



## Property Disposition Policy

### **I. STATEMENT OF PURPOSE**

The Schenectady Metroplex Development Authority (“Metroplex”) has adopted this Property Disposition Policy (the “Policy”) in accordance with Title 5-A of the New York State Public Authorities Law (“PAL”), specifically applicable provisions contained in the Public Authorities Accountability Act of 2005, as amended, and the Public Authorities Reform Act of 2009. This policy provides instructions regarding the use, awarding, monitoring and reporting of contracts for the disposal of property.

### **II. DESIGNATION OF A CONTRACTING OFFICER**

The Contracting Officer is appointed by resolution of the Metroplex Board of Directors (the “Metroplex Board”). The Contracting Officer for purposes of this Policy is designated as the Metroplex Executive Director. The Contracting Officer is responsible for monitoring and enforcing Metroplex’s compliance with the Policy. The Governance Committee provides direction for the disposition of property pursuant to this Policy.

### **III. TRACKING AND INVENTORY**

For purposes of this Policy, “Property” means any real property and any other interest in such property if such interest is capable of being conveyed or transferred to another person or entity, including without limitation, options, easements, leases, rights of first refusal, and licenses.

“Property” shall exclude any interest securing a loan or other financial interest of another party.

“Personal property” means any personal property in excess of Five Thousand Dollars (\$5,000) in value, thereby subjecting it to the same disposition policy and inventory control procedures as set forth below.

Metroplex will maintain the following inventory control procedures:

- a) The Contracting Officer will maintain an inventory of all Metroplex Property, including a description of the Property, location of the Property and estimated fair market value of the Property.
- b) Periodically, but not less than annually, the Contracting Officer should update the inventory and track the purchase or sale of Property, the name of the seller or purchaser and the price received or paid for each Property and the date of each transaction. In addition, the Governance Committee should review the inventory and create a list of recommended property for disposition, as needed.
- c) Create a written report, not less than annually, of all of the real property owned, purchased or sold by Metroplex, including the price paid or received, a description of the property and the name of the purchaser or seller. This report shall be submitted to the Comptroller,



## Property Disposition Policy

Director of Budget, Commissioner of General Services, the Legislature and the Authorities Budget Office.

- d) All Metroplex Property identified for disposal will be transferred or disposed of as promptly as possible in accordance with this Policy and Metroplex's Enabling Act.

### IV. PROPERTY DISPOSAL PROCEDURES

Disposal for Fair Market Value: Any Property may be disposed of by Metroplex for not less than fair market value. Methods for fair market value disposition include sale, transfer or exchange for cash, credit or other property without warranty and upon such other terms and conditions as the Contracting Officer deems proper under the provisions of the PAL and this Policy.

Determination of Fair Market Value: Fair market value of Metroplex Property shall be established by an appraisal of the value of the Property made by an independent appraiser and included in the record of the transaction. Without excepting any Property that is unique in nature, an appraisal is required for all Property identified by Metroplex for disposal.

Disposal by Public Bidding: Property should be disposed of after publicly advertising for bids. Whenever public advertising for bids is required under this Policy:

- (i) the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the Property;
- (ii) all bids shall be publicly disclosed at the time and place stated in the advertisement; and
- (iii) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the State, price and other factors considered; provided, that all bids may be rejected when it is in the public interest to do so.

Exceptions to Disposal by Public Bidding: Disposal of Property by public bid is not required in the following circumstances:

- Disposal involves personal property of a nature and quantity which, if publicly bid, would adversely affect the state or local market for such property and the fair market value and other terms can be obtained by negotiation;
- The fair market value of the property does not exceed Fifteen Thousand Dollars (\$15,000.00);



## Property Disposition Policy

- Bid prices after advertising are not reasonable either as to all or some part of the Property, or have not been independently arrived at in open competition;
- Disposal is to the State or any political subdivision and the estimated fair market value and other satisfactory terms of disposal are obtained by negotiation; or
- Otherwise as authorized by law.

Where Metroplex deems a particular transaction to fall within one of the above referenced exceptions to public bidding and disposes of Property by negotiation, a statement of the disposition is required. Such statement shall include the following information:

- Description of the parties involved in the Property transaction;
- Justification for disposing of Property by negotiation;
- Identification of Property, including its location;
- Estimated fair market value of the Property;
- Proposed sale price of the Property;
- Size of the Property; and
- Expected date of sale of the Property.

The statement must be transmitted to the Comptroller, Director of the Budget, Commissioner of General Services, the Legislature and the Authorities Budget Office at least ninety (90) days in advance of disposal of the Property. Metroplex must also retain a copy of such statement in its records.

Disposal for Less than Fair Market Value: No Property may be sold, leased, or otherwise alienated for less than its fair market value except if:

- (i) the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity;
- (ii) the purpose of the transfer is within the purpose, mission or governing statute of the public authority; or



## Property Disposition Policy

(iii) in the event Metroplex seeks to transfer an asset for less than its fair market value to other than a governmental entity, which disposal would not be consistent with Metroplex's mission, purpose or enabling statute, Metroplex shall provide written notification thereof to the Governor, the Speaker of the Assembly, and the Temporary President of the Senate. Such notification of the proposed transaction is subject to denial in the form of a signed certification by the Governor, or by resolution of the Senate or Assembly. The transfer is deemed approved, however, if there is no certification by the Governor, or resolution of the Senate or Assembly within the applicable time period contained in the PAL (i.e., within 60 days notification during the months of January through June or within 60 days from January 1st of the following year if the notification is received during July through December).

When proposing a below fair market transfer, the following information must be provided to the Metroplex Board and the public:

- A full description of the Property;
- An appraisal of the fair market value of the Property and any other information establishing the fair market value sought by the board;
- A description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer (i.e., the kind, number, location, wages or salaries of jobs created or preserved, the benefits to the communities in which the Property is situated, etc.);
- A statement of the value to be received compared the fair market value;
- The names of any private parties participating in the transfer, including a statement of the value to the private party; and
- The names of other private parties who have made an offer for such Property, the value offered, and the purpose for which the asset was sought to be used.

Prior to approval of a below fair market transfer, the Metroplex Board must consider this information and make a written determination that there is no reasonable alternative to the proposed below fair market transfer that would achieve the same purpose of such transfer.

### **V. ADOPTION OF THIS POLICY**

This Policy will be reviewed and considered for readoption annually by the Metroplex Board and thereafter filed with the Office of the State Comptroller. This Policy will also be posted on Metroplex's website.