§ 119-r. Provision of mass transportation by certain municipal corporations. * 1. To assure the provision of mass transportation services to the public at adequate levels and at reasonable cost, every city, town, village or county not wholly contained within a city, shall have power to adopt local laws to authorize:

a. The acquisition, construction, reconstruction, improvement, equipment, maintenance, financing subject to the provisions of paragraph f of this subdivision, or operation of one or more mass transportation projects. Such municipal corporation shall have power to occupy or use any of the streets, roads, highways, avenues, parks or public places of such municipal corporation therefor and to agree upon and contract for the terms and conditions thereof.

b. The making of a contract or contracts for the acquisition by purchase of all or any part of the property, plant and equipment of an existing mass transportation facility actually used and useful for the convenience of the public.

c. The making of a contract or contracts with any person, firm or corporation, including a public authority, for the equipment, maintenance or operation of a mass transportation facility owned, acquired, constructed, reconstructed or improved by it.

d. The making of a contract or contracts for a fair and reasonable consideration for mass transportation services to be rendered to the public by a privately-owned or operated mass transportation facility. Such power shall include but not be limited to the power to appropriate funds for payment of such consideration, and to provide that all or part of such consideration shall be in the form of capital equipment to be furnished to and used and maintained by such privately-owned or operated mass transportation facility.

e. The making of unconditional grants of money or property to a public authority providing mass transportation services to all or part of such municipal corporation in order to assist such public authority in meeting its capital or operating expenses, provided such money does not

consist of borrowed funds and such property has not been acquired by the use of borrowed funds. Such purpose is hereby declared to be county, city, town or village purposes, respectively. The provisions of this paragraph are intended as enabling legislation only and shall not be interpreted as implying that absent their enactment a municipal corporation would lack the power to authorize any such grant; but they shall not be interpreted as an authorization to public authorities generally to accept such grants. The acceptance of any such grant by a public authority shall not operate to make such authority an agency of the municipal corporation making the grant.

f. The making of a contract with the metropolitan transportation authority, by itself or with one or more other municipal corporations to assist the authority in meeting its capital or operating expenses in providing mass transportation services of benefit to all or part of such municipal corporation, including undertaking a mass transportation capital project in or near the municipal corporation. Such a municipal corporation may, according to the terms of the contract with the authority, establish, levy and collect taxes, assessments, and/or charges and may conditionally or unconditionally grant or pledge a portion of its revenues allocated according to subdivision e of this section. Such municipal corporation may designate mass transportation capital project districts that a municipal corporation finds, after conducting a public hearing, will benefit from an identified mass transportation capital project. Upon designating such a district, the municipal corporation may allocate a portion of its revenues from the district according to terms it designs or has agreed to by contract. The municipal corporation may, in allocating and collecting revenues from the district, make use of one or more methods to capture the value created by a mass transportation capital project, including, but not limited to:

(i) tax increment financing, meaning the allocation of an increment of property tax revenues in excess of the amount levied at the time prior to planning of a mass transportation capital project;

(ii) a special transportation assessment imposed upon benefited real property in proportion to the benefit received by such property from a mass transportation capital project, which shall not constitute a tax;

(iii) land value taxation, meaning the allocation of an increment of tax revenues gained from levying taxes on the assessed value of taxable land at a higher rate than the improvements, as defined in subdivision twelve of section one hundred two of the real property tax law; and

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

(v) for purposes of this paragraph the term municipal corporation shall include only those cities, towns, villages and counties described in section twelve hundred sixty-two of the public authorities law.

* NB Effective until April 1, 2027

* 1. To assure the provision of mass transportation services to the public at adequate levels and at reasonable cost, every city, town, village or county not wholly contained within a city, shall have power to adopt local laws to authorize:

a. The acquisition, construction, reconstruction, improvement, equipment, maintenance or operation of one or more mass transportation projects. Such municipal corporation shall have power to occupy or use any of the streets, roads, highways, avenues, parks or public places of such municipal corporation therefor and to agree upon and contract for the terms and conditions thereof.

b. The making of a contract or contracts for the acquisition by purchase of all or any part of the property, plant and equipment of an existing mass transportation facility actually used and useful for the convenience of the public.

c. The making of a contract or contracts with any person, firm or corporation, including a public authority, for the equipment, maintenance or operation of a mass transportation facility owned, acquired, constructed, reconstructed or improved by it.

d. The making of a contract or contracts for a fair and reasonable consideration for mass transportation services to be rendered to the public by a privately-owned or operated mass transportation facility. Such power shall include but not be limited to the power to appropriate funds for payment of such consideration, and to provide that all or part of such consideration shall be in the form of capital equipment to be furnished to and used and maintained by such privately-owned or operated mass transportation facility.

e. The making of unconditional grants of money or property to a public authority providing mass transportation services to all or part of such municipal corporation in order to assist such public authority in meeting its capital or operating expenses, provided such money does not consist of borrowed funds and such property has not been acquired by the use of borrowed funds. Such purpose is hereby declared to be county, city, town or village purposes, respectively. The provisions of this paragraph are intended as enabling legislation only and shall not be interpreted as implying that absent their enactment a municipal corporation would lack the power to authorize any such grant; but they shall not be interpreted as an authorization to public authorities generally to accept such grants. The acceptance of any such grant by a public authority shall not operate to make such authority an agency of the municipal corporation making the grant.

* NB Effective April 1, 2027

2. The acquisition, construction, reconstruction, or improvement of any mass transportation capital project by a county, city, town or village pursuant to this section shall not be subject to the jurisdiction of the commissioner of transportation except as provided in sections sixty-eight, sixty-nine, sixty-nine-a, sixty-nine-b, sixty-nine-c, and sixty-nine-d of the transportation corporations law.

3. The powers granted by this section shall be in addition to and not in substitution for any other power to acquire, construct, reconstruct, improve, equip, maintain or operate any mass transportation capital project.