

**Introduced by Senator Vidak**

January 14, 2015

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An act to amend Section 719 of the Civil Code, relating to real property.

LEGISLATIVE COUNSEL'S DIGEST

SB 117, as introduced, Vidak. City property: leases.

Existing law generally prohibits a city from leasing property that it owns or controls for a period exceeding 55 years, but permits a city to lease property that it owns or controls for a period not to exceed 99 years if specified conditions are met.

This bill would make technical, nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 719 of the Civil Code is amended to read:  
2 719. Notwithstanding the 55-year limitation imposed by Section  
3 718, property owned by, or held by, or under the management and  
4 control of, any city, or any department or board thereof, may be  
5 leased for a period ~~which~~ *that* exceeds 55 years, but does not  
6 exceed 99 years, if all of the following conditions are met:  
7 (a) The lease shall be subject to periodic review by the city and  
8 shall take into consideration the then current market conditions.  
9 The local legislative body may, prior to final execution of the lease,  
10 establish the lease provisions ~~which~~ *that* will periodically be  
11 reviewed, and determine when those provisions are to be reviewed.

1 (b) Any lease entered into by any city pursuant to this section  
2 shall be authorized by an ordinance adopted by the legislative  
3 body. The ordinance shall be subject to referendum in the manner  
4 prescribed by law for ordinances of cities.

5 (c) Prior to adopting an ordinance authorizing a lease, the  
6 legislative body shall hold a public hearing. Notice of the time and  
7 place of the hearing shall be published pursuant to Section 6066  
8 of the Government Code, in one or more newspapers of general  
9 circulation within the city and shall be mailed to any person  
10 requesting special notice, to any present tenant of the public  
11 property, and to all owners of land adjoining the property.

12 (d) Any lease shall be awarded to the bidder ~~which~~ *who*, in the  
13 determination of the legislative body, offers the greatest economic  
14 return to the city, after competitive bidding conducted in the  
15 manner determined by the legislative body. Notice inviting bids  
16 shall be published pursuant to Section 6066 in one or more  
17 newspapers of general circulation within the city.

18 (e) The provisions of subdivisions (b), (c), and (d) of this section  
19 do not apply to any charter city, which may utilize a procedure as  
20 specified by charter or adopted by ordinance in accordance with  
21 its charter.

22 (f) This section shall not apply to leases of property acquired  
23 for park purposes; to leases for the purpose of producing mineral,  
24 oil, gas, or other hydrocarbon substances; nor to leases of tidelands  
25 or submerged lands or improvements thereon.