

<h1>POLICY MANUAL</h1>	Date Adopted: July 11, 1966
Classification: LAND	Date Last Amended: 06/08/81; 12/12/89; 09/10/96
Subject: Leasing, General	Approved By:

It is the purpose of this document to outline the policy of the District concerning the leasing of District properties for private use.

- A. It is the purpose of the policy to achieve the greatest public good and highest possible return to the District through the Non-District use of District lands until such lands must be used to provide District services.
- B. The District shall make available for lease or use by Non District interests, properties purchased for District purpose but which properties are not yet required in the provision of District services. Such properties may be fenced or unfenced, without excavation or excavated.
- C. The District shall permit leases for non-profit, agricultural, urban or commercial uses with appropriate compensation paid to the District in exchange for such use.
- D. The use of District lands by Non-District interests shall be the subject of a written agreement specifying the terms, conditions and compensation related to such use. Non-profit users of District property may be granted a use permit without the requirement of specific cash compensation to the District, providing in lieu thereof, an appropriate service is provided to the District.

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- E. Leases, use permits or licenses for the use of District land shall be negotiated by the General Manager and approved by the Board of Directors, such negotiation to include the matter of compensation or service to be provided to the District.

The District recognizes that the need to provide flood control, drainage and water conservation services may preempt the Non-District use of property covered by leases, use permits, and licenses and that such potential preemption shall be considered in the structuring of such property use agreements.

- F. When there is, or is believed to be, more than one applicant for a lease, use permit or license concerning a particular District property, the General Manager shall use the following priorities in selecting the preferred applicant for such property.

- 1. First rights of refusal for the initial leasing of the subject property shall be available to the property owner from whom the District acquired the subject property, provided such first right of refusal is reserved by the owner through the purchase agreement with the District.

- 2. When not in conflict with Paragraph F. 1. hereof, first rights of refusal for the initial leasing of the subject property shall be available to the person leasing the property when purchased by the District, provided

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such current lessee reserves the right through the purchase agreement, or requests during the purchase negotiations, such first right of refusal.

3. In those circumstances other than those covered in Paragraphs F. 1., 2. or 4. in which there is demonstrated competitive demand for use of the District property, and all other circumstances are conducive to open competition for the use of such property, the District shall:
 - a. Advertise for the receipt of proposals;
 - b. Determine which proposal produces the greatest overall benefit to the District;
 - c. Award the lease to the proposal identified by the process described in Paragraph F. 3. b.; provided, that the holder of the expiring lease, if any, when such lease holder has submitted a bid that is not the highest bid, shall be given the option to lease the subject property for a sum not less than 5% higher than the highest bid sum produced by the process in Paragraph F. 3. b. Upon the exercise of such option, the optionee shall have a period of not more than 15 days to execute the lease contract, at which time the option shall expire.

4. In all other cases, except those covered in Paragraph F. 1., 2. and 3. hereof, the priority of consideration of the lease of District land by Non-

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District interests shall be determined by the date of receipt of such proposals (first come, first served), the compensation and or services to be provided to the District and the determination by the General Manager that the proposal is in the best interest of the District.