
UNIVERSITY OPERATING PROCEDURE

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Title: Lease, License and Use of Real Property

Overview

The purpose of this University Operating Procedure is to establish parameters for the lease, license and use of real property by and of the University in support of the University's Strategic Plan.

Applicability of the Procedure

This University Operating Procedure applies to all University faculty, staff and students, regardless of funding source.

Definitions

<u>Real Property:</u>	Fixed property, principally land, building(s), space(s), or room(s)
<u>University Entity:</u>	College, Unit, Faculty, Staff, Student Group
<u>User Group:</u>	The final user of University Real Property
<u>Recognized Group or Organization:</u>	A student, group, organization, or club recognized by the University as set forth in the University Group and Organization Recognition Policy .
<u>Affiliate Organization:</u>	Any organization that fits the definition specified in UVM's Affiliated Organizations Policy .
<u>Non-Affiliate Person, Group, or Organization:</u>	Any other entity not listed above.
<u>External Party:</u>	Any non-UVM entity, including affiliated organizations, who may be party to an agreement or arrangement for use of University Real Property.
<u>Requester:</u>	The University Entity or Group requesting use of University Real Property.
<u>Ongoing:</u>	Any term of use over 365 days.

Procedures

Purpose

This University Operating Procedure (UOP) documents the procedure to ensure the University makes no unauthorized commitments.

Responsibilities

The Vice President for Finance and Administration (VPFA), together with the Provost have ultimate responsibility for all leasing, licensing and use by and of University Real Property. Execution and management of agreements is at the direction of Real Estate Operations (REO), under the direction of the Office of the General Counsel.

Third-party Request to Lease, License or Use University Real Property

Requests for use of UVM real property by external parties, for non-research related activities, are processed by Planning, Design and Construction (PDC) and evaluated according to the Space Management and Requests UOP ([Space Form](#)) to ensure there are no restrictions or interference with the University's use of the University real property, including those related to bond-financed buildings, and such use is in compliance with the University's Strategic, Capital and Master Plans. Priority will be provided to University groups and affiliates that meet the criteria of providing goods or services that are aligned with the University's mission. If the request is granted by the Provost and VPFA, PDC will forward documents related to the approved request to REO to facilitate development of an agreement with the external party.

Use of any UVM research facilities, land and equipment will be coordinated through the Vice President for Research (or designee) and follow the [Use of University Research Facilities and Equipment by External Parties policy](#).

Once a request is approved by the Provost and VPFA, REO represents the University in negotiations, and records business terms in an appropriate agreement, in consultation with the Office of General Counsel.

Final documentation will include, but is not limited to:

- Detailed Premises Description
- Term, Renewal, Right of First Offer, and Termination
- Rent and Other Charges
- Risk Management and Indemnification Language
- Access
- Tenant Improvements

Review of draft document will include:

- General Counsel
- Risk Management
- Requesting Party
- Other UVM Units and Managers, as needed

The Requestor is responsible for funding any improvements and renovation projects related to the Requestor's use of space and/or land would be managed by the University.

Request to Lease, License, or Use External Party Owned Space

Only the Vice President for Finance and Administration has the authority to enter into a lease, license, or other agreement for the use of external party owned space on behalf of the University. If employee residential housing qualifies for reimbursement by the University, the employee may seek reimbursement with proper approval and reporting as determined by UVM policy.

Requests by UVM units for use of external party real property are managed by REO in coordination with PDC, after determining whether there is appropriate and available UVM space. The requester should contact REO by forwarding all known details, including, but not limited to the location, external party contact information

if a site has been identified, user group, desired term, financial responsibility, and details outlining the reason for and use of real property. Wherever possible, all agreements will strengthen the University's financial position by achieving market rents, conforming to UVM policies, and will not contain provisions for the University to subsidize any business.

Due to the nature of leasing, a competitive bidding process may not be possible. However, REO will research available properties meeting the Requester's criteria and present options for consideration. **REO will contact external parties on behalf of the University to ascertain if the location meets University criteria.** Criteria for space evaluation will include, but is not limited to:

- Availability of space owned by the University to meet the unit's need
- Compatibility with programmatic needs
- Proximity to campus, or desired location
- Financial viability including rent, common area maintenance (CAM), utilities, tenant improvements, and operation costs
- Availability and term
- Minimum UVM life safety standards
- Handicap accessibility
- Public transportation availability
- Professional management and/or landlord reputation
- Parking compatibility
- Security
- Amenities

Authorization

Any approvals to proceed to documentation is the responsibility of the Requester, and the senior most Dean, Director or Chair of the requesting Unit. Final approval and execution of documents is completed by VPFA and/or Provost. The authority described in this UOP must be exercised in a manner consistent with otherwise applicable University policies and procedures regarding the transfer or development of University Real Property.

Notifications and Filing

REO will file and share final electronic documentation with all parties to the agreement and notify senior leadership, and all appropriate University individuals. Once approved and documented, all use involving external parties, both on and off campus, will be managed by REO and communicated to UVM's Campus Space Manager. Hard copies will be kept in the REO office. On-campus space leased to external parties is assigned to the general fund and identified with the appropriate functional coding on the space inventory.

REO will secure certificates of insurance as outlined in the agreement and make available to Risk Management.

Municipal recording is not required by the University. If required by the requesting party, it is the responsibility of that party.

Contacts

Questions concerning the daily operational interpretation of this UOP should be directed to the following:	
Title(s)/Department(s):	Contact Information:
Real Estate Manager	109 South Prospect Street (802) 656-3872 or (802) 656-3208

Related Documents/Policies

- [Board Resolution Regarding Delegation and Retention of Board Authority](#)
- [Code of Conduct and Ethical Standards](#)
- [Conflict of Interest and Commitment Policy](#)
- [Contract Approval and Signatory Authority Policy](#)
- [Facilities and Grounds Use for Events and Activities Policy](#)
- [Post-Issuance Compliance Policy for Tax-Exempt and Tax-Credit Bonds Policy](#)
- [Space Management and Space Requests Procedure](#)
- [Strategic Action Plan](#)
- [Use of University Research Facilities and Equipment by External Users Policy](#)

Excluded from this UOP are activities associated with the administration of Historic Leased Lands. [Leased Land Board Resolution](#)

Training/Education

Training will be provided on an as-needed basis as determined by the Approval Authority or the Responsible Official.

About This Procedure

Responsible Official:	Vice President for Finance and Administration	Approval Authority:	Vice President for Finance and Administration
Affiliated Policy Number(s):	None	Effective Date:	January 11, 2023
Revision History:	None		

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