

A large, faint, light blue graphic of a Ferris wheel is positioned on the left side of the slide. A sign is attached to the wheel's structure, with the text "CUSTOMERS FIRST!" written vertically on it.

2007  
WEST COAST CUSTOMER WORKSHOP

April 16-18 Seattle, Washington

# TENANT OCCUPANCY

# 101



CUSTOMERS FIRST!

2007 WEST COAST CUSTOMER WORKSHOP

# Tenant Occupancy 101

## Federal & Lease

- Jan Wright, R9 Oakland, Sr. Property Manager
- John Vickers, R10 Portland, Property Manager
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# Tenant Occupancy 101

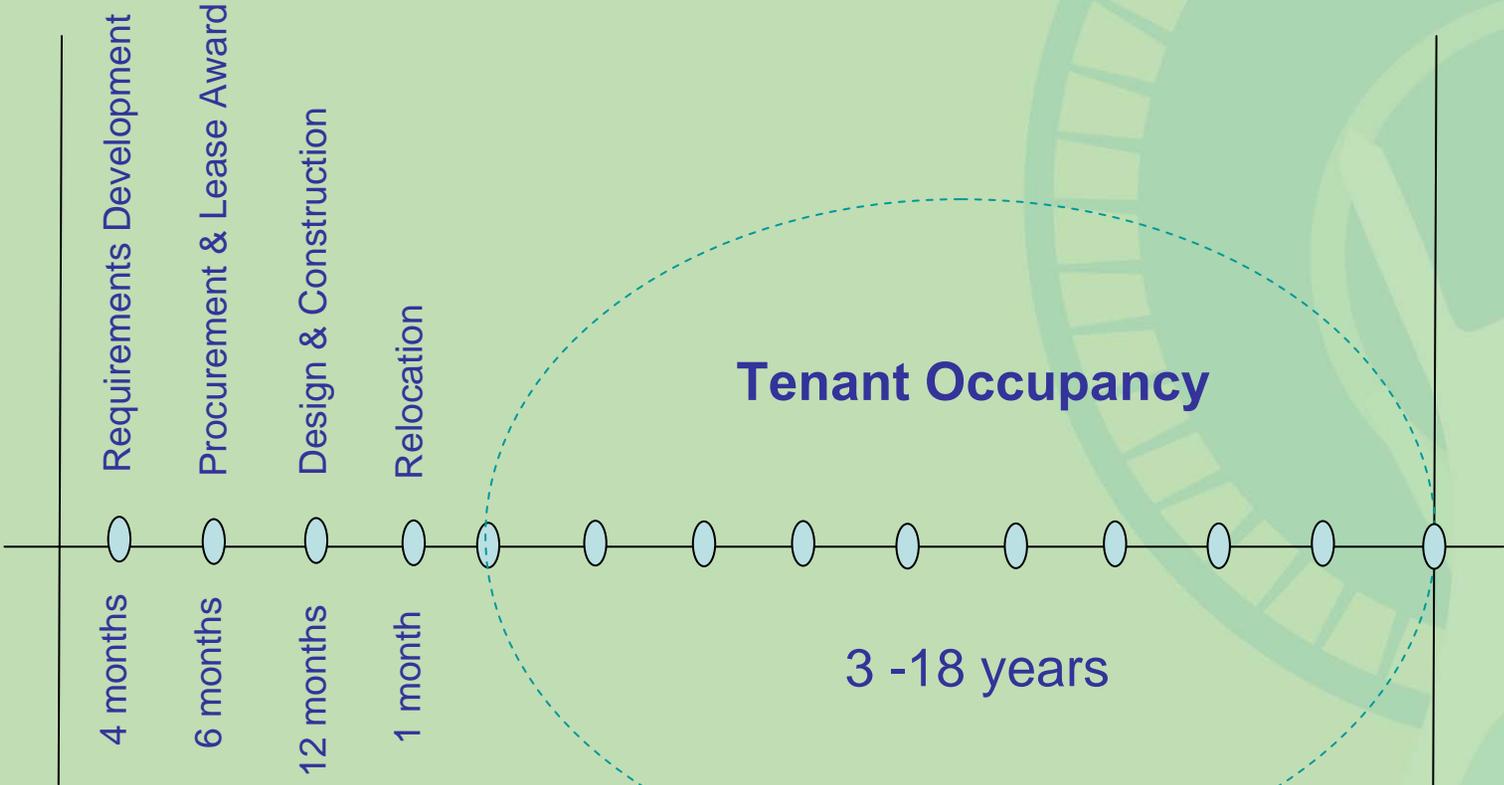
## Presentation Overview

- **Federal**
  - Services
  - Above Standard Services
  - Other Service Programs
  - Alterations
  - Issue resolution
- **Lease**
  - Administration
  - Alterations
  - Termination
  - Inventory
- **Questions**



# Tenant Occupancy 101

## Space Needs Timeline



Agency identifies Space Need

Occupancy Agreement Terminates

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# FEDERAL OCCUPANCY 101

## BUILDING STANDARD SERVICES

- **Commercial equivalent building services and amenities**



- **Industry benchmarks**

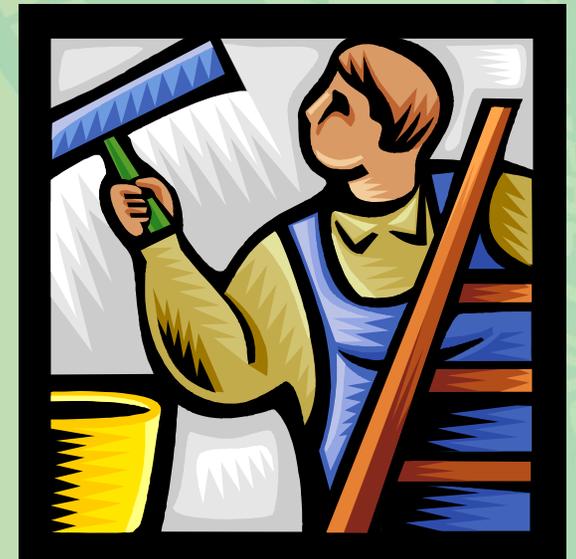
- Building Owners and Managers Association (BOMA)
- International Facility Managers Association (IFMA)
- Private sector real estate companies

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## BUILDING STANDARD SERVICES

- **Custodial**

- Performance based requirements - Office Standard
- Sweeping, vacuuming, dusting, trash removal
- Window washing, floor care, stocking and cleaning of restrooms
- Ground Maintenance
- Snow Removal
- Pest Control



## BUILDING STANDARD SERVICES

- **Mechanical**

- Building maintenance, repairs and alterations
- Conditioned space 10 hours a day, 5 days a week, excluding Federal holidays



### Utilities

- Commercial equivalent for office space



## ABOVE STANDARD SERVICES

- **Custodial**
  - **Cleaning outside of the normal cleaning schedule of the building**
  - **Special cleaning requirements**
    - Carpet shampooing
    - Cleaning private restrooms or pantries



## ABOVE STANDARD SERVICES



- **Mechanical**
  - **Maintenance and repair on agency equipment**
    - Lab equipment
    - Supplemental A/C units in computer rooms and communication closets
    - UPS systems, emergency generators, security systems
    - Most other special use equipment



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## ABOVE STANDARD SERVICES

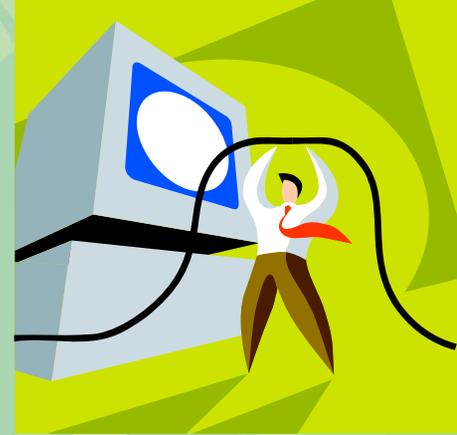
- **Overtime Utilities**

- **During normal business hours**

- All above standard equipment and lighting

- **Outside of normal building hours**

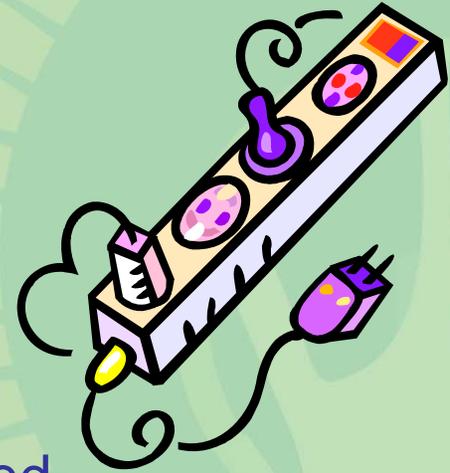
- All equipment usage in agency space
- All lighting usage other than incidental usage
- All building support equipment
- Contractor support



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## ABOVE STANDARD SERVICES-Overtime Utilities

- ◇ **Operating costs**
  - Appraisal based
- ◇ **Reimbursement**
  - Required when utilities/services exceed office standard
- ◇ **Arrive at the reimbursement rate:**
  - Actual meter readings placed on equipment
  - Estimated usage





# Federal Space

U.S. General Services Administration

## Overtime Utilities – Standard Estimating Form

	A	B	C	D	E	F	G	H	I	
1										
2	<b>OVERTIME UTILITY DETAIL WORKSHEET SUMMARY</b>									
3										
4										
5	<b>REQUESTING AGENCY</b>									
6	<b>RVA NUMBER</b>					<b>0</b>				
7	<b>DATES</b>									
8	<b>FUEL COST</b>					<b>\$0.00</b>				
9	<b>HYAC EQUIPMENT COSTS</b>									
10	<b>ADDITIONAL PROGRAM EQUIPMENT (Computer Equipm</b>									
11	<b>LIGHTING, OUTLETS</b>					<b>\$0.00</b>				
12	<b>MECHANIC &amp; JANITORIAL LABOR</b>									
13	<b>EQUIPMENT MAINTENANCE</b>					<b>\$0.00</b>				
14	<b>OVERHEAD FEE</b>					<b>\$100.00</b>				
15	<b>TOTAL FIXED PRICE ESTIMATE FOR OVERTIME</b>					<b>\$100.00</b>				
16										
17	<b>SERVICES PROVIDED</b>		<b>HOURS OF SERVICE</b>		<b>DAYS OF WEEK</b>		<b>START DATE</b>		<b>ENDING DATE</b>	
18										
19										
20										
21										
22										
23										
24										
25	<b>SPECIAL NOTES</b>									
26										
27										
28										
29										
30										
31	<b>SIGNATURES &amp; DATES</b>									
32	<b>GSA/PMT</b>			<b>DATE</b>		<b>AGENCY/REP</b>			<b>DATE</b>	
33										
34										
35										

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## Overtime Utilities

### ➤ Utilities

- Normal hours vs. after hours
- Based on agency request or historical data

### ➤ Mechanical

- Material costs and man hours for preventive maintenance
- Equipment repair costs are treated as a one time project

### Schedule

- Provide estimates for budget purposes in spring.
- Request Signed RWA at start of new FY



## OTHER SERVICES/PROGRAMS

### ➤ Concessions

- Vending
- Sundries
- Cafeteria

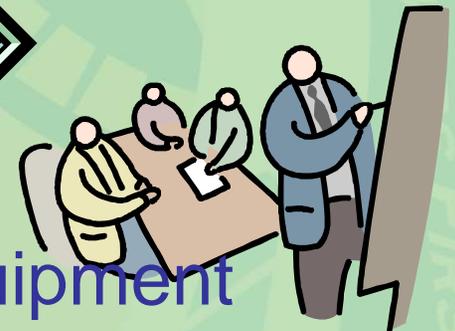
### ➤ Health Program

- Fitness Centers
- Health Units

### ➤ Recycling Program

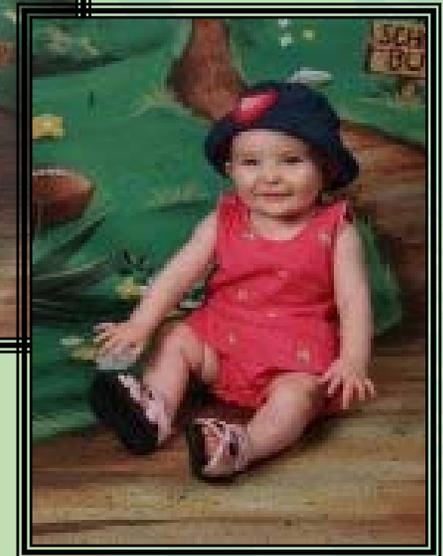
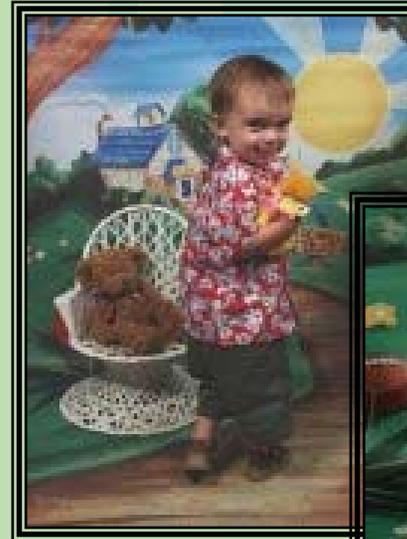
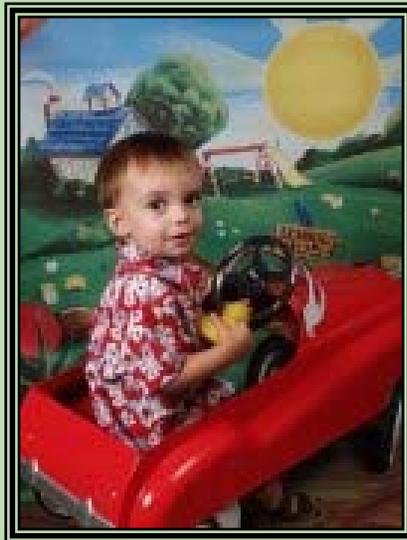
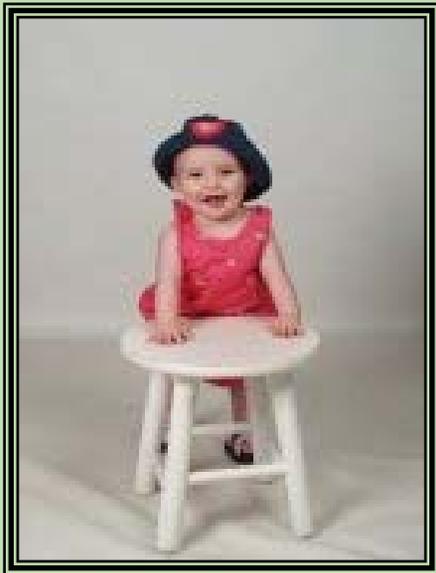
### ➤ Conferencing facilities

- - Provide meeting rooms and equipment



## ◇ Child Care Centers

Located in most metropolitan and high demand areas



## OTHER SERVICES/PROGRAMS

- **Security**
  - Building Security Committees
  - GSA assists, but only votes if it occupies the building
- **Emergency Preparedness**
  - Occupancy Emergency Plans
  - Drill Coordination
  - Floor Warden Training



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## Alterations

- **What services do we offer**
  - Project Planning/Design/Contracting
  - Engineering Services
  - Project Management
  - Environmental and safety services
  - Consultation for space solutions
- **What are your payment options**
  - RWA
    - N-type, F-type
  - Credit Card
- **Service Delivery**



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## PROBLEMS/ISSUES WITH SERVICES

- **Service Call Center**



- **How do we ensure Quality Assurance**

- Site visits
- Monitor Service Calls
- Tenant Meetings
- Customer Satisfaction Survey



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## Overview

- **Three primary areas in which GSA provides services for lease tenant occupancy:**
  - **Administration**
  - **Alterations**
  - **Termination**

# Lease Tenant Occupancy 101

## Administration

- **Lease administration**
  - is concerned with ensuring performance of the specific promises and agreements that make a lease to the benefit and acceptance of the tenants
  - Additional stakeholder (lessor) provides two perspectives towards lease:
    - Lessor – ambiguities in lease language
    - Government – deficiencies in lease execution

# Lease Tenant Occupancy 101 Administration

- **Lease Contract Interpretation Guidelines**
  - **Parol evidence (prior agreements)**
  - **Interpretation of provisions by Contracting Officer**
    - **Intent**
    - **Reasonableness**

# Lease Tenant Occupancy 101

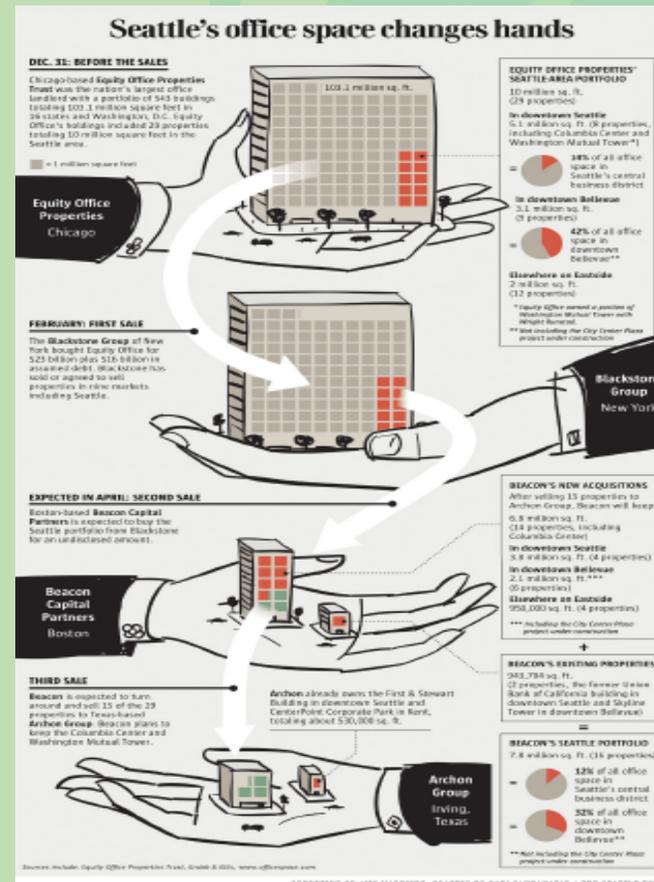
## Administration

- **Government's main obligation: Rent**
- **Supplemental Lease Agreements (SLA)**
  - Above Standard Services (OT utilities)
  - Lease Extensions
  - Space Expansions
  - Space Reductions (120 day notice)
  - Assignment and Novations (Change of Ownership)

# Lease Tenant Occupancy 101 Administration

## Many Seattle, Bellevue office buildings being sold for second time in 2007

By Amy Martinez  
Seattle Times business reporter



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# Lease Tenant Occupancy 101

## Administration

- **Dispute Resolution**
  - **Preventative: Requirements**
  - **Reactive**
    - **First step: Communication & Teamwork**
    - **Last step: Non-Performance actions**
  - **Formal Legal issues**

# Lease Tenant Occupancy 101

## Administration

- **Quality Assurance**
  - **Periodic inspections of lease premises**
  - **Customer Satisfaction Survey**
  - **Regular meetings (frequently during alterations process)**

## Alterations

- **Typically funded via lump sum payment (RWA)**
- **Requirements development**
- **Negotiate and Award**
  - Architectural Drawings
  - Execution of work
  - Fair & Reasonable pricing

# Lease Tenant Occupancy 101

## Alterations

- **Manage construction (COR)**
  - Review work plan and schedule
  - Monitor and enforce compliance
  - Labor standards (Davis-Bacon)
- **Final Inspection & Acceptance**

# Lease Tenant Occupancy 101

## Termination

- **Closeout**
  - Terminal Condition Survey
  - Keys returned
  - Must take equipment and furniture or risk rent continuation (constructive occupancy)
  - Restoration status
  - Services/contractors notified

# Tenant Occupancy 101

## Occupancy by the Numbers

### Owned

	National	Regions 9 & 10
<b>RSF</b>	180,000,000	18,500,000
<b># of Bldngs</b>	1,600	223

### Leased

	National	Regions 9 & 10
<b>RSF</b>	176,000,000	22,000,000
<b># of Leases</b>	8,600	1,600

Over 1,000,000,000 federal workers are housed by GSA



# Tenant Occupancy 101

U.S. General Services Administration

- **Questions??**

