

Amendment No. \_\_\_\_ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Representative(s) Rubio offered the following:

**Amendment (with title amendment)**

Remove from the bill: Everything after the enacting clause  
and insert in lieu thereof:

Section 1. Paragraph (g) is added to subsection (3) of section 216.043, Florida Statutes, to read:

216.043 Budgets for fixed capital outlay.--

(3) Each legislative budget request for fixed capital outlay submitted shall contain:

(g) The unamortized cost of tenant improvements under any lease executed after September 30, 2000, which is terminated before the expiration of its term for the purpose of relocating to a state-owned building.

Section 2. Present subsections (2) and (3) of section 255.249, Florida Statutes, are renumbered as subsections (4) and (5), respectively, and new subsections (2) and (3) are added to that section, to read:

255.249 Department of Management Services; responsibility; department rules.--

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1           (2) The department shall require any state agency  
2 planning to terminate a lease for the purpose of occupying  
3 space in a new state-owned office building, the funds for  
4 which are appropriated after June 30, 2000, to state why the  
5 proposed relocation is in the best interest of the state.

6           (3) The department shall, to the extent feasible,  
7 coordinate the vacation of privately owned leased space with  
8 the expiration of the lease on that space and, when a lease is  
9 terminated before expiration of its base term, will make a  
10 reasonable effort to place another state agency in the space  
11 vacated. Any state agency may lease the space in any building  
12 that was subject to a lease terminated by a state agency for a  
13 period of time equal to the remainder of the base term without  
14 the requirement of competitive bidding.

15           Section 3. Paragraphs (d) and (e) are added to  
16 subsection (3) of section 255.25, Florida Statutes, to read:

17           255.25 Approval required prior to construction or  
18 lease of buildings.--

19           (3)

20           (d) The agency and the lessor, when entering into a  
21 lease for 5,000 or more square feet of a privately owned  
22 building, shall, before the effective date of the lease, agree  
23 upon and separately state the cost of tenant improvements  
24 which may qualify for reimbursement if the lease is terminated  
25 before the expiration of its base term. The department shall  
26 serve as mediator if the agency and the lessor are unable to  
27 agree. The amount agreed upon and stated shall, if  
28 appropriated, be amortized over the original base term of the  
29 lease on a straight-line basis.

30           (e) The unamortized portion of tenant improvements, if  
31 appropriated, will be paid in equal monthly installments over

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1 the remaining term of the lease. If any portion of the  
2 original leased premises is occupied after termination but  
3 during the original term by a tenant that does not require  
4 material changes to the premises, the repayment of the cost of  
5 tenant improvements applicable to the occupied but unchanged  
6 portion shall be abated during occupancy. The portion of the  
7 repayment to be abated shall be based on the ratio of leased  
8 space to unleased space.

9 Section 4. The Board of Trustees of the Internal  
10 Improvement Trust Fund shall institute a program of  
11 privatization of certain state facilities.

12 (1) The Board of Trustees of the Internal Improvement  
13 Trust Fund shall privatize certain state facilities where the  
14 majority private business tenants on the facility are private  
15 businesses, the majority private business tenants petition the  
16 board of trustees, and the facility meets one or more of the  
17 following criteria:

18 (a) The state facility is more than 25 years old and  
19 is in need of substantial capital improvements;

20 (b) The Office of Program Policy Analysis and  
21 Government Accountability has issued a report questioning the  
22 long-term viability of the state facility or states that the  
23 sale of the state facility is appropriate;

24 (c) The state agency has provided in its budget for  
25 substantial capital improvements to the state facility and the  
26 budget request has gone unfunded for 2 consecutive years; or

27 (d) The state facility requires asbestos removal from  
28 the buildings on the facility and such removal has not been  
29 undertaken within 2 years of discovery.

30 (2) For purposes of this section, the term:

31 (a) "Substantial capital improvement" means that the

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1 capital improvements' cost would exceed 25 percent of the  
2 appraised value of the property, including the cost of removal  
3 and replacement of outdated buildings on the public property.

4 (b) "State facility" means public property and  
5 buildings consisting of 25 acres or less of state-owned land  
6 that is improved with office space and is leased by the state  
7 to private tenants that occupy the majority of the square  
8 footage of the leased space.

9 (c) "Majority private business tenants" means the  
10 nongovernmental lessees of the state facilities which lease  
11 the majority of the square footage of state facilities which  
12 is for lease.

13 (3) The Board of Trustees of the Internal Improvement  
14 Trust Fund shall have 6 months from the date of the receipt of  
15 the petition to procure three appraisals of the facility for  
16 purposes of negotiating with the petitioning tenants to sell  
17 the state facility for the average price of the appraisals.

18 (4) The agreement for purchase shall be executed by  
19 the Board of Trustees of the Internal Improvement Trust Fund  
20 within 9 months after the date of the receipt of tenant  
21 petition and shall be for the average price of the three  
22 appraisals.

23 (5) Notwithstanding any other law to the contrary, the  
24 majority private business tenants shall have a right of first  
25 refusal to purchase the state facility, provided the majority  
26 private business tenants have petitioned the state in their  
27 petition. Such right of first refusal must be exercised within  
28 90 days after notice of the sale to the tenants.

29 Section 5. This act shall take effect July 1, 2000.  
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1 ===== T I T L E A M E N D M E N T =====

2 And the title is amended as follows:

3 remove from the title of the bill: the entire title

4

5 and insert in lieu thereof:

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A bill to be entitled

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An act relating to state leases; amending s.

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216.043, F.S.; requiring state agencies to

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present justification before terminating a

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lease of privately owned property; amending s.

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255.249, F.S.; providing for the coordination

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and assumption of the remaining term of a lease

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terminated by a state agency before the end of

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its base term; amending s. 255.25, F.S.;

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providing for the determination and

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amortization of the cost of tenant

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improvements; providing a process for the

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recovery of unamortized cost of tenant

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improvements when a lease is terminated before

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the end of its base term; designating the

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procedure for the sale of public property to

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the tenants doing the majority of business in

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the public property; authorizing the Division

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of Facility Management to procure real estate

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appraisals on the public property; requiring

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the Board of Trustees of the Internal

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Improvement Trust Fund to institute a procedure

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to negotiate the sale and privatization of

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certain public property and buildings;

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providing an effective date.

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