

FLORIN RESOURCE CONSERVATION DISTRICT

ADOPTED BY FRCD RESOLUTION NO. 12.19.18.01

ACQUISITION OF REAL PROPERTY POLICY

Purpose of the Policy: The purpose of this policy is to establish the Florin Resource Conservation District (District) officers' authority and procedural requirements for the acquisition of real property. All acquisition of real property required by the District shall be made in accordance with this policy.

Section 1. Real Property shall be acquired as economically as possible commensurate with the needs of the District as to provide the best overall value to the District.

Section 2. Before a contract is signed by any District representative or is brought to the District Board of Directors (Board) as an agenda item, the contract must:

- (1) Include appropriate insurance and indemnification provisions reviewed by District Legal Counsel;
- (2) Be approved as to form by District Legal Counsel;
- (3) Be approved as to budget availability and purchasing procedural compliance by the General Manager or Finance Manager; and
- (4) Be signed by the other party unless it's a contract that must go before the Board and requires the other party to acquire payment and/or performance bonds. In this case, the contract shall be taken to the Board unsigned by either party.

Section 3. Each contract entered into under the policy shall be filed with the Finance Supervisor and shall be retained in accordance with the District's adopted retention policy.

Section 4. The procedures and rules for the acquisition of real property are as follows:

The following guidelines apply to the acquisition of real property, whether in the form of fee title, rights-of-way or easements; and whether purchased with District funds or acquired via grants, donations, gifts, dedications or property exchanges. Prior to the acquisition of real property, a professional title search shall be completed.

1) Purchase with District Funds

- i. Property purchase recommendations should normally be presented as part of the District's financial plan process and included in the Capital Improvement Program (CIP) and Annual Budget. However, as opportunities arise, the Board may consider property acquisitions at any time;

- ii. Acquisition proposals should be consistent with adopted plans and policies, including the adopted CIP;
- iii. Acquisition proposals in an amount exceeding \$25,000 shall be accompanied by an appraisal to be conducted by an independent consultant;
- iv. Acquisition proposals must be reviewed by the General Manager who first shall evaluate the acquisition terms and conditions and compliance with proper acquisition procedures. District Legal Counsel shall review and approve, as to form, the acquisition terms and conditions;
- v. The Board must authorize negotiations and approve the acquisition of any real property;
- vi. Depending on the complexity of the transaction, market conditions and other circumstances at the time, the District may choose to be represented by a broker or other third-party professionals in acquiring real property. These will be selected in accordance with the District's *Professional and Consultant Services Agreement Policy*.

2) Acquisition Via Grants, Donations, Gifts, Dedications and Property Exchanges

- i. Acquisition recommendations that will be fully or partially funded from grants, donations, gifts, dedications or property exchanges shall follow, at a minimum, the same guidelines as acquisitions financed with District funds. Where grant fund requirements for property acquisition are different from these guidelines, the requirement with the greater public disclosure shall apply;
- ii. Acquisition proposals must be reviewed by the General Manager who first shall evaluate the acquisition terms and conditions in compliance with proper acquisition procedures. District Legal Counsel shall review and approve, as to form, the acquisition terms and conditions;
- iii. For acquisition of real property via grants, donations gifts, dedications and property exchanges that require an appraisal for tax purposes, the appraisal shall be conducted an independent appraisal consultant.

- iv. Board approval of acquisitions via grants shall be required in accordance with the terms of the grant;
- v. In considering property donations and gifts, the District shall evaluate the short and long-term maintenance and operating costs, as well as any one-time costs that might be necessary to rehabilitate properties for public use or meet building code requirements.

(b) Rents and Leases

The following guidelines apply to real property rents and leases where the District will be the tenant. This need may arise for short-term uses, such as rental of interim space during construction.

- 1) These should normally be included as part of the District's Strategic Plan and Budgeting process. However, as needed, the District may consider renting or leasing property as required to meet the District's operational needs at any time;
- 2) Rents and Lease Agreements must be reviewed by the General Manager who first shall evaluate the agreement terms and conditions and compliance with proper leasing procedures. District Legal Counsel shall review and approve, as to form, the lease or rent terms and conditions;
- 3) The Board must authorize negotiations and approve the rent or lease of any real property;
- 4) Depending on the complexity of the transaction, market conditions and other circumstances at the time, the District may choose to be represented by a broker or other third-party professionals in renting or leasing real property. These will be selected in accordance with the District's *Professional and Consultant Services Agreement Policy*.