

**RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY  
ECONOMIC JOB DEVELOPMENT CORPORATION:  
DISPOSITION OF PROPERTY POLICY**

I. Introduction

- A. This Disposition of Property Policy (the “**Property Policy**”) of the Riverhead Industrial Development Agency Economic Job Development Corporation (the “**Corporation**”) is adopted by resolution.
- B. This Property Policy (i) designates a contracting officer who shall be responsible for the **Corporation**’s compliance with, and enforcement of, this Property Policy, and (ii) sets forth the **Corporation**’s operative policy and instructions regarding the use, awarding, monitoring and reporting of contracts for the disposal of property. This Property Policy shall not apply to projects undertaken by agents of the Corporation where the Corporation has held proceedings to provide financial assistance for such project. Nor shall this Procurement Policy apply to alter any **Corporation** contractual obligations regarding such projects.
- C. The **Corporation** shall annually review and approve this Property Policy and file a copy of the most recently reviewed and approved Property Policy with the State Comptroller, including the name of the designated contracting officer, on or before the thirty-first of March of each year.
- D. This Property Policy shall be posted and maintained on the **Corporation**’s website.

II. Designation of Contracting Officer

- A. The **Corporation** hereby designates and appoints the Chief Executive Officer to be the contracting officer (the “**Contracting Officer**”) responsible for the compliance with, and enforcement of, this Property Policy. The Contracting officer shall have supervisory control over the disposition of all property of the **Corporation**.
- B. For purposes of this Property Policy, “**Property**” shall mean (i) personal property in excess of \$5,000 in value, (ii) real property and (iii) any inchoate or other interest in such property, to the extent such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.
- C. For purposes of this Property Policy, “**Disposition**” (when applicable, “**Disposal**”) shall include transactions involving the sale or donation of Property by the **Corporation**, as well as transactions in which the **Corporation** leases real property to an individual, a state or local government, another public authority, or a public or private organization.

### III. Method of Property Disposition

- A. Disposal of Property, generally: The **Corporation** may sell, exchange or transfer, for cash, credit or other property, with or without warranty, Property of the **Corporation** the Contracting Officer deems proper, provided that such sale, exchange or transfer is for not less than the fair market value of such property and the procedures detailed in Part III-C and D below, are adhered to.
- B. Disposal of Property of a unique nature: In the event the Property being disposed of is of a unique nature not subject to fair market pricing, the Contracting Officer shall cause an appraisal by an independent appraiser to be completed prior to the disposition and such appraisal shall be included in the record of the transaction and the written report detailed in Part VI, below.
- C. Disposal of Property requiring advertisement for bids: All Disposals or contracts for Disposal of Property of the **Corporation** shall require a public advertisement for bids according to the following guidelines:
1. the Contracting Officer shall cause an advertisement for bids to be made at such time prior to the Disposal or contract for Disposal that the Contracting Officer deems appropriate and necessary to promote full and free competition consistent with the value and nature of the property;
  2. the Contracting Officer shall cause all bids to be publicly disclosed at the time and place stated in the advertisement; and
  3. the Contracting Officer shall evaluate the bids and, with reasonable promptness, shall award the Disposition or contract to the responsible bidder who's bid the Contracting Officer believes will be most advantageous to the state.

It is in the Contracting Officer's discretion to reject all bids when it is in the public interest to do so.

- D. Disposal of Property through negotiation: The Contracting Officer may choose to dispose of Property through negotiation or public auction (without regard to Part III-C, above) so long as one of the following is satisfied:
1. the Disposition is of personal property of a nature and quantity which, if disposed of under Part III-C, above, would adversely affect the state or local market for such property, and the estimated fair market value of such property and other terms of disposal can be obtained through negotiation;
  2. the fair market value of the property does not exceed \$15,000;
  3. prices for the Property obtained by bid after advertising were, in the Contracting Officer's reasonable opinion, unreasonable or have not been independently arrived at through open competition;

4. the Disposal of the Property is to the State or any political subdivision thereof, and the estimated fair market value of the Property can be obtained through negotiation;
5. the Disposal is for an amount less than the estimated fair market value, the terms of such Disposal are obtained by public auction or negotiation, the Disposal is intended to further the public health, safety or welfare or an economic development interest of the state or a political subdivision and the purpose and terms of such Disposal are documented in writing and are approved by resolution of the board of the **Corporation**; or
6. such action is otherwise authorized by law.

The Contracting Officer shall cause to be prepared documentation of all Disposals of Property through negotiation in accordance with Part VI, below.

- E. Disposal of Property by Commissioner of General Services: When deemed advantageous to the state by the Contracting Officer, the **Corporation** may enter into an agreement with the Commissioner of General Services to dispose of Property of the **Corporation** under terms and conditions agreed to by the **Corporation** and the Commissioner of General Services.
- F. Personal property not in excess of \$5,000 in value: It is in the Contracting Officer's discretion to determine how to dispose of personal property with a fair market value of less than \$5,000.

#### IV. Approval of Dispositions, generally

All Dispositions of Property are subject to the approval of the Board of Directors of the Agency, upon recommendation by the Contracting Officer.

#### V. Validity of Deed, Bill of Sale, Lease, etc.

A deed, bill of sale, lease, or other instrument executed by or on behalf of the **Corporation** purporting to transfer title or any other interest in Property of the **Corporation** shall be conclusive evidence 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.

#### VI. Documentation of Disposals through Negotiation

The Contracting Officer shall prepare an explanatory statement outlining the circumstances and details surrounding each Disposal of Property through negotiation of the following:

- A. Any personal property which has an estimated fair market value in excess of \$15,000;

- B. Any real property which has an estimated fair market value in excess of \$100,000;
- C. Any real property disposed of by lease for a term of five (5) years or less, if the estimated fair annual rent value is in excess of \$100,000 for any of such years;
- D. 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 \$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.

Each explanation shall be transmitted to the State Comptroller, the State Director of the Budget, the Commissioner of General Services and the Town Board of the Town of Riverhead not less than ninety (90) days in advance of such Disposal, and a copy thereof shall be preserved in the files of the Agency.

#### VII. Method of Real Property Acquisition

Real property may be purchased for use by the **Corporation** in furtherance of any permitted purpose. The Contracting Officer or her designee shall approve the terms of the acquisition and obtain the approval of the Board of Directors prior to any acquisition.

#### VIII. Inventory Tracking

The Contracting Officer shall cause each asset of the **Corporation** to be tagged with an identification number and subsequently logged, with a sufficient description, into the **Corporation's** records. The Contracting Officer shall take inventory and update the log no less than every three years.

#### IX. Written Report

- A. The **Corporation** shall publish, not less than annually, a written report detailing all Property owned by the **Corporation**.
- B. Such report shall list and describe all Property disposed of during the year for which the report is written and include the price received by the **Corporation** and the name of the purchaser for all such Property sold.
- C. The Contracting Officer shall cause copies of such report to be delivered to the Comptroller, the Director of the Budget, the Commissioner of General Services and the Legislature of the municipality in which the **Corporation** is located.