

Mckinney's Consolidated Laws of New York Annotated [Currentness](#)

Public Authorities Law ([Refs & Annos](#))

Chapter 43-A. Of the Consolidated Laws

▢ [Article 8. Miscellaneous Authorities \(Refs & Annos\)](#)

→ [Title 27-A. Greater Rochester Sports Authority](#)

→ [§ 2576. Short title](#)

This title may be cited as the “Greater Rochester sports authority act”.

→ [§ 2577. Definitions](#)

As used or referred to in this title, unless a different meaning clearly appears from the context, the following terms shall mean and include:

1. “Authority”. The corporation created by [section two thousand five hundred seventy-eight](#) of this title.
2. “City”. The City of Rochester.
3. “Board”. The members of the authority constituting and acting as the governing body of the authority.
4. “Bonds”. The bonds, notes or other evidences of indebtedness issued by the authority pursuant to this title, and the provisions of this title relating to bonds and bondholders shall apply with equal force and effect to notes and noteholders, respectively, unless the context otherwise clearly requires.
5. “Construct”, “construction” or “constructed”. The acquisition, erection, building, alteration, improvement, increase, enlargement, extension, reconstruction, renovation or rehabilitation of a professional soccer stadium; the inspection and supervision thereof; and the engineering, architectural, legal, fiscal and economic investigations and studies, surveys, designs, plans, working drawings, specifications, procedures and other actions preliminary or incidental thereto.
6. “Cost”. As applied to any project, means and includes the cost of construction, the cost of the acquisition of all property, including real property and other property, real, personal and mixed and improved and unimproved, the cost of demolishing, removing or relocating of any buildings or structures on lands so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved or relocated, the cost of the professional soccer stadium, machinery, apparatus and equipment, the cost of engineering and architectural surveys, plans and specifications, the cost of consultant and legal services, the cost of other expenses necessary or incidental to the construction of any project or facility for the purposes of professional soccer and the financing of the construction thereof and the financing of the placing of any such project or

such facility in operation, including reimbursement to the county or any municipality, state agency, the state, the United States government or any other person for expenditures that would be costs of a project hereunder had they been made directly by the authority.

7. "Controller". The controller of the county of Monroe.

8. "County". The county of Monroe.

9. "County legislature". The Monroe county legislature.

10. "Notes". The notes authorized by the title.

11. "Person". Any natural person, partnership, association, joint venture or corporation, exclusive of a public corporation.

12. "Project". Any real property or improvements located within the state of New York and within Monroe county, whether or not now in existence or under construction, which shall be necessary or suitable for use as a sports facility or for a use incidental to a sports facility, including, but not limited to, machinery, equipment and other facilities deemed necessary or desirable in connection therewith, or incidental thereto.

13. "Real property". Lands, including air and subsurface rights and lands under water, structures, franchises and interests in lands and any and all things usually included within the said terms, including not only fees simple absolute but also any and all lesser interests, such as easements, rights of way, 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.

14. "Revenues". All fees, charges, tolls, rentals, rates and other income and receipts derived from the operation of any sports facility including, without limiting the generality of the foregoing, investment proceeds and proceeds of insurance, condemnation, and sale or other disposition of assets, together with all federal, state or municipal aid if any.

15. "Sports facility". Real property and improvements and structures thereon in the county, constituting a professional soccer stadium and other structures or related facilities, suitable for the holding of professional soccer events, including parking therefor.

16. "State". The state of New York.

17. "State agency". Any state office, public benefit corporation, department, board, commission, bureau, divi-

sion or other agency or instrumentality of the state.

→ **§ 2578. Greater Rochester sports authority**

1. There is hereby created the Greater Rochester sports authority. The authority shall be a body corporate and politic constituting a public benefit corporation. The authority shall consist of three members. Two of such members shall be appointed by the county executive with the advice and consent of the county legislature and who shall serve at the pleasure of the county executive, and one of such members shall be appointed by the city mayor with the advice and consent of the city council, and shall serve at the pleasure of the city mayor.

2. All members shall continue to hold office until their successors are appointed and qualify. Vacancies shall be filled in the manner provided for original appointments. Members may be removed from office for the same reasons and in the same manner as may be provided by law for the removal of officers of a county. The members of the authority shall receive no compensation for their services but shall be reimbursed for all other actual and necessary expenses incurred in connection with the carrying out of the purposes of this title. The powers of the authority shall be vested in and be exercised by the members of the authority at a meeting duly called and held and a majority of members shall constitute a quorum. Except as hereafter provided, no action shall be taken except pursuant to the affirmative vote of at least two voting members. The board shall appoint from its members a chairperson, vice-chairperson, and a treasurer and may delegate to one or more of its members, officers, agents or employees, such powers and duties as it may deem proper.

3. Notwithstanding any inconsistent provision of any general, special or local law, ordinance, resolution or charter, no officer, member or employee of the state or of any public corporation shall forfeit his or her office, or employment, by reason of his or her acceptance of appointment as a member, officer or employee of the authority, nor shall service as such member, officer or employee be deemed incompatible or in conflict with such office, membership or employment.

4. The authority shall be perpetual in duration, unless terminated by law. Provided, however that no such law shall take effect so long as the authority shall have bonds or other obligations outstanding unless adequate provision has been made for the payment or satisfaction thereof. Upon termination of the existence of the authority, all of its rights and property shall pass to and be vested in such municipality or legal entity as provided in said law.

5. It is hereby determined and declared, that the authority and the carrying out of its powers and duties are in all respects for the benefit of the people of the county and the state for the improvement of their health, welfare and prosperity and that such purposes are public purposes and that the authority is and will be performing an essential governmental function in the exercise of the powers conferred upon it by this title.

6. Nothing in this title shall be construed to obligate the state in any way in connection with the operation or obligations of the authority.

→ § 2579. General powers of the authority

Except as otherwise limited by this title, the authority shall have power:

1. To sue and be sued;
2. To have a seal and alter the same at pleasure;
3. To borrow money and issue bonds for any of its corporate powers, purposes or its projects, and to provide for the rights of the holders thereof;
4. To make bylaws and rules for the management and regulation of its affairs and for the regulation of any project and, subject to agreements with its bondholders, to make and alter rules and regulations governing the exercise of its powers and the fulfillment of its purposes under this title. A copy of such bylaws and rules, and all amendments thereto, duly certified by the secretary of the authority shall be filed in the office of the county clerk of the county and shall be published thereafter once in each of two newspapers having a general circulation in the county;
5. To acquire by purchase, grant, lease, gift, or condemnation pursuant to the provisions of the eminent domain procedure law and at the request of the municipality in which the real property is located, and to hold and use property necessary, convenient or desirable to carry out its corporate purposes, and to sell, convey, mortgage, lease, pledge, exchange or otherwise dispose of any such property in such manner as the authority shall determine;
6. To acquire, construct, reconstruct, lease, expand, improve, maintain, equip, furnish, and operate a project for purposes of professional soccer and, if necessary, to pay or finance the cost thereof, and provided, that any lease, management or operation agreement shall contain a condition that the lessee, manager or operator shall establish a summer soccer program for city youth;
7. To operate and maintain a facility for the purposes of minor league baseball, presently known as Frontier Field;
8. To apply for and to accept gifts, grants, loans, or contributions of funds or property or financial or other aid in any form, from, and enter into contracts or other transactions with, the federal government, the state, any municipality, any public corporation, or any other source, and to use any such gifts, grants, loans or contributions for any of its corporate purposes; provided that in any agreement selling the naming rights to a sports facility constructed for purposes of professional soccer, there shall be a provision requiring that the person purchasing such naming rights shall initiate a youth internship program for city high school students;
9. To grant options to renew any lease with respect to any project or projects and to grant options to buy any project at such price as the authority may deem desirable;

10. To designate the depositories of its money;

11. To establish its fiscal year;

12. To enter into contracts, agreements and leases and to execute all instruments necessary or convenient to accomplishing its purposes as described in this title;

13. To appoint such officers, employees and agents as the authority may require for the performance of its duties, and to fix and determine their qualifications, duties, and compensation, subject to the provisions of the civil service law and any applicable collective bargaining agreement, and to retain or employ counsel, auditors, engineers and private consultants on a contract basis or otherwise for rendering professional, management or technical services and advice;

14. With the consent of the county executive, to use employees, agents, consultants and facilities of the county paying its agreed proportion of the compensation or costs;

15. To make plans, surveys, and studies necessary, convenient or desirable to the effectuation of the purposes and powers of the authority and to prepare recommendations in regard thereto;

16. To enter upon such lands, waters or premises as in the judgment of the authority may be necessary, convenient or desirable for the purpose of making surveys, soundings, borings and examinations to accomplish any purpose authorized by this title;

17. To establish, fix, revise, charge, collect and enforce fees and charges for the use of such facilities so as to provide revenues which, together with other earnings of the sports facilities, if any, as the same shall become due, offset the expense of operating and maintaining the sports facility together with proper reserves for maintenance, contingencies and all other obligations and indebtedness of the authority;

18. To do all things necessary, convenient or desirable to carry out its purposes and for the exercise of the powers granted in this title; and

19. To insure or provide for the insurance of the authority's property or operations.

→ **§ 2580. Acquisition of real property for the authority**

1. Notwithstanding the provisions of any general, special or local law or charter, the county is hereby empowered to purchase or lease from the authority for a term not exceeding ninety-nine years, a sports facility, or enter into any other agreement relating to a sports facility, upon such terms and conditions as may be agreed upon by the county and the authority.

2. The county may enter into agreements with the authority for the management or operation, in whole or in part, of a sports facility owned or acquired by the county.
3. The county may enter into agreements with the authority for the operation or maintenance, in whole or in part, of a facility for the purpose of minor league baseball, presently known as Frontier Field.
4. The county may enter into agreements with the authority to pay for planning, design and feasibility studies undertaken, or caused to be undertaken, by the authority.
5. Since the authority's continued discharge of its public and governmental purposes is of benefit to the county, the county may pay, within the appropriations available therefor, if any, the expenses of the establishment and continued operation of the authority.
6. Notwithstanding any other provision of law, the county shall have the power to contract indebtedness and to issue its obligations pursuant to the local finance law for the purpose of financing any payment authorized to be made pursuant to subdivision two, three, four or five of this section. Any such payment shall constitute an object or purpose for which the period of probable usefulness is hereby determined to be five years.

→ **§ 2581. Transfer of officers and employees**

1. In accordance with the provisions of [section seventy of the civil service law](#), any officer or employee of the county, selected by the authority may, with the consent of the county executive, be transferred to the authority and shall be eligible for such transfer and appointment without further examination, to applicable offices, positions and employment under the authority.
2. A transferred employee shall remain in the same collective bargaining unit as was the case prior to his or her transfer; successor employees to the positions held by such transferred employees shall, consistent with the provisions of article fourteen of the civil service law, be included in the same unit as their predecessors. Employees serving in positions in newly created titles shall be assigned to such same collective bargaining unit if they would have been assigned to such unit were such titles created prior to the establishment of the authority. Nothing contained in this title shall be construed to diminish (a) the rights of employees pursuant to a collective bargaining agreement or (b) to affect existing law with respect to an application to the public employment relations board seeking a designation by the board that certain persons are managerial or confidential.
3. Any such officers or employees so transferred to the authority pursuant to this section, who are members of or benefit under any existing pension or retirement fund or system, shall continue to have all rights, privileges, obligations and status with respect to such fund or system as are now prescribed by law, but during the period of their employment by the authority, all contributions to such funds or system to be paid by the employer on account of such officers or employees shall be paid by the authority.

→ § 2582. Bonds of the authority

1. The authority shall have the power and is hereby authorized from time to time to issue bonds, notes or other obligations to pay the cost of any project or for any other purpose under this title, including the establishment of reserves to secure the bonds, the payment of principal of, premium, if any, and interest on the bonds and the payment of incidental expenses in connection therewith. The aggregate principal amount of such bonds, notes or other obligations shall not exceed thirty million dollars (\$30,000,000), excluding bonds, notes or other obligations issued to refund or repay bonds, notes, or other obligations theretofore issued for such purposes; provided, however, that upon any such refunding or repayment the total aggregate principal amount of outstanding bonds, notes or other obligations may be greater than thirty million dollars (\$30,000,000), only if the present value of the aggregate debt service of the refunding or repayment of bonds, notes or other obligations to be issued shall not exceed the present value of the aggregate debt service of the bonds, notes or other obligations so to be refunded or repaid. For purposes of this section, the present value of the aggregate debt service of the refunding or repayment of bonds, notes or other obligations and the aggregate debt service of the bonds, notes or other obligations and of the aggregate debt service of the bonds, notes or other obligations so to be refunded or repaid shall be calculated by utilizing the effective interest rate of the refunding or repayment of bonds, notes or other obligations, which shall be that rate arrived at by doubling the semi-annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the refunding or repayment of bonds, notes or other obligations from payment of debts thereof to the date of issue of the refunding or repayment of bonds, notes or other obligations and to the price bid including estimated accrued interest from the sale thereof. The authority shall have the power and is hereby authorized to enter into such agreements and perform such acts as may be required under any applicable federal legislation to secure a federal guarantee or other subsidy with respect to any bonds.

2. The authority shall have the power from time to time to renew bonds or to issue renewal bonds for the purposes authorized under this title, to issue bonds to pay bonds, and, whenever it deems refunding expedient, to refund any bond 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 of the authority. Bonds issued for refunding purposes shall be sold and the proceeds applied to the purchase, redemption or payment of the bonds or notes to be refunded.

3. Bonds issued by the authority may be general obligations secured by the faith and credit of the authority or may be special obligations payable solely out of particular revenues or other monies as may be designated in the proceedings of the authority under which the bonds shall be authorized to be issued, subject as to priority only to any agreements with the holders of outstanding bonds pledging any particular property, revenues or monies. The authority may also enter into loan agreements, lines of credit and other security agreements and obtain for or on its behalf letters of credit, insurance, guarantees or other credit enhancements to the extent now or hereafter available, in each case for securing its bonds or to provide direct payment of any costs which the authority is authorized to pay.

4. (a) Bonds shall be authorized by resolution of the governing body of the authority, be in such denominations and bear such date or dates and mature at such time or times, as such resolution may provide, provided that bonds and renewals thereof shall mature within thirty years from the date of original issuance of any such bonds.

(b) Bonds shall be subject to such terms of redemption, bear interest at such rate or rates, be payable at such times, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms and conditions as such resolution may provide. Notwithstanding any other provision of law, the bonds of the authority issued pursuant to this section shall be sold to the bidder offering the lowest true interest cost, taking into consideration any premium or discount not less than four nor more than fifteen days, Sunday excepted, after a notice of such sale has been published at least once in a newspaper of general circulation in the service area of the authority, which shall state the terms of the sale. The terms of the sale may not change unless notice of such change is published in such newspaper at least one day prior to the date of the sale as set forth in the original notice of sale. Advertisements shall contain a provision to the effect that the authority, in its discretion, may reject any or all bids made pursuant to such advertisements, and in the event of such rejection, the authority is authorized to negotiate a private or public sale or readvertise for bids in the form and manner above described as many times as, in its judgment, may be necessary to effect satisfactory sale.

(c) Notwithstanding the provisions of paragraph (b) of this subdivision, whenever in the judgment of the authority the interests of the authority will be served thereby, the governing body of the authority, on the written recommendation of the chairperson may authorize the sale of such bonds at private or public sale on a negotiated basis or on either a competitive or negotiated basis. The authority shall set guidelines governing the terms and conditions of any such private or public sales. The private or public bond sale guidelines set by the authority shall include, but not be limited to, a requirement that where the interests of the authority will be served by a private or public sale of bonds, the authority shall select underwriters taking into account, among other things, qualifications of underwriters as to experience, their ability to structure and sell authority bond issues, anticipated costs to the authority, the prior experience of the authority with the firm, if any, the capitalization of such firms, participation of qualified minority and women-owned business enterprise firms in such private or public sales of bonds of the authority and the experience and ability of firms under consideration to work with minority and women-owned business enterprises so as to promote and assist participation by such enterprises.

(d) The authority shall have the power from time to time to amend such private bond sale guidelines in accordance with the provisions of this subdivision.

(e) No private or public bond sale on a negotiated basis shall be conducted by the authority without prior approval of the state comptroller. The authority shall annually prepare and approve a bond sale report which shall include the private or public bond sale guidelines as specified in this subdivision, amendments to such guidelines since the last private or public bond sale report, an explanation of the bond sale guidelines and amendments, and the results of any sale of bonds conducted during the fiscal year. Such bond sale report may be a part of any other annual report that the authority is required to make.

(f) The authority shall annually submit its bond sale report to the state comptroller and copies thereof to the senate finance committee and the assembly ways and means committee.

(g) The authority shall make available to the public copies of its bond sale report upon reasonable request

thereof.

(h) Nothing contained in this subdivision shall be deemed to alter, affect the validity of, modify the terms of, or impair any contract or agreement made or entered into in violation of, or without compliance with, the provisions of this subdivision.

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

(a) pledging all or any part of the revenues, other moneys or property of the authority to secure the payment of the bonds, or any costs of issuance thereof, including but not limited to any contracts, earnings or proceeds of any grant to the authority received from any private or public source subject to such agreements with bondholders as may exist;

(b) the setting aside of reserves and the creation of sinking funds and the regulation and disposition thereof;

(c) limitations on the purpose to which the proceeds from the sale of bonds may be applied;

(d) the rates, rents, fees and other charges to be fixed and collected by the authority and the amount to be raised in each year thereby and the use and disposition of revenues;

(e) limitations on the right of the authority to restrict and regulate the use of the project or part thereof in connection with which bonds are issued;

(f) limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured and 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) the creation of special funds into which any revenues or moneys may be deposited;

(i) the terms and provisions of any trust, mortgage, deed or indenture securing the bonds under which the bonds may be issued;

(j) vesting in a trustee or trustees such properties, rights, powers and duties in trust as the authority may determine which may include any or all of the rights, powers and duties of the trustees appointed by the bondholders pursuant to this title and limiting or abrogating the rights of the bondholders to appoint a trustee under

such section or limiting the rights, duties and powers of such trustee;

(k) defining the acts or omissions to act which may constitute a default in the obligations and duties of the authority to the bondholders and providing for the rights and remedies of the bondholders in the event of such default, including as a matter of right the appointment of a receiver, provided, however, that such rights and remedies shall not be inconsistent with the general laws of the state and other provisions of this title;

(l) limitations on the power of the authority to sell or otherwise dispose of any project or any part thereof;

(m) limitations on the amount of revenues and other moneys to be expended for operating, administrative or other expenses of the authority;

(n) the payment of the proceeds of bonds, revenues and other moneys to a trustee or other depository, and for the method of disbursement thereof with such safeguards and restrictions as the authority may determine; and

(o) any other matters of like or different character which in any way affect the security or protection of the bonds or the rights and remedies of bondholders.

6. In addition to the powers herein conferred upon the authority to secure its bonds, the authority shall have power in connection with the issuance of bonds to adopt resolutions and enter into such trust indentures, agreements or other instruments as the authority may deem necessary, convenient or desirable concerning the use or disposition of its revenues or other moneys or property, including the mortgaging of any property and the entrusting, pledging or creation of any other security interest in any such revenues, moneys or property and the doing of any act, including refraining from doing any act which the authority would have the right to do in the absence of such resolutions, trust indentures, agreements or other instruments. The authority shall have power to enter into amendments of any such resolutions, trust indentures, agreements or other instruments. The provisions of any such resolutions, trust indentures, agreements or other instruments may be made a part of the contract with the holders of bonds of the authority.

7. Any provisions of the uniform commercial code to the contrary notwithstanding, any pledge of or other security interest in revenues, moneys, accounts, contract rights, general intangibles or other personal property made or created by the authority shall be valid, binding and perfected from the time when such pledge is made or other security interest attaches without any physical delivery of the collateral or further act, and the lien of any such pledge or other security interest shall be valid, binding and perfect against all parties having claims of any kind in tort, contract or otherwise, against the authority irrespective of whether or not such parties have notice thereof. No instrument by which such a pledge or security interest is created nor any financing statement need be recorded or filed.

8. Whether or not the bonds are of such form and character as to be securities under the terms of the uniform commercial code, the bonds are hereby made securities within the meaning of and for all the purposes of the uniform commercial code, subject only to the provisions of the bonds for registration.

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

10. Subject to such agreements with bondholders as may then exist, the authority shall have power out of any funds available therefor to purchase bonds of the authority, in lieu of redemption, at a price not exceeding, if the bonds are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment date, or, if the bonds are not then redeemable, the redemption price applicable on the first date after such purchase upon which the bonds become subject to redemption plus accrued interest to the next interest payment date. Bonds so purchased shall thereupon be canceled.

11. The authority shall have power and is hereby authorized to issue negotiable bond anticipation notes in conformity with applicable provisions of the uniform commercial code and may renew the same from time to time but the maximum maturity of any such note, including renewals thereof, shall not exceed five years from the date of issue of such original note.

12. The authority may request of the state an increase in the aggregate amount of bonds, notes or other obligations established in subdivision one of this section only upon a two-thirds majority vote of the board.

→ **§ 2583. Remedies of bondholders**

Subject to any resolution or resolutions adopted pursuant to this title:

1. In the event that the authority shall default in the payment of principal or of interest on any issue of 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 bonds, the holders of twenty-five percent in aggregate principal amount of the bonds of such issue then outstanding, by instrument or instruments filed in the office of the Monroe county clerk 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 purpose herein provided.

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

(a) by action or proceeding in accordance with the civil practice law and rules, enforce all rights of the bondholders, including the right to require the authority to collect rents, rates, fees and charges adequate to carry out any agreement as to, or pledge of, such rents, rates, fees and charges and to require the authority to carry out any other agreements with the holders of such bonds to perform its duties under this title;

(b) bring an action or proceeding upon such bonds;

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

(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. 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 herein or incident to the general representation of bondholders in the enforcement and protection of their rights.

4. The supreme court shall have jurisdiction of any action or proceeding by the trustee on behalf of such bondholders. The venue of any such action or proceeding shall be in the county.

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

6. 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 the holders of such bonds, shall take possession of all moneys and other property derived from such part or parts of the project and proceed with any construction thereon or the acquisition of any property, real or personal, in connection therewith that the authority is under obligation to do, and operate, maintain and reconstruct such part or parts of the project and collect and receive all revenues thereafter arising therefrom subject to any pledge 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 fees, 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 the project.

→ **§ 2584. State and county not liable on authority bonds**

Neither the state nor the county shall be liable on the bonds of the authority and such bonds shall not be a debt of the state nor the county and such bonds shall contain on the face thereof a statement to such effect.

→ **§ 2585. Moneys of the authority**

All moneys of the authority from whatever source derived shall be paid to the treasurer of the authority and shall be deposited forthwith in a bank or banks designated by the authority. The moneys in such accounts shall be paid out on check of the treasurer upon requisition by such person or persons as the authority may authorize to make such requisitions. All deposits of such moneys shall be secured by obligations of the United States or of the state or of any municipality of a market value equal at all times to the amount on deposit and all banks and trust companies are authorized to give such security for such deposits. To the extent practicable, consistent with the cash requirements of the authority, all such moneys shall be deposited in interest bearing accounts. The authority shall have power, notwithstanding the provisions of this section, to contract with the holders of any bonds as to the custody, collection, security, investment and payment of any moneys of the authority or any moneys held in trust or otherwise for the payment of bonds or in any way to secure bonds, and carry out any such contract notwithstanding that such contract may be inconsistent with the 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. Any moneys of the authority not required for immediate use or disbursement may, at the discretion of the authority, be invested in those obligations specified pursuant to the provisions of [section ninety-eight-a of the state finance law](#). Subject to the provisions of any contract with bondholders and with the approval of the controller, the authority shall prescribe a system of accounts.

→ § 2586. Bonds legal investment for fiduciaries

The bonds of the authority are hereby made securities in which all public officers and bodies of the state and all municipalities, 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, and 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 are also hereby made securities which may be deposited with and may be received by all public officers and bodies of the state and all municipalities for any purposes for which the deposit of bonds or other obligations of this state are now or hereafter may be authorized.

→ § 2587. Agreement with state

The state does hereby pledge to and agree with the holders of any bonds issued by the authority pursuant to this title and with those persons or public corporations who may enter into contracts with the authority pursuant to the provisions of this title that the state will not alter, limit or impair the rights hereby vested in the authority to purchase, construct, own and operate, maintain, repair, improve, reconstruct, renovate, rehabilitate, enlarge, increase and extend, or dispose of any project, or any part or parts thereof, for which bonds of the authority shall have been issued, to establish and collect rates, rents, fees and other charges referred to in this title, to fulfill the terms of any contracts or agreements made with or for the benefit of the holders of bonds or with any person or public corporation with reference to such project or part thereof, or in any way to impair the rights and remedies of the holders of bonds, until the bonds, together with interest thereon, including in-

terest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of the holders of bonds, are fully met and discharged and such contracts are fully performed on the part of the authority. The authority is authorized to include this pledge and agreement of the state in any agreement with the holders of bonds. Nothing contained in this title shall be deemed to restrict the right of the state to amend, modify, repeal or otherwise alter statutes imposing or relating to taxes or fees, or appropriations relating thereto. The authority shall not include within any resolution, contract or agreement with holders of the bonds issued under this title any provision which provides that a default occurs as a result of the state exercising its right to amend, repeal, modify or otherwise alter such taxes, fees, or appropriations. Nothing in this title shall be deemed to obligate the state to make any payments or impose any taxes to satisfy the debt service obligations of the authority.

→ **§ 2588. Agreement with county**

The county is authorized to pledge to and agree with the holders of any bonds issued by the authority pursuant to this title and with those persons or public corporations who may enter into contracts with the authority, pursuant to the provisions of this title, that the county will not alter, limit or impair the rights hereby vested in the authority to purchase, construct, own and operate, maintain, repair, improve, reconstruct, renovate, rehabilitate, enlarge, increase and extend, or dispose of any project, or any part or parts thereof, for which bonds of the authority shall have been issued, to establish and collect rates, rents, fees and other charges referred to in this title, to fulfill the terms of any agreements made with the holders of the bonds or with any public corporation or person with reference to such project or part thereof, or in any way impair the rights and remedies of the holders of bonds, until the bonds, together with interest thereon, including 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 holders of bonds, are fully met and discharged and such contracts are fully performed on the part of the authority.

→ **§ 2589. Tax exemption and tax contract by the state**

1. It is hereby determined that the creation of the authority and the carrying out of its corporate purposes are in all respects for the benefit of the people of the state of New York and are public purposes. Accordingly, the authority shall be regarded as performing an essential governmental function in the exercise of the powers conferred upon it by this title. The property of the authority, its income and its operations shall be exempt from taxation, assessments, special assessments and ad valorem levies. The authority shall not be required to pay any fees, taxes, special ad valorem levies or assessments of any kind, whether state or local, including, but not limited to, fees, taxes, special ad valorem levies or assessments on real property, franchise taxes, sales taxes or other taxes, upon or with respect to any property owned by it or under its jurisdiction, control or supervision, or upon the uses thereof, or upon or with respect to its activities or operations in furtherance of the powers conferred upon it by this title, or upon or with respect to any fares, tolls, rentals, rates, charges, fees, revenues or other income received by the authority.

2. Any bonds issued pursuant to this title, their transfer and the income therefrom shall, at all times, be exempt from taxation.

3. The state hereby covenants with the purchasers and with all subsequent holders and transferees of bonds issued by the authority pursuant to this title, in consideration of the acceptance of and payment for the bonds, that the bonds of the authority issued pursuant to this title and the income therefrom and all revenues, moneys, and other property pledged to pay or to secure the payment of such bonds shall at all times be exempt from taxation.

4. Notwithstanding any provision of this section, the authority shall be required to pay water and sewer fees or charges imposed by any public corporation.

5. The foregoing shall not, however, limit the county from receiving rentals, fees or other consideration pursuant to agreements negotiated with the authority.

→ **§ 2590. Actions against authority**

1. Except in an action for wrongful death, no action or special proceeding shall be prosecuted or maintained against the authority, its members, officers, or employees for personal injury or damage to real or personal property alleged to have been sustained by reason of the negligence, tort or wrongful act of the authority or of any member, officer, agent or employee thereof, unless (a) a notice of claim shall have been made and served upon the authority within the time limit set by and in compliance with [section fifty-e of the general municipal law](#), (b) it shall appear by, and as an allegation in the complaint or moving papers, that at least thirty days have elapsed since the service of such notice and that adjustment or payment thereof has been neglected or refused, and (c) the action or special proceeding shall be commenced within one year and ninety days after the happening of the event upon which the claim is based. 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.

2. Whenever a notice of claim is served upon the authority, it shall have the right to demand an examination of the claimant relative to the occurrence and extent of the injuries or damages for which claim is made, in accordance with the provisions of [section fifty-h of the general municipal law](#).

3. The authority shall have power to settle or adjust all claims in favor of or against the authority.

4. Any action or proceeding to which the authority or the people of the state may be parties, in which any question arises as to the validity of this title, shall be preferred over all other civil causes of action or cases, except election causes of action or cases, in all courts of the state and shall be heard and determined in preference to all other civil business pending therein except election causes, irrespective of position on the calendar. The same preference shall be granted upon application of the authority or its counsel in any action or proceeding questioning the validity of this title in which the authority may be allowed to intervene.

5. The rate of interest to be paid by the authority upon any judgment for which it is liable, other than a judgment on its bonds, shall be the rate prescribed by [section five thousand four of the civil practice law and rules](#).

Interest on payments of principal or interest on any bonds in default shall accrue at the rate borne by such bonds from the due date thereof until paid or otherwise satisfied.

6. The venue for all actions or proceedings against the authority of whatever nature shall be laid in supreme court for the county of Monroe.

→ § 2591. Contracts

1. Construction contracts let by the authority shall be in conformity with the applicable provisions of [section one hundred thirty-five of the state finance law](#).

2. The authority may, in its discretion, assign contracts for supervision and coordination to the successful bidder for any subdivision of work for which the authority receives bids. Any construction contract awarded by the authority shall contain such other terms and conditions as the authority may deem desirable. The authority shall not award any construction contract except to the lowest bidder who, in its opinion, is qualified to perform the work required and who is responsible and reliable. The authority may, however, reject any or all bids or waive any informality in a bid if it believes that the public interest will be promoted thereby. The authority may reject any bid, if, in its judgment, the business and technical organization, plant, resources, financial standing, or experience of the bidder justifies such rejection in view of the work to be performed.

3. All contracts or leases for the construction, reconstruction, rehabilitation or improvement of buildings let by the authority shall comply with the provisions of [section two hundred twenty of the labor law](#).

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

5. If after consideration, the authority determines acting within its discretion and proprietary capacity that given the purpose of any project and the impact of delay, the possibility of cost savings advantages, and the local history of labor unrest, if any, its interest in obtaining the best work at the lowest possible price and preventing favoritism, fraud and corruption are best met by requiring a project labor agreement as an incident of any contract let by the authority regarding any project, it may require such a project labor agreement.

→ § 2592. Audit and annual report

In conformity with the provisions of [section five of article ten of the constitution](#), the accounts of the authority shall be subject to the supervision of the state comptroller and an annual audit shall be performed by an independent certified accountant. The authority shall annually submit to the governor and the state comptroller and to the chairperson of the senate finance committee and the chairperson of the assembly ways and means committee a detailed report pursuant to the provisions of [section two thousand eight hundred](#) of this chapter, and a

copy of such report shall be filed with the clerk of the county legislature and the county executive.

→ **§ 2593. Defense and indemnification**

The authority shall not execute any of its powers, except as necessary to commence its corporate existence, until it has elected to make the provision of [section eighteen of the public officers law](#) applicable to its employees (as such term is defined in [section eighteen of the public officers law](#)) pursuant to subdivision two of such section; provided, however, that nothing contained within this section shall be deemed to permit the authority to extend the provisions of [section eighteen of the public officers law](#) upon any independent contractor.

→ **§ 2594. Code of ethics**

The authority shall be deemed a state agency for the purposes of [section seventy-four of the public officers law](#).

→ **§ 2595. Equal employment opportunity**

The authority shall ensure that all employees or applicants for employment are afforded equal employment opportunity without discrimination on any basis prohibited under [subdivision two of section forty-c of the civil rights law](#).

→ **§ 2596. Transfer of applications, proceedings, approvals and permits**

1. Any application, review or process in relation to or in furtherance of the purposes of or contemplated by this title heretofore filed or undertaken, or any proceeding heretofore commenced or any determination, finding or award made, by the county or by the county with the federal government, the department of environmental conservation, the department of transportation or any other public corporation shall inure to and for the benefit of the authority to the same extent and in the same manner as if the authority had been a party to such application, review, process or proceeding from its inception, and the authority shall be deemed a party thereto, to the extent not prohibited by any federal law. Any license, approval, permit, determination, finding, award or decision heretofore or hereafter issued or granted pursuant to or as a result of any such application, review, process or proceeding shall inure to the benefit of and be binding upon the authority and shall be assigned and transferred by the county to the authority unless such assignment and transfer is prohibited by federal law.

2. All such applications, proceedings, licenses, approvals, permits, determinations, findings, awards and decisions shall further inure to and for the benefit of and be binding upon any person leasing, acquiring, financing, constructing, maintaining, operating, using or occupying any facility financed in whole or in part by the authority.

→ § 2597. Separability

If any clause, sentence, paragraph, section, or part of this title 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, section, or part thereof involved in the controversy in which such judgment shall have been rendered.

→ § 2598. Effect of inconsistent provisions

Insofar as the provisions of this title are inconsistent with the provisions of any other act, general or special, or of the county or city charter or any local law, charter, ordinance or resolution of any other municipality, the provisions of this title shall be controlling. Nothing contained in this section shall be held to supplement or otherwise expand the powers or duties of the authority otherwise set forth in this title. Except as specifically provided for in this title, in the performance of any of its functions, powers and duties, the authority shall be subject to all applicable general or special laws of the state, the county charter, and any local law, ordinance or resolution of the county.

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