

## **Chapter 1323 - PROFESSIONAL SERVICES BRANCH - REAL PROPERTY SERVICES SECTION**

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### **1323 PROGRAM SUMMARY, RESOURCES AND CONTACTS**

(New 06/05)

The Real Property Services Section (RPSS) offers a full range of real estate and property management services to all state agencies. The RPSS serves as the state's agent in the acquisition and disposal of state-owned real property for many state agencies, providing centralized services in the following areas:

Site selection  
Appraisal review  
Relocation assistance  
Property management  
Appraisal  
Leasing of state-owned property  
Appraisal review  
Surplus property sales  
Review of real estate transactions conducted by other state agencies  
Due diligence studies for verification of title

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### **1323.1 LEASES ON STATE PROPERTY**

(New 06/05)

The CAMB is the initial point of entry for real estate services. To request real estate services other than leasing of privately owned space, agencies submit a STD. Form 29 to CAMB. Copies of STD. Form 29 may be obtained from CAMB at (916) 376-1800 or CALNET 480-1800.

#### **Leasing State-Owned Real Property to Others.**

The Director of DGS, with the consent of the state agency concerned, may lease state-owned real property to others for a period not to exceed five years. Leases of state-owned property are required to reflect fair market rental, with certain exceptions. Leases of state-owned real property for radio and television purposes (telecommunications leases) and other specified uses may exceed the five-year limit. When space permits, agencies may request that space in state facilities be leased to financial institutions in order to provide for Automated Teller Machines.

#### **General Competitive Bidding Requirement for Leases of State-Owned Property.**

Competitive bids shall be solicited for new leases or renewal of existing leases of state-owned real property, except for the following:

1. Leases where the agency has received prior approval from the RPSS to lease without solicitation.
2. Leases to nonprofit organizations and governmental agencies.
3. Telecommunications leases.

#### **Commercial Advertising Signs**

There are restrictions regarding commercial advertising signs on state property. To obtain guidelines before entering into a lease for signage, clients may contact their RESD CAM.

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### **1323.12 ACQUISITION OF REAL PROPERTY**

(Revised and Renumbered 06/05)

The DGS has the general responsibility for approving the acquisition of real property, including exercising purchase options, for nearly all state agencies.

**Appraisal of Real Property, Agencies with Real Estate Staff.** The RPSS prepares appraisals of real

property or specific property rights upon request. An appraisal review is an independent review of real estate appraisals that ensures the appraisals are prepared in conformance with accepted appraisal principles and techniques.

**Acquisition of Real Property, Agencies without Real Estate Staff.** As a full service real estate organization, RPSS can carry out all the necessary activities to acquire real property on behalf of state agencies. The RPSS can also provide advice and assistance to blend the efforts of agency staff and PSB staff when appropriate.

**Acquisition of Real Property, Agencies with Real Estate Staff.** Some state agencies have authority, staff resources, and expertise to carry out their own property acquisitions. In these cases the RPSS provides procedures for agencies to use.

(Note: The procedures do not apply to acquisitions by the Department of Transportation or to the Department of Water Resources.)

**Role of the State Public Works Board.** The State Public Works Board approves the selection and acquisition of real property on behalf of the state.

**Relocation Assistance.** Public agencies, including the State of California, are required to provide relocation assistance and benefits to persons and businesses displaced as result of a public acquisition of real property. The RPSS prepares relocation plans and entitlement reports and provides relocation assistance for state agencies upon request.

**Gifts of Real Property.** Acceptance of gifts of real property to the state is subject to the approval of the Director of the Department of Finance (DOF). Prior to DOF approval, DGS reviews certain elements of the proposed gift. The agency being gifted will furnish documentation to RPSS to facilitate the review.

**Transfers of Jurisdictions Between State Agencies.** The DGS' approval is required for transfer of state-owned real property from one agency to another. Any compensation paid shall be at fair market value at the time of the transfer. Agencies are advised to obtain an appraisal from the RPSS or a certified appraiser to determine value. A transfer of property between two agencies financed from a common fund may be made with no compensation being paid, provided approval of the DOF has been obtained, and both agencies agree to the transfer.

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### 1323.13 MANAGING SURPLUS STATE LANDS

(Revised and Renumbered 06/05)

Surplus land refers to land acquired by the state through purchase, condemnation, or donation, which is no longer needed for any state purpose.

**Identification of Surplus State Lands-(Responsibility of Agencies).** Government Code Section 11011 et seq. requires each state agency to annually review all proprietary lands under its jurisdiction to identify and report to RESD any land that is excess to the agency's foreseeable needs.

**Reporting of Surplus State Lands-(Responsibility of DGS).** DGS is required to annually report to the Legislature the lands identified as excess by state agencies and request authorization to dispose of the lands by sale or otherwise. The Annual Report to the State Legislature on Surplus Proprietary Land, which is prepared by the RPSS, provides information about the excess properties submitted by agencies. It also serves as the basis for DGS sponsored legislation each year to obtain authorization to carry out the disposal of surplus properties.

**Disposing of Surplus State Lands.** After the Legislature authorizes the disposal of surplus properties, RPSS performs the activities necessary to carry out the sale, lease, exchange, or other disposition.

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### 1323.14 POSTING OF STATE PROPERTY

(Renumbered 06/05)

Posting state-owned or state-leased property in an effort to protect it from misuse, destruction, vandalism, or criminal activity is the responsibility of the agency or department who controls the property. The agency or department shall coordinate the posting of property with the California Highway Patrol (CHP). Further information may be obtained from the CHP Field Services Section, (916) 323-1483, CALNET 473-1483.

**1323.15 STATE PROPERTY EASEMENTS**

(Revised and Renumbered 06/05)

Agencies are required to submit any proposed acquisitions of easements requiring execution or approval by the Director of DGS to RPSS. Acquisition of easements where the total amount to be paid by the state is less than \$1,000 are exempt, as long as the agency uses an agreement form previously approved in writing by RPSS.

Requests to grant easements across state property generally require execution or approval of the Director of DGS. When such approval is required agencies should not negotiate with the grantee about the terms and conditions of the proposed grant until the RPSS determines the consideration for the grant.

Landholding agencies shall consider the effect of the proposed grant upon the environment and provide RPSS with the appropriate environmental document (s). RESD can assist agencies in developing the necessary environmental documents. You may contact your CAM for assistance.

Agencies shall not permit potential grantee use of state lands until authorized by an executed document.

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