

**Public Authorities Law**  
**Article 8. Miscellaneous Authorities**  
**Title 27. New York Convention Center Operating Corporation**

**§ 2560. Definitions**

The following terms, whenever used or referred to in this title, unless the context indicates otherwise, shall have the following meanings:

1. "Corporation." The New York convention center operating corporation.
2. "Convention center." The convention and exhibition center referred to in paragraph (l) of subdivision nine of section five hundred fifty-three of this chapter and any interest therein acquired by the corporation.
3. "State." The state of New York.
4. "City." The city of New York.

**§ 2561. Legislative findings and declarations**

It is hereby found and declared that existing facilities in the city for conventions, trade exhibitions and public shows including services for the operation and maintenance thereof are inadequate; that construction and operation of a convention center to adequately accommodate these activities would generate new business and employment opportunities, increase the number of public facilities, provide new sources of tax revenue and promote orderly redevelopment in the vicinity of the convention center, all of which would serve the interests of the city and state.

It is further found and declared that the area in New York county generally bounded by thirty-ninth street on the north, thirtieth street on the south, eleventh avenue on the east and twelfth avenue on the west is an area characterized by deteriorated industrial and commercial structures, uncoordinated and incompatible commercial uses, inadequate public facilities and unsanitary and substandard conditions, all of which are detrimental to the economic and social well-being of residents of the city and state and that the location and operation of a convention center in such area will serve as a catalyst for redevelopment and a rejuvenation of civic pride and accomplishment.

It is further found and declared that the convention center will provide significant economic and social benefits to the city, state and region, and that, consistent with social, economic, environmental and other essential considerations of state policy, locating the convention center in the area generally bounded by thirty-ninth street on the north, thirtieth street on the south, eleventh avenue on the east and twelfth avenue on the west is in the public interest, considering the convenience and accessibility of location, the elimination of unsanitary and substandard conditions, the nature and economic characteristics of various other sites considered and the immediacy of the needs of the people of the state for the realization of the significant economic and social benefits to be derived from the convention center.

Therefore, it is hereby found and declared that it is in the public interest to create a public benefit corporation for the purposes of operating and maintaining a convention and exhibition center and to vest such powers in such corporation as are necessary or convenient to effectuate these functions, and that the exercise of the rights and powers herein authorized shall serve a public purpose.

## **§ 2562. Creation of the corporation**

1. To effectuate the purposes and provisions of this title, there is hereby created the “New York convention center operating corporation”, which shall be a body corporate and politic constituting a public benefit corporation. The corporation's board of directors shall consist of twenty-one persons to be appointed with the advice and consent of the senate, including fifteen persons appointed by the governor; two persons appointed by the temporary president of the senate; one person appointed by the minority leader of the senate; two persons appointed by the speaker of the assembly; and one person appointed by the minority leader of the assembly. Four of the members appointed by the governor shall be appointed on the written recommendation of the mayor of the city of New York. One of the directors shall be designated by the governor as chair of the board of directors to serve as such at the pleasure of the governor. Upon recommendation of the chair of the board of directors, the board of directors shall appoint an executive director of the corporation. Notwithstanding any general, special or local law concerning the holding of dual offices, an officer or employee of the state may be appointed as an officer or employee of the corporation, and officers and employees of the state may be appointed as members of the board of directors of the corporation, provided however, that the chair of the board of directors shall not be an officer or employee of the corporation, and the executive director of the corporation shall not be a member of the board of directors.

2. Directors of the corporation shall be appointed for a term of three years from the effective date of their appointments, provided, however, that two persons first appointed by the governor other than the chair shall have a two year term; three persons first appointed by the governor other than the chair shall have a one year term; the four persons appointed on the recommendation of the mayor of the city of New York shall have a term coterminous with the term of office of the mayor of the city of New York appointing them, one person first appointed by the temporary president of the senate shall have a two year term; the person first appointed by the minority leader of the senate shall have a one year term; one person first appointed by the speaker of the assembly shall have a two year term; and the person first appointed by the minority leader of the assembly shall have a one year term except for those appointed on the recommendation of the mayor whose terms shall expire at the expiration of the term of the mayor appointing them. The terms of office of their successors shall be three years. All directors shall continue to hold office until their successors have been appointed and qualified. If at any time there is a vacancy in the membership of the board of directors by reason of death, resignation, disqualification or otherwise, such vacancy shall be filled for the unexpired term in the same manner as the original appointment.

3. A majority of the appointed voting membership of the board of directors shall constitute a quorum for the transaction of any business or the exercise of any power of the corporation. The powers of the corporation shall be exercised, or may be delegated to one or more directors, officers, agents or employees, by a majority of the appointed voting membership of the board of directors. No vote at such meeting shall be cast by proxy.

4. The directors, other than any officer of the corporation who also serves as a director, shall serve without a salary or other compensation, but each director shall be entitled to reimbursement for expenses incurred in the performance of official duties.

5. The governor may remove any member of the board for cause, provided that such member be first furnished with a list of charges against him and given an opportunity to be heard, in person or by counsel, upon not less than ten days' notice.

6. The fiscal year of the corporation shall end on the date on which the fiscal year of the state ends.

7. The existence of the corporation shall continue until terminated by law, provided, however, that no such law shall take effect so long as the corporation shall have obligations outstanding, unless adequate provision has been made for the payment thereof.

**§ 2563. General powers of the corporation**

In the exercise of the powers conferred and the performance of the duties imposed upon it by section twenty-five hundred sixty-four of this title, and subject to the limitations contained in other sections of this title, the corporation shall have the following general powers:

1. To sue and be sued;
2. To have a seal and alter the same at pleasure;
3. To make by-laws for the management and regulation of its affairs;
4. To make and execute contracts and all other instruments including leases and subleases necessary or convenient to accomplish its corporate purposes, including, without limitation, the operation and maintenance of the convention center;
5. To purchase, receive, take by gift, grant, devise, bequest or otherwise, lease or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with, real or personal property, or any interest therein, including air and subsurface rights and lands under water at the site of the convention center or in the general vicinity thereof;
6. To accept grants, loans, contributions, subsidies or other forms of financial assistance from the United States, the state and the city, or any agency or instrumentality thereof, and from any other source, including gifts or transfers by bequest or otherwise, and to use same or expend the proceeds thereof for its corporate purposes;
7. To invest any funds held in reserve or any moneys not required for immediate use or disbursement, at the discretion of the corporation, in obligations of the state or the United States government or obligations the principal and interest of which are guaranteed by the state or the United States government, or in accordance with the provisions of section ninety-eight-a of the state finance law;
8. Subject to the approval of the director of the budget in such form as he shall specify, to appoint such officers, agents and employees as it may require for the performance of its duties, and to fix and determine their qualifications, duties and compensation and to retain or employ other agents, including but not limited to architects, counsel, auditors, engineers and private consultants on a contract basis or otherwise for rendering professional or technical services and advice;
9. With the consent of the state, to use the agents, employees and facilities of the state, paying to the state its agreed proportion of the compensation or costs;
10. To fix and collect rents, rates, fees and other charges for the use of the convention center;
11. To enter into agreements with the city and the state and the United States, or any agency or instrumentality thereof, individuals, firms or corporations for any lawful purposes necessary or desirable to effectuate the purposes of this title; and
12. To do all things necessary or convenient to carry out the purposes and provisions of this title.
13. (a) Notwithstanding paragraph three of subdivision b of section six hundred of the retirement and social security law and subdivision four of section two hundred one of the civil service law, or any other

general, special or local law, the corporation may provide to persons in its employ any retirement benefits provided or required pursuant to any agreement with a labor union of which its employees are members, and the corporation is hereby authorized retroactively or in the future to make such contributions as may be necessary to provide such benefits, and any and all payments heretofore made by the corporation in compliance with any such agreement shall be and hereby are ratified and confirmed.

(b) Notwithstanding paragraph three of subdivision b of section six hundred of the retirement and social security law, persons in the employ of the corporation on whose behalf the corporation has made or shall make payments pursuant to paragraph (a) of this subdivision shall neither be required nor permitted to become members of the New York state and local employees' retirement system for so long as such payments continue; provided, however, that nothing in this paragraph shall be deemed to affect the rights and privileges of persons in the employ of the corporation who are enrolled members of the New York state and local employees' retirement system on the effective date of this subdivision, and further, that this paragraph shall not affect the membership of persons in the employ of the corporation who are enrolled members of the New York state and local employees' retirement system on the effective date of this subdivision.

#### **§ 2564. Special powers and duties of the corporation**

The corporation shall have the power and duty:

1. To maintain and operate the convention center including the expansion project; to rent parts thereof, and grant concessions, all on such terms and conditions as it may determine are fair and reasonable, subject, in the case of rentals and concessions other than for exhibition purposes, to the prior approval of the state comptroller;
2. To approve the plan and design of the convention center project as required by a chapter of the laws of nineteen hundred seventy-nine<sup>1</sup> and the plan and design of the expansion project and any convention hotel financed by the chapter of the laws of two thousand four which amended this subdivision; and
3. To transfer or otherwise make available to the subsidiary of New York state urban development corporation organized pursuant to said chapter of the laws of nineteen hundred seventy-nine,<sup>2</sup> without consideration and when and as requested by said subsidiary, any or all rights, property and assets which shall have been transferred to the corporation pursuant to section twenty-two-a of chapter ten hundred eleven of the laws of nineteen hundred seventy-one as added by section eighteen of said chapter of the laws of nineteen hundred seventy-nine.

#### **§ 2565. Cooperation by the state**

For the purposes of assisting the corporation in effectuating the purposes and provisions of this title, with respect to the convention center, the state may, with or without consideration:

1. Acting by and through the commissioner of general services, dedicate, sell, convey, lease, grant or otherwise transfer any right, title and interest in any property, real or personal, to the corporation.
2. Enter into agreements with the corporation respecting action to be taken by the state to assist the corporation in carrying out and effectuating the purposes of this title.
3. Do all other things necessary or convenient to carry out the foregoing powers.

#### **§ 2566. Appropriations**

1. To assure the continued operation and solvency of the corporation for the carrying out of the public purposes of this act, there may be, notwithstanding any provision of law to the contrary, annually

apportioned and paid to the corporation such sum, if any, as shall be appropriated in the first instance by the state as necessary to enable the corporation to meet all items of expense, including proper maintenance of the convention center, that are approved by the director of the budget to be incurred by the corporation in the next succeeding state fiscal year. The chairman of the corporation shall annually, on or before September fifteenth, make and deliver to the governor and the director of the budget for their approval and for submission to the legislature a budget request for the operations of the corporation. The request shall delineate the total amount needed for corporate purposes, the source and amount of other funds that the corporation expects to receive, and such other information as the director of the budget shall require. The sum or sums appropriated in the first instance, or so much thereof as shall be necessary, shall be apportioned and paid to the corporation during the course of the fiscal year as needed.

2. Notwithstanding the provisions of any general or special law, no part of such appropriation shall be available for the purposes designated until a certificate of approval of availability shall have been issued by the director of the budget and a copy of such certificate filed with the state comptroller, the chairman of the senate finance committee and the chairman of the assembly ways and means committee. Such certificate may be amended from time to time, subject to the approval of the director of the budget, and a copy of each such amendment shall be filed with the state comptroller, the chairman of the senate finance committee and the chairman of the assembly ways and means committee.

3. The director of the budget shall not issue any certificate of approval of availability until the corporation has entered into a written agreement with the director of the budget providing for repayment by such corporation to the state of an amount equal to the total amount expended by the state from such appropriation, on terms to be determined by the director of the budget, and a copy of such agreement shall be filed with the state comptroller, the chairman of the senate finance committee and the chairman of the assembly ways and means committee. Notwithstanding the provisions of section forty-a of the state finance law and any other general or special law, such written agreement shall require repayment only to the extent that moneys are available from the convention center operating corporation fund established in accordance with section twenty-five hundred sixty-nine of this title.

#### **§ 2567. State not liable on obligations**

The obligations of the corporation shall not be debts of the state, and the state shall not be liable thereon, and such obligations shall not be payable out of any funds other than those of the corporation.

#### **§ 2568. Exemption from taxation**

It is hereby found, determined and declared that the creation of the corporation and the carrying out of its purposes is in all respects for the benefit of the people of the state and is a public purpose, and that the corporation will be performing an essential governmental function in the exercise of the powers conferred upon it by this title. The corporation and its operations, property and moneys shall be free and exempt from taxation of every kind by the city and the state and any subdivision thereof. Except as hereinabove provided and except as may otherwise specifically be provided, nothing contained in this title shall confer exemption from any tax, assessment or fee upon any person, firm, corporation or other entity, or upon the obligations of any of them.

#### **§ 2569. Moneys of the corporation**

All moneys of the corporation, from whatever source derived, shall be paid to the commissioner of taxation and finance as agent of the corporation, who shall not commingle such moneys with any other moneys. Such moneys shall be deposited in a separate bank account to be known as the "convention

center operating corporation fund". The moneys in such fund shall be expended for payment of any and all costs and expenditures as required for the corporate purposes of the corporation and authorized by appropriation or required pursuant to repayment agreements required by section twenty-five hundred sixty-six of this title, provided that all expenditures from such fund shall be subject to the prior approval of the director of the budget. The moneys in such fund when made available shall be paid out on check of the commissioner of taxation and finance on requisition of the chairman of the corporation or of such other person or persons as the corporation may authorize to make such requisition. All deposits of such moneys shall, if required by the commissioner of taxation and finance or the corporation, be secured by obligations of the United States or of the state of a market value equal at all times to the amount of the deposit and all banks and trust companies are authorized to give such security for such deposits. Any moneys of the corporation not required for immediate use or disbursement may, at the discretion of the corporation, be invested by the commissioner of taxation and finance in accordance with the provisions of section ninety-eight-a of the state finance law. The state comptroller and his legally authorized representatives are authorized and empowered from time to time to examine the accounts and books of the corporation, including its receipts, disbursements, contracts, leases, investments and any other records and papers relating to its financial standing.

#### **§ 2570. Actions**

A notice of claim, served in accordance with the provisions of section fifty-e of the general municipal law, shall be a condition precedent to the commencement of an action against the corporation, its directors, officers, employees or agents. No such action shall be commenced more than one year and ninety days after it has accrued, except that an action against the corporation 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.

#### **§ 2571. Limitation of liability; indemnification**

1. The directors and officers of the corporation, and any person acting in its behalf while acting within the scope of their authority, shall not be subject to any personal liability resulting from carrying out any of the powers given in this title.
2. The provisions of section seventeen of the public officer's law shall apply to directors, officers, employees and agents of the corporation in connection with any and all claims, demands, suits, actions or proceedings which may be made or brought against any of them arising out of any determinations made or actions taken or omitted to be taken in compliance with any obligations under or pursuant to the terms of this title.

#### **§ 2572. Separability**

If any section, clause or provision of this title or the application thereof shall be adjudged invalid, such judgment shall not affect or invalidate any other section, clause or provision of this title.