

CHEMUNG COUNTY CAPITAL RESOURCE CORPORATION

PROPERTY DISPOSITION POLICY

SECTION 1. PURPOSE AND AUTHORITY. The purpose of this property disposition policy (the "Policy") is to implement Section 2824 (1)(e) of Title Two of Article 9 of the Public Authorities Law (the "Act"), which requires that members of the board of directors of the Chemung County Capital Resource Corporation (the "Corporation") establish written policies and procedures applicable to the disposition of real property and personal property by the Corporation.

SECTION 2. DEFINITIONS.

- A. "Contracting officer" shall mean the officer or employee of the Corporation who shall be appointed by resolution to be responsible for the disposition of the property.
- B. "Dispose" or "disposal" shall mean transfer of title or any other beneficial interest in personal or real property in accordance with section 2897 of the Act.
- C. "Property" shall mean personal property with a fair market value in excess of five thousand dollars (\$5,000.00), 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.

SECTION 3. DUTIES.

- A. The Corporation shall:
 - (i) maintain adequate inventory controls and accountability systems for all property owned by the Corporation and under its control;
 - (ii) periodically inventory such property to determine which property shall be disposed of;
 - (iii) produce a written report of such property in accordance with subsection B herewith; and
 - (iv) transfer or dispose of such property as promptly and practicably as possible in accordance with Section 3 below.
- B. The Corporation shall:
 - (i) publish, not less frequently than annually, a report listing all real property owned in fee by the Corporation. Such a report shall include 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 Corporation and the name of the purchaser for all such property sold by the Corporation during such period; and

- (ii) shall deliver copies of such report to the Comptroller of the State of New York, the Directory 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 (via distribution to the Majority Leader of the Senate and the Speaker of the Assembly).

SECTION 3. TRANSFER OR DISPOSITION OF PROPERTY

- A. Supervision and Direction. Except as otherwise provided herein, the duly appointed contracting officer (the “Contracting Officer”) shall have supervision and direction over the disposition and sale of property of the Corporation. The Corporation shall have the right to dispose of its property for any valid corporate purpose.
- B. Custody and Control. The custody and control of Corporation property, pending its disposition, and the disposal of such property, shall be performed by the Corporation or by the Commissioner of General Services when so authorized under this section.
- C. Method of Disposition. Unless otherwise permitted, the Corporation 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 Corporation and/or contracting officer deems proper. The Corporation may execute such documents for the transfer of title or other interest in property and take such other action as it deems necessary or proper to dispose of such property under the provisions of this section. 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.
- D. Sales by the Commissioner of General Services (the “Commissioner”). When the Corporation shall have deemed that transfer of property by the Commissioner will be advantageous to the State of New York, the Corporation may enter into an agreement with the Commissioner pursuant to which the Commissioner may dispose of property of the Corporation under terms and conditions agreed to by the Corporation 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 such Commissioner.

- E. 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 Corporation, purporting to transfer title or any other interest in property of the Corporation in accordance herewith shall be conclusive evidence of compliance with the provisions of the these guidelines and all applicable law insofar as concerns title or other interest of any bona fide grantee or transferee who had given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to closing.
- F. Bids for Disposal; Advertising; Procedure; Disposal by Negotiation; Explanatory Statement.
- (i) Except as permitted by all applicable law, all disposals or contracts for disposal of property made or authorized by the Corporation shall be made after publicly advertising for bids except as provided in subsection (iii).
 - (ii) Whenever public advertising for bids is required under subsection (i) of this Section F:
 - (A) 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;
 - (B) all bids shall be publicly disclosed at the time and place stated in the advertisement; and
 - (C) 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 Corporation, price and other factors considered; provided, that all bids may be rejected at the Corporation's discretion.
 - (iii) Disposals and contracts for disposal of property may be negotiated or made by public auction without regard to subsections (i) and (ii) of this Section F but subject to obtaining such competition as is feasible under the circumstances, if:
 - (A) 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 were to be sold in such quantity that, if it were disposed of by bid, 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;

- (B) the fair market value of the property does not exceed fifteen thousand dollars (\$15,000.00);
- (C) 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;
- (D) 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;
- (E) such action is otherwise authorized by law.

G. Transfer of Property for Less than Fair Market Value. (i) The Corporation may dispose of its property for less than fair market value under the following circumstances.

- (i) The transferee is a government or other public entity, and the terms and conditions require that the ownership and use of the asset will remain with the government or other public entity;
- (ii) The purpose of the transfer is within the purpose, mission or governing statute of any other public entity;
- (iii) In the event the Corporation 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 Corporation's mission, purpose or governing statutes, such authority shall provide written notification thereof to the governor, the speaker of the assembly, and;
- (iv) The disposal involves 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.
- (v) Each such statement 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 Corporation making such disposal.

This Policy is subject to modification and amendment at the discretion of the Corporation and shall be filed annually with all local and state agencies as required under all applicable law.

Readopted on: 10/31/17