

# STATE OF NEW YORK

4203--A

2025-2026 Regular Sessions

## IN SENATE

February 3, 2025

Introduced by Sen. COMRIE -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- recommitted to the Committee on Local Government in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general municipal law, in relation to adjusting value capture mechanisms for New York city and the metropolitan transportation authority, including transparency requirements; and to amend part PP of chapter 54 of the laws of 2016 amending the general municipal law relating to the New York transit authority and the metropolitan transportation authority, in relation to extending such value capture mechanisms and transparency requirements

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

1 Section 1. Paragraph f of subdivision 1 of section 119-r of the gener-  
2 al municipal law, as added by section 2 of part PP of chapter 54 of the  
3 laws of 2016, is amended to read as follows:  
4 f. The making of a contract with the metropolitan transportation  
5 authority, by itself or with one or more other municipal corporations to  
6 assist the authority in meeting its capital or operating expenses in  
7 providing mass transportation services of benefit to all or part of such  
8 municipal corporation, including undertaking a mass transportation capi-  
9 tal project in or near the municipal corporation. Such a municipal  
10 corporation may, according to the terms of the contract with the author-  
11 ity, establish, levy and collect taxes, assessments, and/or charges and  
12 may conditionally or unconditionally grant or pledge a portion of its  
13 revenues allocated according to [~~subdivision~~] paragraph e of this  
14 [~~section~~] subdivision.  
15 (i) For any mass transportation capital project located in the city of  
16 New York, the municipal corporation or metropolitan transportation  
17 authority shall notify in writing the community board or boards, any

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

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1 part of whose district or districts would be contained within a proposed  
2 mass transportation capital project district, at least forty-five days  
3 prior to conducting the public hearing as required by this section. Upon  
4 request from such board or boards the municipal corporation or authority  
5 shall, at a date convenient to such board or boards, present information  
6 regarding the proposed mass transportation capital project and also  
7 allow for public comment. For any proposed mass transportation capital  
8 project, the municipal corporation or metropolitan transportation  
9 authority shall notify in writing the municipal, state, and congression-  
10 al elected representatives, any part of whose district or districts  
11 would be contained within a proposed mass transportation capital project  
12 district, at least forty-five days prior to conducting the public hear-  
13 ing as required by this paragraph. Such municipal corporation may desig-  
14 nate mass transportation capital project districts that a municipal  
15 corporation finds, after conducting a public hearing, will benefit from  
16 an identified mass transportation capital project.

17 (ii) Upon designating [~~such~~] a mass transportation capital project  
18 district, the municipal corporation may allocate a portion of its reven-  
19 ues from the district according to terms it designs or has agreed to by  
20 contract. The municipal corporation may, in allocating and collecting  
21 revenues from the district, make use of one or more methods to capture  
22 the value created by a mass transportation capital project, including,  
23 but not limited to:

24 [~~(i)~~] (1) tax increment financing, meaning the allocation of an incre-  
25 ment of property tax revenues in excess of the amount levied at the time  
26 prior to planning of a mass transportation capital project;

27 [~~(ii)~~] (2) a special transportation assessment imposed upon benefited  
28 real property in proportion to the benefit received by such property  
29 from a mass transportation capital project, which shall not constitute a  
30 tax;

31 [~~(iii)~~] (3) land value taxation, meaning the allocation of an incre-  
32 ment of tax revenues gained from levying taxes on the assessed value of  
33 taxable land at a higher rate than the improvements, as defined in  
34 subdivision twelve of section one hundred two of the real property tax  
35 law; and

36 [~~(iv)~~] (4) some combination of the above or other methods of gaining  
37 revenues that the municipal corporation is empowered to use, provided  
38 that the total amount of all taxes, assessments, fees, charges, or rates  
39 levied on each parcel or lot under this section shall be limited to a  
40 proportionate amount as near as possible to the actual benefit which  
41 each lot or parcel will derive from the mass transportation capital  
42 project; and

43 [~~(v)~~] (5) for purposes of this paragraph the term municipal corpo-  
44 ration shall include only those cities, towns, villages and counties  
45 described in section twelve hundred sixty-two of the public authorities  
46 law.

47 (iii) For any mass transportation capital project in which a municipal  
48 corporation would use the methods authorized by this paragraph, at least  
49 forty-five days prior to conducting the public hearing as required by  
50 this paragraph the municipal corporation shall produce and publish on  
51 its website two separate analyses that include, without limitation:

52 (1) revenue projections for the mass transportation capital project  
53 district based on factors, including but not limited to, historic prop-  
54 erty, sales, mortgage recording tax data, business and income taxes, and  
55 analysis that the fair market value of properties and projected sales,  
56 business, income, and mortgage recording taxes within such district are

1 expected to increase as a result of the improvement, by more than would  
2 have occurred in the absence of the improvement after accounting for the  
3 entire capital cost of the mass transportation capital project being  
4 financed, as well as analogous projections for the community board  
5 district or districts or city, town, village or county not wholly  
6 contained within a city surrounding the proposed mass transportation  
7 capital project district;

8 (2) transportation engineering analysis showing how the public would  
9 be served by the mass transportation capital project in such district or  
10 area;

11 (3) explanation from the relevant assessing body on the amount of the  
12 projected special transportation assessment or increased levy on a prop-  
13 erty or parcel;

14 (4) projected cost of the mass transportation capital project and  
15 proposed funding sources;

16 (5) explanation from the relevant assessing body on how the proposed  
17 mass transportation capital project would impact a property or parcel's  
18 assessed land value, in addition to how the proposed mass transportation  
19 capital project would impact school district and special district tax  
20 levies within the county or city not wholly contained within a county  
21 where the proposed mass transportation project district would be  
22 created; and

23 (6) any incentives or expenditures planned to induce commercial activ-  
24 ity in the mass transportation capital project district, including with-  
25 out limitation payments in lieu of taxes, payments in lieu of sales  
26 taxes, payments in lieu of mortgage recording taxes, state grants,  
27 loans, loan guarantees, loan interest subsidies, subsidies, tax credits,  
28 tax exemptions, reduced tax rates or other tax incentives which are  
29 applied for and preapproved or certified by a state or municipal agency  
30 or authority, and industrial development agency or local development  
31 corporation assistance. Such analyses shall include accompanying data in  
32 a machine-readable, tabular format, and an explanation of the methodol-  
33 ogy and specific assumptions used in each analysis. The public shall  
34 have the opportunity to submit written comments on the analyses  
35 provided, and the municipal corporation and/or the metropolitan trans-  
36 portation authority shall respond to public comments received in writing  
37 and/or at such public hearing in a report that is posted on the public  
38 facing portion of such municipal corporation's website no later than one  
39 month after such hearing.

40 § 2. Section 3 of part PP of chapter 54 of the laws of 2016 amending  
41 the general municipal law relating to the New York transit authority and  
42 the metropolitan transportation authority, as amended by section 1 of  
43 part I of chapter 58 of the laws of 2025, is amended to read as follows:

44 § 3. This act shall take effect immediately; provided that the amend-  
45 ments to subdivision 1 of section 119-r of the general municipal law  
46 made by section two of this act shall expire and be deemed repealed  
47 April 1, [~~2026~~] 2031, and provided further that such repeal shall not  
48 affect the validity or duration of any contract entered into before that  
49 date pursuant to paragraph f of such subdivision.

50 § 3. This act shall take effect immediately and shall be deemed to  
51 have been in full force and effect on and after April 1, 2026; provided,  
52 however, that the amendments to paragraph f of subdivision 1 of section  
53 119-r of the general municipal law made by section one of this act shall  
54 not affect the expiration of such subdivision and shall expire there-  
55 with.