Purpose

To establish a policy governing the leasing of real property for County use.

Background

The County frequently leases real property for its use. The Board of Supervisors recognizes that establishing an orderly and efficient process for leasing property is necessary to ensure that the County's needs are properly met.

Policy

It is the policy of the Board of Supervisors that:

1. The leasing of property for County use shall be carried out under the Procedure set forth in this Policy.

2. All property leased for County use shall be functionally safe and meet all applicable State and local regulations.

Procedure

Processing of new leases shall be in accordance with a listing of all leases by priority as established by the Director, Department of General Services, or designee ("Director"). In leasing real property for County use, the Director may proceed as follows:

a. Physical Site Search
   The Director may conduct a physical search within the approved search area to identify potential lease property and initiate negotiations.

b. Request for Proposals
   The Director may locate suitable property through the advertisement of a request for proposals. All interested parties shall be given an opportunity to submit proposals for consideration up to the pre-announced closing date for accepting lease proposals.

c. Request for Bids
   The Director may utilize a closed-bid method of lease negotiation. For purposes of this policy, a closed-bid method of lease negotiations involves the advertising by the County of a bid package, which includes architectural plans and

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specifications, and simultaneous opening of prospective lessor proposals in response to the bid package.

The Director shall negotiate with prospective lessors to determine the relative merits and cost effectiveness of the proposed leases. The Director shall consider, but not be limited to, the following factors:

1. Rental Rate.

2. Whether required services (e.g., utilities, maintenance, custodial, and security services) are to be provided by the County or by the Lessor.

3. Tenant improvement allowance and the cost of any remodeling that may be necessary.

4. Provisions for termination, cost of living adjustments, and the costs associated with such provisions.

If the lease requires approval of the Board of Supervisors, the Director shall submit a recommendation to the Chief Administrative Officer regarding the preferred lease. The Chief Administrative Officer shall forward a summary of the proposed lease and a recommendation to the Board of Supervisors, which shall include the following:

1. If the proposed property to be leased was identified by a site search, a comparative analysis of recently negotiated leases in the market area to support the proposed lease transaction.

2. If a request for proposals was used, a comparative analysis of the three to five best proposals received. If less than three proposals are received, an evaluation of the reasons for a lack of response will be provided.

3. An identification of lease termination provisions, rental rate, term, any options to extend, any tenant improvement allowance, and monthly occupancy costs.

Sunset Date

This policy will be reviewed for continuance by 12-31-2019.

Board Action

07-31-73 (3)
11-08-73 (17)
06-25-74 (81)
09-26-77 (107)
05-02-78 (5 & 6)
05-22-79 (150)
03-18-80 (28)
07-26-88 (43)
12-12-89 (49)
06-05-90 (43)
10-23-90 (45)
02-12-91 (22)
12-5-95 (36)
12-09-97 (19)
12-04-01 (11)
01-28-03 (16)
4-7-2009 (7)
12-2-2014 (20)

CAO Reference

1. Department of General Services