

STATE OF NEW YORK

7917

IN SENATE

March 29, 1988

Introduced by Sen. STAFFORD -- (at request of the Olympic Regional Development Authority) -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to authorizing the olympic regional development authority to mortgage property for its corporate purposes.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

- 1 Section 1. Subdivision three of section twenty-six hundred eleven of
- 2 the public authorities law, as added by chapter four hundred four of the
- 3 laws of nineteen hundred eighty-one, is amended to read as follows:
- 4 3. To acquire, lease, hold and dispose of real and personal property
- 5 or any interest therein, and to mortgage any real property in which it
- 6 is the owner in fee, for its corporate purposes;
- 7 § 2. This act shall take effect immediately.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [] is old law to be omitted.

LBD13910-01-8

MEMORANDUM

by Enab. Act 5-7917
1062

AN ACT to amend the public authorities law, in relation to authorizing the olympic regional development authority to mortgage property for its corporate purposes

1. Purpose of bill. This bill will allow the Olympic Regional Development Authority to mortgage its real property in connection with transactions to borrow money to insure that adequate funds are available for the conduct of its corporate purposes and, in particular, capital improvements.
2. Summary of provisions. Subdivision 3 of §2611 of the Public Authorities Law (Powers of the Authority) is amended to empower the Olympic Regional Development Authority to mortgage any real property in which it is the owner in fee, as well as to acquire, lease, hold and dispose of real and personal property or any interest therein for its corporate purposes. This act would take effect immediately.
3. Existing law. The Olympic Regional Development Authority is currently authorized to acquire, lease, hold and dispose of real and personal property or any interest therein for its corporate purposes. [§2611 (3), Public Authorities Law] It is also empowered to contract for and to accept loans of funds from any source, public or private. [§2611 (13), Public Authorities Law]
4. Statement in support. The Olympic Regional Development Authority, created in 1981, is charged with responsibility of insuring optimum year-round use and enjoyment of the facilities in and around Lake Placid, and Gore Mountain in Warren County, to the economic and social benefit of these regions, and to minimize the financial burden on the State of New York and local governments in the maintenance and operation of these facilities. Consistent with this legislative mandate, the Authority has invested substantial capital every year in maintenance and improvements to each of the facilities under its control and management. With these improvements, ORDA has been able to annually host more national and international sports events than anywhere else in the world. All capital improvements have been accomplished with funds received from the Authority's general revenue producing sources and, to a limited extent, State appropriations.

The Olympic Regional Development Authority, for the first time, is about to undertake the development and construction of new facilities for the housing and feeding of athletes in connection with the United States Olympic Training Center program at Lake Placid, and the national and international sports events conducted by ORDA. The State of New York has appropriated \$5 million to assist in this undertaking. The total cost of the project is estimated at \$12 million. One alternative available to the Authority for obtaining the non-State portion of funding for the project is through private financing. This method of funding will, in most instances, require mortgaging the Authority's property for purposes of securing loans. This bill will clarify the Authority's ability to mortgage its properties. With this ability, the Olympic Regional Development Authority will be able not only to complete the new Olympic Training Center facility adequately to meet the USOC and Authority needs, but to plan and budget for future capital improvements with this financing capability.

It is noted that the Authority's board of directors at its regularly scheduled January 1988 meeting adopted a resolution authorizing the Authority President/CEO to seek loans for the construction of the Olympic Training Center facilities.

5. Fiscal impacts. This measure will have no impact on the State budget. No funds from the State would be generated by the bill. To the contrary, with mortgage borrowing ability, the Authority will be in a better position to undertake many capital improvements without the need of appropriations.