Per the direction of the Charter Review Committee, the following are potential amendment options for the above-referenced Section. In addition to the modifications discussed, I would propose to add an exemption for month-to-month leases, given either discussed notice period would be too short under the legal requirements for termination of month-to-month leases. These generally require at least 30 days notice unless a different period is specified. It may also make sense to omit the market value reimbursement requirements for such short-term leases as well, as generally there are different expectations associated with month-to-month leases. Since this wasn’t specifically discussed at the meeting the language is in brackets. Also note that the bracketed language below specifying the notice amount as a maximum notice period – this also may be appropriate in the event a shorter notice lease period is desired by the City given the specific circumstances.

PERCENTAGE OPTION

Sec. 68 Leases of City Property.

In every lease of city property the basic amount of rental shall be fixed by the council.

All indentures of lease shall provide that the council may terminate the same at its pleasure and repossess the premises therein described, upon written advance notice thereof equivalent to [a maximum of] five percent (5%) of the total lease term period as specified in the lease, and upon paying to the lessee the market value of any improvements made or put upon said premises by the lessee. The market value of such improvements shall be determined by a board of appraisers consisting of one appraiser appointed by the council, and a lessee appraiser appointed by the lessee.

In the event of their failure to agree upon the market value of the improvements within thirty days from and after their appointment, said two appraisers may appoint a third appraiser as a member of said board, and the determination of the majority of said board of appraisers, as to the market value of the improvements, shall be final and conclusive and binding on all concerned. Should the two appraisers by the council and the lessee respectively, fail for forty days from and after their appointment to agree upon the market value of the improvements or to appoint a third appraiser, then upon the petition in writing of either party to any such lease, a judge of the superior court of Tulare County is hereby
empowered to appoint the third appraiser upon such board; provided, however that the
council shall not terminate any such lease or repossess any such premises except for a
public use and purpose; provided, further, that no lease of city property shall be made for a
maximum term of more than fifty years.

[For any month-to-month lease of city property, the above notice requirements shall not be
required, and responsibility for improvements and any associated reimbursement may be
negotiated and set forth in the terms of the lease.]

FIXED PERIOD NOTICE OPTION

Sec. 68 Leases of City Property.

In every lease of city property the basic amount of rental shall be fixed by the council.

All indentures of lease shall provide that the council may terminate the same at its
pleasure and repossess the premises therein described, upon three months' notice thereof
written advance notice of at least three months but no more than one year, and upon
paying to the lessee the market value of any improvements made or put upon said
premises by the lessee. The market value of such improvements shall be determined by a
board of appraisers consisting of one appraiser appointed by the council, and a lessee
appraiser appointed by the lessee.

In the event of their failure to agree upon the market value of the improvements within
thirty days from and after their appointment, said two appraisers may appoint a third
appraiser as a member of said board, and the determination of the majority of said board
of appraisers, as to the market value of the improvements, shall be final and conclusive
and binding on all concerned. Should the two appraisers by the council and the lessee
respectively, fail for forty days from and after their appointment to agree upon the market
value of the improvements or to appoint a third appraiser, then upon the petition in writing
of either party to any such lease, a judge of the superior court of Tulare County is hereby
empowered to appoint the third appraiser upon such board; provided, however that the
council shall not terminate any such lease or repossess any such premises except for a
public use and purpose; provided, further, that no lease of city property shall be made for a
maximum term of more than fifty years.

[For any month-to-month lease of city property, the above notice requirements shall not be
required, and responsibility for improvements and any associated reimbursement may be
negotiated and set forth in the terms of the lease.]