Question #1: Our GSA lease expires March 2017 and all renewals have been exhausted. How early should I start planning for the next lease phase?

Answer:

GSA recommends submitting your long term space requirements 18-24 months prior to the expiration of your current lease, 36 months is ideal. This means that your internal planning should begin far enough in advance for you to properly consider your current and anticipated space requirements and timely submit your request to GSA 18-24 months prior to your lease expiration. Large, complex and politically sensitive projects require a longer lead time. Even if you would like to remain in your current location, GSAs negotiating leverage declines the closer the negotiations are held to the lease expiration date. Submitting your requirements to GSA less than a year prior to lease expiration limits GSAs ability to provide you with the best possible solution timely and at the best possible price.

Question #2: What is an OA?

Answer:

An OA is an Occupancy Agreement. It defines the understanding between the occupying agency and GSA regarding the occupying agency's financial obligations to GSA regarding the occupied space.

Question #3: Under agency special requirements, what's a POR?

Answer:

POR refers to an agency's Program of Requirements, which is the basis for determining minimum space standards that will be sufficient to meet an agency's needs.

Question #4: What constitutes the need for a National Broker?

Answer:
The National Brokers Contract (NBC) is a tool used to assist the leasing community in managing their workload by providing assistance with the lease acquisition process. The need to use the NBC varies by region. The contractors have the capacity and expertise to provide coverage in tertiary, primary, and secondary markets as well as provide assistance through group tasking and the requirements development process. Therefore, the need for the broker is based on the workload capacity in each region and the need to better manage that workload.

Question #5: When is MCI going to add the new lease models to its leasing classes?

Answer:
MCI has been provided all requisite information necessary to update their courses. They are responsible for the timing of any course revisions or updates. GSA has developed the Lease Acquisition Training Course available through the MOBIS contract vehicle. The course is a collaborative effort between GSA and the American Management Association (AMA) with IREM instructors. It is a four day foundational leasing course that addresses the step by step leasing process and all new GSA lease reform models and processes. This will be a required warrant course for all leasing contracting officers and will replace the MCI Real Property Leasing course.

Question #6: If the RLP is not part of the lease, what can be done if the Lessor does not meet an RLP requirement after award?

Answer:
GSA's new RLP and Lease documents separate the clauses that apply to Offerors from those that apply to Lessors. The RLP contains information on the space that GSA is seeking, such as the amount of space, delineated area, and special requirements that the space must meet in order to be acceptable. The RLP also contains GSA's rules and procedures for conducting the procurement and determining the winner. The Lease contains any and all terms, clauses, and conditions that the Lessor must comply with during the term of the lease, starting with award. All clauses that cover the obligations and duties of the Lessor during the term of the lease must be contained in the Lease document, not the RLP.

Question #7: How can GSA help an agency meet its sustainability goals?

Answer:
While each agency will have its own Strategic Sustainability Performance Plan (SSPP) requirements, all SSPPs base the agency's compliance for "green leasing" on the OMB/CEQ (Office of Management & Budget/ White House Council on Environmental Quality) definition: to be included in the count a RLP and lease must either have: 1) all green lease language intact; or alternatively, 2) the space must have been built out to the LEED-CI standard for the existing occupying agency; or 3) the building in which the space is located must be LEED rated. GSA can help an agency meet its green leasing requirement by either ensuring that no modification of the green RLP and Lease paragraphs occur or (and this is currently being explored) by suggesting the agency require in the RLP/Lease that the space be built out to the LEED-CI Certified standard. This requirement for the build out to be LEED-CI Certified rated may also be deployed in federally owned buildings where the building itself is not LEED rated.

Question #8: How does GSA handle things when a lease cannot be cancelled but the agency has reorganized and is required to shut down the site?

Answer:
Pursuant to a cancelable OA, an agency may cease incurring payments to GSA upon providing 4 months advance notice and vacating the premises on or before the expiration of the 4 months; (except in the case where an agency has not yet fully paid for 12 full months of occupancy in which case the agency must pay for a total of 16 months including any months already paid). In the case of a non-cancelable OA the agency must continue to pay during the remaining balance of the OA unless a buyout agreement is able to be negotiated with the lessor, in which case the agency will be obligated for the buyout costs in addition to all costs incurred prior to the effective date of the buyout. The agency is responsible for giving back space that is in marketable condition, and is also responsible to pay for the unamortized portion of the Tenant Improvement costs, and any unearned concessions (free rent, and commission credit if the national broker contract was used). The concessions are pro-rated over the firm term over the number of months the agency pays rent. For example, if they received 2 months free on a 60-month term, the free rent is prorated over 58 months. If they cancel with 29 months left on the firm term (one-half of 58 months) they owe equivalent of one month's rent for that unearned concession.

Question #9: If there are problems with the lease including funding issues, who does the tenant agency contact and who should contact the GSA?

Answer:
If it is an existing lease, the customer should contact the Property Manager first. If it is a project in process, the customer should contact the Lease Contracting Officer.

Question #10: You stated that a delegated official with authority to sign should attend the visit (market survey)? Does this apply to who signs the OA or can any tenant representatives sign the multi OA that are issued?

Answer:
Only agency officials with authority to sign are approved to sign final OAs. Authority to sign is designated internally by each agency.

Question #11: When does the RLP start?

Answer:
Use of the RLP document commenced April, 2011 and was mandated-via a Lease Acquisition Circular issued on June 1, 2012.

Question #12: If space requirements change mid-way during a lease renewal process due to reduction of space, how should that is handled?

Answer:
The Lease Contracting Officer should be notified immediately.

Question #13: The new form for the RLP, GSA R101C, doesn't replace the SF 81, correct? Agencies must still submit a SF 81 to initiate a leasing requirement?

Answer:
Correct. The RLP and SF-81 are entirely different documents. An SF-81 or other form of notification (phone call, email, letters, etc.) is all that is required to initiate a space request with GSA.

Question #14: I am very interested in hearing about the legal purposes of the RLP and Lease documents (page 7, "Why separate the RLP and Lease?"). Will you please make sure that there's a short write up on what the presenter said about this topic?

Answer:

GSA replaced the old TI-SFO with 2 new documents, the RLP and Lease. Whereas the TI-SFO served a dual role as both GSA's solicitation document, containing the rules and procedures for the solicitation process, and as the body of the eventual lease contract, containing the terms and conditions of the lease. Some clauses applied only during the solicitation phase, some applied only during the term of the lease, and some applied during both phases. This could result in confusion. With the new RLP and Lease, these two functions have been separated for better organization and clarity. The RLP is GSA's solicitation document. This document describes what space GSA is seeking to lease and contains all of the rules and procedures that GSA will follow to conduct the the procurement beginning with the issuance of the solicitation up through the award of the lease contract. The Lease document contains all terms and conditions which will govern the duties and obligations of the Lessor and Government during the lease, beginning with award and continuing throughout the entire lease term. All of the responsibilities of the Lessor, such as their obligations during the initial design and build-out the space through their on-going cleaning and maintenance responsibilities throughout the term of the lease, are clearly detailed in the Lease contract.

Question #15: Please confirm, from subject series, per Denise C. Broskey, if we need GSA to obtain a Succeeding Lease we need to inform GSA three (3) years prior to lease expiration? Where can this guidance, in writing, be found?

Answer:

There are two issues here; timing, and who makes the decision about succeeding leases. Generally GSA needs 18-24 months notice from the agency prior to lease expiration that they have a continuing need and what are the requirements. For very large leases, GSA needs even more notice in order to conduct the procurement , award the lease and allow for any construction. so 36 months is the suggested notification requirement should the customer need the proper time to assess and address their requirements properly (create a Program of Requirements [POR], revises their current requirements documents, etc).

Regarding "succeeding" leases, there may be confusion about terminology. In the context here, we'll assume "succeeding lease" means that the agency is satisfied with

their current space and GSA negotiates only with the current lessor, rather than running a full & open competition, for continued occupancy at the current

location. The new lease contract will have the most current provisions for such issues as sustainability, handicap accessibility, security, etc.

GSA, and not the agency, makes the decision whether or not to negotiate only with the current lessor. Prior to entering into lease negotiations with the current landlord, GSA will conduct market research on rental rates, tenant improvement costs, physical move costs and other costs associated with relocation, to determine if running a full and open competition is likely to result in cost savings to the government. If its determined that's unlikely, GSA prepares a Justification for Other Than Full & Open Competition, and proceeds to enter into negotiations with the current lessor. Guidance on Succeeding Leases is found in Chapter 5 of the Leasing Desk Guide issued by the Office of Leasing.