

Appendix "A"

SYRACUSE URBAN RENEWAL AGENCY
DISPOSITION OF PROPERTY GUIDELINES

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 “Commissioner of General Services” shall mean the Commissioner of the New York State Office of General Services.

1.3 “Contracting Officer” shall mean the officer or employee of SURA who shall be appointed by SURA resolution to be responsible for the disposition of property.

1.4 “Dispose” or “Disposal” shall mean transfer of title or any other beneficial interest in Property in accordance with these Guidelines, General Municipal Law, and §§2896; and 2897 of the Public Authorities Law, as amended from time to time.

1.5 “Fair Market Value” of Property shall mean the amount which one desiring but not compelled to purchase will pay under ordinary conditions to a seller who desires but is not compelled to sell, taking into consideration all encumbrances thereon, including restrictions as to its use, with special attention be given to limitations on ownership rights.

1.6 “Guidelines” shall mean these Guidelines, as amended from time to time by SURA resolution.

1.7 “General Municipal Law” shall mean New York State General Municipal Law as amended from time to time.

1.8 “Limited Dividend Housing Company” shall mean a limited dividend housing company organized pursuant to article four of the New York State Private Housing Finance Law.

1.9 “Limited Profit Housing Company” shall mean a limited profit housing company organized pursuant to article two of the New York State Private Housing Finance Law.

1.10 “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.

1.11 “Public Authorities Law” shall mean the New York State Public Authorities Law, as amended from time to time.

1.12 "Purpose" of SURA shall mean all purposes pursuant to Articles 15 and 15-A of the General Municipal Law including to expeditiously undertake, finance and complete municipal urban renewal programs to redevelop through clearance, replanning, reconstruction, rehabilitation, and concentrated code enforcement, substandard and insanitary, and/or blighted, deteriorated or deteriorating areas of the City of Syracuse, or an area of the City of Syracuse which has a blighting influence on the surrounding area.

1.13 "Qualified and Eligible Sponsor" shall mean any person, firm, corporation or limited liability company designated by SURA and approved by the common council of the City of Syracuse as a qualified and eligible sponsor in accordance with established rules and procedures prescribed by the agency.

1.14 "Redevelopment Company" shall mean a redevelopment company organized pursuant to article five of the New York State Private Housing Finance Law.

1.15 "SURA" shall mean the Syracuse Urban Renewal Agency.

1.16 "Urban Renewal Area" shall mean an area as described in General Municipal Law § 502(9) and which is included in an Urban Renewal Plan which has not yet expired.

1.17 "Urban Renewal Plan" shall mean an Urban Renewal Plan as defined in General Municipal Law § 502(7) which has been approved by the Common Council of the City of Syracuse and which has not yet expired.

2. CONTROLLING LEGISLATION.

2.1 The Public Authorities Accountability Act of 2005 requires SURA to adopt by resolution comprehensive Guidelines which detail SURA'S operative policy and instructions 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 These Guidelines are intended to be consistent with and shall be construed in accordance with the Act and General Municipal Law. SURA shall dispose of its Property in accordance with these Guidelines, and General Municipal Law.

2.3 The Act requires SURA to :

(A) Maintain adequate inventory controls and accountability systems for all Property under the control of SURA;

(B) Periodically inventory such Property to determine which Property shall be disposed of;

(C) Produce an annual written report listing all SURA owned real property, a list and full description of all real and personal property disposed of during the period of the

report including the price received by SURA and the name of the purchaser and to deliver copies of such report to the comptroller, the director of budget, the commissioner of general services, the legislature, and the authorities budget office.; and

(D) Dispose of Property as determined by SURA to be disposed of as promptly as possible in accordance with the Act.

3. DUTIES OF CONTRACTING OFFICER.

Except as otherwise provided herein and in the Act, the Contracting Officer shall be responsible for the disposition of SURA owned Property and be responsible for SURA's compliance with, and enforcement of the Guidelines.

4. CUSTODY AND CONTROL OF SURA PROPERTY.

The custody and control of SURA Property, pending its Disposal, and the Disposal of such Property, shall be performed by SURA or by the Commissioner of General Services when so authorized under the Act, these Guidelines, and General Municipal Law.

5. DISPOSAL OF SURA PROPERTY.

The disposal of property by SURA shall be governed by these guidelines and shall at all times be consistent with the applicable provisions of the General Municipal Law and the Act.

5.1 Appraisal: Prior to disposal, an appraisal shall be made by an independent appraiser of the value of any interest in Real Property, or any other Property which because of its unique nature is not subject to fair market pricing. Said appraisal shall be included in SURA's record of the transaction for the property.

5.2 Reverter Language: any deed, lease, contract of sale or other instrument by which any right to real property may be conveyed for properties owned by SURA which lie within an Urban Renewal Area shall contain provisions requiring the purchaser, lessee, or grantee to replan, clear, rehabilitate, restore, renew, conserve, improve, reconstruct or redevelop such property in accordance with the Urban Renewal Plan.

5.3 Available Procedures for Disposal of Real Property

(A) **Auction:** Disposition of Real Property and appurtenances thereto by Auction: pursuant to General Municipal Law § 556(1) and Public Authorities Law § 2897(6)(c)(vi), SURA may sell, lease for a term not exceeding ninety-nine years, or otherwise dispose of any real property and appurtenances thereto which lie within an Urban Renewal Area, to any purchaser at the highest marketable price or rental at public auction.

(1) **Auction Procedure:** Upon the determination of SURA that a parcel of Real Property is to be disposed of by Auction SURA shall publish on SURA's webpage, a notice of the auction, the terms of the auction, and the

qualifications for bidders. SURA may also take other actions as determined by SURA to publish or advertise the auction in such a way so as to obtain competition as feasible under the circumstances.

(B) Negotiation : SURA may dispose of real property by negotiation when:

(1) The purchaser is a Government or other Public Entity: SURA may dispose of real property and appurtenances thereto to a government or other public entity by negotiation:

(a) Pursuant to Public Authorities Law § 2897(6)(c)(vi); and General Municipal Law § 556(4), for the effectuation of any of the purposes of the urban renewal program in accordance with the urban renewal plan, for valuable consideration and upon such terms and conditions as shall be approved by the common council of the City of Syracuse; or

(b) Pursuant to Public Authorities Law § 2897(6)(c)(iv) when the estimated fair market value of the property and other satisfactory terms of disposal are obtained; or

(c) Pursuant to Public Authorities law § 2897(6)(c)(v), § 2897(7), where the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or other public entity; or when;

(2) The purchaser is a Qualified and Eligible Sponsor : SURA may dispose of any real property and appurtenances thereto which lie within an Urban Renewal Area, through negotiation to an Qualified and Eligible Sponsor for the effectuation of any of the purposes of the urban renewal program in accordance with the urban renewal plan pursuant to Public Authorities Law § 2897(6)(c)(vi); General Municipal Law §§ 556(2); 507(2); provided that:

(a) the agency has published, in at least one newspaper of general circulation in the municipality at least ten days prior to the disposal, a notice which shall include a statement of the identity of the proposed sponsor, the proposed use or reuse of the property, the price or rental to be paid by such sponsor for such property and all other essential terms and conditions of the disposal; and

(b) the disposal is approved by the Common Council of the City of Syracuse after a public hearing not less than ten days after the publication of the notice; and

(c) The disposal shall in the case of projects aided by a state loan, periodic subsidy, or capital grant or in which application has been made for such loan, subsidy, or grant, be approved by the commissioner of housing and community renewal of the state of New York; or when,

- (3) **The purchaser is a Limited Profit Housing Company** : SURA may dispose of any real property and appurtenances thereto which lie within an Urban Renewal Area, through negotiation to a Limited Profit Housing Company for the effectuation of any of the purposes of the urban renewal program in accordance with the urban renewal plan pursuant to Public Authorities Law § 2897(6)(c)(vi); General Municipal Law §§ 556(2); 507(2); or when,
 - (4) **The purchaser is a Limited Dividend Housing Company, or Redevelopment Company** : SURA may dispose of any real property and appurtenances thereto which lie within an Urban Renewal Area, through negotiation to a Limited Dividend Housing Company, or Redevelopment Company for the effectuation of any of the purposes of the urban renewal program in accordance with the urban renewal plan pursuant to Public Authorities Law § 2897(6)(c)(vi); General Municipal Law §§ 556(2); 507(2); provided that notice of such sale, lease or other disposition is published and a public hearing is held before the governing body not less than ten days after such publication; or when,
 - (5) **The fair market value of the property does not exceed fifteen thousand dollars**: SURA may dispose of any real property by negotiation subject to obtaining such competition as is feasible under the circumstances when the fair market value of the real property does not exceed fifteen thousand dollars.
- (C) **Sealed Bid**: SURA may sell, lease for a term not exceeding ninety-nine years, or otherwise dispose of any real property and appurtenances, to any purchaser at the highest marketable price or rental by sealed Bids Pursuant to Public Authorities Law § 2897(6) ; General Municipal Law § 556(1) provided that:
- (1) 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; and
 - (2) All bids shall be publically disclosed at the time and place stated in the advertisement; and
 - (3) 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 state, price, and other factors considered; provided, that all bids may be rejected when it is in the public interest to do so.

5.4 Available Procedures for Disposal of Personal Property

- (A) **Auction or Negotiation**- SURA may dispose of personal property by auction or negotiation when:

- (1) 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 when,
- (2) the fair market value of the property does not exceed fifteen thousand dollars; or when,
- (3) the disposal of the personal property for less than market value is authorized pursuant to Public Authorities Law § 2897(7).

(B) **Sealed Bid**- SURA may dispose of personal property by sealed bid subject to the same provisions as applicable under section 5.3(C)(1-3) of these guidelines.

6. DISPOSAL OF PROPERTY FOR LESS THAN FAIR MARKET VALUE

6.1 Disposal of Property for less than fair market value: SURA may dispose of real property for less than fair market value when:

- (A) The disposal is to 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; or when,
- (B) the purpose of the disposal is within the purpose, mission, or governing statute of SURA; or when
- (C) the disposal is not to a governmental entity, and the disposal is not consistent with the SURA's mission, purpose or governing statute where SURA has provided written notification of the disposal to the governor, the speaker of the assembly, and the temporary president of the senate, and the proposed transfer is not denied by the governor, the senate, or the assembly pursuant to Public Authorities Law § 2897(7)(iii).

6.2 . Information to be provided to the Board : In the event that a below fair market value asset transfer is proposed, the following information must be provided to the SURA board and the public:

- (A) a full description of the asset; and
- (B) an appraisal of the fair market value of the asset, 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; and
- (C) a statement of the value received compared to the fair market value; and

(D) the names of any private parties participating in the transfer, and if different than the statement under subsection E of this section, a statement of the value to the private party; and,

(E) 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.

6.3 Board approval of disposal of property for less than fair market value: prior to disposing of property for less than market value, the board shall consider the information described in section 6.2 of these guidelines 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.

7. REPORTS AND TRANSMITTALS

7.1 Filing of the Guidelines: On or before the 31st day of March each year, SURA shall file with the comptroller the copy of these guidelines most recently reviewed and approved by SURA.

7.2 Explanatory statements for negotiated disposals: an explanatory statement when required under this section shall be transmitted to the comptroller, the director of the budget, the commissioner of general services, the legislature, and the authorities budget office at least ninety days prior to the disposal. A copy of the explanatory statement shall also be preserved by SURA. An explanatory statement shall be prepared of the circumstances of each disposal by negotiation of:

- (A) any personal property which has an estimated fair market value in excess of fifteen thousand dollar; or
- (B) any real property (other than by lease) that has an estimated fair market value in excess of one-hundred thousand dollars; or
- (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.

7.3 Proposed transfer for less than fair market value to a non-governmental entity where the disposal would not be consistent with SURA's mission, purpose, or governing statutes: Whenever SURA proposes to transfer an asset for less than fair market value to a non-governmental entity **where the disposal would not be consistent with SURA's mission, purpose, or governing statutes**, SURA shall provide written notification thereof to the governor, the speaker of the assembly, and the temporary president of the Senate, and such proposal shall be subject to denial by the governor, the senate, or the assembly.

7.4 Property Report: SURA shall publish 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 sold by SURA during such period. SURA shall deliver copies of such 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, and the New York State Legislature.

8. DISPOSAL BY COMMISSIONER OF GENERAL SERVICES.

When SURA shall have deemed that Disposal of any of SURA's Property by the Commissioner of General Services will be advantageous to SURA and the State of New York, SURA may enter into an agreement with the Commissioner of General Services pursuant to which said Commissioner may Dispose of Property of SURA under terms and conditions agreed to by SURA, and the Commissioner. In Disposing of any such Property, the Commissioner shall be bound by the terms hereof and references to the Contracting Officer shall be deemed to refer to the Commissioner of General Services.

9. ANNUAL REVIEW AND AMENDMENTS OF GUIDELINES.

The Guidelines are subject to modification and amendment at the discretion of the Agency in accordance with the Act and General Municipal Law. The Guidelines shall be reviewed and approved annually by SURA. On or before March 31st of each year, the Guidelines most recently reviewed and approved including the name of the Contracting Officer shall be filed with the Comptroller of the State and posted on SURA'S website.