

**GATEWAY DEVELOPMENT COMMISSION  
POLICY ON THE ACQUISITION AND DISPOSITION OF PROPERTY**

**I. CONTRACTING OFFICER**

The Chief Executive Officer (“CEO”) of the Commission, or such other officer or employee of the Commission as shall be appointed by resolution of the Board, shall be the “Contracting Officer” for purposes of this Policy and shall serve in such position until the appointment of his or her successor, or until his or her prior death, resignation, or removal. References herein to Contracting Officer shall mean such individual or their designee(s).

**II. METHODS OF DISPOSING OF REAL PROPERTY**

The Commission shall dispose of real property in accordance with the New York and New Jersey Gateway Development Commission Act, a version of which was adopted by each of the State of New York and the State of New Jersey, (2019 N.Y. Sess. Laws ch. 108 and 2019 N.J. Sess. Law Serv. ch. 195) (the “Act”) and other applicable laws.

The Contracting Officer shall supervise and direct all dispositions of Commission real property. The real property may be disposed of for not less than fair market value for cash, credit, or other property, with or without warranty, upon such terms and conditions as the Contracting Officer deems proper, except as otherwise permitted herein in Parts IV and VI.

No disposition of real property, or any interest in real property, shall be made unless an appraisal of the value of such real property has been made by an independent appraiser and included in the record of the transaction, and, provided further, that no disposition of any other real property, which because of its unique nature or the unique circumstances of the proposed transaction is not readily valued by reference to an active market for similar real property, shall be made without a similar appraisal.

To the extent that the Commission disposes of any real property, the Commission anticipates utilizing two methods of disposition: Request for Proposals (“RFP”) and negotiated disposition. A disposition pursued under either method or any other method must be approved by the Commission’s Board of Commissioners (the “Board”) prior to execution in accordance with Part VI below.

For the avoidance of doubt, the reversion of real property to the original conveying party pursuant to the terms of the original conveyance shall not constitute a disposition subject to the requirements of this Policy. Any other determination as to whether a transaction constitutes a disposal subject to the requirements of this Policy, shall be determined by the General Counsel in consultation with the Contracting Officer.

**III. REAL PROPERTY RFPs**

The RFP process is a process whereby potential purchasers or tenants are invited to submit proposals to purchase or lease one or more properties. In an effort to create full and free competition consistent with the value and nature of the property, RFPs will be advertised on

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the Commission's website, through other channels as determined by the Contracting Officer, and, on occasion, distributed to a direct mailing list.

All RFPs for real property sales and ground leases must include a site description, proposal requirements and selection criteria.

Although the selection criteria for each RFP will vary, as appropriate, the Commission may include selection criteria for reviewing submissions and selecting a proposal that include a proposer's financial offer, financial viability and method of financing, and property use and design proposals.

Depending on the nature of the real property, RFPs may or may not include all of the above and may include additional selection criteria.

The contract for sale or lease of real property will be awarded to the candidate presenting the most advantageous terms, price and other factors considered, as approved by the Board. The Commission may reject the proposals when the minimum terms and conditions have not been met, competition is insufficient and/or it is in the Commission's interest to do so.

#### **IV. REAL PROPERTY NEGOTIATED DISPOSITION**

RFP by advertisement is not always the most appropriate and effective means of disposal of real property. In certain instances the Commission may proceed with a negotiated disposition subject to obtaining such competition as is feasible under the circumstances. In some circumstances, the disposition will involve a sole source disposition.

Real property may be disposed of through a negotiated disposition when:

- the fair market value of the property does not exceed \$250,000;
- bid prices after advertising therefor are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition;
- competitive market interest to support an RFP does not exist in the Contracting Officer's reasonable determination, including where there is insufficient response to or interest in a request for information or other similar processes or market inquiries;
- the disposal will be to the State of New York or New Jersey or any agency, authority, or political subdivision thereof, to the Port Authority of New York and New Jersey, or to Amtrak, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation; or
- the disposal of real property is for less than fair market value and (a) 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 real property will remain with the government or any other public entity or (b) the purpose of the transfer is within the purpose, mission, or governing statute of the Commission and a written determination is made by the Board that there is

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no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer, prior to Board approval of such a transfer.

If a proposed disposition meets one of the criteria described above for a negotiated disposition, the Contracting Officer may direct that the disposition of the real property be considered a negotiated disposition. All such negotiated dispositions are subject to Board approval in accordance with Part VI below.

In cases where a sole source disposition is presented to the Board for approval, the Board must be informed of the factors justifying a sole source disposition.

**V. REAL PROPERTY ACQUISITIONS**

Real property may be acquired (including, without limitation, by gift, lease, purchase, exchange, eminent domain or condemnation in accordance with the Act) by the Commission. The purpose of such acquisition shall be to further the purpose, mission or governing statute of the Commission. The Contracting Officer shall approve the terms of the acquisition and obtain the approval of the Board for the same in accordance with Part VI below. Further, at the discretion of the CEO of the Commission or their designees, where the Commission has a right of reacquisition of previously disposed of property, it may exercise this right.

**VI. BOARD APPROVAL OF REAL PROPERTY TRANSACTIONS**

Each real property disposition, acquisition, or transfer is subject to Board approval. The following information shall be made available to the Board at the meeting where approval of such disposition, acquisition, or transfer is scheduled:

- a full description of the property;
- a description of the purpose of the disposition, acquisition, or transfer;
- a statement of the value to be received from such a disposition, acquisition, or transfer;
- the names of any private parties participating in the disposition, acquisition, or transfer; and
- in the case of a property disposition for less than fair market value, an explanation and a written determination by the board that there is no reasonable alternative to the proposed below-market value that would achieve the same purpose of such disposition.

Before approving the disposal of any real property for less than fair market value, the Board shall consider the information described in the above paragraph, and if that information so dictates, 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.

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Not less than 10 days in advance of any meeting of the Board at which the Board is to consider an action to authorize the sale of real property owned by the Commission, the CEO of the Commission shall provide public notice of such proposed action along with relevant material terms and provisions of such sale including, but not limited to, the information required to be made available to the Board above, by posting on the Commission's website.

**VII. MONITORING AND REPORTING CONTRACTS FOR REAL PROPERTY DISPOSAL**

Prior to the disposal of the real property, an authorized Commission employee involved in the disposition shall be the primary person responsible for the monitoring of compliance with the policies and procedures, the RFP, terms of the contract or other agreement or memorandum for the disposal and shall keep the Contracting Officer informed of all major issues that arise and of the status of the disposition.

The Contracting Officer shall cause a record to be maintained of all real property disposed of by the Commission.

**VIII. DISPOSITION OF PERSONAL PROPERTY**

The CEO of the Commission may authorize or arrange for contracts for the sale of personal property owned by the Commission upon such terms and conditions as the CEO may deem proper and execute the same on behalf of the Commission where the value of such personal property is not in excess of \$1,000,000; provided, however, that personal property valued at more than \$250,000 shall not be sold by authority of the CEO other than to the highest bidder after public advertisement. Where the value of such personal property is in excess of \$1,000,000, the sale of such property must be authorized by the Board upon such terms as the Board may deem proper.

For the purposes of this Policy, the value of personal property will be verified by the Contracting Officer in advance of any sale or disposition.

**IX. FEDERAL LAW**

Where federal law, rules, regulations, or policies applicable to any funds received by the Commission (including, but not limited to, any particular laws, rules, regulations or policies governing federal grants or loans) prescribe requirements regarding the acquisition, disposition or transfer of real or personal property that differ from this Policy, the requirements of such federal laws, rules, regulations, or policies (including, but not limited to, any particular laws, rules, regulations or policies governing federal grants or loans) will govern with respect to contracts acquiring, disposing or transferring of real or personal property that are funded with such funds.

**X. BROKERS**

The Commission may retain brokers or third-party vendors that facilitate online auctions, or assist in disposing of surplus real and personal property of the Commission.