



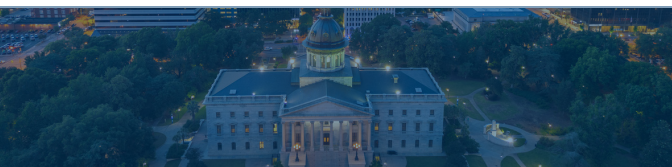
LEASE OUT PROCESS

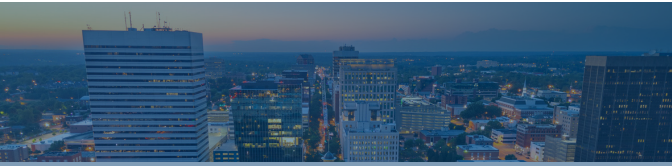
1. PROPOSAL TO LEASE SPACE

When a state agency or institution of higher education has owned or leased space that they would like to lease out or sub-lease to a private entity, the agency must reach out to the South Carolina Department of Administration's (Admin) Real Property Services (RPS) with their proposed plan. Admin shall negotiate and approve the terms of all lease outs/subleases unless an agency is exempted by the SC Code of Laws. Lease outs to non-governmental entities over \$200,000/year or lease-outs for a long duration of time will require Joint Bond Review Committee (JBRC) and State Fiscal Accountability Authority (SFAA) approvals in addition to Admin approval. The agency must charge fair market value in leasing out property unless they provide written justification that is approved by RPS. A solicitation is not required for lease outs.

2. DRAFT LEASE OR SUBLEASE

Once RPS, the agency leasing/sub-leasing the space and the entity taking the space are in agreement on basic terms (e.g., size of space, rental rate, parking, any additional operating charges), RPS will draft a lease out or sub-lease document or will review a draft if one has already been started by the agency. The parties will discuss and refine the draft until it is fully agreeable to everyone. This process may take several weeks.





3. APPROVAL PREP

RPS will work with the agency to prepare the documentation necessary (e.g., agency letter, JBRC/SFAA agenda item, private participant disclosure (PPD) form). Some agencies may also need other government approvals, such as approval by their governing board or commission before JBRC/SFAA approvals.

4. EXECUTION

Upon receiving all necessary governmental approvals, the lease will be fully executed by the parties and approved by RPS.

5. POST-EXECUTION

RPS will circulate and file the fully executed lease-out/sub lease and input the data in SCEIS. New leases will also receive an internal order number generated from the accounts payable office of the responsible agency (or in the case of Shared Services, this will be created by Admin). The agency will take over the administration of the lease and contact RPS if there are issues that cannot be worked out between the parties.

