

Leon County Research and Development Authority

Policy No. 16-01

Title: Lease Policy
Date Adopted: 12/01/2016
Effective Date: 12/01/2016

1. PURPOSE

The purpose of Policy No. 16-01, “Lease Policy” is to delegate the authority of the Leon County Research and Development Authority (hereinafter referred to as the “Authority”) Board of Governors (hereinafter referred to as the “Board”) to approve and execute certain leases or subleases for space in buildings owned by the Authority including any amendments, modifications, and renewals thereof (collectively “Leases”) to the Executive Director of the Authority.

2. POLICY

- a. The Executive Director is authorized to approve and execute all Leases subject to the following conditions:
 - i. The Lease is for space not exceeding 5,000 square feet.
 - ii. The Lease term does not exceed five years including renewal options, and the renewal options are by mutual agreement of the landlord and tenant.
 - iii. The Lease rate is competitive and within a range of current market rates for similar space. No less than annually, the Executive Director shall present to the Executive Committee of the Board for its review and approval an analysis of a range of current market rates.
 - iv. The value of Lease incentives, if any, including, but not limited to, discounts and free rent, does not exceed 10% of total revenue derived from the Lease, and the Executive Director determines the incentives are a necessary inducement to acquire a desirable tenant considering all of the facts and

circumstances of each Lease. This policy in no way requires the Authority to offer incentives to any prospective tenant.

- v. Tenant improvements 1) are recovered through additional lease payments and do not exceed \$10,000; 2) are not recovered through additional lease payments and do not exceed the lesser of \$5,000 or 10% of the lease payments, including incentives in section 2(a)(iv) herein; or 3) are included in the annual budget approved by the Board.
 - vi. The form of the Lease is consistent with the standard Authority Lease approved by the Board. Minor modifications to the standard Lease terms required by the tenant shall be approved by the Authority's General Counsel. Substantive modifications to the standard Lease terms, as determined by General Counsel, shall be approved by Board.
- b. The following shall be approved by the Board, and executed by the Chair of the Board:
- i. All Leases which do not meet the conditions of, or as otherwise specified in, section 2(a) herein.
 - ii. All Leases in which the Executive Director has a conflict of interest. Conflicts of interest include, but are not limited to, Leases in which the Executive Director is a relative of the tenant, or in which the Executive Director or any relative has a beneficial interest or potential for gain of any kind in the tenant or any affiliate of the tenant.
 - iii. All leases or subleases for land owned or leased by the Authority.
- c. All Leases executed by the Executive Director shall be reported to the Executive Committee of the Board.