in order to
9 foster major investment in existing school buildings or new school
10 buildings and to deliver quality products and services that are benefi-
11 cial to the city school district and the public it serves, on the basis
12 of factors other than cost alone, including, but not limited to, adher-
13 ence to facility design, quality and durability or materials, energy
14 efficiency, incorporating systems and approaches which provide maximum
15 facility value using the best current development, and construction
16 techniques available, and maximization of state building aid, and such a
17 contract may be entered into pursuant to the following provisions of
18 this section for the award of a contract based on evaluation of
19 proposals submitted in response to a request for proposals prepared by
20 or for the board; provided, however, that contracts or agreements
21 involving construction which are not awarded in compliance with section
22 103 of the general municipal law must include a project labor agreement
23 in accordance with paragraph (f) of this subdivision. If a project labor
24 agreement is not performed on the project, all construction contracts
25 must be awarded pursuant to sections 101 and 103 of the general municip-
26 al law.

27 (c) Notwithstanding any inconsistent provision of this act, all work
28 performed on any project authorized by this act where all or any portion
29 thereof involves a lease, grant, bond, covenant, debt agreement, permit,
30 contract or agreement entered into by the YJSC board for construction,
31 demolition, reconstruction, excavation, rehabilitation, repair, reno-
32 vation, alteration, or improvement shall be deemed public work and shall
33 be subject to and performed in accordance with the provisions of article
34 8 of the labor law to the same extent and in the same manner as a
35 contract of the state, and compliance with all the provisions of article
36 8 of the labor law shall be required of any lessee, sublessee, contrac-
37 tor or subcontractor on the project including the enforcement of
38 prevailing wage requirements by the fiscal officer as defined in para-
39 graph e of subdivision 5 of section 220 of the labor law to the same
40 extent as a contract of the state.

41 (d) Every contract entered into by the YJSC board for a project shall
42 contain a provision that the design of such project shall be subject to
43 the review and approval of the Yonkers board of education and that the
44 design and construction standards of such project shall be subject to
45 the review and approval of the commissioner. In addition, every such
46 contract shall contain a provision that the contractor shall furnish a
47 labor and material bond guaranteeing prompt payment of moneys that are
48 due to all persons furnishing labor and materials pursuant to the
49 requirements of any contracts for a project undertaken pursuant to this
50 section and a performance bond for the faithful performance of the
51 project, which shall conform to the provisions of section 103-f of the
52 general municipal law, and that a copy of such performance and payment
53 bonds shall be kept by the YJSC board and shall be open to public
54 inspection.

55 (e) (1) The YJSC board may require a contractor awarded a contract,
56 subcontract, lease, grant, bond, covenant or other agreement for a

1 project to enter into a project labor agreement during and for the work
2 involved with such project when such requirement is part of the request
3 for proposals for the project and when it has been determined that the
4 record supporting the decision to enter into such an agreement estab-
5 lishes that it is justified by the interests underlying the competitive
6 bidding laws, and (2) any contract, subcontract, lease, grant, bond,
7 covenant or other agreement for projects undertaken pursuant to this act
8 shall not be subject to sections 101 or 103 of the general municipal law
9 when the YJSC board has chosen to require a project labor agreement.
10 This exemption shall only apply to the projects undertaken pursuant to
11 this act and shall not apply to projects undertaken by any other school
12 district or municipality unless otherwise specifically authorized.

13 (f) All contracts entered into by the YJSC board in excess of three
14 million dollars (\$3,000,000) with respect to any contract for
15 construction, reconstruction, demolition, excavation, rehabilitation,
16 repair, renovation, alteration, or improvement shall require that each
17 contractor and subcontractor shall participate in apprentice training
18 programs registered by the department of labor. Participation in such an
19 apprenticeship program means the contractor or subcontractor: (1) is
20 signatory to a collective bargaining agreement with a labor organization
21 which sponsors an apprenticeship program registered with the department
22 of labor; (2) individually sponsors an apprenticeship program registered
23 by the department of labor; or (3) is signatory to or otherwise bound by
24 a project labor agreement covering the project which provides for the
25 referral of apprentices. In all cases, such apprenticeship program must
26 be specific to the type and scope of work which is being performed.

27 (g) For the purposes of article 15-A of the executive law, YJSC board
28 shall be deemed a state agency as that term is defined in such article
29 and such contracts shall be deemed state contracts within the meaning of
30 that term as set forth in such article.

31 (h) In the event the YJSC board shall cease to exist for any reason
32 whatsoever during the life of such contracts as it has entered into
33 pursuant to this section, such contracts shall remain in full force and
34 effect and the city and city school district shall stand in the place
35 and stead of the board with respect to all rights and obligations under
36 such contracts and with respect to all powers granted to the board by
37 this section; provided, however, that such powers are exercised by the
38 city school district pursuant to its jurisdiction and the general laws
39 applicable thereto, except as modified by this section.

40 S 9. Program manager. (a) The YJSC board shall utilize the services of
41 a program manager selected by the city and the city school district
42 through the request for proposal process to oversee the implementation
43 of the joint schools construction and modernization plan. Prior to
44 selection, the program manager must demonstrate satisfactory experience
45 in planning, designing, and constructing new and/or reconstructing
46 existing school buildings, public facilities, commercial facilities,
47 and/or infrastructure facilities, and in the negotiation and management
48 of labor contracts and agreements, training programs, educational
49 programs, and physical technological requirements for educational
50 programs.

51 (b) All contracts entered into by the YJSC board for projects under-
52 taken pursuant to this section shall be managed by such program manager.
53 The program manager shall also review project schedules, review payment
54 schedules, prepare cost estimates and review for coordination purposes
55 the safety programs of contractors and all training programs, if
56 required. The program manager shall implement procedures for verifica-

tion by it that all work for which payment has been requested has been satisfactorily completed.

(c) The program manager, and its affiliates or subsidiaries, if any, shall be prohibited from awarding contracts or being awarded contracts for or performing any work other than contemplated for the program manager.

S 10. Requests for proposals for the award of projects. (a) The YJSC board shall consult with the commissioner in creating guidelines to be used in the preparation of individual requests for proposals in connection with projects prior to the development of any requests for proposals by the program manager. Prior to the issuance by the program manager of a request for proposals, the YJSC board shall cause to be published a notice of such issuance in the official newspaper of the city school district, if any, and in at least one newspaper of general circulation in the city. Concurrent with the publication of such notice, a draft request for proposals shall be filed with the YJSC board.

(b) Each proposal shall require the inclusion of the following information relating to each project:

(1) the background and experience of the person including any history of labor violations, and when applicable, the identity and experience of the person's general contractor, heating and plumbing contractor, electrical contractor, and design firm;

(2) the ability of the person to secure adequate financing, if applicable, including the identification of the firm, if any, that will be used for financing the project; and

(3) identification and specification of all direct and indirect costs which would become a charge to the YJSC board, in whatever form, relating to the project and such other information as may be determined to have a material bearing on the ability to evaluate any proposal.

(c) Proposals received in response to a request for proposals shall be evaluated taking into consideration (1) maximization of state building aid, (2) net cost, (3) the financial and organizational capacity of contractors and subcontractors in relation to the magnitude of work they may perform, the record of performance of contractors and subcontractors on previous work, the record of contractors and subcontractors in complying with existing labor laws, rules, or regulations and maintaining harmonious labor relations, and the commitment of contractors to work with minority and women owned business enterprises pursuant to article 15-A of the executive law and disadvantaged business enterprises through subcontractor relationships, and (4) such additional factors set forth in the request for proposals, including, but not limited to, quality and durability of materials, energy efficiency, facility design incorporating systems and approaches which provide maximum facility value at the lowest possible cost for the reconstruction, rehabilitation and equipping, or new construction and equipping, of such projects.

(d)(1) A contract award may be made to any responsible person selected taking into consideration:

(i) maximization of state building aid;

(ii) net cost;

(iii) the financial and organizational capacity of contractors and subcontractors in relation to the magnitude of work they may perform, the record of performance of contractors and subcontractors on previous work, the record of contractors and subcontractors in complying with existing labor standards and maintaining harmonious labor relations, and the commitment of contractors to work with minority and women owned business enterprises pursuant to article 15-A of the executive law and

1 disadvantaged business enterprises through subcontractor relationships;
2 and

3 (iv) such additional factors set forth in the request for proposals,
4 including, but not limited to, quality and durability of materials,
5 energy efficiency, facility design incorporating systems and approaches
6 which provide maximum facility value at the lowest possible cost for the
7 reconstruction, rehabilitation and equipping, or new construction and
8 equipping, of such projects.

9 (2) Notwithstanding the provisions of this subdivision, if an award is
10 made to any person whose total proposal does not provide the lowest net
11 cost, the city school district or the YJSC board shall adopt a resol-
12 ution after a public hearing which includes particularized findings
13 relevant to factors evaluated indicating that the requirements of the
14 city school district or the YJSC board, as applicable, are met by such
15 award and that such action is in the public interest. Any such contract
16 may be a single guaranteed maximum price general contract, utilize a
17 full construction management contract approach, or utilize a turnkey
18 contract approach or any other method deemed advisable in the reasonable
19 judgment of the YJSC board.

20 S 11. Compliance officer. All contracts entered into by the YJSC board
21 for projects undertaken by this section shall be monitored by a compli-
22 ance officer. The compliance officer shall have the authority to:

23 (a) develop, implement, advertise, promote and monitor policies and
24 procedures to utilize and provide sufficient MWBE, DBE and skilled
25 minority employment resources participation opportunities to be followed
26 by prime contractors and subcontractors for such projects; and have
27 access to all proposed bid specifications documentations, records, draw-
28 ings, blueprints and any other documentation associated with such bid
29 specifications;

30 (b) support the joint schools construction and modernization plan by
31 developing and implementing an MWBE/DBE Utilization Master Plan for the
32 governance of all project contracts;

33 (c) provide technical assistance to potential MWBE and DBE contractors
34 and subcontractors interested in bidding on any such project;

35 (d) obtain and maintain records and documentation as are necessary to
36 confirm compliance with any established MWBE, DBE or skilled minority
37 employment resources utilization goals for any such project;

38 (e) identify contractors in non-compliance with the established MWBE,
39 DBE or skilled minority employment resources utilization goals or in
40 willful violation of any federal, state and local laws rules and regu-
41 lations;

42 (f) monitor and report the upward/downward price adjustment and
43 payment amounts to MWBE's and DBE's listed on contractors utilization
44 plan for any such project; and

45 (g) develop and work with YJSC board to enforce agreed financial or
46 monetary sanctions for any contractors non-compliance with MWBE/DBE
47 Utilization Master Plan.

48 (h) the compliance officer shall report to the YJSC board on a monthly
49 basis.

50 S 12. Building aid. Notwithstanding any other provision of law to the
51 contrary, building aid that would otherwise be payable for the school
52 district portion of expenditures for capital outlays and debt service
53 for each project undertaken pursuant to the provisions of this act in
54 accordance with subdivision 6 of section 3602 of the education law,
55 shall be paid to the city.

1 S 13. Operation and maintenance. (a) Notwithstanding any other gener-
2 al, special, or local law or provision of this section to the contrary,
3 any project undertaken pursuant to this section shall be operated and
4 maintained by the board of education of the city school district in the
5 same manner as existing school buildings owned by the city are operated
6 and maintained by such board.

7 (b) Notwithstanding any other provision of any general, special, or
8 local law to the contrary, any project undertaken pursuant to the
9 provisions of this act shall be exempt from all taxes (including sales
10 and use taxes), special assessments, and special ad valorem levies and
11 from the payment of any and all charges and rents for sewer systems,
12 both while such project is being constructed and during its use by the
13 city school district for school purposes.

14 S 14. Maintenance of effort exclusion. Payment of debt service on
15 bonds, notes or other obligations issued to secure financing for
16 projects undertaken pursuant to this act shall not be considered when
17 determining the "city amount" required pursuant to subparagraph (ii) of
18 paragraph a of subdivision 5-b of section 2576 of the education law;
19 provided, however, that this provision shall not otherwise affect the
20 determination of said "city amount" with respect to funding unrelated to
21 projects undertaken pursuant to this act.

22 S 15. SED oversight of projects. Nothing in this act shall be
23 construed to exempt a project undertaken pursuant to this section from
24 the review and approval procedures applied to such projects by SED when
25 undertaken by the city school district pursuant to the education law.

26 S 16. Financing of projects. (a) To finance project costs authorized
27 and undertaken pursuant to this act, bonds, notes and other obligations
28 in an aggregate principal amount not to exceed five hundred twenty-three
29 million dollars (\$523,000,000), plus such additional amount of bonds,
30 notes and other obligations necessary to provide for a debt service
31 reserve fund and to pay reasonable costs of issuance, are authorized to
32 be issued on behalf of the YJSC board pursuant to subdivisions (d) or
33 (e) of this section; provided, however, that bonds, notes and other
34 obligations issued to refund or advance refund previously issued bonds,
35 notes and other obligations under this act may exceed such aggregate
36 principal limitation; provided, further however, that any accretion of
37 principal of bonds, notes and other obligations issue pursuant to the
38 authority contained in this act that would constitute interest under the
39 Internal Revenue Code of 1986, as amended shall not count against such
40 aggregate principal limitation. Any bonds, notes or other obligations
41 issued by or on behalf of the YJSC board pursuant to this act, and the
42 income therefrom shall, to the maximum extent practicable, be exempt
43 from taxation.

44 (b) Notwithstanding the provisions of any other general, special, or
45 local law to the contrary, any bonds, notes or other obligations issued
46 to finance any project authorized and undertaken pursuant to this act,
47 including ancillary financing costs described in subdivision (a) of this
48 section, may be issued without regard to any debt limitation applicable
49 to the city or the city school district or any instrumentality thereof.

50 (c) Notwithstanding any general, special, or local law or ordinance to
51 the contrary, contracts entered into by the YJSC board for projects
52 undertaken pursuant to this act may be initially funded by the city from
53 any available monies or from the proceeds of city obligations issued in
54 anticipation of permanent financing from any source provided under the
55 act and the reimbursement to the city of any available monies so
56 advanced or the payment of obligations of the city issued in antic-

1 ipation of permanent financing (including permanent financing issued
2 through the city of Yonkers industrial development agency for such
3 purpose) is hereby specifically authorized.

4 (d) Notwithstanding any limitations contained in article 18-A of the
5 general municipal law, including subdivisions (4) and (12) of section
6 854 of the general municipal law, a project undertaken pursuant to this
7 section shall be a "project" within the definition and for the purposes
8 of subdivision (4) of section 854 of the general municipal law, which
9 may be financed, owned, or leased by the city of Yonkers industrial
10 development agency or any successor agency thereto and the city of Yonk-
11 ers industrial development agency is expressly authorized to refinance
12 obligations issued by the city in anticipation of financing authorized
13 by this act and/or reimburse the city for monies advanced by the city
14 for projects undertaken pursuant to this act. In connection with the
15 city of Yonkers industrial development agency financing of the costs of
16 any project undertaken pursuant to this act, the city and the city
17 school district may grant a leasehold or license interest in the land
18 and or building constituting such project to the city of Yonkers indus-
19 trial development agency and may enter into installment purchase
20 contracts to facilitate such financing.

21 (e) Projects undertaken pursuant to this act may be financed through a
22 special program agreement with the state of New York municipal bond bank
23 agency pursuant to the provisions of section 2435-a of the public
24 authorities law. It shall be the duty of the YJSC board to compare the
25 financing available for such projects through the city of Yonkers indus-
26 trial development agency with financing available through the state of
27 New York municipal bond bank agency, and to employ the financing mech-
28 anism that will result in the lowest cost to the taxpayers of the city
29 and the state calculated on a net interest cost basis. It shall be the
30 duty of the YJSC board and the city of Yonkers industrial development
31 agency to share with the state of New York municipal bond bank agency
32 any information in their possession that is required by the state of New
33 York municipal bond bank agency to determine the cost of financing such
34 projects and to compute the interest rate that would have been applica-
35 ble to a bond issuance by the state of New York municipal bond bank
36 agency in the event that financing is obtained through the city of Yonk-
37 ers industrial development agency. Any failure to provide such informa-
38 tion within thirty days of receipt of a request from the state of New
39 York municipal bond bank agency shall be deemed to be a failure of the
40 board to submit the data needed to compute the apportionment of state
41 building aid, and the commissioner shall withhold such apportionment
42 until such information is fully submitted. Upon request of the YJSC
43 board, the director of the state of New York municipal bond bank agency
44 shall submit such reports as the commissioner may require on the financ-
45 ing of such projects and/or the interest rate that would have been
46 applicable to such projects if they had been financed through such agen-
47 cy.

48 (f) Notwithstanding any other provision of any general, special, or
49 local law or provision of this act to the contrary, any project under-
50 taken pursuant to this act shall be operated and maintained by the board
51 of education of the city school district in the same manner as existing
52 school buildings owned by the city are operated and maintained by such
53 board.

54 S 17. Security for bonds, notes and other obligations; remedies. In
55 the event that the city or city school district shall fail to make a
56 payment in such amount and by such date as is provided to be made by

1 such city or city school district under agreements entered into with the
2 city of Yonkers industrial development agency or any successor agency
3 thereto, such entity shall so certify to the state comptroller. Such
4 certificate shall be in such form as the state comptroller deems desira-
5 ble, but shall specify the amount by which such payment shall have been
6 deficient. The state comptroller, upon receipt of such certificate from
7 such entity, shall withhold such amount of state and/or school aid paya-
8 ble to such city or city school district to the extent of the amount so
9 stated in such certificate as not having been made, and shall immediate-
10 ly pay over to each financial institution acting as trustee on behalf of
11 bondholders of the Yonkers industrial development agency or any succes-
12 sor agency thereto, the amount so withheld by the state comptroller. Any
13 amount so paid to bondholders from such state and/or school aid shall
14 not obligate the state to make, nor entitle the city or the city school
15 district to receive, any additional amounts of state and/or school aid.
16 Nothing contained in this section shall be deemed to prevent the state
17 from modifying, reducing or eliminating any program or programs of state
18 and/or school aid; nor shall the state be obligated by the terms hereof
19 to maintain state and/or school aid at any particular level or amount.

20 S 18. Progress reports. On June 30, 2017 and annually thereafter,
21 until completion of the projects in a total aggregate maximum amount of
22 \$523,000,000, plus such additional amount of bonds, notes and other
23 obligations necessary to provide for a debt service reserve fund and to
24 pay reasonable costs of issuance, authorized pursuant to this act, the
25 YJSC board shall issue a report to the governor, the comptroller, the
26 commissioner, the temporary president of the senate, the speaker of the
27 assembly, the city mayor, the city council and the city school district
28 on the progress and status of the projects undertaken by the YJSC board.
29 Provided further, that if any such entities request information on the
30 progress and status of the projects prior to such report, it shall be
31 provided to such entities by the YJSC board. In addition, on or before
32 June 30, 2019, the YJSC board shall issue a report to the city mayor,
33 the city school district, the governor, the commissioner, the comp-
34 troller, the temporary president of the senate, the minority leader of
35 the senate, the speaker of the assembly, the minority leader of the
36 assembly, the state board of regents, and the chairs and ranking minori-
37 ty members of the New York state senate and assembly committees on
38 education, the finance committee of the New York state senate, the ways
39 and means committee of the New York state assembly and the division of
40 the budget. Such report shall identify the fiscal and pedagogical
41 results of the projects undertaken pursuant to this act, along with
42 recommendations for its continuance to a phase two, amendments, or
43 discontinuance.

44 S 19. Clause (a) of subparagraph 5 of paragraph e of subdivision 6 of
45 section 3602 of the education law is amended by adding a new item (v) to
46 read as follows:

47 (V) NOTWITHSTANDING THE PROVISIONS OF ITEM (I) OF THIS CLAUSE, WHERE
48 SUCH CITY OR CITY SCHOOL DISTRICT HAS ENTERED INTO AN AGREEMENT WITH THE
49 STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY PURSUANT TO SUBDIVISION ONE
50 OF SECTION TWENTY FOUR HUNDRED THIRTY-FIVE-A OF THE PUBLIC AUTHORITIES
51 LAW AND SECTION SIXTEEN OF THE YONKERS CITY SCHOOL DISTRICT JOINT
52 SCHOOLS CONSTRUCTION AND MODERNIZATION ACT, OR AN AGREEMENT WITH THE
53 CITY OF YONKERS INDUSTRIAL DEVELOPMENT AGENCY FOR PROJECTS AUTHORIZED
54 PURSUANT TO THE YONKERS CITY SCHOOL DISTRICT JOINT SCHOOLS CONSTRUCTION
55 AND MODERNIZATION ACT, TO FINANCE DEBT RELATED TO SCHOOL REHABILITATION
56 OR RECONSTRUCTION OF SCHOOL BUILDINGS OR CONSTRUCTION OF NEW SCHOOL

1 BUILDINGS THAT IS SUBJECT TO SUBPARAGRAPH THREE OF THIS PARAGRAPH, THE
2 LESSER OF: (A) THE NET INTEREST COST, AS DEFINED BY THE COMMISSIONER,
3 APPLICABLE TO THE OBLIGATIONS ISSUED BY THE STATE OF NEW YORK MUNICIPAL
4 BOND BANK AGENCY OR THE CITY OF YONKERS INDUSTRIAL DEVELOPMENT AGENCY
5 FOR SUCH PURPOSE; OR (B) SUCH NET INTEREST COST, AS DEFINED BY THE
6 COMMISSIONER, THAT WOULD HAVE BEEN APPLICABLE TO BONDS ISSUED BY THE
7 STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY IF THE PROJECT HAD BEEN
8 AUTHORIZED TO BE FINANCED AND HAD BEEN FINANCED THROUGH SUCH ENTITY, AS
9 CERTIFIED TO THE COMMISSIONER BY THE EXECUTIVE DIRECTOR OF THE STATE OF
10 NEW YORK MUNICIPAL BOND BANK AGENCY, SHALL BE THE INTEREST RATE ESTAB-
11 LISHED FOR SUCH CITY APPLICABLE TO SUCH DEBT.

12 S 20. The opening paragraph of subdivision 6 of section 3602 of the
13 education law, as amended by chapter 416 of the laws of 2007, is amended
14 to read as follows:

15 Apportionment for capital outlays and debt service for school building
16 purposes. Any apportionment to a school district pursuant to this subdivi-
17 sion shall be based upon base year approved expenditures for capital
18 outlays incurred prior to July first, two thousand one from its general
19 fund, capital fund or reserved funds and current year approved expendi-
20 tures for debt service, including debt service for refunding bond issues
21 eligible for an apportionment pursuant to paragraph g of this subdivi-
22 sion and lease or other annual payments to the New York city educational
23 construction fund created by article ten of this chapter or the city of
24 Yonkers educational construction fund created by article ten-B of this
25 chapter which have been pledged to secure the payment of bonds, notes or
26 other obligations issued by the fund to finance the construction, acqui-
27 sition, reconstruction, rehabilitation or improvement of the school
28 portion of combined occupancy structures, or for lease or other annual
29 payments to the New York state urban development corporation created by
30 chapter one hundred seventy-four of the laws of nineteen hundred sixty-
31 eight, pursuant to agreement between such school district and such
32 corporation relating to the construction, acquisition, reconstruction,
33 rehabilitation or improvement of any school building, or for annual
34 payments to the dormitory authority pursuant to any lease, sublease or
35 other agreement relating to the financing, refinancing, acquisition,
36 design, construction, reconstruction, rehabilitation, improvement,
37 furnishing and equipping of, or otherwise provide for school district
38 capital facilities or school district capital equipment made under the
39 provisions of section sixteen hundred eighty of the public authorities
40 law, or for annual payments pursuant to any lease, sublease or other
41 agreement relating to the financing, refinancing, acquisition, design,
42 construction, reconstruction, rehabilitation, improvement, furnishing
43 and equipping of, or otherwise providing for educational facilities of a
44 city school district under the provisions of section sixteen of chapter
45 six hundred five of the laws of two thousand, or for payments, pursuant
46 to any assignment authorized by section twenty-seven hundred ninety-
47 nine-tt of the public authorities law, of debt service in furtherance of
48 funding the five-year educational facilities capital plan of the city of
49 New York school district or related debt service costs and expenses as
50 set forth in such section, for annual payments pursuant to any lease,
51 sublease or other agreement relating to the financing, refinancing,
52 design, reconstruction, rehabilitation, improvement, furnishing and
53 equipping of, or otherwise providing for projects authorized pursuant to
54 the city of Syracuse and the board of education of the city school
55 district of the city of Syracuse cooperative school reconstruction act,
56 for annual payments pursuant to any lease, sublease or other agreement

1 relating to the financing, refinancing, design, reconstruction, rehabil-
2 itation, improvement, furnishing and equipping of, or otherwise provid-
3 ing for projects authorized pursuant to the city of Rochester and the
4 board of education of the city school district of the city of Rochester
5 school facilities modernization program act, FOR ANNUAL PAYMENTS PURSU-
6 ANT TO ANY LEASE, SUBLEASE OR OTHER AGREEMENT RELATING TO THE FINANCING,
7 REFINANCING, DESIGN, CONSTRUCTION, RECONSTRUCTION, REHABILITATION,
8 IMPROVEMENT, FURNISHING AND EQUIPPING OF, OR OTHERWISE PROVIDING FOR
9 PROJECTS AUTHORIZED PURSUANT TO THE YONKERS CITY SCHOOL DISTRICT FACILI-
10 TIES MODERNIZATION PROGRAM ACT, or for lease, lease-purchase or other
11 annual payments to another school district or person, partnership or
12 corporation pursuant to an agreement made under the provisions of
13 section four hundred three-b, subdivision eight of section twenty-five
14 hundred three, or subdivision six of section twenty-five hundred fifty-
15 four of this chapter, provided that the apportionment for such lease or
16 other annual payments under the provisions of section four hundred
17 three-b, subdivision eight of section twenty-five hundred three, or
18 subdivision six of section twenty-five hundred fifty-four of this chap-
19 ter, other than payments under a lease-purchase agreement or an equiv-
20 alent agreement, shall be based upon approved expenditures in the
21 current year. Approved expenditures for capital outlays from a school
22 district's general fund, capital fund or reserved funds that are
23 incurred on or after July first, two thousand two, and are not aidable
24 pursuant to subdivision six-f of this section, shall be aidable as debt
25 service under an assumed amortization established pursuant to paragraphs
26 e and j of this subdivision. In any such case approved expenditures
27 shall be only for new construction, reconstruction, purchase of existing
28 structures, for site purchase and improvement, for new garages, for
29 original equipment, furnishings, machinery, or apparatus, and for
30 professional fees and other costs incidental to such construction or
31 reconstruction, or purchase of existing structures. In the case of a
32 lease or lease-purchase agreement entered pursuant to section four
33 hundred three-b, subdivision eight of section twenty-five hundred three
34 or subdivision six of section twenty-five hundred fifty-four of this
35 chapter, approved expenditures for the lease or other annual payments
36 shall not include the costs of heat, electricity, water or other utili-
37 ties or the costs of operation or maintenance of the leased facility. An
38 apportionment shall be available pursuant to this subdivision for
39 construction, reconstruction, rehabilitation or improvement in a build-
40 ing, or portion thereof, being leased by a school district only if the
41 lease is for a term of at least ten years subsequent to the date of the
42 general construction contract for such construction, reconstruction,
43 rehabilitation or improvement. Each school district shall prepare a five
44 year capital facilities plan, pursuant to regulations developed by the
45 commissioner for such purpose, provided that in the case of a city
46 school district in a city having a population of one million inhabitants
47 or more, such facilities plan shall comply with the provisions of
48 section twenty-five hundred ninety-p of this chapter and this subdivi-
49 sion. Such plan shall include, but not be limited to, a building inven-
50 tory, and estimated expense of facility needs, for new construction,
51 additions, alterations, reconstruction, major repairs, energy consump-
52 tion and maintenance by school building, as appropriate. Such five year
53 plan shall include a priority ranking of projects and shall be amended
54 if necessary to reflect subsequent on-site evaluations of facilities
55 conducted by state supported contractors.

1 S 21. Subdivision 12 of section 2432 of the public authorities law, as
2 amended by section 21 of part A4 of chapter 58 of the laws of 2006, is
3 amended to read as follows:

4 (12) "Special Program Municipality". Any city having a population of
5 less than one million but more than three hundred fifty thousand; and
6 any city having a population of less than two hundred fifty thousand but
7 more than two hundred thousand, determined according to the federal
8 decennial census of nineteen hundred eighty. Such term shall also
9 include the city of Syracuse solely for the purpose of the city of Syra-
10 cuse and the board of education of the city school district of the city
11 of Syracuse cooperative school reconstruction act AND THE CITY OF YONK-
12 ERS SOLELY FOR THE PURPOSE OF THE YONKERS CITY SCHOOL DISTRICT JOINT
13 SCHOOLS CONSTRUCTION AND MODERNIZATION ACT.

14 S 22. Subdivision 1 of section 2435-a of the public authorities law,
15 as amended by section 22 of part A4 of chapter 58 of the laws of 2006,
16 is amended to read as follows:

17 (1) In order to fulfill the purposes of this title and to provide a
18 means by which the special program municipalities may (a) receive moneys
19 to refund certain property taxes determined to be in excess of state
20 constitutional tax limits or to reimburse the special program munici-
21 palities for the prior refunding of such taxes or (b) receive moneys to
22 be applied to the cost of settling litigation involving the city school
23 districts of special program municipalities and the teachers' unions in
24 such special program municipalities, or (c) receive moneys for the
25 financing of public improvements to be applied to the cost of the recon-
26 struction, rehabilitation or renovation of an educational facility
27 pursuant to the provisions of subdivision (b) of section sixteen of
28 chapter six hundred five of the laws of two thousand, or (d) receive
29 moneys for the financing of public improvements to be applied to the
30 cost of a project for design, reconstruction or rehabilitation of a
31 school building pursuant to the provisions of section fourteen of the
32 city of Syracuse and the board of education of the city school district
33 of the city of Syracuse cooperative school reconstruction act, OR (E)
34 RECEIVE MONEYS FOR THE FINANCING OF PUBLIC IMPROVEMENTS TO BE APPLIED TO
35 THE COST OF A PROJECT FOR DESIGN, RECONSTRUCTION OR REHABILITATION OF A
36 SCHOOL BUILDING, OR THE CONSTRUCTION OF A NEW SCHOOL BUILDING, PURSUANT
37 TO THE PROVISIONS OF SECTION TWELVE OF THE YONKERS CITY SCHOOL DISTRICT
38 JOINT SCHOOLS CONSTRUCTION AND MODERNIZATION ACT, and notwithstanding
39 any general or special law to the contrary, the agency and each special
40 program municipality are hereby authorized to enter into one or more
41 special program agreements, which special program agreements shall,
42 consistent with the provisions of this title, contain such terms,
43 provisions and conditions as, in the judgment of the agency, shall be
44 necessary or desirable. Each special program agreement shall specify the
45 amount to be made available to the respective special program munici-
46 pality from the proceeds of an issue of special program bonds and shall
47 require such special program municipality, subject to appropriation by
48 the appropriate legislative body of such special program municipality,
49 to make payments to the agency in the amounts and at the times deter-
50 mined by the agency to be necessary to provide for payment of such issue
51 of special program bonds and such other fees, charges, costs and other
52 amounts as the agency shall in its judgment determine to be necessary or
53 desirable.

54 S 23. Subdivision 4 of section 2436 of the public authorities law, as
55 amended by section 23 of part A4 of chapter 58 of the laws of 2006, is
56 amended to read as follows:

1 4. In the event that a special program municipality shall fail to make
2 a payment in such amount (as calculated in accordance with the special
3 program agreement to which such municipality shall be a party) and by
4 such date as is provided to be made by such municipality in its special
5 program agreement, the chairman of the agency shall so certify to the
6 comptroller. Such certificate shall be in such form as the agency deems
7 desirable, but shall specify the amount by which such payment shall have
8 been deficient. The comptroller, upon receipt of such certificate from
9 the agency, shall withhold from such special program municipality any
10 state aid payable to such municipality to the extent of the amount so
11 stated in such certificate as not having been made, and shall immediate-
12 ly pay over to the agency the amount so withheld; provided, however,
13 that in the case of a special program agreement entered into for the
14 purpose described in paragraph (b) or (c) or (d) OR (E) of subdivision
15 one of section twenty-four hundred thirty-five-a of this title, the
16 comptroller shall be authorized to withhold from the special program
17 municipality such school aid as is payable to the city school district
18 of the special program municipality, to the extent of the amount so
19 stated in such certificate as not having been made, and shall immediate-
20 ly pay over to the agency the amount so withheld. Any amount so paid to
21 the agency from such state and/or school aid shall not obligate the
22 state to make, nor entitle the special program municipality to receive,
23 any additional amounts of state and/or school aid. Nothing contained
24 therein shall be deemed to prevent the state from modifying, reducing or
25 eliminating any program or programs of state and/or school aid; nor
26 shall the state be obligated by the terms hereof to maintain state
27 and/or school aid at any particular level or amount.

28 S 24. Subdivision 1 of section 2438 of the public authorities law, as
29 amended by section 7 of part N of chapter 56 of the laws of 2010, is
30 amended to read as follows:

31 (1) The agency shall not issue bonds and notes in an aggregate princi-
32 pal amount at any one time outstanding exceeding one billion dollars,
33 excluding tax lien collateralized securities, special school purpose
34 bonds, special school deficit program bonds, special program bonds
35 issued to finance the reconstruction, rehabilitation or renovation of an
36 educational facility pursuant to the provisions of subdivision (b) of
37 section sixteen of chapter six hundred five of the laws of two thousand,
38 special program bonds issued to finance the cost of a project for
39 design, reconstruction or rehabilitation of a school building pursuant
40 to the provisions of section fourteen of the city of Syracuse and the
41 board of education of the city school district of the city of Syracuse
42 cooperative school reconstruction act, SPECIAL PROGRAM BONDS ISSUED TO
43 FINANCE THE COST OF A PROJECT FOR DESIGN, CONSTRUCTION, RECONSTRUCTION
44 OR REHABILITATION OF A SCHOOL BUILDING PURSUANT TO THE PROVISIONS OF
45 SECTION THIRTEEN OF THE YONKERS CITY SCHOOL DISTRICT JOINT SCHOOLS
46 CONSTRUCTION AND MODERNIZATION ACT, recovery act bonds, public safety
47 communications bonds and bonds and notes issued to refund outstanding
48 bonds and notes.

49 S 25. Effect of inconsistent provisions. Insofar as the provisions of
50 this act are inconsistent with the provisions of any other law, general,
51 special, or local, or of the city charter or an ordinance or resolution
52 of the city council or the board of education of the city school
53 district, or any rule or regulation, the provisions of this act shall be
54 controlling, provided that nothing contained in this act shall be held
55 to supplement or otherwise expand the powers or duties of the city or
56 the city school district except as specified in this act.

1 S 26. Severability; construction. The provisions of this act shall be
2 severable, and if the application of any clause, sentence, paragraph,
3 subdivision, section or part of this act to any person or circumstance
4 shall be adjudged by any court of competent jurisdiction to be invalid,
5 such judgment shall not necessarily affect, impair or invalidate the
6 application of any such clause, sentence, paragraph, subdivision,
7 section, part of this act or remainder thereof, as the case may be, to
8 any other person or circumstance, but shall be confined in its operation
9 to the clause, sentence, paragraph, subdivision, section or part thereof
10 directly involved in the controversy in which such judgment shall have
11 been rendered.

12 S 27. This act shall take effect immediately.