STATE OF NEW YORK

10531

IN ASSEMBLY

June 3, 2024

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Fahy) -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to creating the Albany county pine hills land authority

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

Section 1. Article 8 of the public authorities law is amended by adding a new title 28-C to read as follows:

TITLE 28-C
ALBANY COUNTY PINE HILLS LAND AUTHORITY

Section 2676. Short title.
2676-a. Statement of legislative findings and purpose.
2676-b. Definitions.
2676-c. Albany county pine hills land authority.
2676-d. Advances on behalf of the authority; transfer of property to the authority; acquisition of property by county for the authority.
2676-e. Transfer of officers and employees.
2676-f. General purposes and powers of the authority.
2676-g. Bonds of the authority.
2676-h. Remedies of bondholders.
2676-i. State and county not liable on authority bonds.
2676-j. Monies of the authority.
2676-k. Bonds legal investment for fiduciaries.
2676-l. Agreement with state.
2676-m. Agreement with county.
2676-n. Exemption from taxes, assessments and certain fees.
2676-o. Actions against authority.
2676-p. Contracts.
2676-q. Code of ethics.
2676-r. Agreements relating to payment in lieu of taxes.

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

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2676-s. Audit and annual report.
2676-t. Limited liability.
2676-u. Transfer of applications, proceedings, approvals, and permits.
2676-v. Separability.
2676-w. Effect of inconsistent provisions.

§ 2676. Short title. This title may be cited as the "Albany county pine hills land authority act".

§ 2676-a. Statement of legislative findings and purpose. The legislature hereby finds and declares as follows:

1. The economic well-being of the county and the general welfare of its people require adequate, and accessible performing arts centers, athletic fields, educational facilities, and residential facilities.

2. The preservation and safeguarding of facilities at risk of being underutilized and becoming blighted is a matter of vital importance not only to the residents of the capital district but to all the state's residents and is, therefore, a matter of state concern.

3. In order to ensure a healthy economy for such area and to promote the general welfare of its residents, it is necessary to maintain and improve the college of Saint Rose facilities and services in the county of Albany in such a manner as to stimulate and promote a healthy economy.

4. The general health and welfare of the state's residents requires coordinated operation of the college of Saint Rose facilities and services in the county of Albany by a public benefit authority.

5. The purposes of such authority shall be: (a) to promote accessible, efficient and economically productive use of the college of Saint Rose facilities; (b) to acquire, construct, reconstruct, continue, develop, equip, expand, improve, maintain, finance, and operate the college of Saint Rose facilities and services within the county of Albany; (c) to stimulate and promote economic development and expand the region's property tax base consistent with its general purpose; and (d) to make contracts and leases and to execute all instruments necessary or convenient for its corporate purposes.

6. Such purposes are in all respects public purposes for the benefit of the people of the state of New York and for which public funds may be expended and both the county and the authority in carrying out their respective powers and duties under this title shall be deemed to be acting in a governmental capacity. The acquisition, construction, reconstruction, development, expansion, improvement, equipping, operation and maintenance of any project financed or undertaken by the authority or the county shall be deemed to be the performance of an essential governmental function by the authority or the county acting in its governmental capacity, whether such project shall be owned or operated by the authority or by any person or public corporation.

7. It is hereby found and declared that it has been and remains the policy of the state of New York to promote equal opportunity in employment for all persons, without discrimination on account of race, creed, color, national origin, sex, age, disability or marital status, to promote equality of economic opportunity for minority group members and women, and minority and women-owned business enterprises.

§ 2676-b. Definitions. As used or referred to in this title, unless a different meaning clearly appears from the context:

1. "Authority" shall mean the Albany county pine hills land authority created by this title.

2. "City" shall mean the city of Albany.

3. "The college of Saint Rose facilities" shall mean any facility or land including but not limited to any athletic facility, educational facility, performing arts facility, or residential facility owned or operated by the college of Saint Rose at the time of the effective date of this title, and shall include such other facilities, equipment, property, structures and appurtenances as may be necessary or convenient in the operation, maintenance, development or improvement of such facility or land.

4. "Bonds" shall mean the bonds, notes or other evidences of indebtedness issued by the authority pursuant to this title and the provisions of this title relating to bonds and bond holders which shall apply with equal force and effect to notes and note holders unless the context otherwise clearly requires.

5. "Construction" shall mean the acquisition, erection, building, alteration, repair, improvement, increase, enlargement, extension, installation, reconstruction, renovation or rehabilitation of a project including any appurtenances thereto which may be necessary or desirable to promote the efficiency or effectiveness of such project; the inspection and supervision thereof; and the engineering, consulting, architectural, legal, fiscal and economic and environmental investigations and studies, surveys, designs, plans, working drawings, specifications, procedures and other actions incidental thereto and claims arising therefrom.

6. "Cost", as applied to any project, shall include the cost of the acquisition of all property both real and personal, improved and unimproved, the cost of demolishing, removing or relocating any buildings or structures on lands so acquired, including the cost of relocating tenants or other occupants of the buildings or structures on such land and the cost of acquiring any lands to which such buildings or structures may be moved or relocated, the cost of all systems, facilities, machinery, apparatus and equipment, financing charges, interest prior to, during and after construction to the extent not paid or provided for from revenues or other sources, the cost of construction, the cost of engineering and architectural surveys, plans and specifications, the cost of consultants and legal services, the cost of lease, guarantees, credit enhancement or bond insurance, other expenses necessary or incidental to the construction of such project, and the financing of the construction thereof, including the amount authorized in the resolution of the authority providing for the issuance of bonds to be paid into any reserve or other special fund from the proceeds of such bonds and the financing of the placing of any project in operation, including reimbursement, to any public corporation, the state, the federal government, or any other person for expenditures, that would be costs of such project had they been made directly by the authority.

7. "County" shall mean the county of Albany.

8. "Facility" shall include, but not be limited to, properties, structures, appurtenances, utilities, and such other works.

9. "Federal government" shall mean the United States of America, and any department, board, commission, bureau, division, corporation, agency, or instrumentality thereof.

10. "Minority and women-owned business enterprise" or "minority or women-owned business enterprise" shall mean a minority-owned business enterprise and/or a women-owned business enterprise, as such terms are defined by section three hundred ten of the executive law.

11. "Municipality" shall mean a county, city, town, village, or school district.

12. "Person" shall mean any natural person, firm, partnership association, joint venture, or corporation, exclusive of a public corporation.

13. "Personal property" shall mean chattels and other tangible things of a moveable or removable nature.

14. "Property" shall mean both real and/or personal property.

15. "Project" shall mean any property or improvements located within the state of New York and within the county of Albany, including, but not limited to, machinery, equipment, and other facilities deemed necessary or desirable in connection therewith, or incidental thereto, whether or not in existence or under construction upon the effective date of this title, which shall be necessary or suitable for purposes and redevelopment of the college of Saint Rose facilities provided, however, the authority shall not use its funds in respect of any part of a project located wholly or partially outside the county without the prior consent thereto by the governing body of any other county in which a part or parts of such project is, or is to be located.

16. "Public corporation" shall mean a county, city, town, village, school district or special district, any public benefit corporation, agency or instrumentality of the state or of any municipality, or two or more of any of the foregoing acting jointly.

17. "Real property" shall mean lands, structures, franchises and interests in land, airspace, waters, lands under water, riparian rights, rights, any fixtures, equipment and articles of personal property affixed to or used in connection therewith, and any and all things and rights included within such term and includes not only fees simple absolute but also any and all lesser interests including but not limited to easements, rights of way, uses, leases, licenses and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms for years and liens thereon by way of judgments, mortgages, or otherwise.

18. "Revenues" shall mean all rates, fees, rents, revenues, charges, and other income derived by the authority from the operation, leasing, sale, or other disposition of the college of Saint Rose related facilities.

19. "State" shall mean the state of New York.

§ 2676-c. Albany county pine hills land authority. 1. There is hereby created the Albany county pine hills land authority. The authority shall be a body corporate and politic constituting a public benefit corporation. The authority shall consist of seven members who shall be residents of the county of Albany. Such members shall be appointed in the following manner: four shall be appointed by the county executive, two shall be appointed by the chairperson of the county legislature, and one shall be appointed by the mayor of the city of Albany. Of the members of the authority initially appointed by the county executive, two shall serve for a term ending December thirty-first, two thousand twenty-eight and two shall serve for a term ending December thirty-first, two thousand twenty-nine. Of the members of the authority initially appointed by the chairperson of the county legislature, one shall serve for a term ending December thirty-first, two thousand twenty-eight and one shall serve for a term ending December thirty-first, two thousand twenty-nine. The member of the authority initially appointed by the mayor of the city of Albany shall serve for a term ending December thirty-first, two thousand twenty-eight. Thereafter, each member of the authority shall serve a term of four years. The members of the authority, once appointed, shall designate one of the seven members of the authority to serve as the chairperson of the authority. The authority may provide for such

officers as may be determined necessary and the same need not be members of the authority.

2. All members of the authority shall continue to hold office until their successors are appointed and qualify. Except as otherwise provided in subdivision three of this section, vacancies of members of the authority shall be filled in the manner provided for original appointment. Such vacancies, occurring otherwise than by expiration of term of office, shall be filled for the unexpired terms. Members of the authority may be removed from office for the same reasons and in the same manner as may be provided by law for the removal of officers of the county. The members of the authority shall receive no compensation for their services but shall be reimbursed for all their actual and necessary expenses incurred in connection with the carrying out of the purposes of this title. The powers as set forth in the by-laws of the authority shall be established and vested in and be exercised by the members of the authority at an initial meeting duly called and held and four members of the authority shall constitute a quorum. No action shall be taken at the initial meeting of the authority or any adjournment thereof except pursuant to the favorable vote of at least four members of the authority. Any amendment to the powers of the authority as set forth in the by-laws of the authority shall only become effective upon the favorable vote of at least four members of the authority.

3. Notwithstanding any inconsistent provision of any general, special or local law, ordinance, resolution or charter, no officer, member, or employee of the state or of any public corporation shall forfeit such officer's, member's, or employee's office or employment by reason of such officers', member's, or employee's acceptance of appointment as a member, officer, or employee of the authority, nor shall service as such member, officer, or employee be deemed incompatible or in conflict with such office, membership, or employment.

4. Notwithstanding any inconsistent provision of any general, special or local law, ordinance, resolution, or charter, no officer, member, elected official or employee of the county of Albany or the city of Albany shall be eligible to serve as a member of the authority.

5. All members of the authority shall be required to comply with the Albany county code of ethics and to complete all disclosure forms required by such code of ethics.

6. The authority and its corporate existence shall continue until terminated by law, provided, however, that no such termination shall take effect so long as the authority shall have bonds or other obligations outstanding unless adequate provision has been made for the payment or satisfaction thereof. Upon termination of the existence of the authority, all of the rights and properties of the authority then remaining shall pass to and vest in the county of Albany in such a manner as prescribed by law.

§ 2676-d. Advances on behalf of the authority; transfer of property to the authority; acquisition of property by county for the authority. 1. In addition to any powers granted to it by law, the county may, from time to time, appropriate by resolution sums of money to defray project costs or any other costs and expenses of the authority including operating expenses. Subject to the rights of bond holders, the county may determine if the monies so appropriated shall be subject to repayment by the authority to the county and, in such event, the manner and time or times for such repayment.

2. Notwithstanding any inconsistent provision of any general, special or local law, ordinance, resolution or charter, any public corporation

may, by the approval of its governing body and the approval of its chief executive officer, give, grant, sell, convey, loan, license the use of, or lease to the authority any property or facilities, including the college of Saint Rose facilities, which are useful in connection with the exercise by the authority of its powers under this title. Any such gift, grant, sale, conveyance, loan, license, or lease shall be upon such terms and conditions, and for such term or terms of years, subject to the rights of the holders of any bonds, as the authority and such public corporation may agree. Any such gift, grant, sale, conveyance, lease, loan, or license shall not be subject to referendum, permissive or mandatory. In the event that any public corporation gives, grants, sells, conveys, loans, licenses, or leases any of the college of Saint Rose facilities to the authority, such public corporation may contract with the authority to lease, borrow, license, operate, maintain, manage, and provide services for such facilities upon such terms and conditions and for such term or terms of years, subject to the rights of holders of bonds, as the authority and such public corporation may agree. The authority, in furtherance of any purchase, conveyance, or lease of any property or facility from any public corporation, may assume the primary responsibility for the payment of the principal and interest on any bonds or notes issued by such public corporation for such property or facility. For purposes of section 136.00 of the local finance law, any agreement by the authority to assume the primary responsibility for the payment of the principal and interest on any bonds or notes issued by any such public corporation shall, so long as such agreement shall continue to be honored by the authority, cause such bonds or notes to be deemed to have been refunded and any such public corporation may deduct from its gross indebtedness any outstanding indebtedness contracted for such property or facility to be acquired by the authority.

3. Notwithstanding the provisions of any other law, general, special, or local, no non-hazardous solid waste, toxic, or hazardous waste site, center, consolidated collection, or transfer area, shall be located or maintained at the college of Saint Rose facilities or lands adjacent thereto that are used in support of the college of Saint Rose operations as contained in any layout plan in existence upon the effective date of this title or in the future.

§ 2676-e. Transfer of officers and employees. 1. In accordance with the provisions of section seventy of the civil service law, any officer or employee of the county, may, at the request of the authority and with the consent of the county executive, be transferred to the authority and shall be eligible for such transfer and appointment, without further examination, to applicable offices, positions, and employment under the authority. Any such officers or employees so transferred to the authority pursuant to this section, who are members of or benefit under any pension or retirement fund or system under the laws of the state, shall continue to have all rights, privileges, obligations and status with respect to such fund or system as are prescribed by law, but during the period of their employment by the authority, all contributions to such funds or systems to be paid by the employer on account of such officers or employees shall be paid by the authority.

2. A transferred employee shall remain in the same collective bargaining unit as was the case prior to such employee's transfer; successor employees to the positions held by such transferred employees shall, consistent with the provisions of article fourteen of the civil service law, be included in the same unit as such employee's predecessors. Employees serving in positions in newly created titles shall be assigned

to the same collective bargaining unit as such employees would have been assigned to such unit were such titles created prior to the establishment of the authority. Nothing contained in this title shall be construed (a) to diminish the rights of employees pursuant to a collective bargaining agreement; or (b) to affect existing law with respect to an application to the public employment relations board seeking a designation by the board that certain persons are managerial or confidential.

§ 2676-f. General purposes and powers of the authority. The general purposes of the authority shall be to acquire, design, develop, plan, finance, create, site, construct, renovate, administer, operate, manage, maintain, and dispose of the college of Saint Rose facilities. Except as otherwise limited by this title, the authority shall have power:

1. To sue and be sued;

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

3. To borrow money and issue bonds for any of its corporate purposes or its projects and to provide for the rights of the holders thereof;

4. To make and alter by-laws for its organization and management consistent with the provisions of this title, and, subject to agreements with its bondholders, to make and alter rules and regulations governing the exercise of its powers and the fulfillment of its purposes under this title;

5. To acquire by purchase, grant, lease, gift, or otherwise and to hold and use property necessary, convenient, or desirable to carry out its corporate purposes, and to sell, convey, mortgage, lease, pledge, exchange, or otherwise dispose of any such property in such manner as the authority shall determine;

6. To acquire, construct, reconstruct, lease, expand, improve, maintain, equip, furnish, or operate one or more projects and, if necessary, to pay or finance the cost thereof;

7. To accept gifts, grants, loans, or contributions of funds or property or financial or other aid in any form from, and enter into contracts or other transactions with, the federal government, the state, the county of Albany, or any public corporation or any other source, and to use any such gifts, grants, loans, or contributions for any of its corporate purposes;

8. To grant options to renew any lease with respect to any project or projects and to grant options to buy any project at such price as the authority may deem desirable;

9. To designate the depositories of its money;

10. To establish its fiscal year;

11. To enter into contracts, agreements and leases with the federal government, the state, the county, any person or other public corporation and to execute all instruments necessary or convenient to accomplishing its corporate purposes;

12. To appoint such officers, employees, and agents as the authority may require for the performance of its duties, and to fix and determine their qualifications, duties, and compensation subject to the provisions of the civil service law and any applicable collective bargaining agreement, and to retain or employ counsel, auditors, engineers, and private consultants on a contract basis or otherwise for rendering professional, management, or technical services and advice;

13. With the consent of the county executive, to use employees, agents, consultants, and facilities of the county, paying the county its agreed proportion of the compensation or costs, as well as employees, agents, consultants or facilities of the advance Albany county alliance with the consent of such alliance;

14. To make and adopt plans, surveys, and studies necessary, convenient, or desirable to the effectuation of the purposes and powers of the authority and to prepare recommendations in regard thereto;

15. To enter upon such lands, waters, or premises as in the judgment of the authority may be necessary, convenient, or desirable for the purpose of making surveys, soundings, borings, and examinations to accomplish any purpose authorized by this title, the authority being liable for any actual damage done;

16. To covenant and consent that the interest on any of its bonds or notes issued pursuant to this title shall be includable, under the United States Internal Revenue Code of 1986, as amended or any subsequent corresponding internal revenue law of the United States, in gross income of the holders of the bonds or notes to the same extent and in the same manner that the interest on bills, bonds, notes or other obligations of the United States is includable in the gross income of the holders thereof under such code or any such subsequent law;

17. To insure or provide for the insurance of the authority's property or operations as required by law and also against such other risks as the authority may deem advisable;

18. To collect revenues, dues, costs, assessments, rentals, fees and other charges for the use of real or personal property and/or facilities of the authority subject to and in accordance with such agreements with bondholders as may be provided in this title; and

19. To do all things necessary, convenient or desirable, including ancillary and incidental activities, to carry out its purposes and for the exercise of the powers granted in this title.

§ 2676-g. Bonds of the authority. 1. The authority shall have the power and is hereby authorized from time to time to issue bonds, notes or other obligations to pay the cost of any project or for any other corporate purpose, including the establishment of reserves to secure the bonds, the payment of principal of, premium, if any, and interest on the bonds and the payment of incidental expenses in connection therewith. The aggregate principal amount of such bonds, notes, or other obligations issued shall not exceed eighty million dollars, excluding bonds, notes, or other obligations issued to refund or otherwise repay bonds, notes, or other obligations theretofore issued for such purposes; provided, however, that upon any such refunding or repayment the total aggregate principal amount of outstanding bonds, notes, or other obligations may be greater than eighty million dollars only if the present value of the aggregate debt service of the refunding or repayment bonds, notes, or other obligations to be issued shall not exceed the present value of the aggregate debt service of the bonds, notes, or other obligations so to be refunded or repaid. For purposes hereof, the present values of the aggregate debt service of the refunding or repayment bonds, notes, or other obligations and of the aggregate debt service of the bonds, notes, or other obligations so refunded or repaid, shall be calculated by utilizing the effective interest rate of the refunding or repayment bonds, notes, or other obligations, which shall be that rate arrived at by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the refunding or repayment bonds, notes, or other obligations from the payment dates thereof to the date of issue of the refunding or repayment bonds, notes, or other obligations and to the price bid including estimated accrued interest or proceeds received by the authority including estimated accrued interest from the sale thereof. The authority shall have power and is hereby authorized to enter into such agreements and perform

such acts as may be required under any applicable federal legislation to secure a federal guarantee of any bonds.

2. Bonds issued by the authority may be general obligations secured by faith and credit of the authority or may be special obligations payable solely out of particular revenues or other moneys as may be designated in the proceedings of the authority under which the bonds shall be authorized to be issued, subject as to priority only to any agreements with the holders of outstanding bonds pledging any particular property, revenues, or moneys. The authority may also enter into loan agreements, lines of credit and other security agreements and obtain for or on its behalf letters of credit, insurance, guarantees, or other credit enhancements to the extent now or hereafter available, in each case for securing its bonds or to provide direct payment of any costs which the authority is authorized to pay.

3. (a) Bonds shall be authorized by resolution of the authority, be in such denominations and bear such date or dates and mature at such time or times, as such resolution may provide, provided that bonds and renewals thereof shall mature within forty years from the date of original issuance of any such bonds.

(b) Bonds shall be subject to such terms of redemption, bear interest at such rate or rates, be payable at such times, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms and conditions as such resolution may provide. Notwithstanding any other provision of law, the bonds of the authority issued pursuant to this section shall be sold to the bidder offering the lowest true interest cost, taking into consideration any premium or discount not less than four nor more than fifteen days, Sundays excepted, after a notice of such sale has been published at least once in a newspaper of general circulation in the area served by the authority, which shall state the terms of the sale. The terms of the sale shall not change unless notice of such change is published in such newspaper at least one day prior to the date of the sale as set forth in the original notice of sale. Advertisements shall contain a provision to the effect that the authority, in its discretion, may reject any or all bids made in pursuance of such advertisements, and in the event of such rejection, the authority is authorized to negotiate a private or public sale or readvertise for bids in the form and manner above described as many times as, in its judgment, may be necessary to effect satisfactory sale.

(c) Notwithstanding paragraph (b) of this subdivision, whenever in the judgment of the authority the interests of the authority will be served thereby, the members of the authority, on the written recommendation of the chairperson, may authorize the sale of such bonds at private or public sale on a negotiated basis or on either a competitive or negotiated basis. The authority shall set guidelines governing the terms and conditions of any such private or public sales. The private or public bond sale guidelines set by the authority shall include, but not be limited to, a requirement that where the interests of the authority will be served by a private or public sale of bonds, the authority shall select underwriters for each private or public bond sale conducted pursuant to a request for proposal process and consideration of proposals from qualified underwriters taking into account, among other things, qualifications of underwriters as to experience, their ability to structure and sell authority bond issues, anticipated costs to the authority, the prior experience of the authority with the firm, if any,

the capitalization of such firms, participation of qualified minority and women-owned business enterprise firms in such private or public sales of bonds of the authority and the experience and ability of firms under consideration to work with minority and women-owned business enterprises so as to promote and assist participation by such enterprises.

(d) The authority shall have the power from time to time to amend such private bond sale guidelines in accordance with the provisions of this subdivision.

(e) No private or public bond sale on a negotiated basis shall be conducted by the authority without prior approval of the state comptroller and the county comptroller. The authority shall annually prepare and approve a bond sale report which shall include the private or public bond sale guidelines as specified in this subdivision, amendments to such guidelines since the last private or public bond sale report, an explanation of the bond sale guidelines and amendments, and the results of any sale of bonds conducted during the fiscal year. Such bond sale report may be a part of any other annual report that the authority is required to make.

(f) The authority shall annually submit its bond sale report to the state comptroller and the county comptroller and copies thereof to the senate finance committee and the assembly ways and means committee.

(g) The authority shall make available to the public copies of its bond sale report upon reasonable request thereof.

(h) Nothing contained in this subdivision shall be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, the provisions of this subdivision.

4. Any resolution or resolutions authorizing bonds or any issue of bonds may contain provisions which may be a part of the contract with the holders of the bonds thereby authorized as to:

(a) pledging all or part of the revenues, other monies or property of the authority to secure the payment of the bonds, or any costs of issuance thereof, including but not limited to any contracts, earnings, or proceeds of any grant to the authority received from any private or public source subject to such agreements with bond holders as may then exist;

(b) the setting aside of reserves and the creation of sinking funds and the regulation and disposition thereof;

(c) limitations on the purpose to which the proceeds from the sale of bonds may be applied;

(d) the rates, rents, fees, and other charges to be fixed and collected by the authority and the amount to be raised in each year thereby and the use and disposition of revenues;

(e) limitations on the right of the authority to restrict and regulate the use of the project or part thereof in connection with which bonds are issued;

(f) limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured and the refunding of outstanding or other bonds;

(g) the procedure, if any, by which the terms of any contract with bond holders shall be amended or abrogated, the amount of bonds the holders of which shall consent thereto, and the manner in which such consent shall be given;

(h) the creation of special funds into which any revenues or monies shall be deposited;

(i) the terms and provisions of any trust, mortgage, deed or indenture securing the bonds under which the bond shall be issued;

(j) vesting in a trustee or trustees such properties, rights, powers, and duties in trust as the authority may determine which may include any or all of the rights, powers, and duties of the trustees appointed by the bond holders to appoint a trustee pursuant to this title or limiting the rights, duties, and powers of such trustee;

(k) defining the acts or omissions to act which shall constitute a default in the obligations and duties of the authority to the bond holders and providing for the rights and remedies of the bond holders in the event of such default, including as a matter of right appointment of a receiver, provided, however, that such rights and remedies shall not be inconsistent with the general laws of the state and other provisions of this title;

(l) limitations on the power of the authority to sell or otherwise dispose of any project or any part thereof;

(m) limitations on the amount of revenues and other monies to be expended for operating, administrative or other expenses of the authority;

(n) the payment of the proceeds of bonds, revenues, and other monies to a trustee or other depository, and for the method of disbursement thereof with such safeguards and restrictions as the authority may determine; and

(o) any other matters of like or different character which in any way affect the security or protection of the bonds or the rights and remedies of bondholders.

5. In addition to the powers conferred upon the authority to secure its bonds under this section, the authority shall have power in connection with the issuance of bonds to adopt resolutions and enter into such trust indentures, agreements or other instruments as the authority may deem necessary, convenient or desirable concerning the use or disposition of its revenues or other monies or property, including the mortgaging of any property and the entrusting, pledging, or creation of any other security interest in any such revenues, monies, or property and the doing of any act, including refraining from doing any act which the authority would have the right to do in the absence of such resolutions, trust indentures, agreements, or other instruments. The authority shall have power to enter into amendments of any such resolutions, trust indentures, agreements, or other instruments. The provisions of any such resolutions, trust indentures, agreements, or other instruments may be made a part of the contract with the holders of bonds of the authority.

6. Notwithstanding any provision of the uniform commercial code to the contrary, any pledge of or other security interest in revenues, monies, accounts, contract rights, general intangibles, or other personal property made or created by the authority shall be valid, binding, and perfected from the time when such pledge is made or other security interest attaches without any physical delivery of the collateral or further act, and the lien of any such pledge or other security interest shall be valid, binding, and perfected against all parties having claims of any kind in tort, contract, or otherwise against the authority irrespective of whether or not such parties have notice thereof. No instrument by which such a pledge or security interest is created, nor any financing statement need be recorded or filed.

7. Regardless of whether the bonds are of such form and character as to be negotiable instruments under the terms of the uniform commercial

code, the bonds are hereby made negotiable instruments within the meaning of and for all the purposes of the uniform commercial code, subject only to the provisions of the bonds for registration.

8. Neither the members of the authority nor any person executing its bonds shall be liable personally on its bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

9. Subject to such agreements with bondholders as may then exist, the authority shall have power out of any funds available therefor to purchase bonds of the authority, which shall thereupon be cancelled, at a price not exceeding (a) if the bonds are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment date; or (b) if the bonds are not then redeemable, the redemption price applicable on the first date after such purchase upon which the bonds become subject to redemption plus accrued interest to the next interest payment date. Bonds so purchased shall thereupon be cancelled.

§ 2676-h. Remedies of bondholders. Subject to any resolution or resolutions adopted pursuant to this title:

1. In the event that the authority shall default in the payment of principal or of interest on any issue of bonds, after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the authority shall fail or refuse to comply with the provisions of this title or shall default in any agreement made with the holders of any issue of bonds, the holders of twenty-five per centum in aggregate principal amount of the bonds of such issue then outstanding, by instrument or instruments filed in the office of the clerk of the county in which the principal office of the authority is located and proved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of such bonds for the purpose provided under this section.

2. Such trustee may, and upon written request of the holders of twenty-five per centum in principal amount of such bonds outstanding shall, in such trustee's own name:

(a) by action or proceeding in accordance with the civil practice law and rules, enforce all rights of the bondholders, including the right to require the authority to collect rents, rates, fees, and charges adequate to carry out any agreement as to, or pledge of, such rents, rates, fees, and charges and to require the authority to carry out any other agreements with the holders of such bonds to perform its duties under this title;

(b) bring an action or proceeding upon such bonds;

(c) by action or proceeding, require the authority to account as if it were the trustee of an express trust for the holders of such bonds;

(d) by action or proceeding, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such bonds; and

(e) declare all such bonds due and payable, and if all defaults shall be made good, then with the consent of the holders of the twenty-five per centum of the principal amount of such bonds then outstanding, to annul such declaration and its consequences.

3. Such trustee shall in addition to the provisions of subdivisions one and two of this section, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth under this section or incident to the general representation of bond holders in the enforcement and protection of their rights.

4. The supreme court shall have jurisdiction of any action or proceeding by the trustee on behalf of such bond holders. The venue of any such action or proceeding shall be laid in the county.

5. Before declaring the principal of bonds due and payable the trustee shall first give thirty days notice in writing to the authority.

6. (a) Any such trustee, whether or not the issue of bonds represented by such trustee has been declared due and payable, shall be entitled as of right to the appointment of any receiver of any part or parts of the project, the revenues of which are pledged for the security of bonds of such issue, and such receiver may enter and take possession of such part or parts of the project and, subject to any pledge or agreement with the holders of such bonds, shall take possession of all monies and other property derived from such part or parts of the project and proceed with any construction thereon or the acquisition of any property, real or personal, in connection therewith that the authority is under obligation to do, and operate, maintain, and reconstruct such part or parts of the project and collect and receive all revenues thereafter arising there from subject to any pledge or agreement with bond holders relating thereto and perform the public duties and carry out the agreements and obligations of the authority under the direction of the court.

(b) In any suit, action or proceeding by the trustee, the fees, council fees, and expenses of the trustee and of the receiver, if any, shall constitute taxable disbursements and all costs and disbursements allowed by the court shall be a first charge on any revenues derived from the project.

§ 2676-i. State and county not liable on authority bonds. Neither the state, the county, nor the city shall be liable on the bonds of the authority and such bonds shall not be a debt of the state, the county or the city, and such bonds shall contain on the face thereof a statement to such effect.

§ 2676-j. Monies of the authority. All monies of the authority from whatever source derived shall be paid to the treasurer of the authority and shall be deposited forthwith in a bank or banks designated by the authority. The monies in such accounts shall be paid out on check of the treasurer upon requisition by such person or persons as the authority may authorize to make such requisitions. All deposits of such monies shall be secured by obligations of the United States or of the state or of any municipality of a market value equal at all times to the amount on deposit, and all banks and trust companies shall be authorized to give such security for such deposits. To the extent practicable, consistent with the cash requirements of the authority, all such monies shall be deposited in interest bearing accounts. The authority shall have power, notwithstanding the provisions of this section, to contract with the holders of any bonds as to the custody, collection, security, investment and payment of any monies of the authority or any monies held in trust or otherwise for the payment of bonds or any way to secure bonds, and carry out any such contract notwithstanding that such contract may be inconsistent with the provisions of this section. Monies held in trust or otherwise for the payment of bonds or in any way to secure bonds and deposits of such monies may be secured in the same manner as monies of the authority and all banks and trust companies are authorized to give such security for such deposits. Any monies of the authority not required for immediate use or disbursement may, at the discretion of the authority, be invested in those obligations specified pursuant to the provision of section ninety-eight-a of the state finance law. Subject to the provisions of any contract with bond holders and

with the approval of the state comptroller, the authority shall prescribe a system of accounts.

§ 2676-k. Bonds legal investment for fiduciaries. The bonds of the authority are hereby made securities in which all public officers and bodies of the state and all municipalities, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, and administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever, who are upon the effective date of this title, or thereafter, authorized to invest in bonds or other obligations of the state may properly and legally invest funds including capital in their control or belonging to them. Notwithstanding other provisions of law, the bonds are also hereby made securities which may be deposited with and may be received by all public officers and bodies of the state and all municipalities for any purposes for which the deposit of bonds or other obligations of this state is upon the effective date of this title, or thereafter authorized.

§ 2676-l. Agreement with state. The state does hereby pledge to and agree with the holders of any bonds issued by the authority pursuant to this title and with those persons or public corporations who may enter into contracts with the authority pursuant to the provisions of this title that the state will not alter, limit or impair the rights hereby vested in the authority to purchase, construct, own and operate, maintain, repair, improve, reconstruct, renovate, rehabilitate, enlarge, increase and extend, or dispose of any project, or any part or parts thereof for which bonds of the authority shall have been issued, to establish and collect rates, rents, fees, and other charges referred to in this title, to fulfill the terms of any contracts or agreements made with or for the benefit of the holders of bonds or with any person or public corporation with reference to such project or part thereof, or in any way to impair the rights and remedies of the holders of bonds, until the bonds, together with interest thereon, including interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the holders of bonds, are fully met and discharged and such contracts are fully performed on the part of the authority. The authority is authorized to include this pledge and agreement of the state in any agreement with the holders of bonds.

§ 2676-m. Agreement with county. The county is authorized to pledge to and agree with the holders of any bonds issued by the authority pursuant to this title and with those persons or public corporations who may enter into contracts with the authority pursuant to the provisions of this title that the county will not alter, limit or impair the rights hereby vested in the authority to purchase, construct, own and operate, maintain, repair, improve, reconstruct, renovate, rehabilitate, enlarge, increase and extend, or dispose of any project, or any part or parts thereof, for which bonds of the authority shall have been issued, to establish and collect rates, rents, fees and other charges referred to in this title, to fulfill the terms of any agreements made with the holders of the bonds or with any public corporation or person with reference to such project or part thereof, or in any way impair the rights and remedies of the holders of bonds, until the bonds, together with interest thereon, including interest on any unpaid installments of interest, and all cost and expenses in connection with any action or

proceeding by or on behalf of the holders of bonds, are fully met and discharged and such contracts are fully performed on the part of the authority.

§ 2676-n. Exemption from taxes, assessments and certain fees. 1. The authority shall not be required to pay any fees, taxes, special ad valorem levies, or assessments, whether state or local, including but not limited to fees, taxes, special ad valorem levies, or assessments on real property, franchise taxes, sales taxes, or other excise taxes, upon any property owned by it or under its jurisdiction, control or supervision, or upon the uses thereof, or upon its activities in the operation and maintenance of its facilities or any rentals, rates, charges, fees, revenues, or other income received by the authority. Notwithstanding the previous sentence, the authority shall be required to pay water and pure water fees or charges as may be negotiated by any public corporation. The authority shall at all times be exempt from any filing, mortgage recording, or transfer fees or taxes in relation to instruments filed, recorded, or transferred by it or on its behalf. The construction, use, occupation, or possession of any property owned by the authority or the county, including improvements thereon, by any person or public corporation under a lease, lease and sublease, or any other agreement shall not operate to abrogate or limit the foregoing exemption, notwithstanding that the lessee, user, occupant, or person in possession shall claim ownership for federal income tax purposes.

2. Any bonds issued pursuant to this title together with the income therefrom as well as the property of the authority shall at all times be exempt from taxes, except for transfer and estate taxes. The state hereby covenants with the purchasers and with all subsequent holders and transferees of bonds issued by the authority pursuant to this title, in consideration of the acceptance of and payment for the bonds, that the bonds of the authority issued pursuant to this title and the income therefrom and all revenues, monies, and other property pledged to secure the payment of such bonds shall at all times be free from taxation, except for transfer and estate taxes.

§ 2676-o. Actions against authority. 1. Except in an action for wrongful death, no action or special proceeding shall be prosecuted or maintained against the authority, its members, officers, or employees for personal injury or damage to real or personal property alleged to have been sustained by reason of the negligence, tort, or wrongful act of the authority or of any member, officer, agent, or employee thereof, unless (a) a notice of claim shall have been made and served upon the authority within the time limit set by and in compliance with section fifty-e of the general municipal law; (b) it shall appear by and as an allegation in the complaint or moving papers that at least thirty days have elapsed since the service of such notice and that adjustment or payment thereof has been neglected or refused; (c) the action or special proceeding shall be commenced within one year and ninety days after the happening of the event upon which the claim is based; and (d) an action against the authority for wrongful death shall be commenced in accordance with the notice of claim and time limitation provisions of title eleven of article nine of this chapter.

2. Whenever a notice of claim is served upon the authority, it shall have the right to demand an examination of the claimant relative to the occurrence and extent of the injuries or damages for which claim is made, in accordance with the provisions of section fifty-h of the general municipal law.

3. The authority may require any person presenting for settlement an account or claim for any cause whatever against the authority to be sworn before a member, counsel, or an attorney, officer, or employee of the authority designated for such purpose, concerning such account or claim and, when so sworn, to answer orally as to any facts relative to such account or claim. The authority shall have power to settle or adjust all claims in favor of or against the authority.

4. Any action or proceeding to which the authority or the people of the state may be parties, in which any question arises as to the validity of this title, shall be preferred over all other civil causes of action or cases, except election causes of action or cases, in all courts of the state and shall be heard and determined in preference to all other civil business pending therein except election causes, irrespective of position on the calendar. The same preference shall be granted upon application of the authority or its counsel in any action or proceeding questioning the validity of this title in which the authority may be allowed to intervene. The venue of any such action or proceeding shall be laid in the supreme court of the county.

5. The rate of interest to be paid by the authority upon any judgment for which it is liable, other than a judgment on its bonds, shall be the rate prescribed by section five thousand four of the civil practice law and rules. Interest on payments of principal or interest on any bonds in default shall accrue at the rate borne by such bonds from the due date thereof until paid or otherwise satisfied.

§ 2676-p. Contracts. 1. All contracts for construction shall be let by the authority in conformity with the applicable provisions of section one hundred thirty-five of the state finance law and shall be let in accordance with the provisions of state law pertaining to prevailing wages, labor standards, and working hours.

2. The authority may, in its discretion, assign contracts for supervision and coordination to the successful bidder for any subdivision of work for which the authority receives bids. The authority shall not award any construction contract except to the lowest bidder who, in its opinion, is qualified to perform the work required and who is responsible and reliable. The authority may, however, reject any or all bids or waive any informality in a bid if it believes that the public interest will be promoted thereby. The authority may reject any bid if, in its judgment, the business and technical organization, plant, resources, financial standing, or experience of the bidder justifies such rejection in view of the work to be performed.

§ 2676-q. Code of ethics. 1. Definition. As used in this section the term "authority employee" shall mean any member, officer, contractor, subcontractor, consultant, or employee of the authority.

2. Rule with respect to conflicts of interest. No authority employee should have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity, or incur any obligation of any nature, which is in substantial conflict with the proper discharge of such authority employee's duties in the public interest.

3. Standards. (a) No authority employee shall accept other employment which will impair such authority employee's independence of judgment in the exercise of such authority employee's official duties.

(b) No authority employee shall accept employment or engage in any business or professional activity which will require such authority employee to disclose confidential information which such authority

employee has gained by reason of such authority employee's official position or authority.

(c) No authority employee shall disclose confidential information acquired by such authority employee in the course of such authority employee's official duties nor use such information to further such authority employee's personal interests.

(d) No authority employee shall use or attempt to use such authority employee's official position to secure unwarranted privileges or exemptions for such authority employee or others.

(e) No authority employee shall engage in any transaction as representative or agent of the authority with any business entity in which such authority employee has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of such authority employee's official duties.

(f) An authority employee shall not by such authority employee's conduct give reasonable basis for the impression that any person can improperly influence such authority employee or unduly enjoy such authority employee's favor in the performance of such authority employee's official duties, or that such authority employee is affected by the kinship, rank, position or influence of any party or person.

(g) An authority employee shall abstain from making personal investments in enterprises which such authority employee has reason to believe may be directly involved in decisions to be made by such authority employee or which will otherwise create substantial conflict between such authority employee's duty in the public interest and such authority employee's private interest.

(h) An authority employee shall endeavor to pursue a course of conduct which will not raise suspicion among the public that such authority employee is likely to be engaged in acts that are in violation of such authority employee's trust.

(i) No authority employee employed on a full-time basis nor any firm or association of which such authority employee is a member nor corporation a substantial portion of the stock of which is owned or controlled directly or indirectly by such authority employee, should sell goods or services to any person, firm, corporation or association which is licensed or whose rates are fixed by the authority in which such authority employee serves or is employed.

(j) If any authority employee shall have a financial interest, direct or indirect, having a value of ten thousand dollars or more in any activity which is subject to the jurisdiction of a regulatory agency, such authority employee shall file with the secretary of state a written statement that such authority employee has such a financial interest in such activity which statement shall be open to public inspection.

4. Violations. In addition to any penalty contained in any other provision of law any such authority employee who shall knowingly and intentionally violate any of the provisions of this section may be fined, suspended, or removed from office or employment.

§ 2676-r. Agreements relating to payment in lieu of taxes. 1. In order to assure that municipalities shall not suffer undue loss of taxes or assessments in the event that the authority acquires any facility from the county, any person paying real property taxes or assessments as of the date of the transfer of title from the county to the authority on any property located within any such facility shall make payments in lieu of taxes in an amount equal to the sums which would ordinarily be imposed as taxes by any municipality in which such property is located, pursuant to the prevailing method of determining taxes and assessments.

2. Subject to any agreement with bond holders, the authority may, with the approval of the county, but shall not be required to, enter into agreements with any municipality of the state to pay annual sums in lieu of taxes to any such municipality in respect of any real property which is owned by the authority is located in such municipality and is used for public purposes. For the purposes of this section, such public purposes shall include without limitation athletic facilities, educational facilities, performing arts facilities, or residential facilities.

3. (a) In the event that any real property owned by the authority is used by the authority or a lessee thereof for purposes other than public purposes, the authority, or lessee thereof, as the case may be, may, with the approval of the county, enter into agreements with any municipality of the state to pay annual sums in lieu of taxes in respect of such real property located in such municipality. For the purposes of this section, such purposes other than public purposes shall include without limitation, athletic facilities, educational facilities, performing arts facilities, residential facilities, or office buildings to the extent not used by the authority or any other public corporation for its own corporate purposes, and such other buildings and improvements as determined by the authority to be not exclusively for public purposes.

(b) The authority shall determine (i) the amount of such annual payments in lieu of taxes; (ii) whether the use of such property is for purposes other than public purposes; and (iii) the extent to which such property is used for purposes other than public purposes. In making such determinations the authority shall take into consideration the recommendations, if any, of the county.

§ 2676-s. Audit and annual report. In conformity with the provisions of section five of article ten of the state constitution, the accounts of the authority shall be subject to the supervision of the state comptroller and an annual audit shall be performed by an independent certified accountant. The authority shall annually submit to the county comptroller, county legislature, county executive, governor, the state comptroller, the chairperson of the senate finance committee, and the chairperson of the assembly ways and means committee a detailed report pursuant to the provisions of section twenty-eight hundred of this chapter, and a copy of such report shall be filed with the clerk of the county legislature and the county executive.

§ 2676-t. Limited liability. Neither members, officers, or employees of the authority, nor any municipality, or an officer or employee thereof acting on behalf of the authority, shall be subject to any personal liability resulting from the construction, maintenance, or operation of any of the properties of the authority or from carrying out any of the powers expressly given in this title provided, however, that this section shall not be held to apply to any independent contractor.

§ 2676-u. Transfer of applications, proceedings, approvals, and permits. 1. Any application, review or process in relation to or in furtherance of the purposes of or contemplated by this title heretofore filed or undertaken, or any proceeding heretofore commenced or any determination, finding or award made, by the county or by the county with the federal government, or any other public corporation shall inure to and for the benefit of the authority to the same extent and in the same manner as if the authority has been a party to such application, review, process, or proceeding from its inception, and the authority shall be deemed a party thereto, to the extent not prohibited by any

federal law. Any license, approval, permit, determination, finding, award, or decision heretofore or thereafter issued or granted pursuant to or as a result of any such application, review, process or proceeding shall inure to the benefit of and be binding upon the authority and shall be assigned and transferred by the county to the authority unless such assignment and transfer is prohibited by federal law.

2. All such applications, proceedings, licenses, approvals, permits, determinations, findings, awards, and decisions shall further inure to and for the benefit of and be binding upon any person leasing, acquiring, financing, constructing, maintaining, operating, using, or occupying any facility financed in whole or in part by the authority.

§ 2676-v. Separability. If any clause, sentence, paragraph, section, or part of this title shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section, or part thereof involved in the controversy in which such judgment shall have been rendered.

§ 2676-w. Effect of inconsistent provisions. In so far as the provisions of this title are inconsistent with the provisions of any other act, general or special, or of the county charter or any local law, charter, ordinance or resolution of the county or another municipality, the provisions of this title shall be controlling. Nothing contained in this section shall be held to supplement or otherwise expand the powers or duties of the authority otherwise set forth in this title. Except as specifically provided for in this title, in the performance of any of its functions, powers and duties, the authority shall be subject to all applicable general or special laws of the state, the county charter, and any local law, ordinance or resolution of the county.

§ 2. This act shall take effect immediately.