

**LOUISIANA COMMUNITY & TECHNICAL COLLEGE SYSTEM**  
**Policy # 4.004**

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**Title: LEASE OF IMMOVABLE PROPERTY**

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Authority: Board Action	Original Adoption:	03/13/2002
	Effective Date:	03/13/2002
	Last Revision:	Initial

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**System as Lessor**

The System may lease its land or building to a third party only pursuant to one of two statutes. The first, set forth in La R.S. 17:3361 authorizes the System to lease its land or building to the following:

1. Religious, quasi-religious, benevolent, or non-profit corporations or associations.
2. State or federal military organizations.
3. Public bodies.
4. Fraternities and sororities.
5. Private entities that are obligated under the terms of the lease to construct improvements on the System's property, which will further the System's educational, scientific, research, or public service functions.

Leases conveyed under this provision may be granted for a term not to exceed ninety-nine years. Leases to fraternities, sororities, religious, or quasi-religious organizations are limited to one acre of area, but the statute does not include an acreage limitation for leases to other types of entities. Leases entered into under these provisions need not be publicly bid, unless the President, in the best interest of the System, requires that the bid process be utilized. Where bidding is not required, negotiation of the terms of the lease must be coordinated with the President's office.

Also, the System may lease its property to a third party through the Lease of Public Lands provisions contained in La. R.S. 41:1211. Such leases are publicly advertised and bid, and their initial terms cannot exceed ten (10) years. No such lease can cover an area larger than 640 acres, and no lessee may own more than one lease at a time. The preparation of the advertising specifications shall be coordinated through the campus Chancellor or his/her designee.

**System as Lessee**

Leases of buildings by the System from a third party are considered to be procurement and are governed by the provisions of Title 39 of the Louisiana Revised Statutes, the Procurement Code. However, under the Procurement Code, only leases for the use of 5,000 square feet or more of space in a privately owned building must be advertised and bid. Leases of immovable property other than buildings and leases of building space less than 5,000 square feet are not required by

law to be advertised and bid. The President, in his discretion, may require that such a lease be advertised and bid if he deems it to be in the best interest of the System. In any case where bidding is required, the preparation of the advertising specifications shall be coordinated through the campus Chancellor and the System's staff. Where bidding is not required, negotiation of the terms of the lease must be coordinated with the campus Chancellor.

La R.S. 39:1642 provides that leases of building space wherein the System is the lessee shall require the approval of the Division of Administration. All leases by the System of property from third parties shall be made in the name of the Board of Supervisors of Louisiana Community and Technical Colleges. Leases by the System for building space of 5,000 square feet or more or of immovable property other than buildings shall be approved by the Board of Supervisors. Leases by the System for building space of less than 5,000 square feet require Board of Supervisors' approval only at the discretion of the President.

### **Inventory**

All transactions involving immovable property, affecting either the buildings or unimproved property and regardless of whether the System is the lessor or the lessee, shall be promptly reported to the System Director of Facility Planning and Management. All such reports shall include the date and type of transaction, description of property, time period involved and value of property.