STATE OF NEW YORK

6920

2023-2024 Regular Sessions

IN ASSEMBLY

May 9, 2023

Introduced by M. of A. GUNTHER -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to establishing the Middletown parking authority and providing for its powers, duties and obligations; to repeal certain provisions of the public authorities law relating thereto; and providing for the repeal of such provisions upon expiration thereof

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

Section 1. Title 21 of article 7 of the public authorities law is REPEALED and a new title 21 is added to read as follows:

TITLE 21
MIDDLETOWN PARKING AUTHORITY

Section 1621-a. Short title.
1621-b. Definitions.
1621-c. Middletown parking authority.
1621-d. Purpose and powers of the authority.
1621-e. Civil service status of officers and employees.
1621-f. Conveyance of property by the city to the authority; acquisition of property by the city or by the authority.
1621-g. Construction and purchase contracts.
1621-h. Moneys of the authority.
1621-i. Bonds of the authority.
1621-j. Notes of the authority.
1621-k. Agreements of the city and the state.
1621-l. State and city not liable on bonds.
1621-m. Bonds and notes legal investments for public officers and fiduciaries.

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

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1621-n. Tax exemptions.
1621-o. Tax contract by the state.
1621-p. Remedies of bondholders.
1621-q. Actions against the authority.
1621-r. Termination of the authority.
1621-s. Severability.
1621-t. Inconsistent provisions in other acts superseded.

§ 1621-a. Short title. This title shall be known and may be cited as the "Middletown parking authority act."

§ 1621-b. Definitions. As used or referred to in this title, unless a different meaning clearly appears from the context:

1. The term "authority" shall mean the corporation created by section sixteen hundred twenty-one-c of this title;

2. The term "city" shall mean the city of Middletown;

3. The term "bonds" and "notes" shall mean the bonds and notes, respectively, authorized in this title;

4. The term "board" shall mean the board established pursuant to section sixteen hundred twenty-one-c of this title;

5. The term "real property" shall mean lands, structures, franchises, and interest in lands, and any and all things usually included within the said term, and includes not only fees simple absolute but also any and all lesser interests, such as easements, rights of way, and rights, sub-surface rights, uses, leases, licenses, and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms of years, and liens thereon by way of judgments, mortgages or otherwise, and also claims for damage to real estate, in the area of the city; and

6. The term "project" or "projects" shall mean any area or place operated or to be operated by the authority for the parking or storing of motor and other vehicles and shall, without limiting the foregoing, include all real and personal property, driveways, roads, approaches, structures, terminals of all kinds, garages, meters, mechanical equipment, and all appurtenances and facilities either on, above or under the ground which are used or usable in connection with such parking or storing of such vehicles in the area of the city.

§ 1621-c. Middletown parking authority. 1. A board to be known as the "Middletown parking authority" is hereby created. The board shall be a body corporate and politic, constituting a public benefit corporation, and its existence shall commence upon the appointment of the members as provided in this section.

2. (a) The board shall consist of a chairperson and four other members, all of whom shall be appointed by the mayor with the approval of the common council of the city. The appointment of the chairperson shall be for a term of four years. Of the other members first appointed, one shall be appointed for a period of one year, one for a period of two years, one for a period of three years, and one for a period of four years. At the expiration of such terms, the terms of office of the successors of the board members shall be four years. Each member shall continue to serve until the appointment and qualification of his or her successor. A board member may be appointed for additional terms.

(b) Vacancies on the board occurring otherwise than by the expiration of term, shall be filled for the unexpired term by the mayor with the approval of the common council.

(c) The members of the board shall choose from their number a vice-chairperson and such other officers deemed desirable by the board.

3. The common council may remove any member of the board for inefficiency, neglect of duty or misconduct in office, giving the board member a copy of the charges against the board member and an opportunity of being heard in person, or by counsel, in his or her defense, upon not less than ten days' notice.

4. The members of the board shall be entitled to no compensation for their services but shall be entitled to reimbursement for their actual and necessary expenses incurred in the performance of their official duties.

5. The powers of the authority shall be vested in and exercised by a majority of the members of the board then in office.

6. The board may delegate to one or more of its members or to its officers, agents and employees such powers and duties as it may deem proper.

§ 1621-d. Purpose and powers of the authority. The purpose of the authority shall be to provide, operate or maintain, or any combination thereof, one or more projects in the city. To carry out said purpose, the authority shall have power:

1. To sue and be sued;

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

3. To acquire, hold and dispose of personal property for its corporate purposes, including the power to purchase prospective or tentative awards in connection with the condemnation of real property;

4. To acquire real property subject to the approval of at least four members of the common council in the name of the city by purchase or condemnation or gift, and use necessary real property. All real property acquired by the authority by condemnation shall be acquired in the manner provided in the eminent domain procedure law, and further provided, that the authority shall give the common council of the city written notice of its intent to acquire any land by condemnation, whereupon said common council, within a period of forty-five days after the giving of such notice, by resolution voted upon affirmatively by at least two members of such common council, may determine that such land shall not be so acquired, in which event the authority shall be without further power to so acquire the same by condemnation;

5. To make by-laws for the management and regulation of its affairs, and, subject to agreements with bondholders, for the regulation of the project;

6. With the consent of the city to use agents, employees, and facilities of the city, including the corporation counsel, paying to the city its agreed proportion of the compensation or costs;

7. To appoint an attorney, and to fix his or her compensation;

8. To appoint officers, agents, employees, and consultants, to prescribe their qualifications and to fix their compensation; subject, however, to the provisions of the civil service law, as provided in this section;

9. To designate officers and employees, appointed or used by the authority, as specified in this section, who shall be empowered to issue appearance tickets as provided for in article one hundred fifty of the criminal procedure law. Persons so designated are hereby authorized to issue and serve such tickets for traffic infractions relating to parking within "project" areas as defined herein, in accordance with law and when authorized by local law of the city to issue and serve such tickets for traffic infractions committed anywhere in such city including at parking spaces controlled by parking meters;

10. To make contracts, leases, as lessor or lessee, and any operating agreement, and to execute all instruments necessary or convenient;

11. To acquire, construct, reconstruct, improve, equip and furnish any project as may be necessary or convenient;

12. To maintain and operate any projects;

13. To accept grants, loans or contributions from the United States, the state of New York, or any agency or instrumentality of either of them, or the city, or any person, by bequest or otherwise, and to expend the proceeds for any purposes of the authority;

14. To fix and collect rentals, fees and other charges for the use of any project and to pledge the same, all subject to and in accordance with such agreements with bondholders as may be made as hereinafter provided;

15. To construct, operate or maintain in the projects all facilities and equipment necessary or convenient in connection therewith; and to contract for the providing, operation or maintenance of any parts thereof or for services to be performed; to rent parts thereof, and grant concessions, all on such terms and conditions as it may determine; provided, however, that neither the authority, the city, or any agency of the authority or city, or any other person, firm or corporation shall, within or on any property comprising a part of any project authorized by this title, sell, dispense or otherwise handle any product used in or for the servicing of any motor vehicle using any project or facilities authorized by this title.

§ 1621-e. Civil service status of officers and employees. Officers and employees of any board, commission or department of the city may be transferred to the authority in accordance with the provisions of the civil service law and shall be eligible for such transfer and appointment without examination to offices and positions under the authority. Officers and employees of the city who are members or beneficiaries of any existing pension or retirement system shall continue to have the rights, privileges, obligations and status with respect to such system or systems as are now prescribed by law, and all such employees who have been appointed to positions in the service of the city under the rules of the municipal civil service commission of the city shall have the same status with respect thereto after transfer to the authority as they had under their original appointments. The appointment and promotion of all employees of the authority shall be made in accordance with the provisions of the civil service law and all employees of the authority shall have the same rights and benefits as city employees.

§ 1621-f. Conveyance of property by the city to the authority; acquisition of property by the city or by the authority. 1. The city may, by resolution or resolutions of the common council or by instruments authorized by such resolutions, convey, with or without consideration, to the authority real and personal property owned by the city for use by the authority as a project or projects or a part thereof or in connection therewith and pledge and pay to the authority, as security for its bonds, notes or other liabilities, certain revenues and income of the city from parking facilities owned or operated by the city. In case of real property so conveyed, the title thereto shall remain in the city but the authority shall have the use and occupancy thereof for so long as its corporate existence shall continue, unless otherwise provided for by the authority and the city. In the case of personal property so conveyed, the title shall pass to the authority.

2. The city may acquire by gift, purchase or condemnation real property in the name of the city for any of the projects or for the widening

of existing roads, streets, parkways, avenues or highways or for new roads, streets, parkways, avenues or highways to any of the projects, or partly for such purposes and partly for other city purposes, by gift, purchase or condemnation in the manner provided by law for the acquisition of real property by the city. For like purposes, the city may close such streets, roads, parkways, avenues, or highways as may be necessary or convenient, except as to state highways and arterial ways which may not be closed without the consent of the state commissioner of transportation.

3. Contracts may be entered into between the city and the authority providing for the property to be conveyed or pledged or paid by the city to the authority, the additional property to be acquired by the city and so conveyed, the streets, roads, parkways, avenues, and highways to be closed by the city and the amounts, terms and conditions of payment to be made by the authority. Such contracts may also contain covenants by the city as to the road, street, parkway, avenue and highway improvements to be made by the city and as to such matters which pertain to any conveyance or pledge and payment of moneys or property to the authority. Any such contracts between the city and the authority may be pledged by the authority to secure its bonds and notes and may not be modified thereafter except as provided by the terms of such contract and such pledge. The common council may authorize such contracts between the city and the authority and no other authorization on the part of the city for such contracts shall be necessary. Any such contracts may be so authorized and entered into by the city and in such manner as the common council may determine, and the payments required to be made by the city may be made and financed notwithstanding that no provision therefor shall have first been made in the capital budget of the city. All contractual or other obligations of the city incurred in carrying out the provisions of this title shall be included in and provided for by each capital budget of the city thereafter made, if and to the extent that they may appropriately be included therein.

4. Subject to subdivision four of section sixteen hundred twenty-one-d of this title, the authority may itself, subject to prior approval of the common council, acquire, in the name of the city, real property necessary or convenient in connection with any project at the cost and expense of the authority by purchase or condemnation pursuant to the eminent domain procedure law. The authority shall have the use and occupancy of such real property so long as its corporate existence shall continue.

5. In case the authority shall have the use and occupancy of any real property which it shall determine is no longer required for a project, then, if such real property was acquired at the cost and expense of the city, the authority shall have power to surrender its use and occupancy thereof to the city, or, if such real property was acquired at the cost and expense of the authority, then the authority shall have power to sell, lease or otherwise dispose of said real property at public sale, and shall retain and have the power to use the proceeds of sale, rentals or other moneys derived from the disposition thereof for its purposes.

§ 1621-g. Construction and purchase contracts. 1. The authority shall let contracts for construction in the same manner, so far as practicable, as is provided by law for contracts for the city, except that where the estimated expense of a contract does not exceed five thousand dollars such contract may be entered into without public letting. Nothing in this section shall be construed to limit the power of the authority to do any construction directly by the officers, agents and employ-

ees of the authority. Contracts for the purchase of supplies, materials and equipment shall be let in the same manner as is provided by law for contracts of the city.

2. For the purposes of article fifteen-A of the executive law only, the authority shall be deemed a state agency, as the term is used in such article, and its contracts for design, construction, services and materials shall be deemed state contracts within the meaning of that term as set forth in such article.

§ 1621-h. Moneys of the authority. All moneys of the authority shall be paid to the city treasurer of the city as agent of the authority, who shall not commingle such moneys with any other moneys. Such moneys shall be deposited in a separate bank account or accounts. The moneys in such accounts shall be paid out by the city treasurer of the city on requisition of the chairperson of the authority or of such other person or persons as the authority may authorize to make such requisitions after audit by the city treasurer of the city. All deposits of such moneys shall be secured by obligations of the United States or of the state of New York of a market value equal at all times to the amount of the deposit, and all banks and trust companies are authorized to give such security for such deposits. The treasurer of the city and his or her legally authorized representatives are authorized and empowered from time to time to examine the accounts and books of the authority, including its receipts, disbursements, contracts, leases, sinking funds, investments and any other records and papers relating to its financial standing. The authority shall have power, notwithstanding the provisions of this section, to contract with the holders of any of its bonds or notes as to the custody, collection, securing, investment and payment of any moneys of the authority or any moneys held in trust or otherwise for the payment of bonds or notes or in any way to secure bonds or notes, and to carry out any such contract notwithstanding that such contract may be inconsistent with the previous provisions of this section. Moneys held in trust or otherwise for the payment of bonds or in any way to secure bonds and deposits of such moneys may be secured in the same manner as moneys of the authority, and all banks and trust companies are authorized to give such security for such deposits. The accounts of the authority shall be subject to the supervision of the state comptroller. The authority shall render a complete account of its proceedings to the common council at its first meeting of each year and at such other times as may reasonably be requested by the common council.

§ 1621-i. Bonds of the authority. 1. The authority shall have the power and is hereby authorized from time to time to issue its negotiable bonds for any of its corporate purposes and to pay such expenses, costs and payments as may be deemed by the board necessary or desirable to or in connection with the acquisition, construction, reconstruction, improving, equipping and furnishing of any project and the financing thereof, including surveys, planning, provisions for capitalized interest, reserve funds and appropriate feasibility studies, and for the placing of the project or projects in operation. The aggregate principal amount of such bonds outstanding at any one time shall not exceed twenty-five percent of the bonded indebtedness limitation from time to time imposed by section 104.00 of the local finance law. The authority shall have power from time to time and whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured and may issue bonds partly to refund bonds then outstanding and partly for any other purpose described

in this subdivision. The refunding bonds may be exchanged for the bonds to be refunded with such cash adjustments as may be agreed, or may be sold and the proceeds applied to the purchase, payment or redemption of the bonds to be refunded. Except as may otherwise be expressly provided by the authority, the bonds of every issue shall be general obligations of the authority payable out of any moneys or revenues of the authority, subject only to any agreements with the holders of particular bonds pledging any particular moneys or revenues. Whether or not the bonds are of such form and character as to be negotiable instruments under article eight of the uniform commercial code, the bonds shall be, and 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.

2. The bonds shall be authorized by resolution of the board and shall bear such date or dates, mature at such time or times, not exceeding thirty years from their respective dates, bear interest at such rate or rates, payable annually or semi-annually, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America at such place or places, and be subject to such terms of redemption, as such resolution or resolutions may provide. The bonds may be sold at public or private sale for such price or prices as the authority shall determine; provided, however, that any private sale shall be subject to the approval of the state comptroller where such sale is not to the comptroller, or the director of the budget where such sale is to the comptroller.

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

(a) pledging all or any part of the revenues of a project or projects and revenues and income of the authority to secure the payment of the bonds, subject to such agreements with bondholders as may then exist;

(b) the rentals, fees and other charges to be charged, and the amounts to be raised in each year thereby, and the use and disposition of the revenues;

(c) the setting aside of reserves or sinking funds, and the regulation and disposition thereof;

(d) limitations on the right of the authority to restrict and regulate the use of a project;

(e) limitations on the purpose to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the bonds or of any issue of the bonds;

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

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

(h) limitations on the amount of moneys derived from a project to be expended for operating, administrative or other expenses of the authority;

(i) vesting in a trustee or trustees such property, rights, powers and duties in trust as the authority may determine which may include any or all, the rights, powers and duties of the trustee appointed by the bond-

holders pursuant to section sixteen hundred twenty-one-p of this title, and limiting or abrogating the right of the bondholders to appoint a trustee under said section or limiting the rights, duties and powers of such trustee;

(j) any other matters, of like or different character, which in any way affect the security or protection of the bonds.

4. Notwithstanding any other provision of law, it is the intention hereof that any pledge of revenues or other moneys made by the authority shall be valid and binding from the time when the pledge is made; that the revenues or other moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act; and that the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the authority irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded or filed in order to protect the security interest granted.

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

6. The authority shall have power out of any funds available therefor to purchase bonds upon such terms and conditions as the authority may determine. The authority may hold, cancel or resell such bonds, subject to and in accordance with agreements with bondholders.

7. In the discretion of the authority, the bonds may be secured by a trust indenture by and between the authority and a corporate trustee, which may be any trust company, bank or national banking association having the powers of a trust company in the state of New York. Such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the construction, maintenance, operation, repair and insurance of the project or projects, and the custody, safeguarding and application of all moneys, and may provide that the project or projects shall be constructed and paid for under the supervision and approval of consulting engineers. The authority may provide by such trust indenture for the payment of the proceeds of the bonds and the revenues of the project or projects or other revenues of the authority to the trustee under such trust indenture or other depository, and for the method of disbursement thereof, with such safeguards and restrictions as it may determine. All expenses incurred in carrying out such trust indenture may be treated as a part of the cost of maintenance, operation, and repairs of the project or projects. If the bonds shall be secured by a trust indenture, the bondholders shall have no authority to appoint a separate trustee to represent them, and the trustee under such trust indenture shall have and possess all of the powers which are conferred by section sixteen hundred twenty-one-p of this title upon a trustee appointed by bondholders.

§ 1621-j. Notes of the authority. The authority shall have power from time to time to issue notes and from time to time to issue renewal notes (hereafter "notes"), maturing not later than five years from their respective original dates in an amount not exceeding at any one time one hundred thousand dollars, over and above the amount of bonds authorized by subdivision one of section sixteen hundred twenty-one-i of this title, for any purpose or purposes for which bonds may be issued, whenever the authority shall determine that payment thereof can be made in

full from any moneys or revenues which the authority expects to receive from any source. The authority may pledge such moneys or revenues or source thereof (subject to any other pledge thereof) for the payment of the notes and may in addition secure the notes in the same manner and with the same effect as herein provided for bonds. The notes shall be sold and issued in the same manner as bonds. The authority shall have power to make contracts for the future sale from time to time of the notes, by which the purchaser shall be committed to purchase the notes from time to time on terms and conditions stated in such contracts, and the authority shall have power to pay such consideration as it shall deem proper for such commitments. In case of default on its notes, or violation of any of the obligations of the authority to the noteholders, the noteholders shall have all the remedies provided herein for bondholders. Such notes shall be as fully negotiable as the bonds of the authority.

§ 1621-k. Agreements of the city and the state. 1. The city is authorized to, and the state of New York does hereby pledge to and agree with the holders of the bonds or notes that neither the city nor the state, respectively, will limit or alter the rights hereby vested in the authority to acquire, construct, reconstruct, improve, equip, furnish, maintain or operate any project or projects, to establish and collect rentals, fees and other charges and to fulfill the terms of any agreements made with the holders of the bonds or notes, or in any way impair the rights and remedies of the bondholders or noteholders, until the bonds or notes, together with interest thereon, with 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 bondholders or noteholders, are fully met and discharged.

2. The authority is hereby authorized, in its discretion, for and on behalf of itself and, subject to approval by the common council and the mayor of the city of Middletown, to covenant and agree with the holders of the bonds or notes, with such exceptions and limitations as it may deem in the public interest and in the interests of the authority's bondholders and noteholders, that no public parking areas or spaces, including the installation and operation of parking meters on the public streets of the city, except those acquired and operated by the authority will be constructed or operated in the city by the city (except as hereinafter provided), or by any public benefit or other corporation, the members of which are elected or appointed by city officials, until either: (a) the bonds or notes, together with interest thereon, 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 bondholders or noteholders are fully met and discharged; or (b) principal or interest of any of the bonds or notes shall be overdue and unpaid for a period of three years or more; provided, however, nothing contained in this section shall be deemed to impair the right of the city to continue to operate the presently existing municipal parking facilities and any replacements thereof.

§ 1621-l. State and city not liable on bonds. The bonds, notes and other obligations of the authority shall not be a debt of the state of New York or of the city, and neither the state nor the city shall be liable thereon, nor shall they be payable out of any funds other than those of the authority.

§ 1621-m. Bonds and notes legal investments for public officers and fiduciaries. The bonds and notes are hereby made securities in which all public officers, and bodies of the state and all municipalities and

municipal subdivisions, 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, all administrators, guardians, executors, trustees and other fiduciaries and all other persons whatsoever who are now or may hereafter be 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. The bonds and notes are also hereby made securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities and municipal subdivisions for any purpose for which the deposit of bonds or other obligations of this state is now or may hereafter be authorized.

§ 1621-n. Tax exemptions. 1. It is hereby determined that the creation of the authority and the carrying out of its corporate purposes is in all respects for the benefit of the people of the city of Middletown and its environs, and is a public purpose, and the authority shall be regarded as performing an essential governmental function in the exercise of the powers conferred upon it by this title and shall be required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or control or supervision or upon its activities.

2. Any bonds or notes issued pursuant to this title, together with the income therefrom, as well as the property of the authority, shall be exempt from taxation, except for transfer and estate taxes.

§ 1621-o. Tax contract by the state. The state of New York covenants with the purchasers and with all subsequent holders and transferees of bonds or notes issued by the authority pursuant to this title, in consideration of the acceptance of and payment for the bonds or notes, that the bonds or notes of the authority issued pursuant to this title and the income therefrom, and all moneys, funds and revenues pledged to pay or secure the payment of such bonds or notes, shall at all times be free from taxation except for estate taxes and taxes on transfers by or in contemplation of death.

§ 1621-p. Remedies of bondholders. 1. In the event that the authority shall default in the payment of principal of or interest on any issue of the 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 the 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 of Orange 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 purposes provided in this section.

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

(a) by mandamus or other suit, action or proceeding, at law or in equity, enforce all rights of the bondholders, including the right to require the authority to collect revenues adequate to carry out by any agreement as to, or pledge of, such revenues, and to require the author-

ity to carry out any other agreements with the holders of such bonds and to perform its duties under this title;

(b) bring suit upon such bonds;

(c) by action or suit in equity, 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 suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such bonds;

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

3. The supreme court shall have jurisdiction of any suit, action or proceeding by the trustee on behalf of bondholders. The venue of any such suit, action or proceeding shall be laid in the county of Orange.

4. Before declaring the principal of all such bonds due and payable, the trustee shall first give thirty days' notice in writing to the authority.

5. 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 a receiver of any part or parts of the project the revenues of which are pledged for the security of the 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 bondholders, shall take possession of all moneys and other property derived from or applicable to the acquisition, construction, operation, maintenance and reconstruction of such part or parts of the project and proceed with the acquisition of any real property necessary or convenient in connection with the project that the authority has covenanted to construct, and with any construction which the authority is under obligation to do and to operate, maintain and reconstruct such part or parts of the project and collect and receive all revenues thereafter arising therefrom subject to any pledge thereof or agreement with bondholders relating thereto and perform the public duties and carry out the agreements and obligations of the authority under the direction of the court. In any suit, action or proceeding by the trustee, the fee, counsel 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 such project.

6. Such trustee shall, in addition to the foregoing, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth in this section or incident to the general representation of bondholders in the enforcement and protection of their rights.

§ 1621-q. Actions against the authority. 1. In every action against the authority for damages, for injuries to real or personal property, or for the destruction thereof, or for personal injuries or death, the complaint shall contain an allegation that at least ninety days have elapsed since the demand, claim or claims upon which such action is founded were presented to a member of the authority, or to its secretary, or to its chief executive officer and that the authority has neglected or refused to make an adjustment or payment thereof for ninety days after such presentment.

2. Except in an action for wrongful death, an action against the authority for damages for injuries to real or personal property, or for

the destruction thereof, or for personal injuries, alleged to have been sustained, shall not be commenced more than one year and ninety days after the cause of action therefor shall have accrued, nor unless a notice of claim shall have been served on the authority within the time limit established by and in compliance with all requirements of section fifty-e of the general municipal law. 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.

§ 1621-r. Termination of the authority. Whenever all of the bonds and notes issued by the authority shall have been redeemed or cancelled, and all its liabilities and duties met or discharged, the authority shall cease to exist and all rights, title and interests and all obligations and liabilities thereof vested in or possessed by the authority shall thereupon vest in and be possessed by the city of Middletown.

§ 1621-s. Severability. If any clause, sentence, paragraph, subdivision, section or part of this article 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, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this article would have been enacted even if such invalid provisions had not been included herein.

§ 1621-t. Inconsistent provisions in other acts superseded. Insofar as the provisions of this title are inconsistent with the provisions of any other act, general or special, or of any local law of the city, the provisions of this title shall be controlling.

§ 2. This act shall take effect immediately and shall expire and be deemed repealed upon the occurrence of the events set forth in section 1621-r of title 21 of article 7 of the public authorities law, as added by section one of this act. Upon such occurrence, the mayor of the city of Middletown shall notify the legislative bill drafting commission in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law.