

**1245.0900 PROPERTY LEASING (WHERE STATE IS LESSOR).**

Subpart 1. **Scope.** Pursuant to Minnesota Statutes, section 16B.24, subdivision 5, this part governs the leasing out of state-owned real property which is temporarily not needed by the state.

Subp. 2. **Requesting notice of available property.** All persons wishing to be notified of the availability for leasing of state-owned property shall request in writing such notification. Requests shall be sent to: Director, Real Estate Management Division, Department of Administration, Administration Building, 50 Sherburne Avenue, Saint Paul, Minnesota 55155.

A list of persons having requested such notification shall be maintained by the Real Estate Management Division. The list shall indicate the particular area in the state and the type of property (i.e., farm, office, etc.) the interested party has expressed an interest in. Notice shall be sent to all appropriate parties on the list when state-owned property is leased out.

Subp. 3. **Bids.** At least 15 calendar days prior to the bid return deadline, bid solicitations shall be mailed to appropriate parties who have requested notification of the availability of property for leasing. In addition to mailing of bid solicitation to all parties known to have an interest in leasing the property, the Department of Administration may, where circumstances merit, advertise the property for lease in a newspaper having general circulation in the area in which the property to be leased is located. The property shall be leased to the highest responsible bidder, consistent with the state's intended use and management of the property. The department expressly reserves the right to reject any or all bids or to waive informalities therein.

Subp. 4. **Grounds for not using competitive bidding.** Competitive bidding shall not be used when the commissioner or designee determines that one or more of the following circumstances exist.

- A. there is only one interested party that can feasibly use the property;
- B. factors other than bid price, such as maintenance of the property, are paramount;
- C. the contemplated rental term is of short duration;
- D. other governmental entities have expressed the desire to lease the property; or
- E. factors exist which make the taking of competitive bids impractical or not in the best interest of the state of Minnesota.

**Statutory Authority:** *MS s 16B.04*

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