

**TOWN OF RIVERHEAD
INDUSTRIAL DEVELOPMENT AGENCY
ACQUISITION OF REAL PROPERTY POLICY**

I. Introduction

The following policy sets forth for the Town of Riverhead Industrial Development Agency (the "Agency") its operative policy and instruction regarding its acquisition of real property. This policy is not intended to be applicable to the Agency's acquisition of real property in conjunction with a straight-lease or bond financing transaction as defined under the New York State General Municipal Law.

II. Acquisitions

Real property may be purchased, leased, or otherwise acquired by the Agency for purposes of use, resale, lease, or otherwise as long as such acquisition and accompanying purposes shall be in furtherance of this Agency's purposes as set forth under Article 18-A of the New York State General Municipal Law, as may be amended from time to time, and the Agency's mission, policies, and goals. The Contracting Officer for all property acquisition shall be determined by the Agency Board of Directors.

III. Approvals

The Contracting Officer shall first make a determination that a particular real property acquisition is in the furtherance of the Agency's purposes or is otherwise important and necessary to the Agency. The Contracting Officer shall approve the initial terms and conditions of the real property acquisition, which terms and conditions shall be expressly subject to the approval of the Agency Board of Directors and, if necessary, a satisfactory real property appraisal as set forth below. The Contracting Officer shall put forth the proposed real property acquisition, and the terms and conditions thereof to the Agency Board of Directors for their consideration and approval. All acquisition thereof real property must be approved by a vote by the Agency Board of Directors.

IV. Appraisals

For all real property acquisition with a purchase price of \$100,000.00 or more, following the approval of the Agency Board of Directors to such real property acquisition as described herein, the Agency shall obtain an appraisal of the real property to be acquired from a real estate appraiser duly licensed in the State of New York and with experience appraising the particular type of real property being acquired by the Agency. In the event the purchase price for the real property exceeds the appraised value by more than 20% the Agency must either:

- a) Not acquire the real property; or,
- b) Renegotiate the purchase price to an amount within 20% of the appraised value and acquire the real property; or,
- c) During the subsequent Board meeting make a determination that, notwithstanding the appraised value, the Agency will proceed with the real property acquisition at the stated price as such acquisition is vitally important to the Agency's purpose and is otherwise important and necessary.