

LOCAL GOVERNMENT CODE

TITLE 8. ACQUISITION, SALE, OR LEASE OF PROPERTY

SUBTITLE B. COUNTY ACQUISITION, SALE, OR LEASE OF PROPERTY

CHAPTER 263. SALE OR LEASE OF PROPERTY BY COUNTIES

SUBCHAPTER A. GENERAL PROVISIONS FOR REAL PROPERTY

Sec. 263.007. SALE OR LEASE OF REAL PROPERTY THROUGH SEALED-BID PROCEDURE.

(a) The commissioners court of a county may adopt a procedure by which the county may sell or lease through a sealed-bid or sealed-proposal procedure any real property, including space in a building, owned by the county.

(b) The procedure must include a requirement that the county publish, before a sale or lease is made, a notice of its intent to sell or lease, as appropriate, the real property. The notice must:

(1) be published in a newspaper of general circulation in the county the commissioners court represents and, if the real property is located in another county, in a newspaper of general circulation in that other county;

(2) be published on two dates, with the date of the second publication occurring before the 14th day before the date the award of the sale or lease is made;

(3) include a description of the real property, including its location; and

(4) include a description of the procedure by which sealed bids or sealed proposals for the sale or lease may be submitted.

(c) Before selling property under this section, the commissioners court shall:

(1) obtain an appraisal of the property's fair market value; and

(2) determine a minimum bid amount, based on the appraisal.

(d) Under the procedure, the commissioners court may reject any and all bids submitted.

(e)(1) The commissioners court of a county may lease real property owned or controlled by the county that was formerly owned or controlled by the Texas Department of Mental Health and Mental Retardation to a federal, state, or local government entity for any

purpose or to a nonprofit organization that is exempt from federal taxation under Section 501(c)(3), Internal Revenue Code of 1986 (26 U.S.C. Section 501(c)(3)), to conduct health and human service activities or such other activities which the commissioners court finds to be in the public interest, without using the sealed-bid or sealed-proposal process described in Subsection (a) and without using any other competitive bidding process which would otherwise be required by law.

(2) The commissioners court of a county with a population of one million or more that contains two or more municipalities with a population of 250,000 or more may lease real property owned or controlled by the county to a for-profit entity to conduct health and human service activities which the commissioners court finds to be in the public interest, without using the sealed-bid or sealed-proposal process described in Subsection (a) and without using any other competitive bidding process which would otherwise be required by law.

(3) Except as provided by Subdivision (4), a commissioners court of a county that chooses to lease under this subsection shall declare its intent to do so through written notice posted in the same place and manner as the commissioners court posts its regular meeting agenda not later than 30 days prior to the beginning of the lease period. In setting the terms and conditions of the lease, including but not limited to the amount of the lease payment, the commissioners court may consider local business custom regarding leases and the reasonable market value of the leasehold, but the commissioners court is not bound thereby and may also consider the extent to which the provision of services or the other activities to be performed by the lessee will benefit the public. This subsection does not limit the ability of a commissioners court to enter into interlocal agreements, contracts, or any other arrangement permitted by law.

(4) The 30-day posting period provided by Subdivision (3) does not apply to a lease under Subdivision (1) or (2) if:

- (A) the duration of the lease is 95 days or less; and
- (B) the lease is to provide short-term emergency disaster relief services to persons as a result of a disaster in the county or to evacuees from another area as a result of an emergency evacuation from that area.