

# **ALBANY PORT DISTRICT COMMISSION**

## **PROPERTY DISPOSITION GUIDELINES**

### **Article I Preamble**

The Albany Port District Commission (“Commission”) has adopted these Property Disposition Guidelines (“Guidelines”) in conformance with Title 5-A (Disposition of Property by Public Authorities) of the New York State Public Authorities Law.

### **Article II Definitions**

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

1. “Contracting officer” shall mean the Chief Financial Officer of the Commission, who shall be responsible for the disposition of property of the Commission as set forth in these Guidelines.
2. “Dispose” or “disposal” shall mean transfer of title or any other beneficial interest in personal or real property in accordance with Article IV.
3. “Property” shall mean personal property in excess of five thousand dollars 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 III Duties with Respect of the Disposal of Property**

1. It is the intent of the Commission that these Guidelines shall:
  - (a) Detail the Commission’s operative policy and instructions regarding the use, awarding, monitoring and reporting of contracts for the disposal of property, and
  - (b) Designate a contracting officer who shall be responsible for the Commission’s compliance with, and enforcement of, such Guidelines.

The Commission intends that these Guidelines shall be consistent with, and shall require the Commission’s contracting activities to comply with Title 5-A of the New York State Public Authorities Law and any other applicable law for the disposal of property.

These Guidelines shall be annually reviewed and approved by the Commission. On or before the thirty-first day of March in each year, the Commission shall file with New York State Comptroller a copy of these Guidelines as most recently reviewed and approved by the Commission.

At the time of such filing of the Guidelines, the Commission shall also post such Guidelines on the Commission's internet website.

2. The Commission 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 subdivision three of this section; and
- (d) Transfer or dispose of such property as promptly as possible in accordance with Article IV.

3. The Commission shall:

- (a) Publish, not less frequently than annually, a report listing all real property of the Commission. 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 the Commission and the name of the purchaser for all such property sold by the Commission during such period.
- (b) Deliver copies of such report to the NYS Comptroller, the NYS Director of Budget, the NYS Commissioner of General Services, and the NYS Legislature.

**Article IV Disposal of Property**

1. Supervision and Direction:

Except as otherwise provided in these Guidelines, the Contracting Officer shall have supervision and direction over the disposition of property of the Commission.

2. Custody and Control:

The custody and control of the property of the Commission, pending its disposition, and the disposal of such property, shall be performed by Commission or by the NYS Commissioner of General Services when so authorized under this Article.

3. Method of Disposition:

The Commission may dispose of property for not less than the fair market value of such property by sale, exchange, or transfer, for cash, credit, or other property, with or without warranty, and upon such other terms and conditions 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 proper to dispose of such property under the provisions of this section. Provided, however, that no disposition of 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 NYS Commissioner of General Services:

When it shall be deemed advantageous, the Commission may enter into an agreement with the Commissioner of General Services where under such Commissioner may dispose of property of the Commission under terms and conditions agreed to by the Commission and the Commissioner of General Services. In disposing of any such property of the Commission, the Commissioner of General Services shall be bound by the terms of this Article and references to the Contracting Officer shall be deemed to refer to such Commissioner.

5. Validity of Deed, Bill of Sale, or Other Instrument:

A deed, bill of sale, lease, or other instrument executed by or on behalf of the Commission, purporting to transfer title or any other interest in property of the Commission shall be conclusive evidence of compliance with the provisions of 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 the lack of such compliance prior to the closing.

6. Bids for Disposal: Advertising, Procedure; Disposal by Negotiations; Explanatory Statement.

- (a) All disposals or contracts for disposal of property of the Commission made or authorized by the Contracting Officer shall be made after publicly advertising for bids except as provided in paragraph (c) of this Article IV.6.
- (b) Whenever public advertising for bids is required under paragraph (a) of this Article IV.6.
  - (i) The advertisement 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 Commission, price and other factors considered; provided, that all bids may be rejected when it is in the public interest to do so.
- (c) Disposals and contracts for disposal of property may be negotiated or made by public auction without regard to paragraphs (a) and (b) of this subdivision IV.6, but subject to obtaining such competition as is feasible under the circumstances, if:
  - (i) 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 (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;
  - (ii) The fair market value of the property does not exceed fifteen thousand dollars;
  - (iii) 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;
  - (iv) 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;
  - (v) Under those circumstances permitted by subdivision seven of this section;  
or
  - (vi) such action is otherwise authorized by law.
- d) (i) An explanatory statement shall be prepared of the circumstances of each disposal by negotiation of:
  - (A) Any personal property which has an estimated value in excess of fifteen thousand dollars;
  - (B) Any real property that has an estimated fair market value in excess of one hundred thousand dollars, except that any real property disposed of by lease or exchange shall only be subject to clauses (C) through (D) of this subparagraph;

- (C) 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; or
- (D) 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.

(ii) Each such statement shall be transmitted to the NYS Comptroller, the NYS Director of the Budget, the NYS Commissioner of General Services, and the NYS Legislature not less than ninety days in advance of such disposal, and a copy thereof shall be preserved in the files of the Commission.

7. 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.