

DISPOSITION OF PROPERTY GUIDELINES
Town of Islip Community Development Agency

ARTICLE I. DEFINITIONS.

1. “Contracting Officer” shall be the Chairman of the Town of Islip Community Development Agency (hereinafter, the “Agency”) who shall be responsible for the disposition of property.
2. “Dispose” or “disposal” shall mean the transfer of title or any other beneficial interest in personal or real property in accordance with Section 2897 of the Public Authorities Law (“PAL”) and Articles 15 and 15-A of the General Municipal Law (“GML”) as they relate to the disposition of real property.
3. “Property” shall mean personal property in excess of Five Thousand Dollars (\$5,000.00) in value, 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.

ARTICLE II. DUTIES.

1. The Agency shall:
 - (a.) maintain adequate inventory controls and accountability systems for all property 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 subsection (2)(a) of this Article; and
 - (d.) transfer or dispose of such property as promptly and practicably as possible in accordance with Article III, herein.
2. The Agency shall:
 - (a.) Annually publish a report listing all real property owned, in fee, by the Agency and shall also include a list and full description of all real and personal property disposed of during such period (hereinafter referred to as the “Report”). The Report shall contain the price received by the Agency and the name of the purchaser for all such property sold by the Agency during such period; and
 - (b.) Deliver copies of the Report to the Comptroller of the State of New

York, the Director of the Budget of State of New York, the Commissioner of the New York State Office of General Services (the “Commissioner”), and the New York State Legislature (via distribution to the current Majority Leader of the Senate and the Speaker of the Assembly).

ARTICLE III. TRANSFER OR DISPOSITION OF PROPERTY.

1. **Supervision and Direction.** Except as otherwise provided herein, the Contracting Officer shall have supervision and direction over the disposition and sale of property of the Agency. Provided, however, the Agency shall have the right to dispose of its property for any valid corporate purpose.
2. **Custody and Control.** The custody and control of Agency property, pending its disposition, and the disposal of such property, shall be performed by the Agency or by the Commissioner when so authorized under this Policy.
3. **Method of Disposition.** Unless otherwise permitted, the Agency shall dispose of property for not less than its fair market value 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. The Contracting Officer may execute such documents for the transfer of title or other interest in property and take such other actions as it deems necessary or proper to dispose of such property pursuant to the provisions of this Policy. Provided, however, except in compliance with all applicable law, no disposition of real property, any interest in real property, or any other property, which because of its unique nature is not subject to fair market pricing, 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.
4. **Sales by the Commissioner.** If the Agency deems that the transfer of property by the Commissioner will be advantageous to the State of New York, the Agency may enter into an agreement with the Commissioner, pursuant to which the Commissioner may dispose of property of the Agency, under the terms and conditions agreed to by the Agency and the Commissioner. In disposing of any such property, the Commissioner shall be bound by the terms of this Policy and references to the Contracting Officer shall be deemed to refer to such Commissioner.
5. **Validity of Deed, Bill of Sale, Lease, or Other Instrument.** A 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 of the Agency in accordance this Policy shall be conclusive evidence of compliance with the provisions of these guidelines and all applicable laws 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 such compliance prior to the closing.
6. **Bids for Disposal; Advertising; Procedure; Disposal by Negotiation; Explanatory Statement.**

- (a.) Except as permitted by any applicable law, all disposals or contracts for disposal of property made or authorized by the Contracting Officer shall be made after publicly advertising for bids except as provided in subsection (c) of this Section (6).
- (b.) Whenever public advertising for bids is required under subsection (a) of this Section (6):
 - (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 proposed for disposition; and
 - (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; provided, that all bids may be rejected at the Agency's discretion.
- (c.) Disposals and contracts for disposal of property may be negotiated or made by public auction without regard to subsections (a) and (b) of this Section (6), but subject to obtaining such competition as is feasible under the circumstances, if:
 - (i.) The personal property involved is of a nature and quantity which, if disposed of under subsections (a) and (b) of this Section (6), 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;
 - (ii.) The fair market value of the property does not exceed Fifteen Thousand Dollars (\$15,000.00);
 - (iii.) 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;
 - (iv.) The disposal will be to the State or any political subdivision or public benefit corporation, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation;

- (v.) The disposal is for an amount less than the estimated fair market value of the property, the terms of such disposal are obtained by public auction or negotiation, the disposal of the property is intended to further the public health, safety or welfare or an economic development interest of the Agency, the state or a political subdivision, including, but not limited to, 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, or where the Agency's enabling legislation permits, or other economic development initiatives), the purpose and the terms of such disposal are documented in writing and approved by resolution of the Agency board; or
 - (vi.) Such action is otherwise authorized by law.
- (d.) An explanatory statement shall be prepared of the circumstances of each disposal by negotiation of:
- (i.) Any personal property which has an estimated fair market value in excess of Fifteen Thousand Dollars (\$15,000.00);
 - (ii.) Any 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 shall only be subject to clauses (iii) through (v) of this subsection (d);
 - (iii.) Any real property disposed of by lease for a term of five (5) years or less, if the estimated fair annual rent is in excess of One Hundred Thousand Dollars (\$100,000.00) for any of such years;
 - (iv.) Any real property disposed of by lease for a term of more than five (5) years, if the total estimated rent over the term of the lease is in excess of One Hundred Thousand Dollars (\$100,000.00); or
 - (v.) 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.

Each such statement, as set forth in subsection (d) of this Article, shall be transmitted to the persons entitled to receive copies of the report required under all applicable law not less than ninety (90) days in advance of such disposal, and a copy thereof shall be preserved in the files of the Agency.

ARTICLE IV. GENERAL MUNICIPAL LAW

Anything to the contrary notwithstanding, the Agency shall have the authority to acquire and dispose of property pursuant to the terms of Article 15-A of the General Municipal Law of the State of New York.

ARTICLE V. MISCELLANEOUS.

1. In the event that there may be a contradiction between the requirements of the PAL and GML, the Agency will seek the guidance and advice of its legal counsel prior to taking action.
2. The designated Contracting Officer for the Agency shall be the Chairman of the Agency.
3. This Policy shall be reviewed and approved annually by the Agency. On or before March 31 of each year, the Agency shall file a copy of the most recently reviewed and approved Policy with the Comptroller of the State of New York and shall simultaneously post said Policy on the Agency's website.

Pursuant to Sections 2895 through 2897 of the Public Authorities Law, this Policy was duly adopted by the CDA Board of Directors on March 13, 2008.