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:

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

13. **(a)** Subject to the terms and conditions of any lease, sublease, loan or other financing agreement with the state housing finance agency or the state medical care facilities finance agency, and to the determination of the appropriate commissioner of the department, and in the case of community mental health and retardation facilities, of the city or county, that such real property held for the purposes of a mental hygiene facilities improvement program is unnecessary for the present or foreseeable future needs of a mental hygiene facility, with the approval of the director of the budget, to convey for fair value**, except as otherwise provided in paragraph (b) of this subdivision,** any right, title or interest of the people of the state of New York in and to such real property to any appropriate state agency, or public corporation, city or county for other public use or for sale, lease or other disposition in accordance with law, real property held by the corporation, provided, however, nothing in this subdivision shall be deemed to [~~supercede~~] **supersede** the provisions of section 41.34 of the mental hygiene law and provided further that any such conveyance shall be subject to, and consistent with the terms and objectives of, any plan developed by the state interagency council on mental hygiene property utilization. The corporation shall provide written notice at least thirty days in advance of the effective date of any conveyance to the governor, 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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No conveyance as authorized in this subdivision that may adversely affect the tax exempt nature of any such lease, sublease, loan or other financing agreement with the state housing finance agency or the New York state medical care facilities finance agency may occur until the attorney general or other designated bond counsel determines in writing that the conveyance is consistent with all applicable state and federal laws, rules and regulations, and with deeds, leases, subleases, loan agreements, financing agreements, and bond resolutions relating to or affected by the conveyance, and that the conveyance does not impair the tax exempt status of outstanding obligations issued by the state housing finance agency or the New York state medical care facilities finance agency to finance or refinance the design, construction, acquisition, reconstruction, rehabilitation or improvement of mental health service facilities as defined in the New York state medical care facilities finance agency act.

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

§ 2. This act shall take effect immediately.