

UCF-7.203 Real Property Leasing.

(1) This regulation applies to all university and, where specified, university direct support organization leases of real property, irrespective of source or destination of funds involved. This regulation does not apply to a short-term lease agreement of less than ninety (90) consecutive days.

(2) The university may lease real property for the use and benefit of approved programs of the University, according to this and other related regulations. All leases of space where the University is the lessee for greater than 5,000 square feet shall be in accordance with BOG Regulation 17.001.

(3) **Lease.** A lease is an agreement containing the terms and conditions establishing the relationship of landlord and tenant for the use and/or occupancy of real property, including land and any improvement(s) thereon. To be legally binding, a lease must be in writing and executed by an authorized university or direct support organization official. A license or space use agreement which conveys only limited rights of use of particular space is not a lease agreement.

(4) Approval of Leases.

- (a) Prior to entering into discussions with a landlord, requests for space should be submitted to the Office of Space Administration (SA) to determine whether space exists, or could be created, within existing University real estate assets on campus and to also assist the requester in developing an appropriate space program to provide definition for the space required.
- (b) If SA determines that there is no existing space suitable to meet the space program, then SA shall engage the Office of Real Estate (RE). RE shall coordinate the solicitation of potential leased options in collaboration with the requestor.
- (c) RE will coordinate development of lease agreements, including review by the Office of the General Counsel (OGC).
- (d) All lease agreements where the university or a direct support organization is the tenant or licensee, and the expenditure is \$5,000,000 or greater and the term is five (5) years or longer shall be presented to the Board of Trustees for approval.
- (e) All lease agreements shall be signed in accordance with University Policy 2-107, Contract Signatory Authority. Direct support organizations shall follow their individual signatory authority policies.

(5) **Standard Lease Agreement Terms.** The University has certain standard lease agreement terms that it requires regardless of whether the university leases space from a third party or is the landlord. Any deviation from standard lease agreement terms used by the University requires OGC and RE review and approval.

(6) **Right-to-Terminate Clause Required.** A right-to-terminate clause must be a part of any lease where the University is lessee for a term exceeding one (1) fiscal year, with language as follows "The State of Florida's performance and obligation to pay under this lease is contingent upon an annual appropriation by the legislature." This clause is not required for direct support organization leases.

(7) Solicitation for Leased Space Greater than 5,000 Square Feet where the University is lessee (not applicable to direct support organizations).

- (a) As provided for in Section 255.25 F.S., a lease of space of 5,000 square feet or more in a privately owned building may not be entered into except upon advertisement for and receipt of competitive solicitations.
- (b) Solicitations shall be coordinated by and overseen through the RE.
- (c) Solicitation should set forth, but not be limited to, the following:
 - 1. Approximate net square footage required to be measured through a method of measurement used by the State University System as described in BOG regulation 17.001.
 - 2. General geographic area in which space must be located.
 - 3. Approximate floor plan of space needed showing partitioning and other physical requirements.
 - 4. Date space must be available.
 - 5. Name and address of location where specifications may be obtained.
 - 6. Terms and conditions of lease, including an option to renew if desired.
 - 7. Services and building amenities required, including parking, food service or retail offerings, and transportation/transit requirements, if any.
- (d) Bid specifications shall be drawn by the University in general terms. They shall afford each prospective lessor interested in submitting a proposal knowledge of the University's space requirements. They shall not be structured to favor any specific location or lessor.
- (e) Specifications shall also set forth that the prospective lessor will agree to:
 - 1. Enter into a lease agreement that incorporates specified terms, if applicable.
 - 2. Provide a scaled floor plan showing present configurations and measurements that equate to net rentable square footage offered.
 - 3. Provide Full Disclosure Statement(s) of Ownership.
 - 4. Validate the proposal for a minimum of forty-five (45) calendar days following the public bid/proposal opening date.
 - 5. If the space is 20,000 or more square feet in any one structure, provide a Life Cycle Analysis, with the understanding that the analysis must be acceptable before an award can be made as described in Section 255.254, F.S.
 - 6. Provide a rental rate per square foot per year that will include all renovations and other special requirements necessary to accommodate the program at the time of initial occupancy.
- (f) Lease proposals.
 - 1. Proposals shall specifically respond, but need not be limited, to each item included in the bid specifications.
 - 2. Each proposal shall be signed by the owner(s), corporate officers, or legal representative(s). The corporate, trade or partnership name must be either stamped, written, or typewritten, beside the actual signature(s). If the proposal is signed by an agent, written evidence of his authority must accompany the proposal. If a corporation foreign to the State of Florida is

the owner of the space to be leased, evidence of authority to conduct business in Florida shall be presented.

- (g) In any lease of space that is accomplished without competition, the individuals taking part in the development or selection of criteria for evaluation, in the evaluation, and in the award processes, shall attest in writing that they are independent of, and have no conflicting interest in, the entities evaluated and selected.
- (h) Competitive solicitations shall not be required when leasing educational facilities in the Central Florida Research Park, which is affiliated with the University of Central Florida. The Board of Trustees or designee must certify in writing that the leasing of such educational facilities is in the best interests of the University and that the exemption from competitive bid requirements is not detrimental to the state, pursuant to s. 1013.17, F.S.
- (i) Competitive solicitations shall not be required when leasing specialized research, medical or educational facilities, if the President or the President's designee certifies in writing that said facility is available from a single source and that compliance with competitive bid requirements would be detrimental to the University.
- (j) Competitive solicitations shall not be required in an emergency, when leasing space is necessary because an existing state-owned or leased space is destroyed or rendered uninhabitable by an act of God, fire, malicious destruction, or structural failure, or by legal action, upon certification by the President or his designee that other University controlled space is not available and the term of any such lease does not exceed 18 months, provided the University may modify the lease to extend it on month to month basis for up to 6 additional months to allow completion of such construction or renovations.
- (k) Competitive solicitations shall not be required when leasing facilities in a hospital or other medical facilities, such as a medical office building, with which the University is affiliated.

(8) **Renewal of Leases.** Competitive bids shall not be required for the renewal of a real estate lease where the renewal is provided for in the original lease and the original lease was competitively procured.

(9) **Code Compliance in Leased Space.**

- (a) Any privately-owned building or any part thereof to be leased to the University shall comply with those portions of Chapters 553 and 633, F.S., applicable to university buildings, including but not limited to fire safety, life safety, and disabled access standards.
- (b) The cost of all modifications or renovations made for the purpose of bringing leased property into compliance with applicable fire safety, life safety, and disabled access standards shall be borne by the lessor unless otherwise agreed in writing by the University or direct support organization.

Authority: BOG Regulations 1.001 and 17.001. History—Renumbered and Amended 8-4-82, 3-16-03; Renumbered and Amended 8-31-09, 7-5-16, 10-26-17, 11-17-22.