

Resolution adopting Property Disposition Guidelines

BE IT RESOLVED, by the Rochester Urban Renewal Agency as follows:

Section 1. The Rochester Urban Renewal Agency hereby adopts the following Property Disposition Guidelines:

ROCHESTER URBAN RENEWAL AGENCY PROPERTY DISPOSITION GUIDELINES

The Rochester Urban Renewal Agency ("Agency") is required by Title 5-A, Section 2896 of the New York Public Authorities Law to adopt by resolution comprehensive guidelines regarding the use, awarding, monitoring and reporting of contracts for the disposal of Property (the "Guidelines").

Pursuant to the requirements of the New York Public Authorities Law, the Agency adopts the following Guidelines that will apply to the use, awarding, monitoring and reporting of all Property Disposition Contracts that are entered into by the Agency.

ARTICLE I DEFINITIONS

For purposes of the Guidelines, unless a different meaning is required by the context:

1. "Officer or employee" shall mean any person elected, appointed or hired to serve the Agency in any capacity, whether paid or unpaid, for a term fixed or not fixed, on a part-time or seasonal basis, or serving the Agency *ex officio* as an elected or appointed official or employee of the City of Rochester. Officer includes the Agency Secretary ("Secretary"), any member of the Agency board ("Board"), and any other designated officer or employee.
2. "Contracting Officer" shall mean the Agency officer or employee responsible for the disposition of Property.
3. "Dispose" or "disposal" or "disposition" shall mean transfer of title or any other beneficial interest in personal or real property from the Agency to any unrelated third party.
4. "Property" shall mean personal property in excess of Five Thousand Dollars (\$5,000.00) in value, real property, and any other legally transferable interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest conveyed to secure a loan or other financial obligation of another party.
5. "Property Disposition Contracts" shall mean written agreements for the sale, lease, transfer or other disposition of Property from the Agency to any unrelated third party.
6. "Real Property" shall mean real property and interests therein.

ARTICLE II APPOINTMENT AND DUTIES IF CONTRACTING OFFICER

A. APPOINTMENT

The Contracting Officer shall be the Agency Secretary, a person appointed by the Secretary to perform the function, or an Agency officer or employee appointed by Members of the Agency Board. The Contracting Officer shall be responsible for the supervision and direction over the custody, control and disposition of Property and responsible for the Agency's compliance with and enforcement of these Guidelines.

B. DUTIES

The duties of the Contracting Officer shall include the following:

1. Maintaining adequate inventory controls and accountability systems for all Property under the Agency's control.
2. Periodically conducting an inventory of Property to determine which Property may be disposed of.
3. Keeping an inventory and preparing an annual written report of all Property in accordance with NYS Public Authorities Law §§ 2800(2)(a)(7) and 2896(3)(a). Each report shall include a listing of all Real Property held by the Agency, a full description of all real and personal property disposed of during the reporting period, the price received and the name of the purchaser for all such Property sold.
4. Disposing of Property as promptly as possible in accordance with these guidelines as directed by the Agency.

ARTICLE III PROPERTY DISPOSITION REQUIREMENTS

A. METHOD OF DISPOSITION

Subject to such exceptions and/or requirements set forth in these Guidelines, in the event that the Agency determines to dispose of any of its Property, it shall endeavor to dispose of such Property for at least the fair market value of the Property, except for circumstances wherein a below fair market value disposition is determined to be appropriate to effectuate the purposes of an urban renewal program in accordance with the State Urban Renewal Law and State Urban Renewal Agency Act at NYS General Municipal Law §§ 507(2) and 556(2). The disposition of Property may be made by sale, exchange, or transfer, for cash, credit or other Property, with or without warranty, and upon such terms and conditions as are determined by the Agency to be appropriate and reasonable and consistent with these Guidelines.

B. AWARD AND APPROVAL OF PROPERTY DISPOSITION CONTRACTS

1. COMPLIANCE WITH GUIDELINES; APPROVAL REQUIREMENTS

All dispositions of Property shall be conducted in accordance with these Guidelines by or under the supervision of the Contracting Officer. Any proposed dispositions of Property subject to these Guidelines shall be presented to the Board or, if so established, the duly designated Board committee, for consideration. If approved by a duly designated committee of Board, the matter shall be submitted to the full Board for approval or other appropriate action.

2. DISPOSITION BY PUBLIC BID

- (a) All Property Disposition Contracts shall be made only after publicly advertising for bids, unless the criteria set forth in Article III (B)(3) below has been satisfied for such contracts to be made by negotiation or public auction.
- (b) Whenever public advertising for bids is required, (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 Agency, price and other factors considered.
- (c) Any public bid for the disposition of Property may be rejected, refused, or declined by the Agency or the Contracting Officer on any basis or grounds allowable at law.

3. DISPOSITION BY NEGOTIATED SALE/PUBLIC AUCTION

The following dispositions are exempt and excepted from the public bidding requirements set forth above in Article III (B)2 (Disposition by Public Bid), and may be consummated through a negotiated sale or by public auction:

- (a) Disposition for a public purpose: the Agency may dispose of Property for less than fair market value of the Property where the disposition of such Property is intended to further the public health, safety or welfare or an economic development interest of New York State or a political subdivision thereof (hereinafter, a "Public Purpose"). Such Public Purpose may include but shall not be limited to:
 - (i) the furtherance of an urban renewal plan approved for or related to the Property in accordance with the State Urban Renewal Law and State Urban Renewal Agency Act at NYS General Municipal Law §§ 507(2) and 556(2);
 - (ii) the furtherance of applicable or governing zoning plans, comprehensive plans, or regional plans related to the Property;
 - (iii) the creation or retention of a substantial number of job opportunities, or the creation or retention of a substantial source of revenues;
 - (iv) the prevention or remediation of a significant threat to the environment or public health or safety; or
 - (v) such other Public Purpose as may be documented in writing and approved by resolution of the Board.
- (b) Disposition of certain Personal Property: The Agency may dispose of personal property where such personal property is of a nature and quantity which, if it were to be disposed of through public advertisement and bidding, would adversely affect the state or local market for such personal property.
- (c) Disposition of Low FMV property: The Agency may dispose of Property, the fair market value of which does not exceed Fifteen thousand Dollars (\$15,000).

- (d) Disposition Following Receipt of Unacceptable Bid Prices: The Agency may dispose of Property where the bid prices that it receives after public advertising are not commercially reasonable (either as to all or some part of the Property).
- (e) Disposition to New York State: The Agency may dispose of Property to New York State or any political subdivision of New York State.
- (f) Disposition Authorized by Law: The Agency may dispose of Property where such disposition is otherwise authorized by Law including to public benefit corporations and not-for-profit economic development corporations.

4. Reporting Requirements Regarding Negotiated Dispositions

- (a) Preparation of Written Statements: In accordance with NYS Public Authorities Law §2897(6)(d), the Contracting Officer shall prepare a written statement explaining the circumstances of each negotiated disposition of Property pursuant to Article III (B)(3) involving any of the following:
 - (i) the negotiated disposition of personal property which has an estimated fair market value in excess of Fifteen Thousand Dollars (\$15,000.00);
 - (ii) the negotiated disposition of Real Property that has an estimated fair market value in excess of One Hundred Thousand Dollars (\$100,000.00) except that any real property disposed of by lease or exchange;
 - (iii) any Real Property disposed of by lease, if the estimated annual rent over the term of the lease is in excess of Fifteen Thousand Dollars (\$15,000.00); or
 - (iv) 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.

The written statement shall include: a description of the parties involved in the transaction; a justification for disposing of the property by negotiation; a description of the property, including its location and size; the estimated fair market value of the property; the proposed sale price of the property; and the expected date of sale.

- (b) Submission of written statements. Written statements prepared pursuant to this Section Article III (B)(4) shall be submitted to the New York State Comptroller, the Director of the Budget, the Commissioner of General Services, and the State Legislature not less than ninety (90) days prior to the date on which the disposition of Property is expected to take place. The Contracting Officer shall maintain a copy of all written statements at the Agency's principal office.

ARTICLE IV GENERAL PROVISIONS

A. SUBMISSION AND PUBLICATION OF GUIDELINES

The Agency shall file with the New York State Comptroller's Authorities Budget Office a copy of the most recently reviewed and adopted Guidelines and shall post the Guidelines on the Agency's website.

B. EFFECT OF COMPLETED PROPERTY DISPOSITION CONTRACTS

These Guidelines are intended for the guidance of the officers, members and employees of the Agency only. Nothing contained herein is intended or shall be construed 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, these Guidelines. Any deed, bill of sale, lease, or other instrument executed by or on behalf of the Agency purporting to transfer title or any other interest in Property shall be conclusive evidence of compliance with NYS Public Authorities Law § 2897 and these Guidelines insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of compliance with these Guidelines prior to the closing.

Section 2. This resolution shall take effect immediately.