

PALO ALTO COLLEGE COLLEGE PROCEDURES

Procedure Number: F 12.0
Procedure Title: Leasing of College Facilities (Long-Term)
Relevant Board/SACSCOC Policy: [C.1.3 \(Policy\) Appropriations and Revenue Sources](#)
[C.1.3.3 \(Procedure\) Facilities Use](#)
SACSCOC Standard 13.7 Physical Resources
Originating Unit: Vice President of College Services
Maintenance Unit: Vice President of College Services

I. Purpose: In support of student and community needs and programs, leasing or rental of College facilities is permitted provided that such use does not interfere with College operations and is consistent with the College's public purpose. All proceeds received from the lease of Facilities will be directly provided to Palo Alto College.

II. Procedure statement:

To provide the structure and process for leasing facilities for a long-term period (more than 30 days) so that the College may reinvest the lease fees back into the community that it serves.

III. Facilities Use

- A. The grounds and facilities of the College shall be used for the educational goals and purposes of the College as set forth by the Alamo Colleges District Board of Trustees. Such uses, as determined by the Board of Trustees, the Chancellor, and the respective College President, have priority over any other use of College facilities. Educational programs have priority in use of College facilities at all times.
- B. All buildings and land belong to the Alamo Colleges District as a whole and are subject to assignment and reassignment to meet Palo Alto College's priorities and needs.
- C. This procedure applies to external agencies/organizations/partners only. These external agencies/organization/partners are herein referred to as the Tenant.
- D. A Tenant wishing to use a space for a short-term period (i.e. events) should reference and follow College Procedure F 5.0 Use of PAC Facilities by External Organizations (Short-Term).
- E. If Tenant wishes to use spaces (i.e. Event spaces) which are outside the listed areas within the lease agreement, then a separate agreement will be needed per College Procedure F 5.0 Use of PAC Facilities by External Organizations (Short-Term).

IV. Approval Process

- A. Tenant should schedule a conference with Vice President of College Services (VPCS) or Designee. The VPCS will collect information to inform the proposal; to include the use of spaces, purpose, alignment to the core mission, and other relevant data.
- B. Tenant should submit the Form to Request Lease Space (Long-Term) to the VPCS.
- C. VPCS and President will then review for consideration.

Request will also be presented to the Spaces Committee per College Procedure F13.0 Spaces Principles and Request Procedure.

- D. Notice of Approval/Denial will be provided to point of contact submitting the Form to Request Lease Space (Long-Term).

V. Fee Structure/Development

- I. Working in conjunction with District Budget Office, the College shall establish a schedule of rates, competitive with the current market. The setting of rates shall at all times employ processes and practices consistent with those in the realty market to ensure that the College District receives fair and accurate market value for use of its property and services.

VI. Lease Agreement

- A. Per College Procedure A 20.0 Processing of Contracts and Grants, VPCS will work in collaboration with Tenant, District Budget Office, Legal Services, and other stakeholders as needed in order to negotiate a lease agreement.
- B. All fees with the exception of utilities will be paid directly to the College who provides full oversight and support of the leased spaces.
- C. The College will not fund any renovations, furniture, fixtures, and/or equipment that the Tenant is requesting.
- D. Hours and days of use require approval by College and should align with existing hours of operation for the institution. If hours/days deviate from existing hours (i.e. Special events) of operation for the institution, then approval must be granted in writing by VPCS in working with Facilities, College Operations, and other stakeholders on campus affected by the changes.

VII. Billing Process

- A. The College department overseeing the facility's lease contract will work in collaboration with the VPCS, College Budget Office (CBO), and Accounts Receivable (AR) to submit a billing request 3 to 5 business days after contract has been executed (Tenant has begun using the facility).
- B. The fully executed contract must be attached to the billing request. All charges, including base rent, utilities, housekeeping services, depreciation/major repair or replacement, technology support, hardware lease, etc. must be included.
- C. The College department overseeing the facility's lease contract is responsible for following through with AR and CBO to track status of invoicing the Tenant and ensuring Tenant has paid for facility use within each fiscal year.
- D. The CBO will e-mail all revenue-generating departments (non-instructional) each month to collect revenue information and billing status. Each department must submit information about facility use contracts that are in process, complete, or pending Tenant's payment.
- E. The CBO will collect updates each month and keep a log of billing requests and invoice information. A revenue billing summary will be sent to the Office of the

- President and VPCS each quarter of the current fiscal year.
- F. AR is only responsible for invoicing and collecting payment from Tenant. The College Budget Office must follow up with AR at least once a month to ensure payment has been received and ensure deposit into designated College lease fee accounts. Any issues in the collection of payment from the Tenant must be elevated to the CBO and VPCS.

Attachment A: Form to Request Lease Space (Long-Term)

Date Created: November 1, 2022

Date Updated/ Approved: January 27, 2023

Revised/Approved: October 3, 2023

Approved:

(signed: Katherine Doss)

Vice President of College Services

(signed: Robert Garza)

Palo Alto College President