§ 372-a. University-related economic development facilities. 1. Notwithstanding subdivisions one through six and eight through ten of section three hundred seventy-six of this article, the provisions of this section shall apply to the fund when it acts pursuant to the authorization under this section. Pursuant to the authorization in this section and approval by the trustees of the university, the fund may acquire, design, construct, reconstruct, rehabilitate, improve, lease, manage and/or operate university-related economic development facilities. University-related economic development facilities, as used in this chapter, shall mean facilities for research, development and commercial enterprises dealing in products and/or services related to the mission or academic specialties of the campus associated with such facilities, or dealing in support products or services for such enterprises which will have a significant economic benefit. Consistent with such authorization, the state university trustees are authorized to enter into contracts or leases for lands and facilities authorized in subdivision two of this section. Such leases or contracts shall be for the development, construction, and operation of such facilities by the fund. Construction, acquisition, rehabilitation, improvement, facilities operation management, mortgaging with any private lender (including other security or financing arrangements incidental or related thereto or customary in connection therewith, leasehold mortgaging or assignment of rents) leasing, subleasing of, providing services for or otherwise assisting or granting of easements, licenses or other arrangements in regard to such facilities and underlying land may be provided from time to time without public bidding or sale by such contracts or leases (and replacements, modifications, substitutions and renewals thereof) and upon such terms as the trustees may approve provided, however, that:

a. No contract or lease for real property shall provide for a fee simple conveyance, or be for a period of greater than thirty years; each such contract or lease shall be approved by the attorney general, as to form, the director of the budget and the comptroller of the state of New York;

b. In the event the real property which is the subject of such lease or contract shall cease to be used for the purposes authorized by this

section and at the expiration of such contract or lease in any event, such property and the improvements thereon shall revert to the state university of New York, and any such lease or contract shall be made subject to such conditions, and provide for such reverter;

c. The authorization of any facilities or projects in this section shall expire and be of no further force and effect, unless the approval of the trustees of the university occurs within three years of the effective date thereof;

d. Any contracts or leases entered into by the trustees of the state university of New York pursuant to this section shall require the lessee or contracting not-for-profit corporation to comply with the requirements of article fifteen-A of the executive law. Any contract or lease for construction, rehabilitation, or other improvement authorized by this section entered into by the trustees shall require the lessee or contractor and/or subcontractor to comply with the requirements of section two hundred twenty, two hundred thirty, two hundred thirty-one, two hundred forty and two hundred forty-one of the labor law, where applicable, as well as sections one hundred one and one hundred three of the general municipal law, where applicable;

e. The benefits to the region, state, and university community by the establishment of a high technology facility at the state university of New York shall be realized with no negative impact upon the employment status of state university of New York employees or collective bargaining units that represent such employees as a result of any contract or lease authorized by this section;

f. Any agreement, contract or lease authorized by this section shall include an indemnity provision whereby the lessee or sublessee promises to indemnify, hold harmless, and defend lessor against all claims, suits, actions, and liability, to all persons on the leased premises, including tenants, tenants' agents, contractors, subcontractors, employees, customers, guests, licensees, invitees, and members of the public, for damage to any such person's property, whether real or personal, or for personal injuries arising out of tenants' use or

occupation of the demises premises;

g. Any such lease, contract or agreement authorized by this section must clearly define the purpose for which the land will be used consistent with the mission of the state university of New York and the mission of the campus involved in such lease, contract or agreement; and

h. The fund shall report annually to the state university of New York, the governor, the speaker of the assembly and the temporary president of the senate, on each of the facilities and projects authorized by this section.

2. Subsequent to the approval of the trustees of the state university, the following facilities are specifically and expressly authorized by law and to the terms and conditions set forth herein:

a. Pharmaceutical technology/manufacturing building and an affiliated academic incubator at state university of New York college at Farmingdale. The state university of New York is authorized to establish an account to receive payments from leases of the pharmaceutical technology/manufacturing building. Any payments deposited into this account may be transferred to the fund for payments related to design, construction, reconstruction, rehabilitation or improvement of the affiliated academic incubator authorized in this paragraph.