

# STATE OF NEW YORK

9349

## IN SENATE

May 18, 2022

Introduced by Sen. MYRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Housing, Construction and Community Development

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 [~~supersede~~] 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.

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

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1 No conveyance as authorized in this subdivision that may adversely  
2 affect the tax exempt nature of any such lease, sublease, loan or other  
3 financing agreement with the state housing finance agency or the New  
4 York state medical care facilities finance agency may occur until the  
5 attorney general or other designated bond counsel determines in writing  
6 that the conveyance is consistent with all applicable state and federal  
7 laws, rules and regulations, and with deeds, leases, subleases, loan  
8 agreements, financing agreements, and bond resolutions relating to or  
9 affected by the conveyance, and that the conveyance does not impair the  
10 tax exempt status of outstanding obligations issued by the state housing  
11 finance agency or the New York state medical care facilities finance  
12 agency to finance or refinance the design, construction, acquisition,  
13 reconstruction, rehabilitation or improvement of mental health service  
14 facilities as defined in the New York state medical care facilities  
15 finance agency act.

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

36 § 2. This act shall take effect immediately.