

<b>COUNTY OF AMADOR</b>		Number
<b>POLICIES &amp; PROCEDURES MANUAL</b>		
SECTION: GENERAL SERVICES ADMINISTRATION	LEASING OF REAL PROPERTY	
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**I. PURPOSE**

The purpose of this policy is to outline the procedures for the creation of leases, lease amendments, and subleases and other relevant documents for the use of real property not owned by the County to accommodate county business by various county organizations, districts, agencies and departments (“departments”, herein).

**II. BACKGROUND**

The County occasionally 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 County’s needs are properly met.

**III. POLICY**

When a department head needs to lease office space, he or she shall in writing contact the General Services Director articulating the departments' needs. The information shall include:

- a. Program needs.
- b. Estimated square footage.
- c. Preferred location.
- d. Total cost of lease, all direct and indirect costs, operating costs, and funding sources.
- e. Parking requirements.
- f. Network and communication needs.
- g. Consideration of other options, including a lease versus buy analysis
- h. Other special requirements.

The General Services Director and the department head will initially determine if there is space available in any building currently owned or leased by the County. If not, the General Services Director will, working in conjunction with the department head, locate one or more suitable properties for the department head’s inspection and approval. The department head must have Facilities inspect the premises, prior to negotiating a lease, to determine if there are any hazardous conditions, deficiencies, and to ascertain compliance with the Americans with Disabilities Act (ADA) and Title 24 of the California Code of Regulations (the “California Building Code”).

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Pursuant County Code Section 3.08.040 and Section 25350.51 of the Government Code, the Board of Supervisors hereby delegates to the General Services Director (Purchasing Agent) the authority to sign leases for land, buildings, office space, parking lots or parking lot spaces or other real property for use by the County as tenant under the following conditions:

- The total term of the lease including any extensions or options to renew, will not exceed five years;
- The rental amount does not exceed \$4,000 per month;
- A notice of intention to consummate the lease is posted in a public place for five working days prior to consummation of the lease in which notice shall describe the property proposed to be leased; the terms of the lease; and that the General Services Director or his/her designee is the County Officer authorized to execute the lease, and
- The lease is approved by County Counsel and the County Administrative Officer.

The General Services 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:

- Rental rate and term of lease including any options to extend.
- Market rates.
- Whether required services (e.g., maintenance, custodial, and security services) are to be provided by the County or by the Lessor.
- Determine what utilities are available and identify those that are included in the rental rate.
- Whether property taxes are to be paid by the County or by the Lessor.
- Tenant improvement allowances and the cost of any remodeling that may be necessary.
- Provisions for termination, cost adjustments, and total costs associated with the lease.
- All other terms and conditions.

In addition, the Board of Supervisors hereby delegates to the General Services Director the power to sign amendments to an existing lease for land, buildings, office

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space or other real property for use by the County as tenant, one time, under the following conditions:

- The amendment may increase the rent over the remaining term, provided that the amendment does not result in a rental amount in excess of \$4,000 per month;
- The amendment is for the purpose of making improvements or alterations to the premises less than \$25,000.00;
- The amendment does not extend the existing term of the lease, permit, or license beyond five years; and
- The amendment is approved by County Counsel and the County Administrative Officer.

If lease requires approval of the Board of Supervisors, the General Services Director shall submit a recommendation to the County Administrative Officer regarding the preferred lease. The County Administrative Officer or his/her designee shall forward a summary of the proposed lease and a recommendation to the Board of Supervisors, which shall include the following:

- A comparative analysis of recently negotiated leases in the market area to support the proposed lease transaction.
- If a request for proposals was used, a comparative analysis of at least three of the best proposals received. If less than three proposals are received, an evaluation of the reasons for a lack of response will be provided.
- Identification of lease termination provisions, rental rate, term, any options to extend, any tenant improvement allowance, taxes, utilities, monthly occupancy costs and all other pertinent information.

Using the County's lease agreement developed by County Counsel, the General Services Director will negotiate the provisions of the lease. Prior to finalization, the General Services Director will submit the draft agreement and report to County Counsel, County Administrative Officer and the department head for review.

Leases must require the landlord to remove any hazards identified, or other contaminants from the premises prior to the date that County occupancy begins, or in accordance with a schedule approved by the County.

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Leases must also require the landlord to comply with laws and regulations requiring access for persons with disabilities. If the premises need to be modified in order to be accessible to persons with disabilities, the lease must require the modifications to be completed prior to County occupancy, unless waived by the Board of Supervisors. The Board of Supervisors hereby authorizes the CAO and the County's ADA Coordinator to waive these provisions under certain circumstances including, but not limited to, storage leases, land leases, and communications equipment shelter leases.

If the lease requires the landlord to clean, repair, or remodel the premises before County occupancy, it is the obligation of the department to follow the progress of the work, inspect the work when it is completed, and approve the work before County occupancy. If a dispute arises as to the scope or quality of work, the department should contact the General Services Director and/or County Counsel.

In the event that the total cost to the County over the duration of the lease is in excess of one million dollars or that any lease renewal or extension that has a total value in excess of one million dollars, then the lease agreement shall be approved by the Board of Supervisors and shall not be placed on the Consent Agenda. Also in this event, the Board should consult with a Real Estate professional regarding the proposed lease and other potential options for providing space that might be pursued.

The provisions of this section apply even if there is no monetary compensation for use of the real property. A lease must still be executed. Any question about whether a lease, permit, or license is required for the use of real property should be directed to the General Services Director or County Counsel.