

**RESOLUTION OF THE  
SCHENECTADY URBAN RENEWAL AGENCY  
FEBRUARY 22, 2011**

**DISPOSITION OF PROPERTY GUIDELINES  
RESOLUTION NO. 2011-08**

- 1 DEFINITIONS. As used herein, the following terms shall have the meaning set forth below.
- 1.1 “Act” shall mean Title 5-A of the New York Public Authorities Law, as amended from time to time.
- 1.2 “Contracting Officer” shall mean the officer or employee of SURA who shall be appointed by SURA resolution to be responsible for Disposal of Property.
- 1.3 “Dispose or Disposal” shall mean transfer of title or any other beneficial interest in Property in accordance with these Guidelines, General Municipal Law, and Section 2897 of the Public Authorities Law, as amended from time to time.
- 1.4 “Disposition Committee” shall consist of the Contracting Officer, A SURA board member, and the following City of Schenectady Employees: Zoning Officer, Bureau of Receipts, Property Mgt, Housing person, Corporation Counsel, Chief of Staff
- 1.5 “Fair Market Value” is the price that property would sell for on the open market. It is the price that would be agreed on between a willing buyer and a willing seller, with neither being required to act, and both having reasonable knowledge of the relevant facts. In absence of an appraisal, the City’s assessed value of a property may serve as an indication of Fair Market Value.
- 1.6 “Property” shall mean personal property in excess of five thousand dollars (\$5,000) in value, and real property and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.
- 1.7 Qualified and Eligible Sponsor – A developer or development team who possesses a combination of the following criteria related to a specific project: Significant land ownership or investment in a project area; Completed market analysis and/or feasibility study; Development experience related to the project; Adequate financial resources to complete the project; No significant history of tax delinquencies or code violation issues.
- 1.8 “SURA” shall mean the Schenectady Urban Renewal Agency.
- 2 CONTROLLING LEGISLATION.
- 2.1 The Public Authorities Accountability Act requires SURA to adopt Guidelines regarding the use, awarding, monitoring and reporting of contracts for the Disposal of Property and designate a Contracting Officer with responsibility for compliance with, and enforcement of, these Guidelines.
- 2.2 The Act requires SURA to establish Guidelines to ensure that SURA shall:
- A Maintain adequate inventory controls and accountability systems for all Property owned by SURA and under its control;
  - B Periodically inventory such Property to determine which Property shall be disposed of;
  - C Produce a written report of such Property in accordance with the Act.
  - D Dispose of such Property as promptly as possible in accordance with the Act.
- 3 DUTIES OF CONTRACTING OFFICER.
- 3.1 Except as otherwise provided herein and in the Act, the Contracting Officer shall have supervision and direction over the disposal of property of SURA and be responsible for compliance by SURA with, and enforcement of guidelines. SURA shall have the right to dispose of its Property for any valid corporate purpose.

#### 4 SURA PROPERTY

- 4.1 The custody and control of SURA property, pending disposal, and the disposal of such property, shall be performed by SURA.
- 4.2 Disposal of SURA Property.
- A Fair Market Value. SURA may dispose of its property for not less than its fair market value, except as provided in section 4.2 B, by sale, exchange, or transfer, for cash, credit, or other property, with or without warranty, and upon such other terms and conditions as the contracting officer deems proper, and it may execute such documents for the transfer of title or other interest in property and take such other action as it deems necessary or proper to dispose of such property under the provisions of this section. Provided, however, that no disposition of real property, or any interest in real property, [fig 1] shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction, and, provided further, that no disposition of any other property, which because of its unique nature or the unique circumstances of the proposed transaction is not readily valued by reference to an active market for similar property, shall be made without a similar appraisal.
- B Where remediation or demolition is needed to prepare a development site, the expenses that a Qualified and Eligible Sponsor pays towards these purposes may be considered towards the fair market value purchase price.
- C All disposal or contracts for disposal of property of SURA shall be made after publicly advertising for bids except as provided in section 4.2 (D) and 4.2 (E).
- D Whenever public advertising for bids is required:
- i The advertisement for bids shall be made at such time prior to the disposal or contract for disposal through such methods, and on such terms and conditions as the Contracting Officer determines will permit full and free competition consistent with the value and nature of SURA's property proposed for disposal;
  - ii All bids shall be publicly disclosed at the time and place stated in the advertisement; and
  - iii The award shall be made by the Contracting Officer in consultation with the Property Disposition Committee, on behalf of SURA with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to SURA and its Urban Renewal plans, taking into consideration, price, proposed investment, home-ownership, neighborhood quality, and other factors; provided that all bids may be rejected when SURA determines it is in the public interest to do so.
- E Exception to Public Advertising.
- i Disposals and contracts for disposal of property may be negotiated or made by public auction without regard to Section 4.2 (C) & (D) but subject to obtaining such competition as the Contracting Officer determines to be feasible under the circumstances, if:
    - a the personal property involved has qualities separate from the utilitarian purpose of such property, such as artistic quality, antiquity, historical significance, rarity, or other quality of similar effect, that would tend to increase its value, or if the personal property is to be sold in such quantity that, if it were disposed of under paragraphs 4.2 a and b of this subdivision, would adversely affect the state or local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation;
    - b The personal Property involved is of nature and quantity which, if disposed of under Sections 4.2.B and C would adversely affect the local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can in the opinion of the Board be obtained by negotiation; or
    - c The fair market value of the property does not exceed \$15,000; or
    - d Bid prices after advertising therefore are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition; or
    - e The Disposal will be to the State or any political subdivision and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation; or
    - f The disposal is to an entity selected by SURA as a "Qualified and Eligible Sponsor" and is part of an Urban Renewal Plan; or
    - g The Disposal is for an amount less than estimated fair market value of the property; and

- g1 The terms of such disposal are obtained by public auction or negotiation; and
- g2 The disposal of the property is intended to further the public health, safety or welfare or economic development interest of SURA, the prevention or remediation of a substantial threat to public health or safety, the creation or retention of a substantial number of job opportunities, or the creation or retention of a substantial source of revenues; and
- g3 The purpose and the terms of such disposal are documented in writing and approved by resolution of SURA; or
- h Such action is otherwise authorized by law.
- ii An explanatory statement shall be prepared by the Contracting Officer of the circumstances of each disposal by negotiation of:
  - a Any personal property which has estimated fair market value in excess of \$15,000;
  - b Any real property that has an estimated fair market value in excess of \$100,000, except that any real property disposal of by lease or exchange shall only subject to clauses(c) through (e) of this subparagraph;
  - c Any real property disposed of by lease for a term of five years or less, if the estimated fair annual rent is in excess of \$100,000 for any such years;
  - d Any real property disposed of by the lease for a term of more than five years, if the total estimated rent over the lease is in excess of \$ 100,000; or
  - e Any real property or real and related personal property disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property.
- iii Each such explanatory statement shall be transmitted to the Comptroller of the State, Director of Budget of the State, the Commissioner of General Services and the New York Legislature, not less than ninety (90) days in advance of such Disposal, and a copy thereof shall be retained in the files of SURA

4.3 Disposal of property for less than fair market value.

- A No asset owned, leased or otherwise in the control of a public authority 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
  - iii in the event a public authority 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 the authority's mission, purpose or governing statutes, such authority shall provide written notification thereof to the governor, the speaker of the assembly, and the temporary president of the senate, and such proposed transfer shall be subject to denial by the governor, the senate, or the assembly. Denial by the governor shall take the form of a signed certification by the governor. Denial by either house of the legislature shall take the form of a resolution by such house. The governor and each house of the legislature shall take any such action within sixty days of receiving notification of such proposed transfer during the months of January through June, provided that if the legislature receives notification of a proposed transfer during the months of July through December, the legislature may take any such action within sixty days of January first of the following year. If no such resolution or certification is performed within sixty days of such notification of the proposed transfer to the governor, senate, and assembly, the public authority may effectuate such transfer. Provided, however, that with respect to a below market transfer by a local authority that is not within the purpose, mission or governing statute of the local authority, if the governing statute provides for the approval of such transfer by the executive and legislative branches of the political subdivision in which such local authority resides, and the transfer is of property obtained by the authority from that political subdivision, then such approval shall be sufficient to permit the transfer.
- B In the event a below fair market value asset transfer is proposed, the following information must be provided to the authority board and the public:
  - i a full description of the asset;
  - ii an appraisal of the fair market value of the asset and any other information establishing the fair market value sought by the board;

- iii 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, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the asset is situated as are required by the transfer;
  - iv a statement of the value to be received compared to the fair market value;
  - v the names of any private parties participating in the transfer, and if different than the statement required by subparagraph (iv) of this paragraph, a statement of the value to the private party; and
  - vi the names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used.
- C Before approving the disposal of any property for less than fair market value, the board of an authority shall consider the information described in paragraph b of this subdivision and make a written determination that there is no reasonable alternative to the proposed below market transfer that would achieve the same purpose of such transfer.

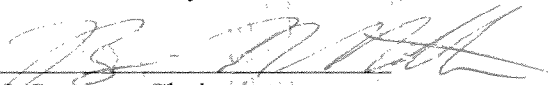
5 REPORTS.

- 5.1 SURA shall publish, not less frequently than annually, a report listing all Property of SURA. Such report shall consist of a list and full description of all real and personal property disposed of during such period. The report shall contain the price received by SURA and the name of the purchaser for all such property disposed of by SURA during such period:
- 5.2 SURA shall deliver copies of such report to the Comptroller of the State of New York, the Director of Budget of State of New York, the Commissioner of New York State Office of General Services, and the New York State Legislature.

6 ANNUAL REVIEW AND AMENDMENTS OF GUIDELINES.

- 6.1 These Guidelines are subject to modification and amendment at the discretion of the Agency in accordance with the Act and General Municipal Law. On or before September 30<sup>th</sup> of each year, SURA shall review approve the Guidelines annually including the name of the Contracting Officer. On or before September 30<sup>th</sup> of each year, the Guidelines most recently reviewed and approved shall be filed with the Comptroller of the State and posted on SURA's website.

Approved on February 22, 2011

  
 Brian U. Stratton, Chairman  
 Schenectady Urban Renewal Agency

3/25/11  
 Date

Member	Aye	Nay	Abstain	Absent
Stratton				X
McCarthy	X			
Allen	X			
Blanchard	X			
Brucker				X
Della Sala	X			
Erikson	X			
King	X			