

STATE OF NEW YORK

10520

IN ASSEMBLY

June 1, 2022

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Cunningham)
-- read once and referred to the Committee on Cities

AN ACT to amend the facilities development corporation act, in relation to the transfer and conveyance of certain property to a housing development fund corporation

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

1 Section 1. Subdivision 13 of section 5 of section 1 of chapter 359 of
2 the laws of 1968, constituting the facilities development corporation
3 act, as amended by chapter 723 of the laws of 1993, is amended to read
4 as follows:

5 13. (a) Subject to the terms and conditions of any lease, sublease,
6 loan or other financing agreement with the state housing finance agency
7 or the state medical care facilities finance agency, and to the determi-
8 nation of the appropriate commissioner of the department, and in the
9 case of community mental health and retardation facilities, of the city
10 or county, that such real property held for the purposes of a mental
11 hygiene facilities improvement program is unnecessary for the present or
12 foreseeable future needs of a mental hygiene facility, with the approval
13 of the director of the budget, to convey for fair value, except as
14 otherwise provided in paragraph (b) of this subdivision, any right,
15 title or interest of the people of the state of New York in and to such
16 real property to any appropriate state agency, or public corporation,
17 city or county for other public use or for sale, lease or other disposi-
18 tion in accordance with law, real property held by the corporation,
19 provided, however, nothing in this subdivision shall be deemed to
20 [~~supercede~~] supersede the provisions of section 41.34 of the mental
21 hygiene law and provided further that any such conveyance shall be
22 subject to, and consistent with the terms and objectives of, any plan
23 developed by the state interagency council on mental hygiene property
24 utilization. The corporation shall provide written notice at least thir-
25 ty days in advance of the effective date of any conveyance to the gover-
26 nor, the majority leader of the senate and the speaker of the assembly.
27 No conveyance as authorized in this subdivision that may adversely

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

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1 affect the tax exempt nature of any such lease, sublease, loan or other
2 financing agreement with the state housing finance agency or the New
3 York state medical care facilities finance agency may occur until the
4 attorney general or other designated bond counsel determines in writing
5 that the conveyance is consistent with all applicable state and federal
6 laws, rules and regulations, and with deeds, leases, subleases, loan
7 agreements, financing agreements, and bond resolutions relating to or
8 affected by the conveyance, and that the conveyance does not impair the
9 tax exempt status of outstanding obligations issued by the state housing
10 finance agency or the New York state medical care facilities finance
11 agency to finance or refinance the design, construction, acquisition,
12 reconstruction, rehabilitation or improvement of mental health service
13 facilities as defined in the New York state medical care facilities
14 finance agency act.

15 (b) Notwithstanding any other provision of law to the contrary, for
16 the purposes of transferring and conveying the westernmost portion of
17 that certain property commonly known as the Kingsboro Psychiatric
18 Center, located at 681 Clarkson Avenue in Brooklyn, New York to a hous-
19 ing development fund corporation formed pursuant to article XI of the
20 private housing finance law, for the purposes described below, the term
21 "fair value" shall be deemed to be an amount determined to be in the
22 public interest and agreed upon between the commissioner of the office
23 of mental health and the commissioner of the division of housing and
24 community renewal, provided, however, that such agreed upon amount may
25 be less than the appraised fair value, in order to facilitate the devel-
26 opment of the public benefit Vital Brooklyn project and in reflection of
27 the Vital Brooklyn initiative and the intended use of the property, to
28 increase access to open spaces, increase access and quality of health
29 care services and preventative care, create affordable housing, and to
30 provide at least one hundred supportive housing units for office of
31 mental health recipients. The description of the lands to be transferred
32 and conveyed as set forth above is not intended to be a legal
33 description but, intended only to identify the property subject to this
34 paragraph.

35 § 2. This act shall take effect immediately.