



OFFICE OF THE EXECUTIVE DIRECTOR
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November 13, 2009

UCLA DA 140.38

DIRECTOR WAYNE BRANDT, REAL ESTATE

Delegation of Authority – Negotiation, Approval and Execution of Licenses for Use of Real Property

References: (a) UC DA 2232 (Negotiation, Approval, and Execution of Licenses for Use of Real Property) to Chancellors, et al., dated September 3, 2009;
 (b) Regents' Standing Order 100.4 (ff) and (jj).

Supersedes: UCLA DA 140.35 (Approval of Licenses for Use of Real Property) to Director Brandt, dated 10/16/2008.

Effective as of the date above, I hereby delegate to you, in your area of responsibility, the authority to negotiate, and within the following parameters, to approve and execute licenses of real property including facilities use agreements and other forms of agreement that are equivalent to licenses of real property (except those licenses related to real property held as an investment of the Corporation), subject to Standing Order 100.4 (ff) and (jj), and to policies, procedures and guidelines that may be established by the Office of the President (including the UC Lease Administration Manual and applicable Business & Finance Bulletins), provided that such agreements:

1. Involve: (i) real property that is or will be used for University-related purposes, or (ii) University-related property to be used by others, and (iii) are limited in length of term and consideration as follows:
 - a. the license term does not exceed ten (10) years excluding options when UC is licensee but including options when UC is licensor,
 - b. the base annual consideration:
 - (i) does not exceed \$50,000 for the initial year, and
 - (ii) if the initial year consideration exceeds \$500,000, the agreement must either be on (1) a University standard form license without material modification, or (2) a form license that has been reviewed and approved by the appropriate risk manager in the event it contains indemnity, waiver or subrogation, or insurance provisions, or (3) a form license that has been reviewed and approved by the Office of the President Real Estate Services Group (RESG) and the Office of General Counsel (OGC); or
2. Are revocable on not more than 180 days' notice; and

3. Do not involve the assumption by the University of liability for conduct of persons other than University officers, agents, employees, students, invitees, and guests, except that this restriction does not apply if under the agreement the University assumes responsibility for liability resulting from the condition of licensed property which the University is obliged to maintain (see Regents Standing order 100.4(dd)(9)), or as otherwise authorized by The Regents.

License agreements that do not meet these conditions must be submitted to the President or The Regents for approval and execution, in accordance with the Standing Orders of The Regents. The campus license practitioner shall complete and maintain in the official license file the attached checklist for licenses prepared pursuant to this delegated authority ("Lease/License Checklist"). The campus shall be the office of record for original executed licenses of real property, including facility use agreements, and amendments thereto executed pursuant to this delegation.

In order that a report is submitted to RESG annually, by July 31st, you shall certify and submit to me such report listing each agreement approved and executed pursuant to this delegation during the preceding fiscal year, including total cost of licensed space and average cost/square foot, and attest that all terms referenced in this delegation and the attached Lease/License Checklist have been met.

This delegation is being issued due to the reissuance of the parent OP delegation. There are numerous substantive changes to the delegation being superseded including no initial license term (was 5 years); agreements are revocable up to 180 days' notice (was 120 days); a new Lease/License Checklist requirement and annual reporting requirement to RESG. This authority may not be further redelegated.



Bradley A. Erickson
Executive Director, Campus Service Enterprises

Attachment

cc: Chancellor
Executive Vice Chancellor & Provost
Administrative Vice Chancellor
Associate Vice President – Capital Resources Management
General Counsel and Vice President for Legal Affairs
Universitywide Policy Coordinator
Manager, Administrative Policies & Delegations

LEASE/LICENSE CHECKLIST (Risk Mitigation and Policy Compliance)

All documentation relied upon to approve the transaction must be maintained in the campus project file. Authority to negotiate, approve and execute real estate related documents is subject to compliance with all UC policies and appropriate Delegations of Authority. Transaction authority and delegation links: http://www.ucop.edu/facil/resg/documents/authority_real_estate.pdf

CAMPUS: _____ USER DEPARTMENT/UNIT: _____

I. PREMISES/ADDRESS _____

II. THE REGENTS AS:

Tenant Subtenant Licensee Other (specify) _____
 Landlord Sublandlord Licensor

A. Initial Term _____
 B. Option term(s) _____
 C. Initial year consideration¹ _____

III. EVALUATION & AUTHORIZATION

Check Done	Not Appl.	Date ² (mo/day/yr)
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A. FINANCIAL

- | | | | |
|---|--------------------------|--------------------------|-------|
| 1. Confirmation of budgetary authority to lease/license space ³ | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| 2. Market evaluation/comparative property analysis prepared ⁴ | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| 3. Screen for capital lease; if required, analysis completed/approved by RESG/OP ⁵ | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| 4. Any first refusal right/purchase option reviewed & approved by RESG/OP & OGC | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| 5. Property tax exemption requested ⁶ | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| 6. Unrelated business income tax determination made and reported per BFB A-61. | <input type="checkbox"/> | <input type="checkbox"/> | _____ |

B. PHYSICAL

- | | | | |
|--|--------------------------|--------------------------|-------|
| 1. Federal/state/local code compliance (as applicable) confirmed (Facilities Manual) | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| 2. Due diligence inspections completed | | | |
| a. Campus Fire Marshal review completed if applicable ⁷ | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| b. EH&S review completed consistent with Facilities Manual | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| c. ADA review completed consistent with Facilities Manual | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| 3. Tenant Improvements (TIs): | | | |
| a. TI plans and specifications reviewed and approved per campus guidelines | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| b. Fixed/determinable cost estimate prepared and within approved budget | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| c. For new buildings, detailed definition of shell space reviewed and accepted | <input type="checkbox"/> | <input type="checkbox"/> | _____ |

C. UC POLICY

- | | | | |
|---|--------------------------|--------------------------|-------|
| 1. Seismic policy compliance determined consistent with Lease Manual ⁸ | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| 2. Campus Risk Management approval of form of indemnity and insurance | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| 3. Records retention requirements satisfied consistent with BFB RMP-2 | <input type="checkbox"/> | <input type="checkbox"/> | _____ |

D. LEGAL REQUIREMENT/REVIEW

- | | | | |
|--|--------------------------|--------------------------|-------|
| 1. If UC does TIs, Public Contract Code compliance confirmed per Facilities Manual | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| 2. Lease/License on standard form or approved as to legal form by OGC as required ⁹ | <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| 3. CEQA compliance affirmed ¹⁰ | <input type="checkbox"/> | <input type="checkbox"/> | _____ |

 Certification of Campus Official
 (with delegated lease/license approval authority)

 Date

¹ The amount payable to the Lessor/Licensor including operating expenses and amortizing any landlord concessions as effective rent.

² The date on which the item has been determined in compliance (form completed as appropriate) or not applicable to this transaction.

³ Appropriate campus form/letter documenting internal approval and budget for user on file.

⁴ Market Comparison Analysis consistent with Lease Manual requirements on file.

⁵ Applicable analysis performed for transactions >=15 yrs. with extensive Ties, or with favorable renewal or purchase options.

⁶ Request to acknowledge UC exemption as lessee/licensee filed with applicable County.

⁷ Premises and tenant improvements determined to conform to Campus Fire Marshall review (see Facilities Manual).

⁸ Seismic evaluation consistent with policy has been completed (see Lease Manual).

⁹ Required for any lease/license with annual consideration greater than \$500,000 in the initial year (as effective rent).

¹⁰ All appropriate CEQA documentation completed, approved and filed.