§ 379. Further additional powers of the authority to finance certain repayment obligations of the state in connection with the purchase of real property for highway purposes. 1. (a) The authority is hereby authorized, as a corporate purpose thereof, to issue bonds and notes in an aggregate principal amount not to exceed fifty million dollars and to make available the proceeds from the sale of such bonds and notes, net of all costs to the authority in connection therewith, to the commissioner, for the purposes of financing a portion of the repayment to the treasurer of the United States of funds in an amount as determined by the secretary of the United States department of transportation to be equal to the amount of federal funds previously expended as adjusted by credits received to acquire real property for the portion of Interstate-478 which was withdrawn from the federal interstate system in accordance with federal law. Provided, however, that the authority shall not issue any bonds or notes authorized by this section until the federal highway administration has ruled on an application by the state, or the state and the city of New York, seeking a waiver of the repayment obligation of the state and city for federal funds expended to acquire real property for a portion of Interstate 478.

(b) Such bonds and notes shall be issued with the approval of the director of the budget and shall be special limited obligations of the authority, secured by and payable solely out of certain lease payments made by the state and funds and accounts held under the resolution pursuant to which such bonds and notes are issued, without recourse against other assets, revenues or funds of or other payments due to the authority.

(c) Such bonds and notes shall contain on the face thereof a statement to the effect that they shall not be deemed to be an obligation of the state and the state shall not be liable thereon.

(d) Such bonds shall be scheduled to mature over a term not to exceed thirty years.

(e) The provisions of title ten of article nine of this chapter, shall not apply in any way to the bonds or notes authorized to be issued by this section.

(f) All the provisions of this title relating to bonds and notes, which are not inconsistent with the provisions of this section, shall apply to the bonds and the notes authorized by this section, including,

but not limited to, the power to issue renewal notes or refunding bonds thereof.

2. (a) Notwithstanding any general, special or local law, the state, acting by and through the commissioner, shall have the power to convey to the authority or its successor agency, without public bidding, public sale, or public notice, for such term, and upon such terms and conditions as the parties thereto shall agree, a leasehold interest in the real property purchased in part with federal funds in the name of the state for the portion of then-designated Interstate-478 which was withdrawn from the interstate system in accordance with federal law. Any lease entered into pursuant to the provisions of this section shall be for a period not less than that for which debt service is due and payable on any bonds and notes issued by the authority pursuant to this section and not more than thirty days after the period for which debt service is due and payable on any bonds and notes issued by the authority pursuant to this section.

(b) Notwithstanding the provisions of any general, special or local law, the state, acting by and through the commissioner, is hereby authorized to lease from the authority or its successor agency its interest in the real property purchased in part with federal funds in the name of the state for the portion of the then-designated Interstate-478 which was withdrawn from the interstate system in accordance with federal law, such lease to be upon such terms and conditions as the parties thereto shall agree, provided that such lease shall: (i) be for a period not less than that for which debt service is due and payable on any bonds and notes issued by the authority pursuant to this section and not more than thirty days after the period for which debt service is due and payable on any bonds and notes issued by the authority pursuant to this section, (ii) provide for lease rental payments equal to the amount needed to pay debt service on said notes or bonds as the same become due and equal to the amount needed to cover all direct and/or indirect costs incurred by the authority and not reimbursed from bond proceeds, (iii) provide that during any year in which no debt service is due and payable on any such bonds and notes such lease rental payments shall be in an amount equal to one dollar, (iv) provide that the authority shall have no obligations or duties with

respect to such real property except as set forth in this section, (v) provide that during such leasehold any future proposed acquisition, disposition or new or different utilization, development or improvement of the real property subject to such leasehold interest shall be subject to the provision of paragraph b of subdivision five of section three hundred forty-b of the highway law, if applicable by the terms thereof, (vi) provide that the lease rental revenue stream thereunder may be assigned to a trustee for the payment of holders of bonds authorized by this chapter but prohibit the assignment of any other interests in the land subject to such lease to said trustee, and (vii) provide that the obligation of the state to make such lease rental payments shall not constitute a debt of the state within the meaning of any constitutional or statutory provision and shall be deemed executory only to the extent of moneys made available to the state, and that no liability on account thereof shall be incurred by the state beyond the moneys available for the purpose thereof, and that any obligation to make lease rental payments shall be subject to annual appropriation by the legislature.

(c) The attorney general shall approve or disapprove of the form and sufficiency and manner of execution of any lease executed by the commissioner pursuant to the provisions of this section.