

# STATE OF NEW YORK

8961

## IN SENATE

September 2, 2020

Introduced by Sen. SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the general municipal law and the public authorities law, in relation to the purposes and powers of industrial development agencies and to improve the accountability and transparency of such agencies; to amend the public authorities law, in relation to extending the bond issuance charge to the debt issued by not-for-profit corporations acting on behalf of the state or its political subdivisions; to amend the not-for-profit corporation law, in relation to the purposes and powers of local development corporations and certain other not-for-profit corporations thereof; and to repeal subdivision 3 of section 859 of the general municipal law relating to an evaluation of the activities of industrial development agencies and authorities in the state prepared by an entity independent of the department

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

1 Section 1. Subdivisions 4 and 14 of section 854 of the general municipal law, subdivision 4 as amended by section 6 of part J of chapter 59  
2 of the laws of 2013 and subdivision 14 as added by chapter 356 of the  
3 laws of 1993, are amended and a new subdivision 21 is added to read as  
4 follows:  
5

6 (4) "Project" - shall mean any land, any building or other improvement,  
7 and all real and personal properties located within the state of  
8 New York and within or outside or partially within and partially outside  
9 the municipality for whose benefit the agency was created, including,  
10 but not limited to, machinery, equipment and other facilities deemed  
11 necessary or desirable in connection therewith, or incidental thereto,  
12 whether or not now in existence or under construction, which shall be  
13 suitable for manufacturing, warehousing, research, civic, commercial or  
14 industrial purposes or other economically sound purposes identified and  
15 called for to implement a state designated urban cultural park management  
16 plan as provided in title G of the parks, recreation and historic  
17 preservation law and which may include or mean an industrial pollution  
18 control facility, a recreation facility, educational or cultural facili-

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

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1 ty, a horse racing facility, a railroad facility, a continuing care  
2 retirement community, or a civic facility, provided, however, that, of  
3 agencies governed by this article, only agencies created for the benefit  
4 of a county and the agency created for the benefit for the city of New  
5 York shall provide financial assistance in any respect to a continuing  
6 care retirement community, or an automobile racing facility, provided,  
7 however, no agency shall use its funds or provide financial assistance  
8 in respect of any project wholly or partially outside the municipality  
9 for whose benefit the agency was created without the prior consent ther-  
10 eto by the governing body or bodies of all the other municipalities in  
11 which a part or parts of the project is, or is to be, located, and such  
12 portion of the project located outside such municipality for whose bene-  
13 fit the agency was created shall be contiguous with the portion of the  
14 project inside such municipality. Provided further, however, that no  
15 agency shall provide financial assistance for any project where the  
16 project applicant has any agreement to subsequently contract with a  
17 municipality for the lease or purchase of such project or project facil-  
18 ity.

19 (14) "Financial assistance" - shall mean the proceeds of bonds issued  
20 by an agency, straight-leases, grants, loans, or exemptions from taxa-  
21 tion claimed by a project occupant as a result of an agency taking  
22 title, possession or control (by lease, license or otherwise) to the  
23 property or equipment of such project occupant or of such project occu-  
24 pant acting as an agent of an agency.

25 (21) "Civic facility" shall mean a facility to be owned or occupied by  
26 a municipal corporation, a district corporation, or a not-for-profit  
27 corporation organized and existing under the laws of this state or  
28 authorized to conduct activities in this state; provided that such  
29 facilities shall be limited to medical facilities including those  
30 defined in article twenty-eight of the public health law, educational  
31 facilities, recreational facilities for public use, facilities used for  
32 municipal government or public safety purposes, or housing facilities  
33 primarily designed to be occupied by individuals sixty years of age or  
34 older. Nothing in this article shall be deemed to waive any applicable  
35 requirement for an operating facility certificate, consent or other  
36 approval as provided by law.

37 § 2. Subdivision 2 of section 856 of the general municipal law, as  
38 amended by chapter 356 of the laws of 1993, is amended to read as  
39 follows:

40 2. An agency shall be a corporate governmental agency, constituting a  
41 public benefit corporation. Except as otherwise provided by special act  
42 of the legislature, an agency shall consist of not less than [~~three~~]  
43 five nor more than seven members who shall be appointed by the governing  
44 body of each municipality and who shall serve at the pleasure of the  
45 appointing authority. Such members may include representatives of local  
46 government, school boards, organized labor and business. A member shall  
47 continue to hold office until his successor is appointed and has quali-  
48 fied. The governing body of each municipality shall designate the first  
49 chairman and file with the secretary of state a certificate of appoint-  
50 ment or reappointment of any member. Such members shall receive no  
51 compensation for their services but shall be entitled to the necessary  
52 expenses, including traveling expenses, incurred in the discharge of  
53 their duties.

54 § 3. Section 858 of the general municipal law, as added by chapter  
55 1030 of the laws of 1969, the opening paragraph as amended by chapter  
56 478 of the laws of 2011, subdivision 4 as amended by chapter 747 of the

1 laws of 2005, subdivision 9 as amended by chapter 444 of the laws of  
2 1997, subdivision 8 as amended and subdivision 15 as added by chapter  
3 356 of the laws of 1993, and subdivisions 16, 17, and 19 as amended and  
4 subdivision 18 as added by chapter 109 of the laws of 2020, is amended  
5 to read as follows:

6 § 858. Purposes and powers of the agency. The purposes of the agency  
7 shall be to promote, develop, encourage and assist in the acquiring,  
8 constructing, reconstructing, improving, maintaining, equipping and  
9 furnishing industrial, manufacturing, warehousing, commercial, research  
10 and recreation facilities including industrial pollution control facili-  
11 ties, educational or cultural facilities, civic facilities, railroad  
12 facilities, horse racing facilities, automobile racing facilities and  
13 continuing care retirement communities, provided, however, that, of  
14 agencies governed by this article, only agencies created for the benefit  
15 of a county and the agency created for the benefit of the city of New  
16 York shall be authorized to provide financial assistance in any respect  
17 to a continuing care retirement community, and thereby advance the job  
18 opportunities, health, general prosperity and economic welfare of the  
19 people of the state of New York and to improve their recreation opportu-  
20 nities, prosperity and standard of living; and to carry out the afore-  
21 said purposes, each agency shall have the following powers:

22 (1) To sue and be sued;

23 (2) To have a seal and alter the same at pleasure;

24 (3) To acquire, hold and dispose of personal property for its corpo-  
25 rate purposes;

26 (4) To acquire by purchase, grant, lease, gift, pursuant to the  
27 provisions of the eminent domain procedure law, or otherwise and to use,  
28 real property or rights or easements therein necessary for its corporate  
29 purposes in compliance with the local zoning and planning regulations  
30 and shall take into consideration regional and local comprehensive land  
31 use plans and state designated heritage area management plans, and to  
32 sell, convey, mortgage, lease, pledge, exchange or otherwise dispose of  
33 any such property in such manner as the agency shall determine. In the  
34 case of railroad facilities, however, the phrase to use real property or  
35 rights or easements therein shall not be interpreted to include opera-  
36 tion by the agency of rail service upon or in conjunction with such  
37 facilities[-];

38 (5) To acquire real property from a municipality as necessary for its  
39 corporate purposes pursuant to section eight hundred fifty-eight-c of  
40 this title;

41 (6) To make by-laws for the management and regulation of its affairs  
42 and, subject to agreements with its bondholders, for the regulation of  
43 the use of a project or projects[-];

44 [~~6~~] (7) With the consent of the municipality, to use agents, employ-  
45 ees and facilities of the municipality, paying the municipality its  
46 agreed proportion of the compensation or costs;

47 [~~7~~] (8) To appoint officers, agents and employees, to prescribe  
48 their qualifications and to fix their compensation and to pay the same  
49 out of funds of the agency;

50 [~~8~~] (9) (a) To appoint an attorney, who may be the counsel of the  
51 municipality, and to fix the attorney's compensation for services which  
52 shall be payable to the attorney, and to retain and employ private  
53 consultants for professional and technical assistance and advice;

54 (b) An attorney acting as bond counsel for a project must file with  
55 the agency a written statement in which the attorney identifies each  
56 party to the transaction which such attorney represents. If bond counsel

1 provides any legal services to parties other than the agency the written  
2 statement must describe the nature of legal services provided by such  
3 bond counsel to all parties to the transaction, including the nature of  
4 the services provided to the agency[-];

5 [(9)] (10) To make contracts and leases, and to execute all instru-  
6 ments necessary or convenient to or with any person, firm, partnership  
7 or corporation, either public or private; provided, however, that any  
8 extension of an existing contract, lease or other agreement entered into  
9 by an agency with respect to a project shall be guided by the provisions  
10 of this article;

11 [(10)] (11) To acquire, construct, reconstruct, lease, improve, main-  
12 tain, equip or furnish one or more projects;

13 [(11)] (12) To accept gifts, grants, loans, or contributions from, and  
14 enter into contracts or other transactions with, the United States and  
15 the state or any agency of either of them, any municipality, any public  
16 or private corporation or any other legal entity, and to use any such  
17 gifts, grants, loans or contributions for any of its corporate purposes;

18 (13) To provide financial assistance in the form of loans to improve,  
19 maintain or equip one or more projects consistent with its corporate  
20 purposes;

21 (14) To provide financial assistance in the form of grants for one or  
22 more projects consistent with its corporate purposes;

23 [(12)] (15) To borrow money and to issue bonds and to provide for the  
24 rights of the holders thereof;

25 [(13)] (16) To grant options to renew any lease with respect to any  
26 project or projects and to grant options to buy any project at such  
27 price as the agency may deem desirable;

28 [(14)] (17) To designate the depositories of its money either within  
29 or without the state;

30 [(15)] (18) To enter into agreements requiring payments in lieu of  
31 taxes. Such agreements shall be in writing and in addition to other  
32 terms shall contain: the amount due annually to each affected tax juris-  
33 diction (or a formula by which the amount due can be calculated), the  
34 name and address of the person, office or agency to which payment shall  
35 be delivered, the date on which payment shall be made, and the date on  
36 which payment shall be considered delinquent if not paid. Unless other-  
37 wise agreed by the affected tax jurisdictions, any such agreement shall  
38 provide that payments in lieu of taxes shall be allocated among affected  
39 tax jurisdictions in proportion to the amount of real property tax and  
40 other taxes which would have been received by each affected tax juris-  
41 diction had the project not been tax exempt due to the status of the  
42 agency involved in the project. A copy of any such agreement shall be  
43 delivered to each affected tax jurisdiction within fifteen days of sign-  
44 ing the agreement[~~-, In the absence of any such written agreement,~~  
45 ~~payments in lieu of taxes made by an agency shall be allocated in the~~  
46 ~~same proportions as they had been prior to January first, nineteen~~  
47 ~~hundred ninety-three for so long as the agency's activities render a~~  
48 ~~project non-taxable by affected tax jurisdictions] and published by the  
49 agency on its website;~~

50 [(16)] (19) To establish and re-establish its fiscal year;

51 [(17)] (20) To provide loans to small businesses or not-for-profit  
52 corporations as authorized in section eight hundred fifty-nine-c of this  
53 title; and

54 [(18)] (21) To provide grants to small businesses and not-for-profit  
55 corporations, as defined in section eight hundred fifty-nine-c of this  
56 title, for the purpose of acquiring personal protective equipment or

1 installing fixtures necessary to prevent the spread of novel coronavi-  
 2 rus, COVID-19, during the period in which executive order two hundred  
 3 two of two thousand twenty, as amended, is in effect. In order to be  
 4 eligible for a grant pursuant to this subdivision, a small business or  
 5 not-for-profit corporation must meet the requirements of paragraph a of  
 6 subdivision three of section eight hundred fifty-nine-c of this title.  
 7 No industrial development agency may provide a small business or not-  
 8 for-profit corporation with more than ten thousand dollars pursuant to  
 9 this subdivision; and

10 [~~(19)~~] (22) To [~~do all things necessary or convenient to~~] carry out  
 11 its purposes and exercise [~~the~~] those powers expressly given in this  
 12 title.

13 § 4. The general municipal law is amended by adding a new section  
 14 858-c to read as follows:

15 § 858-c. Purchase or lease of real property owned by a county, city,  
 16 town or village. 1. The local legislative body of a county, city, town  
 17 or village may by resolution determine that specifically described real  
 18 property owned by the county, city, town or village is not required for  
 19 use by such county, city, town or village and authorize the county,  
 20 city, town or village to sell or lease such real property to an agency;  
 21 provided, however, that title to such land be not declared inalienable  
 22 as a forest preserve or a parkland.

23 2. Notwithstanding the provisions of any general, special or local  
 24 law, charter or ordinance to the contrary, such sale or lease may be  
 25 made without appraisal, public notice (except as provided in subdivision  
 26 four of this section), or public bidding for such price or rental and  
 27 upon such terms as may be agreed upon between the county, city, town or  
 28 village and said agency; provided, however, that in the case of a lease  
 29 the term may not exceed ninety-nine years and provided, further, that in  
 30 cities having a population of one million or more, no such sale or lease  
 31 shall be made without the approval of a majority of the members of the  
 32 borough board of the borough in which such real property is located.

33 3. Before any sale or lease to an agency shall be authorized, a public  
 34 hearing shall be held by the local legislative body or borough board to  
 35 consider the proposed sale or lease.

36 4. Notice of such hearing shall be published at least ten days before  
 37 the date set for the hearing in such publication and in such manner as  
 38 may be designated by the local legislative body or borough board. Such  
 39 notice shall include a description of the real property proposed to be  
 40 sold or leased; a statement of the estimated fair market value of the  
 41 real property proposed to be sold or leased; the value of the financial  
 42 consideration to be received by the county, city, town or village from  
 43 such sale or lease of the real property; and a statement of the intended  
 44 use or disposition of such real property by the agency.

45 § 5. Subdivision 3 of section 859 of the general municipal law is  
 46 REPEALED.

47 § 6. The opening paragraph and subdivisions 1 and 2 of section 859-a  
 48 of the general municipal law, as added by chapter 356 of the laws of  
 49 1993, are amended and a new subdivision 3-a is added to read as follows:

50 Prior to providing any financial assistance [~~of~~] totaling more than  
 51 one hundred thousand dollars to any project, the agency must comply with  
 52 the following prerequisites:

53 1. The agency must adopt a resolution describing the project and the  
 54 type and amount of financial assistance that the agency is contemplating  
 55 with respect to such project. Such assistance shall be consistent with  
 56 the uniform [~~tax-exemption~~] financial assistance policy adopted by the

1 agency pursuant to subdivision four of section eight hundred seventy-  
2 four of this [~~chapter~~] title, unless the agency has followed the proce-  
3 dures for deviation from such policy specified in paragraph (b) of such  
4 subdivision.

5 2. The agency must hold a public hearing with respect to the project  
6 and the proposed financial assistance being contemplated by the agency  
7 not less than thirty days prior to executing a written agreement to  
8 provide financial assistance. Said public hearing shall be held in [~~a~~]  
9 each city, town or village where the project to receive financial  
10 assistance is located or proposes to locate. At said public hearing,  
11 interested parties shall be provided reasonable opportunity, both orally  
12 and in writing, to present their views with respect to the project and  
13 the type and amount of financial assistance to be provided. The agency  
14 shall also accept written comments up to seven days after such hearing  
15 is held.

16 3-a. The agency shall maintain a complete record of the hearing,  
17 including all documents, oral statements, and written statements  
18 presented at or within seven days following the hearing. All members  
19 shall be provided with a copy of such record at least seven days before  
20 voting whether to approve financial assistance for the project. Such  
21 record shall also be posted on the agency website at the time it is  
22 provided to members.

23 § 7. The general municipal law is amended by adding four new sections  
24 859-d, 859-e, 859-f and 859-g to read as follows:

25 § 859-d. Project application and approval criteria. 1. The project  
26 applicant shall submit an application, developed by the agency, for  
27 approval of a proposed project and financial assistance. The agency  
28 shall adopt project application review and approval criteria that shall  
29 be applied to all project applications under consideration for approval  
30 and financial assistance. The decision to approve or not approve finan-  
31 cial assistance shall be based on, but not limited to, consideration of  
32 the following criteria:

33 (a) Strategic objectives. Consideration is to be given to the purpose  
34 of the project, such as the nature of the planned business activity, the  
35 extent to which the planned business activity is unrepresented or under-  
36 represented in the community, and whether the project involves a busi-  
37 ness interested in relocating from outside the state of New York.

38 (b) Job creation. A decision to fund a project shall be based on the  
39 number of jobs to be created or retained by the proposed project, the  
40 range of projected salaries and benefits associated with jobs to be  
41 created, and the benchmarks and timeframes to be used by the project to  
42 determine whether it is meeting projected job creation and retention  
43 goals.

44 (c) The financial viability of the project. Approval for funding must  
45 consider the extent to which the viability and success of the project is  
46 dependent on financial assistance from the agency. The agency shall also  
47 consider the amount and type of financial assistance being requested,  
48 the amount and type of private financing required, the amount and type  
49 of capital investment to be provided by the project applicant, and any  
50 prior financial assistance provided to the project or to the project  
51 applicant.

52 (d) Economic benefits. Funding decisions shall consider the potential  
53 economic and financial impact of the project on existing businesses in  
54 the area, on the affected tax jurisdictions, and on the local labor  
55 market.

1 (e) Legal issues. Consideration shall be given to the project appli-  
2 cant's record of compliance with applicable laws and regulations.

3 2. The project application review and approval criteria shall be  
4 reviewed and approved annually at a regular meeting of the agency and  
5 made available to the public on the agency's website.

6 3. The agency shall provide the director of the authorities budget  
7 office with an electronic copy of the application and project review and  
8 approval criteria within thirty days of their adoption or revision.

9 4. The agency shall retain a written record of the evaluation of each  
10 project application to document its decision to provide or deny finan-  
11 cial assistance.

12 § 859-e. Financial assistance agreement. 1. The agency shall enter  
13 into a written agreement with the project applicant prior to providing  
14 financial assistance. The agreement shall include the following informa-  
15 tion:

16 (a) a description of the amount and type of financial assistance to be  
17 provided by the agency, including a description and the value of proper-  
18 ty conveyed at less than fair market value;

19 (b) a description of the amount of financing to be provided by the  
20 project applicant, including the amount and type of capital investment  
21 to be provided;

22 (c) the purpose of the project;

23 (d) the amount, types, sources and commitments of any private financ-  
24 ing;

25 (e) the projected number of new full-time and part-time positions  
26 expected to be created over the period of financial assistance, and an  
27 estimated schedule by year of when those positions will be created;

28 (f) the number and types of full-time and part-time jobs to be  
29 retained, and the number of filled positions at the project as of the  
30 date the agreement is executed;

31 (g) the types and value of other forms of financial assistance  
32 provided to the project or requested by the project applicant from other  
33 state or local government agencies or authorities; and

34 (h) the penalties to be imposed on the project applicant if the terms  
35 of the agreement are not met.

36 2. The length of a financial assistance agreement shall be limited to  
37 no more than five years; provided however that the agreement may be  
38 renewed for up to five additional years if the agency determines that  
39 the project applicant has acted in good faith to meet the terms and  
40 conditions of the agreement. In no event may financial assistance in the  
41 form of a loan or exemption from taxation be provided to a project for  
42 more than ten years.

43 3. The financial assistance agreement shall be made available to the  
44 public on the website of the agency.

45 4. The agency shall adopt a methodology to evaluate the conformance of  
46 each assisted project to the terms and conditions of the financial  
47 assistance agreement. This methodology shall be made available to the  
48 public on the agency's website.

49 § 859-f. Recapture of certain financial assistance. 1. The agency,  
50 pursuant to the terms and conditions of its financial assistance agree-  
51 ment, may recapture financial assistance to a project from real property  
52 tax exemptions, mortgage recording tax exemptions, or local sales or  
53 compensating use tax exemptions if (a) the project violates state or  
54 federal tax law, labor law, environmental protection law, or contract  
55 law, or any state or federal rule or regulation implementing such law,  
56 as determined by a court of competent jurisdiction or administrative

1 tribunal, provided that such court or tribunal concludes that the  
2 violation would cause material harm to the economy or quality of life of  
3 the community; or (b) all or part of the project's business activity or  
4 workforce is moved to a location outside the community served by the  
5 agency and by doing so violates the terms and conditions of its finan-  
6 cial assistance agreement.

7 2. An agency which elects to initiate the recapture of financial  
8 assistance pursuant to subdivision one of this section must notify the  
9 recipient of such financial assistance in writing that it is in default  
10 of its financial assistance agreement and may direct the recipient of  
11 financial assistance to repay up to the full amount of such financial  
12 assistance received as of the date of the written notice plus interest  
13 at the rate set forth in section five thousand four of the civil prac-  
14 tice law and rules.

15 3. Financial assistance recaptured pursuant to this section and any  
16 interest paid shall be redistributed to affected tax jurisdictions in  
17 proportion to the amount of real property tax and other taxes which  
18 would have been received by each affected tax jurisdiction had the  
19 project not been tax exempt. Unless otherwise agreed to in writing by an  
20 affected tax jurisdiction, the agency shall not retain any portion of  
21 such funds as an administrative or project fee.

22 § 859-g. Wages and standards. Whenever a recipient of financial  
23 assistance from an agency enters into a contract, subcontract, lease or  
24 other agreement for or in connection with the construction, demolition,  
25 reconstruction, rehabilitation, repair, or renovation of an assisted  
26 project, the recipient of financial assistance shall pay workers engaged  
27 in such work no less than the prevailing rate of wage and supplements  
28 under article eight of the labor law.

29 § 8. Subdivision 1 of section 862 of the general municipal law, as  
30 amended by section 1 of part J of chapter 59 of the laws of 2013, is  
31 amended to read as follows:

32 (1) (a) No [~~funds~~] financial assistance of the agency shall be used in  
33 respect [~~of~~] to any project if the [~~completion thereof would result in~~  
34 project approval or provision of financial assistance contributes to the  
35 removal of [~~an industrial or manufacturing plant of~~] all or part of the  
36 project occupant from one area of the state to another area of the state  
37 or in the abandonment of one or more [~~plants or~~] facilities of the  
38 project occupant located within the state, or provides the project with  
39 a competitive advantage over existing like businesses in the same indus-  
40 try located in the same city, town, or village as such project,  
41 provided, however, that [~~neither restriction~~] such restrictions shall  
42 not apply if the agency shall determine on the basis of the application  
43 before it that the project is reasonably necessary to discourage the  
44 project occupant from removing such other plant or facility to a  
45 location outside the state or is reasonably necessary to preserve the  
46 competitive position of the project occupant in its respective industry.

47 (b) For the purposes of this subdivision, "competitive advantage"  
48 shall include trade secrets that are submitted to an agency by a commer-  
49 cial enterprise or derived from information obtained from a commercial  
50 enterprise and which if disclosed would cause substantial injury to the  
51 competitive position of the subject enterprise. Other factors to be  
52 considered in determining whether a trade secret exists include:

53 (i) the extent to which the information is known outside the business;  
54 (ii) the extent to which the information is known by a business'  
55 employees and others involved in the business;



1 (iii) the extent of measures taken by a business to guard the secrecy  
2 of the information;

3 (iv) the value of the information to a business and to its compet-  
4 itors;

5 (v) the amount of effort or money expended by a business in developing  
6 the information; and,

7 (vi) the ease or difficulty with which the information could be prop-  
8 erly acquired or duplicated by others. If there has been a voluntary  
9 disclosure by the plaintiff, or if the facts pertaining to the matter  
10 are a subject of general knowledge in the trade, then any property right  
11 has evaporated.

12 § 9. Subdivision 4 of section 874 of the general municipal law, as  
13 amended by chapter 357 of the laws of 1993 and paragraph (a) as amended  
14 by chapter 386 of the laws of 2019, is amended to read as follows:

15 (4) (a) The agency shall [~~establish~~] adopt a uniform [~~tax-exemption~~]  
16 financial assistance policy, [~~with input from~~] subject to the approval  
17 of all affected tax jurisdictions, which shall be applicable to the  
18 provision of financial assistance pursuant to section eight hundred  
19 fifty-nine-a of this [~~chapter~~] title and shall provide guidelines for  
20 the claiming of real property, mortgage recording, and sales tax  
21 exemptions. Such guidelines shall include, but not be limited to: period  
22 of exemption; payments in lieu of taxes, as a percentage of  
23 [~~exemption~~] taxes that would have been levied by or on behalf of  
24 affected tax jurisdictions if the project was not tax exempt by reason  
25 of agency involvement; types of projects for which exemptions can be  
26 claimed; procedures for payments in lieu of taxes and instances in which  
27 real property appraisals are to be performed as a part of an application  
28 for tax exemption; in addition, agencies shall in adopting such policy  
29 consider such issues as: the extent to which a project will create or  
30 retain permanent, private sector jobs; the estimated value of any tax  
31 exemptions to be provided; whether affected tax jurisdictions shall be  
32 reimbursed by the project occupant if a project does not fulfill the  
33 purposes for which an exemption was provided; the impact of a proposed  
34 project on existing and proposed businesses and economic development  
35 projects in the vicinity; the amount of private sector investment gener-  
36 ated or likely to be generated by the proposed project; the demonstrated  
37 public support for the proposed project; the likelihood of accomplishing  
38 the proposed project in a timely fashion; the effect of the proposed  
39 project upon the environment; the extent to which the project will  
40 utilize, to the fullest extent practicable and economically feasible,  
41 resource conservation, energy efficiency, green technologies, and alter-  
42 native and renewable energy measures; the extent to which the proposed  
43 project will require the provision of additional services, including,  
44 but not limited to additional educational, transportation, police, emer-  
45 gency medical or fire services; and the extent to which the proposed  
46 project will provide additional sources of revenue for municipalities  
47 and school districts. The adopted uniform financial assistance policy  
48 shall be provided to the chief executive officer and the members of the  
49 governing body of each affected tax jurisdiction and shall be made  
50 available for public inspection at the agency's office and on the agen-  
51 cy's website upon its adoption.

52 (b) The agency shall [~~establish a procedure~~] adopt criteria for devi-  
53 ation from the uniform [~~tax-exemption~~] financial assistance policy  
54 required pursuant to this subdivision, which shall be subject to the  
55 approval of all affected local tax jurisdictions. The agency shall set  
56 forth in writing the reasons for deviation from such policy, and shall

1 further notify the affected local taxing jurisdictions of the proposed  
2 deviation from such policy and the reasons therefor not less than sixty  
3 days before such deviation from the uniform tax exemption policy takes  
4 effect.

5 § 10. Section 1953 of the public authorities law, as added by chapter  
6 759 of the laws of 1967, the opening paragraph and subdivisions 9 and 13  
7 as amended by chapter 907 of the laws of 1972 and subdivision 8 as  
8 amended, subdivision 14 as added and subdivisions 15 and 16 as renum-  
9 bered by chapter 356 of the laws of 1993, is amended to read as follows:

10 § 1953. Purpose and powers of the authority. The purposes of the  
11 authority shall be to promote, develop, encourage and assist in the  
12 acquiring, constructing, reconstructing, improving, maintaining, equip-  
13 ping and furnishing industrial, manufacturing, warehouse, civic facili-  
14 ties, and commercial research facilities including industrial pollution  
15 control facilities, transportation facilities including but not limited  
16 to those relating to water, highway, rail and air, in one or more areas  
17 of the city, particularly but not exclusively at the site of what was  
18 formerly the Troy airport including an airstrip or airport located in  
19 the southern section of the city and thereby advance the job opportu-  
20 nities, health, general prosperity and economic welfare of the people of  
21 said city and to improve their standard of living; provided, however,  
22 that the authority shall not undertake any project if the completion  
23 thereof would result in the removal of an industrial or manufacturing  
24 plant of the project occupant from one area of the state to another area  
25 of the state or in the abandonment of one or more plants or facilities  
26 of the project applicant located within the state, provided, however,  
27 that neither restriction shall apply if the authority shall determine on  
28 the basis of the application before it that the project is reasonably  
29 necessary to discourage the project occupant from removing such other  
30 plant or facility to a location outside the state or is reasonably  
31 necessary to preserve the competitive position of the project occupant  
32 in its respective industry. To carry out said purposes, the authority  
33 shall have power:

34 1. To sue and be sued;

35 2. To have a seal and alter the same at pleasure;

36 3. To acquire, hold and dispose of personal property for its corporate  
37 purpose;

38 4. To acquire by purchase, grant, lease, gift, condemnation, or other-  
39 wise and to use, real property or rights or easements therein necessary  
40 for its corporate purposes, and to sell, convey, mortgage, lease,  
41 pledge, exchange or otherwise dispose of any such property in such  
42 manner as the authority shall determine. With respect to real property  
43 conveyed to it by the city, however, such power of disposition shall be  
44 limited as hereinafter provided in section nineteen hundred [~~five~~]  
45 fifty-five of this title;

46 5. To acquire real property within the city of Troy as necessary for  
47 its corporate purposes pursuant to section eight hundred fifty-eight-c  
48 of the general municipal law;

49 6. To make by-laws for the management and regulation of its affairs  
50 and, subject to agreements with its bondholders, for the regulation of  
51 the use of the project;

52 [~~6-~~] 7. With the consent of the city, to use agents, employees and  
53 facilities of the city, paying the city its agreed proportion of the  
54 compensation or costs;

55 [~~7-~~] 8. To appoint officers, agents and employees, to prescribe their  
56 qualifications and to fix their compensation and to pay the same out of

1 funds of the authority, subject, however, to the provisions of the civil  
2 service law as hereinafter provided in section nineteen hundred [~~and~~  
3 ~~four~~] fifty-four of this title;

4 [~~8-~~] 9. To appoint an attorney, who may be the corporation counsel of  
5 the city, and to fix the attorney's compensation for services which  
6 shall be payable to the attorney, and to retain and employ private  
7 consultants for professional and technical assistance and advice;  
8 provided that an attorney acting as bond counsel for a project must file  
9 with the authority a written statement in which the attorney identifies  
10 each party to the transaction which such attorney represents. If bond  
11 counsel provides any legal services to parties other than the authority,  
12 the written statement must describe the nature of legal services  
13 provided by such bond counsel to all parties to the transaction, includ-  
14 ing the nature of the services provided to the authority;

15 [~~9-~~] 10. To make contracts and leases upon such terms as the authority  
16 shall deem appropriate, including without limitation leases which grant  
17 the tenant of a project an option to renew or an option to purchase the  
18 project, or both, at a fixed or otherwise predetermined price and to  
19 execute all instruments necessary or convenient;

20 [~~10-~~] 11. To acquire, construct, reconstruct, lease, improve, main-  
21 tain, equip or furnish one or more projects;

22 [~~11-~~] 12. To accept gifts, grants, loans or contributions from, and  
23 enter into contracts or other transactions with, the United States and  
24 the state or any agency of either of them, any municipality, any public  
25 or private corporation or any other legal entity, and to use any such  
26 gifts, grants, loans or contributions for any of its corporate purposes;

27 [~~12-~~] 13. To provide financial assistance in the form of loans to  
28 improve, maintain or equip one or more projects consistent with its  
29 corporate purposes;

30 14. To provide financial assistance in the form of grants to one or  
31 more projects consistent with its corporate purposes;

32 15. To borrow money and to issue bonds and to provide for the rights  
33 of the holders thereof;

34 [~~13-~~] 16. To designate the depositories of its money either within or  
35 without the state of New York;

36 [~~14-~~] 17. To enter into agreements requiring payments in lieu of  
37 taxes. Such agreements shall be in writing and in addition to other  
38 terms shall contain: the amount due annually to each affected tax juris-  
39 diction (or a formula by which the amount due can be calculated), the  
40 name and address of the person, office or agency to which payment shall  
41 be delivered, the date on which payment shall be made, and the date on  
42 which payment shall be considered delinquent if not paid. Unless other-  
43 wise agreed by the affected tax jurisdictions, any such agreement shall  
44 provide that payments in lieu of taxes shall be allocated among affected  
45 tax jurisdictions in proportion to the amount of real property tax and  
46 other taxes which would have been received by each affected tax juris-  
47 diction had the project not been tax exempt due to the status of the  
48 authority involved in the project. A copy of any such agreement shall be  
49 delivered to each affected tax jurisdiction within fifteen days of sign-  
50 ing the agreement. In the absence of any such written agreement,  
51 payments in lieu of taxes made by an agency shall be allocated in the  
52 same proportions as they had been prior to January first, nineteen  
53 hundred ninety-three for so long as the authority's activities render a  
54 project non-taxable by affected tax jurisdictions.

55 [~~15-~~] 18. To establish and reestablish its fiscal year; and

1 ~~[16-]~~ 19. To do all things necessary or convenient to carry out its  
2 purposes and exercise the powers expressly given in this title.

3 § 11. Section 1953-a of the public authorities law, as added by chap-  
4 ter 356 of the laws of 1993, subdivision 1 as amended by chapter 357 of  
5 the laws of 1993, is amended to read as follows:

6 § 1953-a. Additional prerequisites to the provision of financial  
7 assistance. Prior to providing any financial assistance ~~[of]~~ totaling  
8 more than one hundred thousand dollars to any project, the authority  
9 must comply with the following prerequisites:

10 1. The authority must adopt a resolution describing the project and  
11 type and amount of the financial assistance that the authority is  
12 contemplating with respect to such project. Such assistance shall be  
13 consistent with the uniform ~~[tax exemption]~~ financial assistance policy  
14 adopted by the agency pursuant to subdivision one of section nineteen  
15 hundred sixty-three-a of this ~~[chapter]~~ title, unless the agency has  
16 followed procedures for deviation from such policy specified in subdivi-  
17 sion two of such section.

18 2. The authority must hold a public hearing with respect to the  
19 project and the proposed financial assistance being contemplated by the  
20 authority not less than thirty days prior to executing a written agree-  
21 ment to provide financial assistance. At said public hearing, inter-  
22 ested parties shall be provided reasonable opportunity, both orally and  
23 in writing, to present their views with respect to the project and the  
24 type and amount of financial assistance to be provided. The authority  
25 shall also accept written comments up to seven days after such hearing  
26 is held.

27 3. The authority must give at least ten days published notice of said  
28 public hearing and shall, at the same time, provide notice of such hear-  
29 ing to the chief executive officer of the affected tax jurisdiction  
30 within which the project is located. The notice of hearing must state  
31 the time and place of the hearing, contain a general, functional  
32 description of the project, describe the prospective location of the  
33 project, identify the initial owner, operator or manager of the project  
34 and generally describe the financial assistance contemplated by the  
35 authority with respect to the project.

36 4. The authority shall maintain a complete record of the hearing,  
37 including all documents and oral statements, and written statements  
38 presented at or within seven days following such hearing. All members  
39 shall be provided with a copy of such record at least seven days before  
40 voting whether to approve financial assistance for the project. Such  
41 record shall also be posted on the authority website at the time it is  
42 provided to members.

43 § 12. The public authorities law is amended by adding four new  
44 sections 1953-b, 1953-c, 1953-d and 1953-e to read as follows:

45 § 1953-b. Project application and approval criteria. 1. The project  
46 applicant shall submit an application, developed by the authority, for  
47 approval of a proposed project and financial assistance. The authority  
48 shall adopt project application review and approval criteria that shall  
49 be applied to all project applications under consideration for approval  
50 and financial assistance. The decision to approve or not approve finan-  
51 cial assistance shall be based on, but not limited to, consideration of  
52 the following criteria:

53 (a) Strategic objectives. Consideration is to be given to the purpose  
54 of the project, such as the nature of the planned business activity, the  
55 extent to which the planned business activity is unrepresented or under-

1 represented in the community, and whether the project involves a busi-  
2 ness interested in relocating from outside the state of New York.

3 (b) Job creation. A decision to fund a project shall be based on the  
4 number of jobs to be created or retained by the proposed project, the  
5 range of projected salaries and benefits associated with jobs to be  
6 created, and the benchmarks and timeframes to be used by the project to  
7 determine whether it is meeting projected job creation and retention  
8 goals.

9 (c) The financial viability of the project. Approval for funding shall  
10 consider the extent to which the viability and success of the project is  
11 dependent on financial assistance from the authority. The authority  
12 shall also consider the amount and type of financial assistance being  
13 requested, the amount and type of private financing required, the amount  
14 and type of capital investment to be provided by the project applicant,  
15 and any prior financial assistance provided to the project or to the  
16 project applicant.

17 (d) Economic benefits. Funding decisions shall consider the potential  
18 economic and financial impact of the project on existing businesses in  
19 the area, on the affected tax jurisdictions, and on the local labor  
20 market.

21 (e) Legal issues. Consideration shall be given to the project appli-  
22 cant's record of compliance with applicable laws and regulations.

23 2. The project application review and approval criteria shall be  
24 reviewed and approved annually at a regular meeting of the authority and  
25 made available to the public on the authority's website.

26 3. The authority shall provide the director of the authorities budget  
27 office with an electronic copy of the application and project review and  
28 approval criteria within thirty days of their adoption or revision.

29 4. The authority shall retain a written record of the evaluation of  
30 each project application to document its decision to provide or deny  
31 financial assistance.

32 § 1953-c. Financial assistance agreement. 1. The authority shall enter  
33 into a written agreement with the project applicant prior to providing  
34 financial assistance. The agreement shall include the following informa-  
35 tion:

36 (a) a description of the amount and type of financial assistance to be  
37 provided by the authority, including a description and the value of  
38 property conveyed at less than fair market value;

39 (b) a description of the amount of financing to be provided by the  
40 project applicant, including the amount and type of capital investment  
41 to be provided;

42 (c) the purpose of the project;

43 (d) the amount, types, sources and commitments of any private financ-  
44 ing;

45 (e) the projected number of new full-time and part-time positions  
46 expected to be created over the period of financial assistance, and an  
47 estimated schedule by year of when those positions will be created;

48 (f) the number and types of full-time and part-time jobs to be  
49 retained, and the number of filled positions at the project as of the  
50 date the agreement is executed;

51 (g) the types and value of other forms of financial assistance  
52 provided to the project or requested by the project applicant from other  
53 state or local government agencies or authorities; and

54 (h) the penalties to be imposed on the project applicant if the terms  
55 of the agreement are not met.

1 2. The length of a financial assistance agreement shall be limited to  
2 no more than five years; provided however that the agreement may be  
3 renewed for up to five additional years if the authority determines that  
4 the project applicant has acted in good faith to meet the terms and  
5 conditions of the agreement. In no event may financial assistance in the  
6 form of a loan or exemption from taxation be provided to a project for  
7 more than ten years.

8 3. The financial assistance agreement shall be made available to the  
9 public on the website of the authority.

10 4. The authority shall adopt a methodology to evaluate the conformance  
11 of each assisted project to the terms and conditions of the financial  
12 assistance agreement. This methodology shall be made available to the  
13 public on the authority's website.

14 § 1953-d. Recapture of certain financial assistance. 1. The authority,  
15 pursuant to the terms and conditions of its financial assistance agree-  
16 ment, may recapture financial assistance to a project from the proceeds  
17 of bonds issued by the authority, mortgage recording tax exemptions, or  
18 local sales or compensating use tax exemptions if (a) the project  
19 violates state or federal tax law, labor law, environmental protection  
20 law, or contract law, or any state or federal rule or regulation imple-  
21 menting such law, as determined by a court of competent jurisdiction or  
22 administrative tribunal, provided that such court or tribunal concludes  
23 that the violation would cause material harm to the economy or quality  
24 of life of the community; or (b) all or part of the project's business  
25 activity or workforce is moved to a location outside the community  
26 served by the authority and by doing so violates the terms and condi-  
27 tions of its financial assistance agreement.

28 2. An authority which elects to initiate the recapture of financial  
29 assistance pursuant to subdivision one of section eight hundred fifty-  
30 nine-f of the general municipal law must notify the recipient of such  
31 financial assistance in writing that it is in default of its financial  
32 assistance agreement and may direct the recipient of financial assist-  
33 ance to repay up to the full amount of such financial assistance  
34 received as of the date of the written notice plus interest at the rate  
35 set forth in section five thousand four of the civil practice law and  
36 rules.

37 3. Financial assistance recaptured pursuant to this section and any  
38 interest paid shall be redistributed to affected tax jurisdictions in  
39 proportion to the amount of real property tax and other taxes which  
40 would have been received by each affected tax jurisdiction had the  
41 project not been tax exempt. Unless otherwise agreed to in writing by an  
42 affected tax jurisdiction, the authority shall not retain any portion of  
43 such funds as an administrative or project fee.

44 § 1953-e. Wages and standards. Whenever a recipient of financial  
45 assistance from the authority enters into a contract, subcontract, lease  
46 or other agreement for or in connection with the construction, demoli-  
47 tion, reconstruction, rehabilitation, repair, or renovation of an  
48 assisted project, the recipient of financial assistance shall pay work-  
49 ers engaged in such work no less than the prevailing rate of wage and  
50 supplements under article eight of the labor law.

51 § 13. Section 1963-a of the public authorities law, as amended by  
52 chapter 357 of the laws of 1993 and subdivision 1 as amended by chapter  
53 386 of the laws of 2019, is amended to read as follows:

54 § 1963-a. Uniform [~~tax exemption~~] financial assistance policy. 1. The  
55 authority shall [~~establish~~] adopt a uniform [~~tax exemption~~] financial  
56 assistance policy, [~~with input from~~] subject to the approval of affected

1 local taxing jurisdictions, which shall be applicable to provisions of  
2 financial assistance pursuant to section nineteen hundred fifty-three-a  
3 of this title and shall provide guidelines for the claiming of real  
4 property, mortgage recording, and sales tax exemptions. Such guidelines  
5 shall include, but not be limited to: period of exemption; payments in  
6 lieu of taxes as a percentage of ~~exemption~~ taxes that would have been  
7 levied by or on behalf of affected tax jurisdictions if the project was  
8 not exempt by reason of authority involvement; types of projects for  
9 which exemptions can be claimed; procedures for payments in lieu of  
10 taxes and instances in which real property appraisals are to be  
11 performed as a part of an application for tax exemption; in addition,  
12 the authority in adopting such policy shall consider such issues as: the  
13 extent to which a project will create or retain permanent, private  
14 sector jobs; the estimated value of any tax exemption to be provided;  
15 whether affected tax jurisdictions should be reimbursed by the project  
16 occupant if a project does not fulfill the purposes for which an  
17 exemption was provided; the impact of a proposed project on existing and  
18 proposed businesses and economic development projects in the vicinity;  
19 the amount of private sector investment generated or likely to be gener-  
20 ated by the proposed project; the demonstrated public support for the  
21 proposed project; the likelihood of accomplishing the proposed project  
22 in a timely fashion; the effect of the proposed project upon the envi-  
23 ronment; the extent to which the project will utilize, to the fullest  
24 extent practicable and economically feasible, resource conservation,  
25 energy efficiency, green technologies, and alternative and renewable  
26 energy measures; the extent to which the proposed project will require  
27 the provision of additional services, including, but not limited to  
28 additional educational, transportation, police, emergency medical or  
29 fire services; and the extent to which the proposed project will provide  
30 additional sources ~~of~~ of revenue for municipalities and school  
31 districts. The adopted uniform financial assistance policy shall be  
32 provided to the chief executive officer and members of the governing  
33 body of each affected tax jurisdiction and shall be made available for  
34 public inspection at the authority's office and on the authority's  
35 website upon its adoption.

36 2. The authority shall ~~establish a procedure~~ adopt criteria for  
37 deviation from the uniform ~~tax exemption~~ financial assistance policy  
38 required pursuant to this section which shall be subject to the approval  
39 of affected local tax jurisdictions. The authority shall set forth in  
40 writing the reasons for deviation from such policy, and shall further  
41 notify the affected tax jurisdictions of the proposed deviation from  
42 such policy and the reasons therefor not less than sixty days before  
43 such deviation from the uniform tax exemption policy takes effect.

44 § 14. Section 2306 of the public authorities law, as added by chapter  
45 915 of the laws of 1969, the opening paragraph and an undesignated para-  
46 graph as amended by chapter 304 of the laws of 2013, subdivision 9 as  
47 amended by chapter 556 of the laws of 1973 and subdivision 8 as amended,  
48 subdivision 14 as added and subdivisions 15 and 16 as renumbered by  
49 chapter 356 of the laws of 1993, is amended to read as follows:

50 § 2306. Purpose and powers of the authority. The purposes of the  
51 authority shall be to promote, develop, encourage and assist in the  
52 acquiring, constructing, reconstructing, improving, maintaining, equip-  
53 ping and furnishing industrial, manufacturing, warehouse, civic facili-  
54 ties, commercial and research facilities and facilities for use by a  
55 federal agency or a medical facility including industrial pollution  
56 control facilities, which may include transportation facilities includ-

1 ing but not limited to those relating to water, highway, rail and air,  
2 in one or more areas of the city, and thereby advance the job opportu-  
3 nities, health, general prosperity and economic welfare of the people of  
4 said city and to improve their medical care and standard of living;  
5 provided, however, that the authority shall not undertake any project if  
6 the completion thereof would result in the removal of an industrial or  
7 manufacturing plant of the project occupant from one area of the state  
8 to another area of the state or in abandonment of one or more plants or  
9 facilities of the project applicant located within the state, provided,  
10 however, that neither restriction shall apply if the authority shall  
11 determine on the basis of the application before it that the project is  
12 reasonably necessary to discourage the project occupant from removing  
13 such other plant or facility to a location outside the state or is  
14 reasonably necessary to preserve the competitive position of the project  
15 occupant in its respective industry. Except as otherwise provided for in  
16 this section, no financial assistance of the authority shall be provided  
17 in respect of any project where facilities or property that are primari-  
18 ly used in making retail sales to customers who personally visit such  
19 facilities constitute more than one-third of the total project cost. For  
20 the purposes of this article, "retail sales" shall mean: (i) sales by a  
21 registered vendor under article twenty-eight of the tax law primarily  
22 engaged in the retail sale of tangible personal property, as defined in  
23 subparagraph (i) of paragraph four of subdivision (b) of section eleven  
24 hundred one of the tax law; or (ii) sales of a service to such custom-  
25 ers. Except, however, that tourism destination projects shall not be  
26 prohibited by this paragraph. For the purpose of this paragraph, "tour-  
27 ism destination" shall mean a location or facility which is likely to  
28 attract a significant number of visitors from outside the economic  
29 development region as established by section two hundred thirty of the  
30 economic development law, in which the project is located.

31 Notwithstanding the provisions of this section to the contrary, such  
32 financial assistance may, however, be provided to a project where facil-  
33 ities or property that are primarily used in making retail sales of  
34 goods or services to customers who personally visit such facilities to  
35 obtain such goods or services constitute more than one-third of the  
36 total project cost, where: (i) the predominant purpose of the project  
37 would be to make available goods or services which would not, but for  
38 the project, be reasonably accessible to the residents of the city of  
39 Auburn because of a lack of reasonably accessible retail trade facili-  
40 ties offering such goods or services; or (ii) the project is located in  
41 a highly distressed area. With respect to projects authorized pursuant  
42 to this paragraph no project shall be approved unless the authority  
43 shall find after the public hearing required by section twenty-three  
44 hundred seven of this title that undertaking the project will serve the  
45 public purposes of this article by preserving permanent, private sector  
46 jobs or increasing the overall number of permanent, private sector jobs  
47 in the state. Where the authority makes such a finding, prior to provid-  
48 ing financial assistance to the project by the authority, the chief  
49 executive officer of the city of Auburn shall confirm the proposed  
50 action of the authority. To carry out said purpose, the authority shall  
51 have power:

- 52 1. To sue and be sued;
- 53 2. To have a seal and alter the same at pleasure;
- 54 3. To acquire, hold and dispose of personal property for its corporate  
55 purpose;



1 4. To acquire by purchase, grant, lease, gift, condemnation, or other-  
2 wise and to use, real property or rights or easements therein necessary  
3 for its corporate purposes, and to sell, convey, mortgage, lease,  
4 pledge, exchange or otherwise dispose of any such property in such  
5 manner as the authority shall determine. With respect to real property  
6 conveyed to it by the city, however, such power of disposition shall be  
7 limited as hereinafter provided in section twenty-three hundred ten of  
8 this title;

9 5. To acquire real property within the city of Auburn as necessary for  
10 its corporate purposes pursuant to section eight hundred fifty-eight-c  
11 of the general municipal law;

12 ~~6.~~ To make by-laws for the management and regulation of its affairs  
13 and, subject to agreements with its bondholders, for the regulation of  
14 the use of the project[-];

15 [~~6-~~] 7. With the consent of the city, to use agents, employees and  
16 facilities of the city, paying the city its agreed proportion of the  
17 compensation or costs[-];

18 [~~7-~~] 8. To appoint officers, agents and employees, to prescribe their  
19 qualifications and to fix their compensation and to pay the same out of  
20 funds of the authority, subject, however, to the provisions of the civil  
21 service law hereinafter provided in section twenty-three hundred eight  
22 of this title;

23 [~~8-~~] 9. To retain and employ financial advisors, engineers, archi-  
24 tects, attorneys and other consultants for professional and technical  
25 assistance and advice; that an attorney acting as bond counsel for a  
26 project must file with the authority a written statement in which the  
27 attorney identifies each party to the transaction which such attorney  
28 represents. If bond counsel provides any legal services to the parties  
29 other than the authority, the written statement must describe the nature  
30 of legal services provided by such bond counsel to all parties to the  
31 transaction, including the nature of the services provided to the  
32 authority;

33 [~~9-~~] 10. To make contracts and leases upon such terms as the authority  
34 shall deem appropriate, including without limitation leases which grant  
35 the tenant of a project an option to renew or an option to purchase the  
36 project, or both, at a fixed or otherwise predetermined price, and to  
37 execute all instruments necessary or convenient;

38 [~~10-~~] 11. To acquire, construct, reconstruct, lease, improve, main-  
39 tain, equip or furnish one or more projects;

40 [~~11-~~] 12. To accept gifts, grants, loans or contributions from, and  
41 enter into contracts or other transactions with, the United States and  
42 the state or any agency of either of them, any municipality, any public  
43 or private corporation or any other legal entity, and to use any such  
44 gifts, grants, loans or contributions for any of its corporate purposes;

45 [~~12-~~] 13. To provide financial assistance in the form of loans to  
46 improve, maintain or equip one or more projects consistent with its  
47 corporate purposes;

48 14. To provide financial assistance in the form of grants for one or  
49 more projects consistent with its corporate purposes;

50 15. To borrow money and to issue bonds and to provide for the rights  
51 of the holders thereof;

52 [~~13-~~] 16. To designate the depositories of its money in the city of  
53 Auburn[-];

54 [~~14-~~] 17. To enter into agreements requiring payments in lieu of  
55 taxes. Such agreements shall be in writing and in addition to other  
56 terms shall contain: the amount due annually to each affected tax juris-

1 diction (or a formula by which the amount due can be calculated), the  
2 name and address of the person, office or agency to which payment shall  
3 be delivered, the date on which the payment shall be made, and the date  
4 on which payment shall be considered delinquent if not paid. Unless  
5 otherwise agreed by the affected tax jurisdictions, any such agreement  
6 shall provide that payments in lieu of taxes shall be allocated among  
7 affected tax jurisdictions in proportion to the amount of real property  
8 tax and other taxes which would have been received by each affected tax  
9 jurisdiction had the project not been tax exempt due to the status of  
10 the agency involved in the project. A copy of any such agreement shall  
11 be delivered to each tax affected jurisdiction within fifteen days of  
12 signing the agreement. In the absence of any such written agreement,  
13 payments in lieu of taxes shall be allocated in the same proportions as  
14 they had been prior to January first, nineteen hundred ninety-three for  
15 so long as the authority's activities render a project non-taxable by  
16 affected tax jurisdictions[+];

17 [~~15+~~] 18. To establish and reestablish its fiscal year; and  
18 [~~16+~~] 19. To do all things necessary or convenient to carry out its  
19 purposes and exercise the powers expressly given in this title.

20 § 15. Section 2307 of the public authorities law, as added by chapter  
21 356 of the laws of 1993, and subdivision 1 as amended by chapter 357 of  
22 the laws of 1993, is amended to read as follows:

23 § 2307. Additional prerequisites to the provision of financial assist-  
24 ance. Prior to providing any financial assistance [~~e~~] totaling more  
25 than one hundred thousand dollars to any project, the authority must  
26 comply with the following prerequisites:

27 1. The authority must adopt a resolution describing the project and  
28 type and amount of the financial assistance that the authority is  
29 contemplating with respect to such project. Such assistance shall be  
30 consistent with the uniform [~~tax-exemption~~] financial assistance policy  
31 adopted by the agency pursuant to subdivision one of section twenty-  
32 three hundred fifteen of this chapter, unless the agency has followed  
33 procedures for deviation from such policy specified in subdivision two  
34 of such section.

35 2. The authority must hold a public hearing with respect to the  
36 project and the proposed financial assistance being contemplated by the  
37 authority not less than thirty days prior to executing a written agree-  
38 ment to provide financial assistance. At said public hearing, inter-  
39 ested parties shall be provided reasonable opportunity, both orally and  
40 in writing, to present their views with respect to the project and the  
41 type and amount of financial assistance to be provided. The authority  
42 shall also accept written comments up to seven days after such hearing  
43 is held.

44 3. The authority must give at least ten days published notice of said  
45 public hearing and shall, at the same time, provide notice of such hear-  
46 ing to the chief executive officer of each affected tax [~~jurisdiction~~]  
47 jurisdiction within which the project is located. The notice of hearing  
48 must state the time and place of the hearing, contain a general, func-  
49 tional description of the project, describe the prospective location of  
50 the project, identify the initial owner, operator or manager of the  
51 project and generally describe the financial assistance contemplated by  
52 the authority with respect to the project.

53 4. The authority shall maintain a complete record of the hearing,  
54 including all documents and oral statements, and written statements  
55 presented at or within seven days following such hearing. All members  
56 shall be provided with a copy of such record at least seven days before

1 deciding whether to approve financial assistance for the project. Such  
2 record shall also be posted on the authority's website at the time it is  
3 provided to members.

4 § 16. The public authorities law is amended by adding four new  
5 sections 2307-a, 2307-b, 2307-c and 2307-d to read as follows:

6 § 2307-a. Project application and approval criteria. 1. The project  
7 applicant shall submit an application, developed by the authority, for  
8 approval of a proposed project and financial assistance. The authority  
9 shall adopt project application review and approval criteria that shall  
10 be applied to all project applications under consideration for approval  
11 and financial assistance. The decision to approve or not approve finan-  
12 cial assistance shall be based on, but not limited to, consideration of  
13 the following criteria:

14 (a) Strategic objectives. Consideration is to be given to the purpose  
15 of the project, such as the nature of the planned business activity, the  
16 extent to which the planned business activity is unrepresented or under-  
17 represented in the community, and whether the project involves a busi-  
18 ness interested in relocating from outside the state of New York.

19 (b) Job creation. A decision to fund a project shall be based on the  
20 number of jobs to be created or retained by the proposed project, the  
21 range of projected salaries and benefits associated with jobs to be  
22 created, and the benchmarks and timeframes to be used by the project to  
23 determine whether it is meeting projected job creation and retention  
24 goals.

25 (c) The financial viability of the project. Approval for funding shall  
26 consider the extent to which the viability and success of the project is  
27 dependent on financial assistance from the authority. The authority  
28 shall also consider the amount and type of financial assistance being  
29 requested, the amount and type of private financing required, the amount  
30 and type of capital investment to be provided by the project applicant,  
31 and any prior financial assistance provided to the project or to the  
32 project applicant.

33 (d) Economic benefits. Funding decisions shall consider the potential  
34 economic and financial impact of the project on existing businesses in  
35 the area, on the affected tax jurisdictions, and on the local labor  
36 market.

37 (e) Legal issues. Consideration shall be given to the project appli-  
38 cant's record of compliance with applicable laws and regulations.

39 2. The project application review and approval criteria shall be  
40 reviewed and approved annually at a regular meeting of the authority and  
41 made available to the public on the authority's website.

42 3. The authority shall provide the director of the authorities budget  
43 office with an electronic copy of the application and project review and  
44 approval criteria within thirty days of their adoption or revision.

45 4. The authority shall retain a written record of the evaluation of  
46 each project application to document its decision to provide or deny  
47 financial assistance.

48 § 2307-b. Financial assistance agreement. 1. The authority shall enter  
49 into a written agreement with the project applicant prior to providing  
50 financial assistance. The agreement shall include the following informa-  
51 tion:

52 (a) a description of the amount and type of financial assistance to be  
53 provided by the authority, including a description and the value of  
54 property conveyed at less than fair market value;

1 (b) a description of the amount of financing to be provided by the  
2 project applicant, including the amount and type of capital investment  
3 to be provided;

4 (c) the purpose of the project;

5 (d) the amount, types, sources and commitments of any private financ-  
6 ing;

7 (e) the projected number of new full-time and part-time positions  
8 expected to be created over the period of financial assistance, and an  
9 estimated schedule by year of when those positions will be created;

10 (f) the number and types of full-time and part-time jobs to be  
11 retained, and the number of filled positions at the project as of the  
12 date the agreement is executed;

13 (g) the types and value of other forms of financial assistance  
14 provided to the project or requested by the project applicant from other  
15 state or local government agencies or authorities; and

16 (h) the penalties to be imposed on the project applicant if the terms  
17 of the agreement are not met.

18 2. The length of a financial assistance agreement shall be limited to  
19 no more than five years; provided however that the agreement may be  
20 renewed for up to five additional years if the authority determines that  
21 the project applicant has acted in good faith to meet the terms and  
22 conditions of the agreement. In no event may financial assistance in the  
23 form of a loan or exemption from taxation be provided to a project for  
24 more than ten years.

25 3. The financial assistance agreement shall be made available to the  
26 public on the website of the authority.

27 4. The authority shall adopt a methodology to evaluate the conformance  
28 of each assisted project to the terms and conditions of the financial  
29 assistance agreement. This methodology shall be made available to the  
30 public on the authority's website.

31 § 2307-c. Recapture of certain financial assistance. 1. The authority,  
32 pursuant to the terms and conditions of its financial assistance agree-  
33 ment, may recapture financial assistance to a project from the proceeds  
34 of bonds issued by the authority, mortgage recording tax exemptions, or  
35 local sales or compensating use tax exemptions if (a) the project  
36 violates state or federal tax law, labor law, environmental protection  
37 law, or contract law, or any state or federal rule or regulation imple-  
38 menting such law, as determined by a court of competent jurisdiction or  
39 administrative tribunal, provided that such court or tribunal concludes  
40 that the violation would cause material harm to the economy or quality  
41 of life of the community; or (b) all or part of the project's business  
42 activity or workforce is moved to a location outside the community  
43 served by the authority and by doing so violates the terms and condi-  
44 tions of its financial assistance agreement.

45 2. An authority which elects to initiate the recapture of financial  
46 assistance pursuant to subdivision one of section eight hundred fifty-  
47 nine-e of the general municipal law must notify the recipient of such  
48 financial assistance in writing that it is in default of its financial  
49 assistance agreement and may direct the recipient of financial assist-  
50 ance to repay up to the full amount of such financial assistance  
51 received as of the date of the written notice plus interest at the rate  
52 set forth in section five thousand four of the civil practice law and  
53 rules.

54 3. Financial assistance recaptured pursuant to this section and any  
55 interest paid shall be redistributed to affected tax jurisdictions in  
56 proportion to the amount of real property tax and other taxes which

1 would have been received by each affected tax jurisdiction had the  
2 project not been tax exempt. Unless otherwise agreed to in writing by an  
3 affected tax jurisdiction, the authority shall not retain any portion of  
4 such funds as an administrative or project fee.

5 § 2307-d. Wages and standards. Whenever a recipient of financial  
6 assistance from the authority enters into a contract, subcontract, lease  
7 or other agreement for or in connection with the construction, demoli-  
8 tion, reconstruction, rehabilitation, repair, or renovation of an  
9 assisted project, the recipient of financial assistance shall pay work-  
10 ers engaged in such work no less than the prevailing rate of wage and  
11 supplements under article eight of the labor law.

12 § 17. Section 2315 of the public authorities law, as amended by chap-  
13 ter 357 of the laws of 1993, subdivision 1 as amended by chapter 386 of  
14 the laws of 2019, is amended to read as follows:

15 § 2315. Uniform [~~tax-exemption~~] financial assistance policy. 1. The  
16 authority shall [~~establish~~] adopt a uniform [~~tax-exemption~~] financial  
17 assistance policy, [~~with input from~~] subject to the approval of affected  
18 local taxing jurisdictions, which shall be applicable to provisions of  
19 financial assistance pursuant to section twenty-three hundred seven of  
20 this title and shall provide guidelines for the claiming of real proper-  
21 ty, mortgage recording, and sales tax exemptions. Such guidelines shall  
22 include, but not be limited to: period of exemption; payments in lieu of  
23 taxes as a percentage of [~~exemption~~] taxes that would have been levied  
24 by or on behalf of affected tax jurisdictions if the project was not  
25 exempt by reason of authority involvement; types of projects for which  
26 exemptions may be claimed; procedures for payments in lieu of taxes and  
27 instances in which real property appraisals are to be performed as a  
28 part of an application for tax exemption; in addition, the authority in  
29 adopting such policy shall consider such issues as: the extent to which  
30 a project will create or retain permanent, private sector jobs; the  
31 estimated value of any tax exemption to be provided; whether affected  
32 tax jurisdictions should be reimbursed by the project occupant if a  
33 project does not fulfill the purposes for which an exemption was  
34 provided; the impact of a proposed project on existing and proposed  
35 businesses and economic development projects in the vicinity; the amount  
36 of private sector investment generated or likely to be generated by the  
37 proposed project; the demonstrated public support for the proposed  
38 project; the likelihood of accomplishing the proposed project in a time-  
39 ly fashion; the effect of the proposed project upon the environment; the  
40 extent to which the project will utilize, to the fullest extent practi-  
41 cable and economically feasible, resource conservation, energy efficien-  
42 cy, green technologies, and alternative and renewable energy measures;  
43 the extent to which the proposed project will require the provision of  
44 additional services, including, but not limited to additional educa-  
45 tional, transportation, police, emergency medical or fire services; and  
46 the extent to which the proposed project will provide additional sources  
47 of revenue for municipalities and school districts. The adopted uniform  
48 financial assistance policy shall be provided to the chief executive  
49 officer and members of the governing body of each affected tax jurisdic-  
50 tion and shall be made available for public inspection at the authori-  
51 ty's office and on the authority's website upon its adoption.

52 2. The authority shall [~~establish a procedure~~] adopt criteria for  
53 deviation from the uniform [~~tax-exemption~~] financial assistance policy  
54 required pursuant to this section which shall be subject to the approval  
55 of affected local tax jurisdictions. The authority shall set forth in  
56 writing the reasons for deviation from such policy, and shall further

1 notify the affected local taxing jurisdictions of the proposed deviation  
2 from such policy and the reasons therefor not less than sixty days  
3 before such deviation from the uniform tax exemption policy shall take  
4 effect.

5 § 18. Subdivision 1 of section 2976 of the public authorities law, as  
6 amended by section 1 of part C of chapter 19 of the laws of 2010, is  
7 amended to read as follows:

8 1. Notwithstanding any other law to the contrary, public benefit  
9 corporations (which for purposes of this section shall include indus-  
10 trial development agencies created pursuant to title one of article  
11 eighteen-A of the general municipal law or any other provision of law  
12 and the New York city housing development corporation created pursuant  
13 to article twelve of the private housing finance law) which issue bonds,  
14 notes or other obligations and not-for-profit corporations that issue  
15 bonds on behalf of the state or a political subdivision thereof shall  
16 pay to the state a bond issuance charge upon the issuance of such bonds  
17 in an amount determined pursuant to subdivision two of this section.  
18 Such charge shall be paid to the state department of taxation and  
19 finance, upon forms prescribed therefor, no later than fifteen days from  
20 the end of the month within which such bonds are issued.

21 § 19. The not-for-profit corporation law is amended by adding a new  
22 section 206 to read as follows:

23 § 206. Financial assistance agreement.

24 1. A corporation, including a local development corporation, deter-  
25 mined to be a local authority pursuant to subdivision two of section two  
26 and paragraph (j) of subdivision one of section six of the public  
27 authorities law that provides financial assistance to a project in the  
28 form of a grant, loan, exemption from taxation, or contribution for the  
29 public purpose of relieving or reducing unemployment, promoting and  
30 marketing job opportunities, or supporting the formation, relocation,  
31 expansion, or retention of business shall enter into a written agreement  
32 with the project applicant prior to providing financial assistance.

33 2. The agreement shall include the following information:

34 (a) a description of the amount and type of financial assistance to be  
35 provided by the corporation, including a description and the value of  
36 property conveyed at less than fair market value;

37 (b) a description of the amount of financing to be provided by the  
38 project applicant, including the amount and type of capital investment  
39 to be provided;

40 (c) the purpose of the project;

41 (d) the amount, types, sources and commitments of any private financ-  
42 ing;

43 (e) the projected number of new full-time and part-time positions  
44 expected to be created over the period of financial assistance, and an  
45 estimated schedule by year of when those positions will be created;

46 (f) the number and types of full-time and part-time jobs to be  
47 retained, and the number of filled positions at the project as of the  
48 date the agreement is executed;

49 (g) the types and value of other forms of financial assistance  
50 provided to the project or requested by the project applicant from other  
51 state or local government agencies or authorities; and

52 (h) the penalties to be imposed on the project applicant if the terms  
53 of the agreement are not met.

54 3. The length of a financial assistance agreement shall be limited to  
55 no more than five years; provided however that the agreement may be  
56 renewed for up to five additional years if the corporation determines

1 that the project applicant has acted in good faith to meet the terms and  
2 conditions of the agreement. In no event may financial assistance in the  
3 form of a loan or exemption from taxation be provided to a project for  
4 more than ten years.

5 4. The financial assistance agreement shall be made available to the  
6 public on the website of the corporation.

7 5. The corporation shall adopt a methodology to evaluate the conform-  
8 ance of each assisted project to the terms and conditions of the finan-  
9 cial assistance agreement. This methodology shall be made available to  
10 the public on the corporation's website.

11 6. (a) The corporation, pursuant to the terms and conditions of its  
12 financial assistance agreement, may recapture financial assistance to a  
13 project from grants, loans, real property tax exemptions, mortgage  
14 recording tax exemptions, or local sales or compensating use tax  
15 exemptions if (i) the project violates state or federal tax law, labor  
16 law, environmental protection law, or contract law, or any state or  
17 federal rule or regulation implementing such law, as determined by a  
18 court of competent jurisdiction or administrative tribunal, provided  
19 that such court or tribunal concludes that the violation would cause  
20 material harm to the economy or quality of life of the community; or  
21 (ii) all or part of the project's business activity or workforce is  
22 moved to a location outside the community served by the corporation and  
23 by doing so violates the terms and conditions of its financial assist-  
24 ance agreement.

25 (b) A corporation which elects to initiate the recapture of financial  
26 assistance pursuant to subdivision one of this section must notify the  
27 recipient of such financial assistance in writing that it is in default  
28 of its financial assistance agreement and may direct the recipient of  
29 financial assistance to repay up to the full amount of such financial  
30 assistance received as of the date of the written notice plus interest  
31 at the rate set forth in section five thousand four of the civil prac-  
32 tice law and rules.

33 (c) Financial assistance recaptured pursuant to this section and any  
34 interest paid shall be redistributed to affected tax jurisdictions in  
35 proportion to the amount of real property tax and other taxes which  
36 would have been received by each affected tax jurisdiction had the  
37 project not been tax exempt. Unless otherwise agreed to in writing by an  
38 affected tax jurisdiction, the corporation shall not retain any portion  
39 of such funds as an administrative or project fee.

40 7. Wages and standards. Whenever a recipient of financial assistance  
41 from the corporation enters into a contract, subcontract, lease or other  
42 agreement for or in connection with the construction, demolition, recon-  
43 struction, rehabilitation, repair, or renovation of an assisted project,  
44 the recipient of financial assistance shall pay workers engaged in such  
45 work no less than the prevailing rate of wage and supplements under  
46 article eight of the labor law.

47 8. For the purposes of this section, "project" shall mean any land,  
48 any building or other improvement, and all real and personal properties  
49 located within the state of New York and within or outside or partially  
50 within and partially outside the municipality for whose benefit the  
51 agency was created, including, but not limited to, machinery, equipment  
52 and other facilities deemed necessary or desirable in connection there-  
53 with, or incidental thereto, whether or not now in existence or under  
54 construction, which shall be suitable for manufacturing, warehousing,  
55 research, commercial or industrial purposes or other economically sound  
56 purposes identified and called for to implement a state designated urban

1 cultural park management plan as provided in title G of the parks,  
 2 recreation and historic preservation law and which may include or mean  
 3 an industrial pollution control facility, a recreation facility, educa-  
 4 tional or cultural facility, a horse racing facility, a railroad facili-  
 5 ty or an automobile racing facility, provided, however, that no agency  
 6 shall use its funds or provide financial assistance in respect of any  
 7 project wholly or partially outside the municipality for whose benefit  
 8 the agency was created without the prior consent thereto by the govern-  
 9 ing body or bodies of all the other municipalities in which a part or  
 10 parts of the project is, or is to be, located, and such portion of the  
 11 project located outside such municipality for whose benefit the agency  
 12 was created shall be contiguous with the portion of the project inside  
 13 such municipality.

14 § 20. Paragraphs (a), (b) and (d) of section 1411 of the not-for-pro-  
 15 fit corporation law, paragraph (a) as amended by chapter 847 of the laws  
 16 of 1970 and paragraph (b) as amended by chapter 549 of the laws of 2013,  
 17 are amended to read as follows:

18 (a) Purposes.

19 This section shall provide an additional and alternate method of  
 20 incorporation or reincorporation of not-for-profit corporations for any  
 21 of the purposes set forth in this paragraph [~~and shall not be deemed to~~  
 22 ~~alter, impair or diminish the purposes, rights, powers or privileges of~~  
 23 ~~any corporation heretofore or hereafter incorporated under this section~~  
 24 ~~or under the stock or business corporation laws~~]. Corporations may be  
 25 incorporated or reincorporated under this section as not-for-profit  
 26 local development corporations operated for the exclusively charitable  
 27 or public purposes of relieving and reducing unemployment, promoting and  
 28 providing for additional and maximum employment, bettering and maintain-  
 29 ing job opportunities, instructing or training individuals to improve or  
 30 develop their capabilities for such jobs, carrying on scientific  
 31 research for the purpose of aiding a community or geographical area by  
 32 attracting new industry to the community or area or by encouraging the  
 33 development of, or retention of, an industry in the community or area[  
 34 ~~and lessening the burdens of government and acting in the public inter-~~  
 35 ~~est, and any]. Any one or more counties, cities, towns or villages of~~  
 36 the state, or any combination thereof, or the New York job development  
 37 authority in exercising its power under the public authorities law to  
 38 encourage the organization of local development corporations, may cause  
 39 such corporations to be incorporated by public officers or private indi-  
 40 viduals or reincorporated upon compliance with the requirements of this  
 41 section, and it is hereby found, determined and declared that in carry-  
 42 ing out said purposes and in exercising the powers conferred by para-  
 43 graph (b) of this section such corporations will be acting in the public  
 44 interest and performing an essential governmental function.

45 (b) Type of corporation.

46 A local development corporation [~~is~~] incorporated for one or more of  
 47 the purposes described in paragraph (a) of this section shall be a char-  
 48 itable corporation under this chapter.

49 (d) Purchase or lease of real property owned by a county, city, town  
 50 or village.

51 (1) The local legislative body of a county, city, town or village or,  
 52 if there is a board of estimate in a city, then the board of estimate,  
 53 may by resolution determine that specifically described real property  
 54 owned by the county, city, town or village is not required for use by  
 55 such county, city, town or village and authorize the county, city, town  
 56 or village to sell or lease such real property to a local development



1 corporation incorporated or reincorporated under this article; provided,  
2 however, that title to such land be not declared inalienable as a forest  
3 preserve or a parkland.

4 (2) Notwithstanding the provisions of any general, special or local  
5 law, charter or ordinance to the contrary, no such sale or lease may be  
6 made without appraisal, public notice, (except as provided in subpara-  
7 graph (4)) or public bidding [~~for such price or rental and upon such~~  
8 ~~terms as may be agreed upon between the county, city, town or village~~  
9 ~~and said local development corporation~~]; provided, however, that in case  
10 of a lease the term may not exceed ninety-nine years and provided,  
11 further, that in cities having a population of one million or more, no  
12 such sale or lease shall be made without the approval of a majority of  
13 the members of the borough [~~improvement~~] board of the borough in which  
14 such real property is located.

15 (3) Before any sale or lease to a local development corporation incor-  
16 porated or reincorporated under this article shall be authorized, a  
17 public hearing shall be held by the local legislative body[~~, or by the~~  
18 ~~board of estimate, as the case may be,~~] to consider the proposed sale or  
19 lease.

20 (4) Notice of such hearing shall be published at least ten days before  
21 the date set for the hearing in such publication and in such manner as  
22 may be designated by the local legislative body[~~, or the board of esti-~~  
23 ~~mate as the case may be~~]. Such notice shall include a description of the  
24 real property proposed to be sold or leased; a statement of the esti-  
25 imated fair market value of the real property proposed to be sold or  
26 leased; the value of the financial consideration to be received by the  
27 county, city, town or village from such sale or lease of the real prop-  
28 erty; and a statement of the intended use or disposition of such real  
29 property by the local development corporation.

30 (5) A local development corporation, incorporated or reincorporated  
31 under this section, which purchases or leases real property from a coun-  
32 ty, city, town or village, shall not, without the written approval of  
33 the county, city, town or village, use such real property for any  
34 purpose except the purposes set forth in the certificate of incorpo-  
35 ration or reincorporation of said local development corporation. In the  
36 event such real property is used in violation of the restrictions of  
37 this paragraph, the attorney-general may bring an action or special  
38 proceeding to enjoin the unauthorized use.

39 § 21. Paragraphs (e), (f), (g), (h), and (i) of section 1411 of the  
40 not-for-profit corporation law are relettered paragraphs (f), (g), (h),  
41 (i), and (j) and a new paragraph (e) is added to read as follows:

42 (e) Contracts with municipalities.

43 Any contract or other agreement between a local development corpo-  
44 ration and a municipality or state authority or local authority for one  
45 or more of the purposes described in paragraph (a) of this section  
46 shall: (i) cause the local development corporation to be defined as a  
47 local authority pursuant to subdivision two of section two of the public  
48 authorities law; (ii) provide for the municipality or state authority or  
49 local authority to receive fair and adequate consideration for the  
50 services provided by the local development corporation; (iii) be subject  
51 to the requirements of article five-A of the general municipal law; and  
52 (iv) have a term not to exceed ten years, subject to one or more  
53 renewals for a term not to exceed ten years upon the mutual consent of  
54 the parties; provided however that a contract with a municipality shall  
55 not be used to finance the municipality's operations or to acquire or  
56 improve an asset for use of the municipality.

1 § 22. Paragraph (j) of section 1411 of the not-for-profit corporation  
2 law, as relettered by section twenty-one of this act, is amended to read  
3 as follows:

4 (j) Effect of section.

5 Corporations incorporated or reincorporated under this section shall  
6 be organized and operated exclusively for the purposes set forth in  
7 paragraph (a), shall have, in addition to the powers otherwise conferred  
8 by law, the powers conferred by paragraph (c) of this section and shall  
9 be subject to all the restrictions and limitations imposed by [~~paragraph~~  
10 ~~(e) and paragraph (g)] paragraphs (c), (d), (e), (h) and (i) of this  
11 section. In so far as the provisions of this section are inconsistent  
12 with the provisions of any other law, general or special, the provisions  
13 of this section shall be controlling as to corporations incorporated or  
14 reincorporated hereunder.~~

15 § 23. Federal preemption and severability. The provisions of each  
16 section of this act shall be deemed severable, and the declaration by a  
17 court of competent jurisdiction that any part thereof is preempted or  
18 otherwise invalid shall not affect the remaining parts thereof.

19 § 24. This act shall take effect on the thirtieth day after it shall  
20 have become a law, or January 1, 2021, whichever shall come first;  
21 provided, however, that section fifteen of this act shall apply to bonds  
22 issued or re-issued on or after the effective date of this act;  
23 provided, however, that the amendments to subdivisions 19, 20 and 22 of  
24 section 858 of the general municipal law made by section three of this  
25 act shall not affect the expiration of such subdivisions and shall be  
26 deemed to expire therewith; and provided further, however, that the  
27 amendments to subdivision 21 of section 858 of the general municipal law  
28 made by section three of this act shall not affect the repeal of such  
29 subdivision and shall be deemed repealed therewith.