

U.S. DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C. 20250

<b>DEPARTMENTAL MANUAL</b>		Number: 5100-1
<b>SUBJECT:</b> Real Property Leasing Manual	<b>DATE:</b> March 3, 1991	
	<b>OPI:</b> Real Property Management Division	

1 PURPOSE

This manual establishes Departmental policy and procedures for the acquisition of Leasehold Interest in Real Property when such acquisitions are executed under the authority of the Federal Property and Administrative Services Act of 1949, as amended.

2 POLICY

The authority to lease, using GSA-delegated leasing authority, may be exercised only by duly authorized individuals who have been certified under the Department's Real Property Leasing Officer Warrant System (DR 5100-2).

Prior to acquiring leased space, first consideration must be given to Federally-controlled space.

For additional information concerning the location of USDA facilities, see FPMR 101-17.4701

"Memorandum of Understanding between the U.S. Department of Agriculture and the General Services Administration concerning the location of Federal facilities" and DR. 1626-1 "USDA Colocation Policy".

When acquiring leasehold interests in real property, RPLO's shall comply with the Competition in Contracting Act.

All lease acquisitions shall be in compliance with the FPMRs, including Temporary Regulation D-73 or its successor.

3 MAINTENANCE OF MANUAL

The Office of Operations will be responsible for the issuance of any amendments to this manual, if and when the need arises.

All amendments to this manual will be issued on white or yellow paper.

## 4 SPECIAL INSTRUCTIONS

Departmental Regulation 5100-1, dated December 27, 1982 is hereby rescinded in its entirety.

Each designated Head of the Real Property Leasing Activity (HRPLA) is authorized to issue or authorize the issuance of internal guidance which does not have a significant effect on lessors or prospective lessors.

"Significant effect" is defined generally as something which has an effect beyond the internal operating procedures of the Leasing Activity, or has a cost or administrative impact on offerors or lessors.

## 6 STATUTORY AND REGULATORY REQUIREMENTS

- a The basic Government-wide authority for leasing real property is contained in Section 210(h) (1) of the Federal Property and Administrative Services Act of 1949, as amended (63 Stat. 177) (40 U.S.C. 490(h) (1). Section 205(d) of the Act authorizes the Administrator of GSA to delegate and authorize successive redelegations of the authority contained in the Act (except for the authority to issue regulations on policy).

Portions of this authority have been delegated to the Secretary of Agriculture by the Administrator, including the authority to enter into leases with firm terms of up to five years, and to liquidate the obligations out of annual appropriations. This authority has been delegated to the Agency Heads. (DR 5100-2).

- b The following statutes and regulations are applicable to the acquisition of leasehold interest in real property.

- (1) The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) The Act is intended to ensure that certain buildings financed with Federal funds are designed, constructed, altered and leased in accordance with standards to provide ready access to and use of such buildings to physically handicapped people.
- (2) Competition in Contracting Act of 1984 (41 U.S.C. 253) This act amends the Federal Property and Administrative Services Act of 1949, which requires, with certain limited exceptions that the RPLA shall promote and provide for full and open competition in soliciting offers and awarding Government lease contracts.
- (3) The National Environmental Policy Act of 1969 (42 U.S.C.: 4321 et. seq.) Requires an assessment of the environmental impacts associated with major Federal actions. This Act is implemented by Executive Order 11541. Normally this does not apply to acquisitions of

less than 10,000 square feet.

- (4) Public Buildings Cooperative Act of 1976 (40 U.S.C. 601a) Requires historic properties to be utilized when practical.
- (5) Occupational Safety and Health Act of 1970 (5 U.S.C. 7902) Requires Federal agencies to ensure that leased space provides safe, healthful working conditions, including building features such as lighting, guardrails, firesafety features, emergency elevator requirements, etc.
- (6) Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 S.C..4601) Requires Federal agencies to provide relocation services and benefits to persons displaced as a result of Federal lease construction projects.
- (7) Amendments to the Small Business Act (15 U.S.C. 637) Requires a positive effort by Federal contractors to place subcontracts with small and disadvantaged business concerns.
- (8) Rural Development Act of 1972 (42 U.S.C. 3122(b)) This act requires that when moving or establishing new offices, consideration be given to locating them in rural communities. In general practice, a rural community is one with a population of less than 50,000.
- (9) National Energy Conservation Policy Act of 1978 (42 U.S.C. 6261) Requires that each Federal agency give appropriate preference to buildings which use solar heating and cooling equipment or other renewable energy sources.
- (10) National Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 770) Requires the establishment and maintenance of an effective earthquake hazards reduction program to reduce the risks of life and property from future earthquakes.
- (11) The Anti-Kickback Act of 1986 (41 U.S.C. 51) The Act was passed to deter subcontractors from making payments and contractors from obtaining or rewarding favorable treatment in connection with a contract or subcontract.
- (12) Drug-Free Workplace Act of 1988 (P.L. 100-690) The Act was passed to ensure that Government lessors establish and maintain a drug-free workplace.
- (13) Amendment to the Toxic Substances Control Act (15 U.S.C. 2669) Directed Federal agencies to establish radon measurement procedures in Federally leased facilities.
- (14) Public Buildings Amendments Act of 1988 (P.L. 100-678) The Act amended the Federal Property and Administrative

Services Act of 1949 and the Public Buildings Act of 1959. The Act raised the threshold for prospectus approval. The Act also repealed Section 322 of the Economy Act of 1932 which limited the amount of funds the Government could spend on alterations in leased facilities.

- (15) Executive order 12072 - Federal Space Management  
Initiated Central Business Area priority in locating leased locations, designed to exert a positive social and economic influence on the areas in which facilities are to be located. Implemented within USDA by Memorandum of Understanding between USDA and GSA on Location of Federal Facilities (December 29, 1979).
- (16) Executive Order 12411 - Government Work Space Management  
This order established Government-wide policies for the management of work space and related furnishings. This is the basis for the GSA managed space utilization program, including FPMR Temporary Regulation D-73, which established an office space utilization rate goal of 135 square feet per person.
- (17) Executive Order 11738 Requires that each Federal agency empowered to enter into contracts shall undertake such procurement in a manner which will result in effective enforcement of the Clean Air Act and Federal Water Pollution Control Act.
- (18) Executive Orders 11988 and 11990 Preclude Federal agencies from leasing space in buildings located within a 100 year floodplain.
- (19) Executive Order 12003 Requires that buildings constricted for Government lease meet certain energy consumption design specifications.
- (20) Executive Order 12512 - Federal Real Property Management  
This order mandated that all agencies ensure the effective use of their real property; re-emphasized the real property survey program (established in the superseded E.O. 12348); and allowed GSA to delegate operational responsibility for real property to agencies, where feasible and economical.
- (21) Federal Property Management Regulations (FPMR) (41 CFR Chapter 101) Subchapter D of the FPMR applies to conditions under which GSA will delegate authority. Specific standing delegations are also set forth in this regulation.
- (22) General Services Acquisition Regulations (GSAR) (48 CFR Chapter 5) The GSAR was issued by GSA, effective April 1, 1984. It applies to all GSA contracts for supplies or services, including construction through purchase or lease. Part 570 of the GSAR contains policies and procedures on the acquisition of leasehold interests in

real property. Parts 501, 502, 503, 505, 533, 552, 553, and subparts 504.70, 509.4, 515.1, and 532.8 include policies and procedures which have general application to all contracts including leases of real property. Other GSAR provisions do not apply to leases of real property unless a specific cross reference is made to the provisions in Part 501 and 570. Federal agencies which lease space under a delegation of authority from the Administrator of GSA are required to comply with the provisions of GSAR.

- (23) Federal Acquisition Regulation (FAR) (48 CFR Chapter 1) The GSAR became effective April 1, 1984, and is now the procurement regulation followed by all Federal agencies. This regulation does not specifically include contracting for leased space but many of the general requirements have been interpreted by the GSAR to include leases.

## 7 ABBREVIATIONS

AGPMR	-	Agriculture Property Management Regulation
ATBCB	-	Architectural and Transportation Barriers Compliance Board
CBD	-	Commerce Business Daily
CICA	-	Competition in Contracting Act
CPI	-	Consumer Price Index
DR	-	Departmental Regulation
FAR	-	Federal Acquisition Regulation
FPMR	-	Federal Property Management Regulation
GSAR	-	General Services Acquisition Regulation
HRPLA	-	Head of the Real Property Leasing Activity
HVAC	-	Heating, Ventilation, Air-Conditioning
NUSF	-	Net Usable Square Feet
PCB's	-	Polychlorinated Biphenyls
PNM	-	Price Negotiation Memorandum
PVA	-	Present Value Analysis
RPLO	-	Real Property Leasing Officer
s.f.	-	square feet
SFO	-	Solicitation For Offers
SLA	-	Supplemental Lease Agreement

## 8 DEFINITIONS

- a Acoustical Tile - Any tile having the inherent property to absorb sound.
- b Agriculture Property Management Regulations (AGPMR) Regulatory material issues by the Department of Agriculture pertaining to the management of records, materials, supply, personal property, and the acquisition, utilization and disposal of space, facilities, and real property.
- c Alter - Repair, remodel, improve, extend, or otherwise change a building.
- d Appraisal - (1) An estimate and opinion of value by an expert.

(2) The act or process of estimating value; usually a written statement of the appraiser's opinion of the value of an adequately described parcel or property as of a specified date.

The term includes valuations established by warranted real property leasing officers or Government staff appraisers, as well as by fee or contract appraisers.

- e Area, Building Support - That portion of the floor area which is not occupiable by an occupant's personnel or furnishings. It consists of the mechanical, toilet, custodial, and construction areas including their enclosing walls, and represents the difference between gross area and occupiable area.
- f Area, Circulation - That portion of the gross area, both Horizontal and vertical, which is required for physical access to the space, including lobbies stairwells, elevator shafts, elevators, and ceiling-high corridors, which cannot be removed or to which the public has restricted access.
- g Area, Gross - The sum of all floor areas of a building (including all stories or areas which have floor surfaces and a clear standing headroom of 6 1/2 feet or more), including basement (except unexcavated portions), attics, garages, roofed porches, mezzanines, loading platforms, shipping platforms, penthouses, mechanical equipment rooms, floors, lobbies, and corridors. Gross area does not include open courts, light wells, upper portions of rooms, drives, ramps, etc., extending beyond the principal exterior walls of the building, or unroofed areas; such as cooling towers and unenclosed positions of ground level or intermediate stories.
- h Area, Mechanical - That portion of the gross area designed to use mechanical equipment, including boiler rooms, stacks, cooling towers, machine rooms, wire closets, telephone frame rooms, incinerator rooms, and transformer vaults.
- i Area, Occupiable - That portion of the gross area which is available for use by an occupant's personnel or furnishings, including ceiling-high corridors in single tenancy space which are removable) and space which is available jointly to the various occupants of the building, such as auditoriums, health units, and Government-controlled snack bars. Occupiable area does not include that space in the building which is devoted to its operations and maintenance, including craft shops, gear rooms, and buildings supply storage and issue rooms. (This standard is used by GSA for assigning space and for establishing utilization rates.)
- j Area, Rentable - The rentable area measured in accordance with the American-Standard Methods of Determining Areas in Office Buildings.

The rentable area of an office on a multiple tenancy floor shall be computed by measuring to the inside finish of

permanent outer building walls, to the office side of corridors and/or other permanent partitions, and to the center of partitions which separate the premises from adjoining rentable areas. No deductions shall be made for columns and projection necessary to the building.

The rentable area of a single tenancy floor shall be computed by measuring to the inside finish of permanent building walls. Rentable area of a single tenancy floor shall include all area within outside walls, less stairs, elevator shafts, flues, stacks, pipe shafts and vertical ducts with their enclosing walls. Toilets, air conditioner rooms, fan rooms, janitors' closets and electrical closets within and exclusively serving only that floor, shall be included in the rentable area. No deductions shall be made for columns and projections necessary to the building.

- k Assessment - The valuation of property for taxation; also the value so assigned.
- l BOMA - The Building Owners and Managers Association, (BOMA) develops private industry's most accepted standard of floor measurement for office buildings.
- m Building Code - Locally adopted ordinance or regulation, controlling the design, construction, alteration, repair, quality of materials, use and occupancy, and related factors of any building or structure within its jurisdiction.
- n Building Historic - A building given preference under the terms of the Public Buildings Cooperative Use Act of 1976 when leased space is acquired using leasing authority delegated by GSA.
- o Conversion - Redesign, remodeling, and conversion of a building from one use to another, i.e., from warehouse to office space.
- p Delineated Area - To describe an area by words, sketch, design or diagram. Generally used to describe a suitable geographic area in which to lease space or locate a facility.
- q Discounting - Conversion of future costs or future income into its present value. The concept of time value which holds that the present value of a dollar of future costs or income decreases with the amount of time which will elapse before that dollar is paid.
- r Drawings, As Built - Drawings prepared after construction showing actual placement of partitions and other architectural, structural, and mechanical factors.
- s Drawings, Shell - Reproducible scaled drawings showing exterior walls and permanent interior features such as columns, lobbies, and core areas, masonry, partitions, stairwells, elevator shafts, toilets, mechanical areas and wire closets. Commonly used industry term for a complete set

of construction drawings which include layout, architectural, plumbing, mechanical and electrical features.

- t Escalation Clause, Leasing - An agreement in the lease contract to adjust the rent payments in the event of an increase or decrease in costs such as taxes, services, and utilities.
- u Federal Acquisition Regulation (FAR) - The primary regulation for use by all Federal executive agencies in their acquisition of supplies and services with appropriated funds. The FAR, together with agency supplemental regulations, replaces the Federal Procurement Replications (FPR) System and others. It provides for coordination simplicity, and uniformity in the Federal acquisition process.
- v Federal Property Management Regulations (FPMR) - Regulatory material pertaining to the management of archives and records, defense materials, public buildings and space, supply and procurement, telecommunications and public utilities, transportation, utilization and disposal of property, and other program and activities of GSA which are applicable to other Federal Property and Administrative Services Act of 1949, 153 Stat. 337, as amended.
- w Floor Load - The weight, stated in pounds per square foot, which may safely be placed upon the floor of a building if uniformly distributed. This is also known as live load. The weight of the building itself, including equipment, such as boilers, machinery, etc., is know as the dead load and is not included as part of the floor load capacity.
- x Foot Candle & A unit of illumination, equivalent to the illumination produced by a source of 1 candle at a distance of 1 foot. A uniform lighting level of 50 foot candles at work surface height is standard for office space.
- y Highest and Best Use - The most profitable likely use, within the realm of reasonable probability, to which a property can be put or adapted, and for which there is a current market.
- z Layout, Block - The block layout is a preliminary assignment pattern developed for the space and indicated in outline form on a scale plan. The primary purpose is to identify the approximate total space to be assigned, locate the agency and its major components and identify the location of the agency's special requirements.
- aa Layout, Detailed Space or Agency - The occupancy pattern developed for the building displaying the approximate location of all partitions, doors, electrical, and telephone outlets, and the designation of all areas requiring special floor loading capability, along with requirements beyond general purpose space.
- bb Lease, New - A new lease carries a new lease number and covers space in a building for which there has been no prior Agriculture lease.



- cc Lease, Renewal - The exercise of an option in the lease to renew its terms and conditions for an additional period.
- dd Lease, Sublease - An agreement conveying the right of use and occupancy of a property in which the lessor is the lessee in a pre existing lease.
- ee Lease Succeeding - A lease secured to cover continued occupancy of premises without a break in continuous tenancy. The succeeding lease carries a new lease number and establishes new terms and conditions.
- ff Lease, Superseding - A lease which replaces a prior lease before it expires.
- gg Lease, Supplemental Agreement - An amendment to a lease by mutual agreement of the lessor and-lessee, changing, adding or deleting one or more of the terms and conditions of the lease or adding or deleting one or more new terms and conditions.
- hh Lessee - One who possesses the right to use or occupy a property under a lease agreement.
- ii Lessor - One who conveys the right to use and occupy a property under a lease agreement.
- jj Life Expectancy - The normal economic life which may be expected of a building dating from its completion date. The residual life expectancy is the remaining period of estimated economic life dated from a subsequent time.
- kk Lobby, Elevator - A definite space in front or between elevators exclusively to accommodate elevator passengers.
- ll Lobby, Public - Space inside the public entrance of a building, affording circulation for the general public to or from other parts of the building.
- mm Multi-Use - That type of land use development which entails more than one type of use in a given structure or structures such as retail commercial space and general purpose office type space.
- nn Obsolescence, Economic - A condition wherein community and neighborhood factors have a negative influence on the value of the property.
- oo Obsolescence, Functional - Impairment of desirability and usefulness brought about by new inventions, design changes, or external influences which make a property less desirable and valuable for a continued use.
- pp Offer - A proposal submitted in response to a Solicitation for offers to provide property, goods, or services. Leases are awarded under this method of acquisition which require negotiations with all offerors.

- qq Outlease - A lease covering use and occupancy of Government-owned or leased property, in which the Government is the lessor.
- rr Partitions, Free Standing - Panels used to divide space, generally surfaced in fabric or plastic laminate and ranging in height from 4-1/2 to 6 feet. Such partitions are capable of standing alone and/or being hanged with others of the same type, and usually have acoustical control properties. Also called "free standing screens," "space dividers," "privacy panels," and "acoustical screens."
- ss Partitions, Load Bearing (or permanent) - Floor to ceiling slab or slab to slab) walls which provide structural support to the floor or roof above.
- tt Partitions, Subdividing - Floor-to-ceiling walls used to divide space or provide acoustical control, providing no structural support to the building.
- uu Personal Property - Generally, movable items; that is, those not permanently a fixed to and part of real estate. In deciding whether or not a thing is personal property or real estate, usually there must be considered (1) the manner in which it is annexed; (2) the intention of the party who made the annexation, (that is to attach permanently or to remove at some time); (3) the purpose for which premises are used. Generally, and with exceptions, items remain personal property if they can be removed without serious injury to either the real estate or to the item itself.
- vv Real Property - This refers to the interests, benefits, and right inherent in the ownership of physical real estate. It is the bundle of rights with which the ownership of real estate is endowed. In some states, this term as defined by statute, is synonymous with real estate.
- ww Rent, Gross - Total periodic rent paid to the lessor under the lease agreement, regardless of inclusion or exclusion of services or utilities.
- xx Rent, Net - Bare contract rent exclusive of the reasonable value of services and utilities.
- yy Rent, . Net, Net, Net - That rental consideration in the terms of a "Triple Net" lease where the lessee must furnish all services and utilities, pay all taxes and insurance, and be responsible for repairs and maintenance.
- zz Rent, Nominal - Rental consideration that is paid to a landlord which is equal to or less than the landlord's operating costs.
- aaa Repair - A repair is restoration of a facility to a condition

substantially equivalent to its original state and efficiency. The distinction is made that whereas maintenance is preventive, repairs are curative. Routine and incidental replacement of parts constitutes ordinary repairs; extensive replacement of parts constitutes extraordinary repairs.

- bbb Slab - Any broad, flat relative thin piece of wood, stone, or other solid material. The term has been adopted to describe a floor or foundation of concrete, either on the ground or supported.
- ccc Space, Net Usable - The area to be leased for occupancy by Federal personnel and/or equipment. On a multi-tenancy floor, it is computed by measuring from the inside finish or permanent exterior building walls or the face of convectors occupying at least 50 percent of the length of exterior walls, to the roomside finish of fixed corridor walls and/or the center of tenant separating partitions. On a single tenancy floor, it is computed by measuring the inside gross area, less toilets, stairwells, vertical circulation, building equipment, lobbies, stacks, shelves, and corridors in place.
- ddd Space, Office (Type) - This space must provide an acceptable environment suitable in its present state for an office operation. This requirement include, but is not limited to adequate lighting heating and ventilation, floor covering, finished walls, accessibility, etc. The space may consist of large open area or may be partitioned into rooms. Private corridors, closets, etc., which have been created within office type space through the erection of partitions shall be considered office type space. The determination of whether space is office type is based on as built rather than as used.
- eee Space, Special (Type) - Space which, because of architectural features or the installation of fixed (built-in) equipment and, special utilities, necessitate the expenditures of varying additional sums of money to construct, maintain, and/or operate as compared to office and storage space. Special space includes printshops, computer facilities, health units and laboratories.
- fff Space, Storage (Type) - Space generally constructed with concrete, woodblock unfinished floors, bare block or brick interior walls, unfinished ceiling, and similar construction containing only essential lighting and heating. This type of space includes basements, warehouses, sheds, inside parking areas, attics, unimproved areas of loft buildings and unimproved building cores.
- ggg Space, Warehouse - Space with warehouse features, such as heavy live floor load Capacity, high ceiling, large capacity, freight elevators, loading docks (truck and/or rail), industrial lighting, large open floor areas or any combination of the majority of these features. Minor amounts of supporting office may be including.
- hhh Studs - The vertical members of a wall or partition.

- iii Survey, Market - A field survey of the areas under consideration for a lease requirement for the purpose of obtaining information on market conditions and the availability of suitable space.
- jjj Turnkey - Any job or contract in which the contractor agrees to complete the work to a certain specified point and to assume all risk. For leases, a turnkey contract requires the lesser to complete all specified alterations necessary for the Government to occupy the space.
- kkk Value, Fair Market - The highest price estimated in terms of money which a property will bring if exposed for sale in the open market by a seller who is willing but not obliged to sell, allowing a reasonable time to find a buyer who is willing but not obligated to buy with both parties having full knowledge of all the uses to which it is adapted and for which it is capable of being used.
- lll Value, Fair Rental - That monetary amount reasonably expected for the right to an agreed use of real property as established by competition in the rental market, or if market data is inadequate or unavailable, that amount which will amortize the value of the remaining investment and provide a fair rate of interest return during the remaining useful life of the rented property. Also called "Fair Annual Rental."
- mmm Wall, Curtain - A non bearing enclosed wall of metal, glass, masonry or wood.
- nnn Wareyard - Open land, commonly used for parking or storage.

## 9 FORMS

AD-276	Supplemental Lease Agreement
AD-12117	Lessor's Annual Cost Statement
AD-1241-E	In-Lease Appraisal
AD-1364	Proposal to Lease Space
AD-2991	Lease Market Survey
GSA-3516	Solicitation Provisions
GSA-3517	General Clauses
GSA-3538	Representations and Certifications
SF-2	U. S. Government Lease for Real Property

## Chapter I - GUIDE FOR THE USER

This manual will establish USDA policy and procedures in regard to the acquisition of leasehold interest in real property. The manual applies only to lease contracts that are executed pursuant to the Federal Property and Administrative Services Act of 1949, as amended. It is not intended to replace agencies' procedural guides or handbooks. Neither does this manual supersede Agriculture Property Management Regulations (AGPMR), Departmental Regulations (DR), Federal Property Management

Regulations (FPMR), or the General Services Acquisition Regulation (GSAR). Agencies using their own statutory authority are not subject to this manual.

As the overwhelming majority of leases held by the agencies of the Department are for small blocks of space, this manual applies to the acquisition of space under 10,000 square feet. For acquisitions of space over 10,000 square feet use the procedures prescribed in GSAR 570.2 (48 CFR Subpart 570.2). Solicitation for Offers (SFO) over 10,000 square feet shall be developed from the General Services Administration's (GSA) most recent automated SFO. Contact a GSA Regional Office or the Office of Operations for a copy of the latest document.

The acquisition of leasehold interests in real property is unique. Because no two properties are alike, the recommended method of contracting is through negotiations. Also, as leasing is location specific, the contracting procedures are different from those for supplies and services. The following is a general discussion of the steps required by the Real Property Leasing Officer (RPLO) to execute a lease contract.

After reviewing the agency's space requirements, the RPLO will prepare the SFO.

Locations are identified through advertising and contacts with local real estate companies and other related business concerns. During the market survey, the RPLO will survey all buildings and sites within the delineated area that either meet the Government's requirements or have the potential to meet the Government's requirements. The RPLO meets with prospective lessors and issues the SFO package as warranted.

The Government's requirements package will instruct potential lessors where and when to submit offers. The offers are then evaluated by the RPLO. Offers will be evaluated on the basis of the lowest annual price per square foot and other award factors, as stated in the SFO.

Negotiations will be conducted with all offerors whose space meets, or is capable of meeting, the Government's minimum requirements. Negotiations are terminated when the RPLO is convinced that the most favorable rental rate to the Government has been obtained.

Prior to award an appraisal is required to ascertain that the proposed rental consideration does not exceed the appraised fair annual rental when the annual net rental exceeds \$2,000. The fair annual rental is derived from existing lease contracts on comparable properties, making necessary adjustments as warranted.

An award is made to the offer that is most advantageous to the Government's requirements as stated in the SFO, price and other factors considered. Prior to occupancy, the RPLO or his/her representative will inspect the space to ensure it meets the requirements of the lease contract. A lease commencement date is based on the results of the final inspection.

## ### Chapter II - REVIEW OF SPACE REQUESTS

Agency space requirements must be thoroughly reviewed before proceeding with a lease acquisition.

The review should include the following:

## A.

## Type and Amount of Space

Requirements and space allowances should be described on SF-81 and SF-81-A. (FPMR Temp. Reg. D-73)

## B.

## Location

The Department's authority to acquire leased space generally is restricted to areas outside of major urban centers (Appendix H). There are three exceptions.

(1) Leases for county-level offices of the SCS, ASCS, and/or FmHA and for FS District Ranger stations.

(2) Leases for which there is an approved specific delegation from the Administrator, GSA.

(3) Leases for special purpose space as described in FPMR 101-18.104. When acquiring special purpose space as defined in FPMR 101-18.104, approval is required by the appropriate GSA regional office before initiating any leasing action which involves 2,500 or more square feet.

## C. Delineated Area

The agency must determine the geographic area within which the lease, will meet its needs. The area should not be too restrictive to allow for adequate competition. Any site within a 100 year floodplain should be excluded from the area.

## 2. ACQUISITION OF SPACE

## A. Federally Controlled

The agency shall inquire into the availability of suitable Government-controlled space, as required by FPMR Temporary Regulation D-73 or its successors and the terms of the March 15, 1985, delegation.

When Government-controlled space is available but is not suitable for the agency's program mission, the agency must get written approval from the GSA Assistant Regional Administrator. In order to obtain this approval, agencies must demonstrate why the available space is not suitable for the activity to be housed. ### 5/31/91)

Ascertain colocation opportunities with other agencies.

B. Requirements of the Space

- (1) The standard level of alterations should be provided by the lessor as part of the lease agreement prior to occupancy (See Appendix A, SFO Section A).
- (2) The agency must decide whether special requirements will be incorporated into the lease or separately obtained by the Government. (See Appendix A, SFO Section A2).

C. Competition In Contracting Act

Agencies shall comply with the requirements of the Competition in Contracting Act (CICA). All new leasehold acquisitions, including succeeding and superseding leases and renewal options, are subject to the requirements of the Act.

- (1) Full and Open Competition - CICA requires that there be full and open competition. Permitting all responsible sources to compete constitutes full and open competition. A market survey should be conducted to determine possible sources for fulfilling space requirements.
- (2) Other Than Full and Open Competition - If after review of the agency's space requirements and/or the market survey indicates that full and open competition is not possible, then use other than full and open competition procedures to fulfill the space needs. This process requires preparing a formal justification and requesting the required approval for other than full and open competitive actions.
- (3) Exceptions For Use of Full and Open Competition - The agency must cite one of the following in the justification for other than full and open competition:

41 USC 253(c)

- \* (c) (1) - only responsible source
- \* (c) (2) - unusual and compelling urgency
- (c) (3) - industrial mobilization; experimental, developmental or research work
- (c) (4) - international agreement
- (c) (5) - authorized or required by statute
- (c) (6) - national security
- (c) (7) - public interest

\*Exceptions most frequently used in leasing process. (Set GSAR 570.105 and FAR 6.302)

Examples of supportable justification 41 USC 253(c) (1) or (c) (2) of other than full and open competition for new lease acquisitions are:

- (### (a) Location specific due to program mission, e.g. border

- stations, airports, grain elevators, etc. Cite (c) (1).
- (b) Only one location available supported by market survey and/or advertising. Cite (c) (1)
  - (c) Disaster or emergency. Cite (c) (2)
  - (d) Time critical so that the Government would be injured seriously by delay. Cite (c) (2)

CICA requirements for other lease actions can be found in Chapter 10.

- (4) Justifications - A justification generally should include (1) supporting data, market survey and program mission as it relates to space (2) program certification that requirements are accurate and complete, and (3) Real Property Leasing Officer (RPLO) certification that information is accurate and complete. See sample justification format Figure 3.
- (5) Approval Levels of Justification - A justification for other than full and open competition must be approved in writing at the appropriate level. The total value of the lease contract including any options establishes contract approval thresholds.

If the total value of the lease contract is less than \$25,000, no approval is required.

Note: Written justification for lease contracts less than \$25,000 must be included in the file but contract approval is not required. If the total value of the lease contract is equal to or greater than \$25,000 but less than \$100,000, then approval at one level above the RPLO is required.

If the total value of the lease contract is equal to or greater than \$100,000 but less than \$1,000,000, then approval by the contracting activity's competition advocate is required.

If the total value of the lease contract is equal to or greater than \$1,000,000 but less than \$10,000,000, then approval by the Head of Real Property Leasing Activity (HRPLA) is required.

The written approval of the justification by the authorized person must be obtained before the RPLO can begin negotiations. This approval must be retained in the lease contract file.

### 3. ACQUISITION PLAN

All proposed acquisitions in excess of \$25,000 (total contract amount) shall have an "acquisition plan.

" The RPLO shall be responsible for preparing the plan.

All plans shall be reviewed and approved at least one level above the individual writing the plan.



All plans over \$100,000 must be in writing.  
 The HRPLA or their designee may authorize oral plans for acquisitions between \$25,000 and \$100,000.  
 For oral plans, the file must be documented with the name of the individual who approved the plan.

In cases of unusual or compelling urgency a written plan may be waived if the preparation of the plan prior to award would unreasonably delay the acquisition.  
 Document an oral plan and complete the acquisition plan after the award.

Acquisition plans for contracts expected to exceed \$100,000 and using other than full and open competition must be coordinated with and concurred in by the agency's competition advocate.

See Figure 4 for sample acquisition plan format.

### Chapter III - MARKET SURVEY

The most critical step in the acquisition process is the identification of all possible blocks of space which meet, or are capable of meeting, the Government's minimum requirements. The information gathered must document thoroughly the availability of space, quality of space, services offered, and rental rates.

#### 1. SOLICITING

Advertising in local newspapers and/or use of flyers and contacting local real estate brokers, contractors, developers, bankers, etc.

are techniques used to inform potential offerors of the Government's space needs.

Advertising in local newspapers is required for:

- Leases over 10,000 square feet.
- Lease construction projects on pre-selected sites. A 15-day notice in the Commerce Business Daily prior to issuing the SFO is required.

#### 2. SPACE INSPECTIONS

##### A.

Survey of Existing Agency Occupied Space.

When applicable, a

walk through of existing agency occupied space should be conducted to:

- (1) Understand their operations,

- (2) Look for special alterations that may be needed,
- (3) Check the layout, and
- (4) Ask about any problems to be avoided in replacement space.

B. Tools of the Trade.

When inspecting buildings with owners or agents, the agency RPLO or designee should take:

- (1) Camera to photograph buildings.
- (2) Tape measure to get approximate measurements.
- (3) Local street map to identify subject property within delineated area.
- (4) General agency/SFO requirements and GSA Forms 3516, 3517 and 3518. Take along Handicapped Building Description data and Firesafety Specifications. Also, determine whether the buildings can, or will, meet firesafety and handicapped requirements. (See Appendix A and Figures 5, 6, 7 & 8.)

C. Polychlorinated Biphenyls/Asbestos.

The agency RPLO or designee shall ask if the building contains asbestos and/or equipment containing polychlorinated biphenyls (PCB's).

- (1) Asbestos - If present, certain asbestos material must be removed by the successful offeror prior to occupancy. If asbestos-containing boiler lagging or pipe insulation is present, it must be removed, encapsulated, or enclosed prior to the Government's occupancy,
- (2) PCBs - Potential lessors must certify the present or absence of PCB transformers and other equipment, and whether or not they are leaking.

Note: While inspecting potential sites or vacant space on the market survey, RPLO shall collect information on comparable space leased to others. This data may be used to develop the in-lease appraisal to establish the fair annual rental for the property ultimately selected.

D. Historic Preference

Advance notice to the Advisory Council on Historic Preservation is not required for leases under 10,000 square feet. For acquisitions over 10,000 square feet contact the Office of Operations for the name of the appropriate state historic preservation officer. Preference shall be given historic buildings capable of meeting the Government's requirements and the cost to lease the building is no more than 10 percent higher than the lowest acceptable offer. (See

Appendix A Optional Clause E3).

E. Recording your Findings

The purpose of recording your findings on the market survey is to document the lease case file of the available space surveyed, its cost, ability to meet the SFO requirements, etc. Use the Lease Market Survey Form AD 2991 Figure 5. (Firesafety and handicapped requirements are included in the checklist).

This documentation can also be used as supportive justification for "other than full and open competition." Acquisition by other than full and open competition require approval by higher officials which may be required by the RPLO before negotiations commence. Any exclusion of a building from competition, in an acquisition involving other than full and open competition, must be documented thoroughly by setting forth the reasons, such as building conditions, location, handicapped facilities, firesafety deficiencies, etc. ###  
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3. ANALYSIS OF FINDINGS

The SFO shall allow for full competition in the market place. If the analysis of the market data, after completing the market survey, suggests that the standardized SFO will require modifications, these changes shall be made to the SFO before proceeding with the acquisition.

(### Chapter IV - SOLICITATION FOR OFFERS

The SFO is the basis for the entire lease negotiation process and must be made part of the lease. SFO's must contain the necessary information to enable all potential offerors an opportunity to gain a clear understanding of the Government's requirements and ensure that all offers are reviewed against the same criteria. A written SFO is required for all acquisitions. As a minimum, each solicitation must contain the following elements:

1. Contain a description of the minimum requirements:
  - A. Net usable square feet of office, storage, and special space.  
(Describe method used to measure space). Amount of space required should be clearly stated within a range.
  - B. Initial space requirements (partitions, electric and telephone outlets, window coverings, painting, HVAC).
  - C. Special requirements - contiguous, first floor, parking, computer or laboratory requirements, floor load, etc. (These specifications may be stated in terms of function, performance or design requirements.)
  - D. Delineated area.

- E. Lease term including occupancy date.
- F. Specify a date and place for submission of offers.
- G. Identify all factors including price per square foot and unit costs which will be considered in awarding the lease and stating the relative importance the Government places on the award factors. (Recommend award factors be kept to a minimum, and list the factors by descending order to identify importance).
- H. Firesafety and handicapped accessibility requirements.
- I. Include applicable provisions and contract clauses, GSA Forms 3516, 3517 and 3518 (Figures 6, 7, & 8), as part of the SFO. The RPLO shall insert other clause/provisions listed in Appendix A to the SFO as appropriate, i.e., historic preference, liquidated damages, operating cost escalator, seismic safety.

Note: The operating cost escalator clauses are used at the discretion of the RPLO.

The escalation can be applied to operating costs, utilities, and services as listed on AD Form 1217 (see Figure 12) Lessor's Annual Cost Statement.

The escalation can be tied to the changes in the Consumer Price Index (CPI).

See Appendix A, Section E, "Optional Clauses," for discussion and instructions.

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## 2. Changes Prior to Award.

When either before or after receipt of offers, changes occur in the Government's requirements or a decision is made to relax, increase or otherwise modify the scope of work or statement of requirement, such changes or modifications shall be made in writing as an amendment to the SFO.

When time is of the essence, oral advice of change may be given if (a) the changes involved are not complex in nature, (b) a record is made of the oral change, (c) all potential offerors are notified preferably the same day, and (d) the oral change is promptly confirmed by written amendment to the SFO.

If any change or modification of the Government's requirements is so substantial that it is outside of the scope of the SFO, the SFO should be canceled and a new SFO issued.

The amendment document must reference the solicitation number, agency and location.

The change or modification of the Government's requirements must be identified in the SFO. Where possible, restate the original requirement and then describe the change, addition, or deletion.

Appendix A discusses the preparation of a SFO.

### (### Chapter V - EVALUATION OF OFFERS

Once the market has been surveyed, Solicitations for Offers (SFO) issued, and offers received, the evaluation process begins. Offers are evaluated with respect to price and other factors to determine which is most acceptable to the Government's requirements. Ensure that AD Form 1364 (Proposal to Lease Space) is included in the SFO (see Figure G-1). For additional information concerning AD-1364 see Appendix G.

#### 1. Preparation for Evaluation of Offers

--Review the SFO to become reacquainted with the full requirements.

--Read each offer carefully.

--Verify that each offer is signed by an authorized party:

owner(s),  
agent with written authority to represent owner,  
a general partner of a partnership, or  
the appropriate official of a company/corporation

--Review names to ensure that the offeror is not a Federal employee or member of Congress. If a Federal employee has interest in the property, you will need approval from the HRPLA or his/her designee to consider, the offer. Approval will only be given if there is a compelling reason. The intent of this requirement is to avoid any conflict of interest or favoritism, or appearance thereof.

#### 2. Net Usable Measurement

All offers of, space must be evaluated on an equal basis.

For

consistency within the Department and other Federal agencies, space must be measured on the basis of net usable square feet.

The first

step of the evaluation process is to verify net usable measurement.

The price of space offered shall then be evaluated on the basis of the cost per square foot (net usable) per annum.

The net usable area of space offered is computed from actual measurements of the offeror's floor plan, or by actual field

measurements.

How to measure the area is described in Appendix A,D1.

3. Abstract of Offers (without present value analysis)

The abstract of offers allows the RPLO to reduce all costs to a square foot rate, providing comparable units for evaluation of one offer to another and each offer to Government estimates.

The RPLO

will negotiate all items which require the lessor to submit a price quotation.

When renewal options are part of the Government's requirements and will be evaluated for purposes of award, present value analysis (PVA) shall be used in the evaluation process.

When

the SFO requests alternative offers, PVA also shall be used.

See

Appendix A, Section D for appropriate clause).

The following

documentation should be collected.

--All correspondence

--The offer itself (AD Forms 1217, 1364, GSA Form 3518, etc.)

--Lease market survey

--Floor plan

See Figure 9 for Abstract and Evaluation of Offers form and make specific notes about each offer regarding its acceptability, areas that need further clarification, omissions, etc.

These "notes"

will help to prepare for negotiation sessions, and to determine the lowest responsive offer.

The abstract of each offer may contain the following categories:

--Square footage offered

--Initial term/Alternative offer

--Termination rights/Alternative offer

--Annual rental/Alternative offer,

--Composite square foot rate/Alternative offer

--Operating cost escalator

--Base cost of service (this is the per square foot negotiated estimated cost of operating expenses, utilities and services listed on AD 1217)

--Services to be provided by the Government

--Escalated rental increases per square foot

--Renewal options (Present Value Analysis)

--Parking

--Overtime and janitorial services

--Unit prices

--Cost of alterations

--Other factors, e.g., moving cost, and telecommunications cost

--Present Value Analysis

Note: The resultant per square foot rate for each offer is the total overall cost to the Government.  
The following are explanations of the different categories on the Abstract and Evaluation of Offers Form found in Figure 9.

A. Square Footage Offered

The measured plan must be within the range specified in the SFO...for example, "a minimum of 5,000 to a maximum of 5,250 net usable square feet".

If the measurement is less than the minimum requirement, the offeror must amend his or her offer to bring it within the SFO range or it cannot be accepted.

By the same token, if the measurement is greater than the maximum stated in the SFO, the offeror must also amend the offer to be ### 5/31/91) within the SFO range (or include the additional space in the lease at no charge to the Government). Insert the net usable square feet in the appropriate block.

B. Initial Term/Alternate Offer

Insert the length of the initial term from Block 14 of the AD Form 1364. Also insert length of any alternate offer of the initial term. For example, the initial term of a 5-year lease, with no cancellation rights by the Government is 5 years. The initial term of a 2-year lease, with (3) one year options to renew, is 2 years. Occasionally, alternate offers are solicited to find what set of circumstances (in this case, the length of years of the initial term) will yield the best offer to the Government. For example, a 5-year lease with no cancellation rights is desired. The SFO also states that alternate offers of a 2-year firm term lease with three options to renew for one year each will be considered. Committing Government occupancy to a 5-year firm term, rather than 2-year firm term, often results in a lower rate per square foot, particularly if the cost of extensive alterations can be amortized over a longer period.

C. Termination Rights/Alternate Offer

See Block 17 of AD Form 1364. It provides the number of days prior written notice to be given to the lessor before the Government may terminate the lease. It is also necessary to insert the year during which the termination may first occur.

Also insert the termination rights of the alternate offer, if applicable.

D. Annual Rental/Alternate Offer

Insert the annual rental and, if applicable, the annual rental

of the alternate offer. (See Block 10 of AD Form 1364.) The annual rental, while not used in the evaluation process of comparing one offer to another, is an item worth noting. It, rather than the square foot rate, is stated in the actual lease. Also, various actions to be taken by the RPLO are determined by certain thresholds based on annual rentals, such as contract clearance. Also the composite square foot rental for different types of space, which is the basis for comparative evaluation, is calculated from the annual rental.

E. Composite Square Foot Rate/Alternate Offer

Insert the composite square foot rental rate and the composite square foot rental rate of the alternate offer. See Block 11 of AD Form 1364. Verify that the composite rate is correct. For example, an offer is structured as follows:

2,000 sq. ft. of storage at \$1.00/SF  
 3,000 sq. ft. of laboratory space at \$15.00/SF  
 5,000 sq. ft. of office space at \$13.00/SF

The easiest way to evaluate this offer for comparative purposes is to determine the composite square foot rate by calculating the annual rental.

Thus:

Storage space annual rental	\$ 2,000
Laboratory space annual rental	45,000
Office space annual rental	65,000
Total annual rental	\$112,000

\$112,000 divided by the total footage, 10,000 square feet, results in an \$11.20 per square foot composite rental.

If only one type of space is solicited, the rental rate quoted for that space should be inserted in the abstract.

F. Operating Cost Escalator

If the SFO has an escalator clause, indicate this in the abstract ("Yes-CPI" "Yes-Pass thru" or "No", etc.). An offer may have either no escalation or annual escalation tied to changes in the CPI. A discussion of operating cost escalators and how to compute them is found in Appendix A, E4, Optional Clauses.

G. Base Cost of Services

The base cost of services is the estimated cost of operating expenses, utilities, and services listed on AD Form 1217. These costs should be broken out into a cost per square foot basis. All costs should be negotiated, and be verified by an experienced RPLO. If the lease contains an escalator clause, the rental will vary upward (escalation) or downward



(de-escalation), in accordance with the CPI. Items that are operating expenses subject to cost escalation or de-escalation are:

- Utilities
- Janitorial services
- Building system repair\*
- Building system maintenance
- Property protection
- Services of a building engineer for that portion of management Costs devoted to the above items.

\*Does not include major repairs, e.g., replacement of systems, replacement of roof, etc.

Compare the lessor's projected cost to other similar buildings. Make direct inquiries to the local utility company as to their past usage and projected cost of utilities. If possible, obtain copies of past utility bills and/or cleaning contracts or invoices. The Government's estimate for services must be reasonable. The base cost of services is included in the overall composite rental quoted for the term, but is broken out as a separate cost item for purposes of evaluation and escalation.

- H. Services to be Provided by the Government It is our policy to solicit fully serviced space. However, in the event services or utilities are not included in the rental, and must be provided by the Government, they are to be listed separately. This occurs when an offer is made which excludes some service, e.g., an offer which is not "fully serviced." After estimating the cost of providing these services in the subject building, insert the per square foot cost to the Government. The RPLO should exercise judgment in this regard and document the file by an attachment to the abstract. This can be done in the same method as noted above in the base cost of services section. During negotiations, the offeror should be advised of the cost the Government has attributed to the service excluded from the offer. The offeror at this point may wish to include the service as part of the rental consideration, raising the offer somewhat but still below the Government's estimate, to remain competitive.

- I. Escalated Rental Increase Per Square Foot

If one or more offerors in a competitive situation has included annual, escalation tied to the CPI, the estimated cost of the escalation must be added to the rental to determine overall cost to the Government. If one offer is received fully serviced and one offer is partially serviced, the cost of the Government provided services must be escalated as well.

The estimation is made by increasing the base cost of services and the cost of services to be provided by the Government, by a designated percentage rate for the initial term of the lease. Each year a policy memo will be issued by the Office

of Operations to advise you of the current percentage rate to be used for evaluation purposes.

To estimate the cost of the escalation when PVA is not used.

- (1) Multiply the base cost of services by the percentage rate of increase designated by the Office of Operations to represent the overall rate of inflation for the previous year by the number of years of the initial term. (Insert the percentage rate of increase to be used in the abstract.)
- (2) Multiply the cost of Government provided services by that same rate and number of years of the initial term:
- (3) The difference between the negotiated base cost of services (### and average cost over the initial term is added to the rental to determine the overall cost to the Government.
- (4) The total escalated cost of Government provided services is added to the rental to determine the overall cost to the Government.

An example follows:

Offer A provides for a \$12 per annual square foot rate, with a base cost of services or \$3.00 per square foot with the Government providing electricity for lights and office machines estimated at \$.30.

Offer B provides for an \$11.95 per square foot rate, fully serviced, with a base cost of services at \$3.50 per square foot.

The rate of inflation for the previous year was 4 percent. Therefore, for instructional purposes a 4 percent annual compound interest rate is being used (see Figure 10-2).

Year #1 Base cost of services (provided by lessor)	=	\$3.00
Year #2 1st escalation \$3.00 x 1.0400	=	3.120
Year #3 2nd escalation \$3.00 x 1.0816	=	3.244
Year #4 3rd escalation \$3.00 x 1.1249	=	3.374
Year #5 4th escalation \$3.00 x 1.1699	=	3.509

(\$16.25 rounded) \$16.247

\$16.25 divided by 5 years = \$3.25 as the average estimated, escalated annualized per square foot cost of services provided by the lessor over the initial term. That represents a \$.25/SF increase from the base. (\$3.25 - \$3.00 = \$.25)

Year #1 Base cost of services (provided by Government)	=	\$.30
Year #2 1st escalation \$ .30 x 1.0400	=	.312
Year #3 2nd escalation \$ .30 x 1.0816	=	.324

= .324 Year #4 3rd escalation \$.36 x 1.1249  
 = .337 Year #5 4th escalation \$ .30 x 1.1699  
 = .350

(\$1.62 rounded) \$ 1.623

\$1.62 divided by 5 years = \$.32 as the average estimated escalated per square foot cost of Government provided services. That represents a \$.02/SF increase from the estimated base cost of Government provided services. The two figures calculated above are inserted in the abstract of offers and added to the rental to determine overall cost to the Government.

Offer A: \$12.00+.25+.30+.02 = \$12.57 ### 5/31/91)

Offer B

Year #1 Base cost of services (fully serviced)	=	\$3.50
Year #2 1st escalation \$3.50 x 1.0400	=	3.640
Year #3 2nd escalation \$3.50 x 1.0816	=	3.785
Year #4 3rd escalation \$3.50 x 1.1249	=	3.937
Year #5 4th escalation \$3.50 x 1.1699	=	4.094

(\$18.96 rounded) \$18.956

\$18.96 divided by 5 years = \$3.79 as the average estimated, escalated per square foot cost of all services provided by the lessor over the initial term. That represents a \$.29 SF increase from the base. This figure is inserted in the abstract and added to the rental to determine the overall cost to the Government.

Offer B: \$11.95 +.29 = \$12.24

Offer A, original: \$12.00	Offer B, original: \$11.95
Offer A, adjusted: \$12.57	Offer B, adjusted: \$12.24

J. Parking (or other costs)

Indicate the rate per square foot for parking required by the SFO, if not included in the rental. For example, an offer quoted a rate of \$50 per month per vehicle in addition to the rental for 5,000 square feet of office space. The SFO had specified a need for parking for three official Government vehicles.

(\$50. x 3 vehicles x 12 months) divided by 5,000 square feet  
 \$.36 per square foot. Insert \$.36 in the abstract.

A rental rate quoted for employee parking, which is usually not included as a requirement in the SFO, should not be added to the rental for purposes of evaluating cost to the Government.

Also insert here any other cost item not covered by the abstract.

K. Overtime: HVAC (Zoned) and Janitorial Services

Insert the rates quoted for use of heating, ventilating and air conditioning systems, and utilities and janitorial services specifically requested by the Government beyond normal working hours. These are subject to negotiations using the same method as described in the section "base cost of services." Indicate if the rate, which is expressed in "hourly" terms, is per floor, per zone, other area, or the entire leased space. For example in a modern high-rise, the system may be such that in order to heat 5,000 square feet after 6 p.m., 50,000 square feet or say one-third of the building (or one zone) must also be heated. Each building system is different, but if it is a modern high-rise it is probably zoned. Ask the offeror. It is important to know what floors of the building the space is located on and how many zones cover the space to be leased.

These overtime items, while evaluated and negotiated are not added to the overall cost to the Government.

Overtime rates for janitorial services are expressed in hourly terms, usually as one hourly rate for the entire space to be occupied by the Government.

In instances where continuous overtime requirements have been included in the SFO for negotiation as part of the annual rental, the portion of the rent attributable to overtime services is to be evaluated as a cost to the Government and reduced to an annual square foot rate. For negotiation purposes the Government must estimate the average utility usage. Note: Space can be separately metered.

L. Unit Prices

Insert the prices the offeror has quoted for installation, per unit, of ceiling high partitions (linear foot rate), floor electrical outlets, wall electrical outlets, telephone outlets, etc. These are the costs which will be added to or deducted from the actual awarded rental to reflect what was ultimately requested and installed. Also, the unit prices remains if additional alterations are required.

M. Cost of Alterations

Depending upon the circumstances of a particular acquisition, solicitations may be issued where the cost of initial space alterations or special requirements are to be itemized separately from the rental, either on a lump sum basis or square foot rate above the rental or alternate offers, or both. Offerors must be advised of the time period over which these costs will be evaluated. The square foot cost of the alterations is added to the rental for evaluating the overall cost to the Government.

The lump sum cost must be supported by a written evaluation.

For example, an offer is received for 5,000 square feet at \$11.00 per square foot for a 5-year term with lump sum payments totaling \$6,500.

$$\frac{\$6,500}{5 \text{ yrs}} = \$1,300 \text{ per year}$$

$$\frac{\$1,300}{5,000} = \$.26 \text{ per square foot}$$

\$.26 is inserted in the abstract and this cost is included in the evaluation of overall cost to the Government.

(### N. Other Price Factors

Moving Cost. The Government must provide an estimate of the potential cost of the move. Be sure to include telecommunication costs (phones, etc.) since this can be a major expense. The moving cost is then reduced to an annualized square foot rate and stated in the SFO. It is added for evaluation purposes to the square foot rental rate of those offers to relocate. The current lessor obviously has an advantage here, but offerors, knowing this advantage are able to structure their offers to narrow or eliminate that competitive edge.

Others. List the factors which may be quantified in terms of an annual per square foot cost to the Government.

4. Abstract of Offers (using PVA)

Present value analysis for acquisitions of leasehold interest in real property calculates today's dollar value of future rental cost.

The importance of the distribution of future rental cost over the term of the lease is based on the concept of the "time value" of money.

The "time value" concept is that the present value of a dollar of future rental costs decreases with the amount of time that will elapse before the dollar is paid.

Assume, for

example, we know that 4 years from today that we would have to pay \$100. Knowing this, we could invest an amount less than \$100, which when added to the original amount would provide \$100 needed to pay the debt in 4 years.

The amount we would have to invest is called the present value of \$100.

The conversion of future costs into their present values is called "discounting." The values to be used in discounting have been previously calculated (see Figure 10). GSA annually prescribes a discount and escalation rate. When calculating PVA use this table.

In today's market use a discount rate of 8 percent and an escalation rate of 4 percent.

OO will

update the present value cost factors table when applicable.

When the SFO contains renewal options PVA shall be a part of the evaluation process (See Figure 10 for PVA Factors).

Leases under

10,000 square feet do not require present value price evaluation when all responsive best and final offers are structured as follows:

--There will be no free rental periods,

--net annual rental will be level over the full term (including rental options, if requested in the solicitation), and,

--special requirements and other items not covered in the rental are to be paid over the same period of time, e.g., lump sum or amortized (lump sum plus interest) over an identical number of years.

THE FOLLOWING IS A SAMPLE PVA OF AN OFFER CONTAINING RENEWAL OPTIONS:

00 (SF) Initial Term (yrs) 5 Gross Rent \$16.

75 (SF) Base Cost of Services Provided by Lessor \$2.  
### 5/31/91

90 (SF) Estimated Costs of Services provided by Government \$ .

Lump Sum Payments \$-----  
Additional Costs \$----- (SF) Services Total \$3.65 (SF)

1st Renewal Option (yrs) 4 Net Rent \$14.00 (SF)  
2nd Renewal Option (yrs) 6 Net Rent 18.00 (SF)

00 - 1. Calculate the net rent of the initial term by subtracting the total cost of services (if services are included in the rent subject to annual adjustments) from the "Gross" rent: \$16.

\$3.65 = \$12.35.

35 x 3. 2. Multiply the net rent by the discount factor from Table A which corresponds to the length of the initial term: \$12.

99 \$49.28.

3. Multiply the net rent of the 1st renewal option by the discount factor from Table B which is the intersection of the years of the initial term (5) and the years of the 1st renewal option (4): \$14.00 x 2.25 = \$31.50.

4. Multiply the net rent of the 2nd renewal option by the discount factor from Table B which is the intersection of the years

of the initial term plus the years of the 1st option (5 + 4 = 9)  
with the years of the 2nd option (6): \$18.

00 x 2.  
31 = \$41.  
58.

5. Multiply the total annual cost of services by the discount/escalation factor from Table C which corresponds to the length of the total lease (initial term plus option term(s)) (15 years): \$3.

65 x 10.  
81 = \$39.  
46.

6. Add the present value costs calculated in 2, 3, 4, and 5. Divide by the total number of years, including all options, to yield the annualized present value cost per square foot: \$49.  
 $28 + \$31.50 + \$41.58 + \$39.46 = \$161.82 - 15 = \$10.79.$

7. If an additional price per square foot is offered for items specified in the SFO but not included in the offeror's rental rate, that square foot price must be discounted.

Add that price to the net rent price of steps 2, 3, and 4 (as applicable) prior to applying the discount factor, and proceed through step 6.

(Also see  
13 below.)

8. If a lump sum payment is to be made at the onset of a lease, that cost is present value, assuming award will be made within a reasonable time.

Divide that lump sum cost by the square footage and then divide by the total years of the lease (initial term plus option term(s)).

Add the resulting annualized cost to the present value cost calculated in step 6.

(Also see 13 below.)

9. If no services are included in the offered rent, follow steps 2, 3, and 4. Then escalate and discount the cost of Government provided services in step 5 and add that cost in step 6.

10. If no annual adjustments in operating expenses are included and the offer is fully serviced, use the gross rent in steps 2, 3, and 4 and omit step 5.

11. If three, four or more renewal options are offered, steps should be added, and the appropriate factor in Table B found by creating an artificial "initial term" comprised of all the years of the lease up to the point of the option under analysis, intersection by years of that renewal option under analysis.

12. If one or more options are offered at the same rent as that of the initial term, omit steps 3 and 4.

Create an artificial

"initial term" comprised of all the years of the lease and use the factor in Table A which corresponds to those years to complete the calculations required in step 2.

13. Any square foot costs to be added to the rental price to determine the low offer must be discounted, except lump sum payments made at the onset of a lease.

(See 7 and 8 above.)

14. If only one option is offered, omit step 4.

When the SFO does not contain renewal options, the RPLO may want to make PVA a part of the evaluation process.

It is suggested that

the RPLO include PVA in SFOs that request alternative offers, or in which lump sum payments are anticipated, and/or when a period of free rental is anticipated.

In these cases, see Appendix A, Section D.

THE FOLLOWING ARE TWO SAMPLE PVAS.

EXAMPLE I, A STRAIGHT 5-YEAR

LEASE AND EXAMPLE II A 10-YEAR LEASE, THE FIRST 18 MONTHS FREE RENTAL.

Example I: A straight five-year lease

Net rental \$16.

25/SF Services \$3.

75/SF Gross \$20.

00/SF

1. Multiply the net rental by the discount factor from Table A which corresponds to the years in the lease: \$16.

25 x 3.

99 =

\$64.84.

2. Multiply the cost of services by the escalation and discount factor from Table C which corresponds to the years in the lease:

$\$3.75 \times 4.30 = \$16.13.$

3. Add the present value costs calculated in #1 and #2. Divide by the number of years in the lease: \$64.

84 +\$16.

13 divided by 5 =

\$16.19.

The present value per square foot cost of this lease is \$16.

19 per

year.



Example II: A 10-year lease, the first 18 months free rental.

Net rental \$14.  
 50/SF Services \$3.  
 50/SF Gross \$18.  
 00/SF

1. There are no costs for year 1.

2. Calculate the effective annual per square foot rates for year 2 by multiplying the percentages of the year for which rental will be paid (6 months, 50%) times the rental and services rates above:  
 Net rental \$14.

$50 \times 50\% = \$7.$   
 25

Services  $\$3.50 \times 50\% = \$1.75$

3. Calculate the discount factor for year 2 net rental by subtracting the Table A factor for 1 year from the factor for year 2 ( $1.78 - 0.93 = 0.85$ ). Multiply the factor times the effective net rental for year 2: \$7.

$25 \times 0.85 = \$6.$   
 16.

4. Calculate the discount/escalation factor for year 2 services by subtracting the Table C factor for 1 year from the factor for year 2 (1.

$82 - 0.93 = 0.89$   
 $93 - 0.89 = 0.04$   
 89) Multiply the factor times the effective service rate for year 2: \$1.  
 $75 \times 0.04 = \$1.$   
 89 = \$1.  
 56.

5. Calculate the present value costs of net rental for years 3 through 10 as follows: Subtract the table A factor for 2 years from the factor for 10 years (6.

$71 - 1.78 = 59.22$   
 $78 = 4.$   
 93) since the costs for year 2 were calculated in #2 and #3.  
 Multiply the rental rate times the factor: \$14.  
 $50 \times 4 = 200$   
 $93 = \$71.$   
 49.

6. Calculate the present value costs of services for years 3

through 10 by multiplying the rate times the Table C Factor for 10 years Minus the factor for 2 years (7).

16 - 1.

82 = 6.

04).

\$3.

50 x

6.04 - \$21.14.

7. Add the present value cost calculated in #3, #4, #5, #6 and divide by the number of years in the lease.

\$6.

16 + \$11.

56 + \$71.

49

+ 21.14 divided by 10 = \$11.04.

The present value per square foot cost of this lease is \$11.04 per year.

Note: Step #5, above may be performed using Table B. Consider

years 1 and 2 as an initial term and years 3 through 10 as an 8-year renewal. The intersection of years 2 and 8 is the factor 4.93, the same factor as was calculated by subtraction in #5.

If the RPLO determines to use PVA and the SFO does not contain renewal options, nor requests for alternative offers, PVA can be used, i.

- e. offers containing escalation clauses.  
(See Appendix A, Section D.)

Remember the present value costs are used only for comparative purposes to determine the low offer. The annualized present value cost per square foot figure should be inserted in the abstract of offers as applicable.

#### 5. Total Cost to the Government

Add (for each offer):

A. Square Foot Rate +b

B. Escalated Increase/SF

The average estimated, escalated cost of Government provided services. (If CPI adjustments are included in the offer.)

AND/OR

The average estimated, escalated cost of Government provided services (if offer is not fully serviced).

- C. Parking+
  - D. Cost of Alterations+
  - E. Other Price Factors =
- Total cost to Government

#### 6. Award Factors

The purpose of award factors is to provide a basis for determining which offer is most advantageous to the Government with regard to factors other than price.

Use pertinent factors which will have a real influence on the outcome of the award.

Offerors must be advised in the SFO of the evaluation criteria used for the award.

First consideration shall be given to buildings fully meeting the handicapped requirements.

Note: Handicapped accessibility requirements are to be cited in the Award Section of the SFO package. Because it could be interpreted during the "initial evaluation" that certain offerors could be eliminated for non-compliance before negotiations, the SFO language has been changed to make handicapped requirements an award factor, so that offers are not eliminated from competition because of non-compliance with handicapped requirements until after negotiations have been completed and "best and final" offers received.

Thus, offerors now have an opportunity to discuss and revise their offers to identify what they are willing to modify to meet the accessibility requirements.

The offers will then be reviewed against the Government's criteria to determine which buildings fully meet, or substantially meet the requirements. See Appendix A, Section A.

The Architectural and Transportation Barriers Compliance Board (ATBCB) issued a final rule in the Federal Register, September 14, 1988, (Vol. 53, No. 178, pages 35507-35511), amending the Minimum Guidelines and (### Requirements for Accessible Design (MGRAD) to provide minimum guidelines and requirements for accessible leased facilities.

These requirements issued by ATBCB have been codified at 36 CFR Part 1190.34 (See Appendix I).

## 7. Non-Responsive Offers

A non-responsive offer is one that does not meet the terms; and conditions of the Solicitation for Offers.

Before determining that

the offer is non-responsive a statement must be prepared describing what made the offer non-responsive.

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## Chapter VI NEGOTIATIONS

After receipt and evaluation of offers and an inspection of all locations, oral discussions shall be conducted with all competitive offerors meeting, or capable of meeting, the minimum stated requirements. The key ingredient to successful negotiations is advance preparation.

### 1. Establish Negotiation Objectives

Gather together the "notes" developed from the abstract of each offer, market survey, and any other technical input, establish a rental range, base cost of services, lump sum alterations, and unit prices, etc.

prior to entering the first round of negotiations.

The negotiations will address these costs as well as reviewing the SFO to resolve any uncertainty relating to the requirements and specifications, i.e., review special requirements to be amortized or lump sum, handicapped and firesafety requirements to be included in the basic rent, time frames to complete the space, etc.

Note: When only one offer is to be considered for award, the appraisal required by 48 CFR 570.

708(b) should be completed prior to negotiations.

It will help develop your negotiation strategy.

If the space required is of a special type, e.g. laboratory space, and there is no comparable space in the market, cost data requested from the offerors may be useful.

### 2. Negotiation Session

The RPLO or representative shall meet with the offeror or authorized agent face-to-face (preferred) or converse by telephone and correspondence.

Separate negotiations shall be conducted with each offeror.

During

the negotiations, the following rules shall be observed:

A. Any concession or additional requirement given to one offeror

shall be given to all others.

- B. Offers shall be kept confidential prior to award.
- C. Time extensions and other modifications to the SFO must be in writing to all offerors.
- D. Oral agreements shall not be used.

Negotiations shall be continued, as necessary, to obtain the rental rate most favorable to the Government.

### (### 3. Termination of Negotiations

After the final negotiation sessions have been held, and the RPLO is convinced that all items have been adequately discussed and negotiated, and all offerors are within the Government's price estimates, negotiations shall be closed.

A date and time for

closing the negotiations shall be established and offerors shall be requested in writing to submit a "best and final offer" by that date.

Negotiations may not be conducted after the closing date for best and final offers unless negotiations are reopened with all offerors in the competitive range.

### 4. Documentation

A written negotiation record must be placed in the lease file.

A price negotiation memorandum (PNM) is useful in outlining information supporting the recommendation for award.

(See Appendix D).

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## Chapter VII - APPRAISAL

An appraisal is required prior to the award of any lease when the net annual rental exceeds \$2,000. However, an appraisal is not required for leases under 10,000 square feet when three or more responsive offers have been received, except when lease construction projects are involved, the term is more than 10 years, or the total rental (firm term plus options) exceeds \$1 million. Construction projects as referenced above mean all lease acquisitions that are satisfied by the construction of new space. This does not mean lease acquisitions that lead to the renovation and/or building out of existing space to meet the Government's requirements. The appraisals for leases under 10,000 square feet can be performed by the RPLO or leasing specialist, if they have received the training required by the Real Property Leasing Officer Warrant System. The In-Lease Appraisal Form AD 1241-E or its equivalent shall be used. If no trained agency employee is available to perform the appraisal, the lease is for over 10,000 square feet, or the proposed lease is for a complex/unique property, the appraisal must be performed by a certified Government or contract appraiser.

Reappraisals are required for renewal options when PVA was not used in the initial lease evaluation. An updated AD Form 1241-E or its equivalent, using the comparables listed from the original appraisal, is acceptable. New appraisals are required for succeeding and superseding leases except when these lease actions fall within the exemptions stated above.

There are five basic steps in the appraisal process:

1. Comparable Space

Leases of comparable type space (and comparable size if possible) shall be located.

2. Rate Per Square Foot

Rental per square foot shall be determined.

If possible space

information from the lessor or the lessee shall be obtained.

Also,

the amount of space rented and method of measurement shall be determined.

3. Differences

Differences between the lease for comparable space and the lease you propose to execute shall be determined.

Some differences to be considered are:

A. Length of time since lease was awarded (and rental trends over that time)

B. Location of space within the building

C. Quality of finishes

D. Extent of alterations included with lease

(### E. Length of firm term of lease

F. Parking availability/reserved

G. Handicapped facilities

H. Other items that could make a significant difference in the rental value of the space (such as top floor, street frontage, etc.).

4. Adjust for Differences (adjust from comparable to subject).

In establishing comparables, a minimum of three leases is necessary to conduct an appraisal.

Other Government leases shall not be used unless they are the only ones available.

It should be remembered

that the market place may not recognize the magnitude of the Government's requirements for handicapped and firesafety.

If this

is the case, it may be necessary to add a factor amortizing these improvements when adjusting comparables.

See Figure E-1 for In-Lease Appraisal Form and Appendix E for Discussion on Completing AD 1241-E.  
The samples include a discussion of why we need the information and where it comes from.

5. If the recommended offer exceeds the appraised Fair Annual Rental but it is in the best interest of the Government to make the award, a written justification must be prepared and approved one level above the RPLO.

## Chapter VIII - AWARD

### 1. Layouts

During the negotiations, preliminary layouts are discussed. Prior to award, the RPLO must finalize these drawings to ensure compatibility with the SFO to include handicapped and firesafety concerns and identify any extra requirements as noted in "change" amendments prior to the award. The approved layouts should be forwarded to the lessor, in writing, to document the transmittal date. Agency approval of the layout should be limited to the location and arrangement of partitions, the number and location of telephone and electrical outlets, paint, floor coverings, and window covering selections. Do not sign off on the lessor's mechanical, electrical, structural or architectural drawings. The design and operation of these systems is the responsibility of the lessor.

### 2. Contract Clearance Thresholds

Prior to award, written contract clearances and written approval are required for lease actions at the following thresholds:

Less than \$50,000\* no approval required

\$50,000 - \$500,000\*  
One level above the RPLO

\$500,000\* - \$1,500,000  
HRPLA

- A. An award in writing shall be made to the responsible offeror whose proposal is most advantageous to the Government considering price and other factors included in the SFO.
- B. Award shall be made in writing within the timeframe specified in the SFO. If an award cannot be made within that time, the

RPLO shall request in writing from each offeror an extension of the acceptance period through a specific date. obtained prior to execution of the lease contract. All lease contracts shall be executed on SF 2, U.

S. Government Lease for Real Property (Figure 1).

\*Net Annual rental for initial term

Note: All lease contracts that exceed \$1,500,000 net annual rental must be forwarded to 00 for transmittal by GSA to the House and Senate Committees on Public Works.

The Committees' approval must be

3. Award Process

- C. Unsuccessful offerors shall be notified simultaneously in writing of the award.
- D. All proposals received in response to a SFO may be rejected if the HRPLA determines that action is in the public interest. This authority may be redelegated.
- E. When there is an ambiguity in a contract, the courts will rule against the party (the Government) that wrote the contract. Therefore, in preparing the award letter or lease, it is essential that the entire lease, including all attachments, is consistent in reflecting the negotiated agreement. Also, if any SFO paragraph is modified, it must be annotated and initialed. The lessor and RPLO shall initial each page of the lease, including all attachments. Only the final offer, if complete, will be incorporated in the lease.

4. Protests to GAO

The bid protest provisions of CICA provide the Comptroller General with authority to decide a protest concerning an alleged violation of a procurement statute or regulation.

A. Pre-award protest

A lease may not be awarded while the protest is pending unless the HRPLA determines in writing that urgent and compelling circumstances which significantly affect interests of the United States, will not permit waiting for the decision of the Comptroller General and the Comptroller General is advised of that finding. This finding may be made only if award is to occur within 30 days.

B. Post-award protest

If notice of protest is received within 10 calendar days after award, the RPLO will be required to issue a "stop-work" order unless the HRPLA makes a written finding that performance of



the contract is in the best interest of the Government or urgent and compelling circumstances which significantly affect interests of the United States, will not permit waiting for the decision of the Comptroller General and the Comptroller General is advised of that finding.

C. Termination of the lease is recommended.

If the Comptroller General ultimately recommends termination of the lease (whether or not work has been stopped), the HRPLA must decide whether to terminate the lease.

Note: Factors to be considered by the HRPLA in reviewing protests are found in Appendix F.

## Chapter IX - ACCEPTANCE OF SPACE

### 1. Acceptance Inspection

The acceptance inspection should be made by the RPLO or his/her designee with the owners or the owner's agent and the occupant representative.

A lease inspection checklist that includes handicapped and firesafety requirements (Figure 11) should be used in conducting the inspection and documenting the results.

The placement of partitions, doors, and outlets shall be checked against the approved space layout. Measurements of demising walls, restrooms or other areas which would affect the net usable measurement shall be verified.

A punch list of specific deficiencies for the lessor to correct shall be made and noted in the lease file. Deadlines for items to be corrected shall be set and made a part of the lease.

If the lease terms require the agency to pay for utilities, the lessor must confirm, in writing, the location and identifying number of the Government's meter(s) and certify that the meter(s) measure only the Government's usage.

### 2. Payment

The Prompt Payment Act, (31 U.S.C. 3901 et. seq.) requires that payments be made by an established payment due date.

31 USC 3901

requires that the following clause appear in all solicitations and contracts for leases of real property.

"Payment under this

contract will be due on the 5th workday of the month following that in which payment accrued.

" The Prompt Payment Act allows for a 15-day grace period following the due date to effect payment. If payment is not made by the contract due date or within the subsequent grace period, interest will be computed and added to the amount due.

The RPLO shall establish the lease commencement date based on the results of the final inspection.

If an executed lease document already exists, a supplemental lease agreement establishing the commencement date shall be prepared and forwarded to the lessor.

In other cases, the lease document with the appropriate term shall be prepared and forwarded to the lessor for signature.

The RPLO shall forward a copy of the signed lease and all required agency forms to the agency's finance office for payment.

The requirements of the Prompt Payment Act on the initial and subsequent payments shall be noted by the leasing activity and the payment center.

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### 3. Mistakes After Award

If a mistake in a lessor's offer is noted after an award, the mistake may be corrected by contract amendment, if the essential requirements of the SFO are not changed and if correcting the mistake will be advantageous to the Government.

The RPLO may rescind the award or reform the contract to remove or correct the mistaken items if this will not increase the price above the next lowest offer.

The RPLO shall coordinate each proposed amendment with the appropriate legal counsel for comments.

The RPLO shall provide to Counsel, at a minimum, proposed determination and the lease file.

For guidance see FAR 14.406-4 and GSAR 514.4.

### 4. Post Award Publicizing.

The RPLO shall publish a synopsis in the Commerce Business Daily (CBD) of all awards exceeding \$25,000 net annual rental for the firm term of the lease, which have subcontracting opportunities.

The requirement does not apply to lease modifications/alterations made within the scope of the lease which have no subcontracting opportunities.

The CBD should be forwarded, at a minimum, the following information:

- (a) Lease of real property
- (b) Net usable square footage
- (c) Location
- (d) Initial term and term of options
- (e) Lease number, award date, and SFO number
- (f) Name and address of, lessor
- (g) Annual rental

Chapter X - FILE INDEX FOR LEASE CONTRACTS  
(10,000 Square Feet or Less)

The lease acquisition process generates a variety of documentation. A file index will organize documents as well as assure all required steps have been taken. A uniform filing system will assist contract reviewers and lease enforcement/administration personnel to efficiently locate pertinent lease documents.

TAB

1. Requirement

- \_\_\_\*\_\_\_ SF-81, or equivalent document indicating the agency's space requirements, or statement of continuing need from the program that the request is justified, and that funding is available.
- \_\_\_\_\_ SF-81A, Space Requirements Worksheet.
- \_\_\_\_\_ Special requirements, if any.

2. Pre-Survey

- \_\_\_\*\_\_\_ Noncompetitive contract justification and approval when "other than full and open."
- \_\_\_\*\_\_\_ Acquisition plan
- \_\_\_\_\_ Special considerations, e.g. historic building check, handicapped accessibility, etc.
- \_\_\_\_\_ Advertisement/flyer advertisement and responses.

3. Market Survey and Solicitations for Offers

- \_\_\_\*\_\_\_ Solicitation for Offers (SFO)/amendments and/or addenda.
- \_\_\_\*\_\_\_ Market survey.
- \_\_\_\_\_ List of persons receiving SFO'S.
- \_\_\_\_\_ Request for best and final offers.
- \_\_\_\_\_ Firesafety review.
- \_\_\_\_\_ Handicapped accessibility review.

## 4. Evaluation/Negotiation

- \*  Abstract of Offers/Negotiation Objectives.
- \*  Appraisal (if required).
- Estimate for lump sum, unit prices, over the, base rate for escalation, special services, if applicable.
- Government estimates.

## 5. Unsuccessful Offer(s)

- Unsuccessful offers and related correspondence.
- Rejection letters.

## 6. Successful Offer Award Determination

- \*  Successful offer, completed Forms 1217, 1364 and 3518 and related correspondence.
- \*  Price Negotiation Memorandum (PNM).
- Evidence of acceptance from occupying agency.

## 7. Lease Contract/Contract Administration Correspondence

- \*  Completely executed copy of lease and award letter.
- Deficiencies list with time limit.
- Inspection/physical measurement.
- Building drawings and building layouts.
- Contract modifications.
- Base cost of services for CPI escalator.
- Contract clearance.

## 8. Lease Management Correspondence

- Record of alterations.
- Government estimates.
- Renewal options.
- Payment records.

\*Indicates items applicable in all instances;

Chapter XI - SPECIAL ASPECTS OF CONTRACTING FOR CONTINUED OCCUPANCY IN  
LEASED SPACE

## 1. Renewal Options.

A renewal option is a unilateral right to the original lease contract by which, at a specified time or times, the Government may elect to extend the term of the lease for a specified period.

Unpriced options and unevaluated options are considered new acquisitions and therefore, must be handled as either new acquisitions or succeeding leases.

## A. Evaluated Options.

The RPLO must advise the lessor in writing that the Government will exercise an option, within the timeframe specified in the lease. The RPLO may exercise renewal options only after determining that:

- Funds are available
- The space covered by the option fulfills an existing Government need
- Exercising the option is the most advantageous method of fulfilling the Government's space requirements, price and other factors considered

The RPLO after considering price and other factors, shall make the determination on the basis of a market survey which focuses on the prevailing rental rates of comparable space. The results of the market survey shall be documented. The options may be exercised if the market survey indicates that the option price is better than prices available in the market or that the option is the most advantageous offer. The RPLO shall consider relocation costs in determining the most advantageous offer.

An appraisal or an updated appraisal is required except when the following conditions exist:

- (1) The net annual is less than \$2,000.
- (2) When the total square footage is less than 10,000 square feet, and the term of the lease is less than 10 years, and in response to the Government's original solicitation three or more responsive offers were received, and the option is priced, and if the option was evaluated as part of the original award factors, and if the total contract price is less than \$1 million (firm term plus options), and if the original award did not lead to new construction.

## B. Unpriced Options and Unevaluated Options.

Follow the procedures for new competitive acquisitions or the procedures for succeeding leases.

## 2. Succeeding Leases

A succeeding lease for the continued occupancy of space in a building may be entered into when a cost-benefit analysis has been conducted and the results indicate that an award to an offeror other than the present lessor would result in substantial relocation and duplication costs to the Government that are not expected to be recovered through competition.

### A. Advertising.

Advertising is not required for blocks of space under 10,000 square feet. If the RPLO chooses to advertise, the published notice or flyer should normally (i) indicate that the Government's lease is expiring, (ii) describe the agency's needs in terms of type and alternative space, if economically advantageous, (iii) advise prospective offerors that the Government will consider the cost of moving, alterations, etc., when deciding whether it should relocate, and (iv) tell interested parties whom to contact if they are interested in providing space to the Government.

### B. Market survey.

Inspect all available locations or offered space that appears to meet, or is capable of meeting, the minimum requirements regarding quantity, quality, availability and probable cost. Use Lease Market Survey Form AD-2991 to document the survey findings. The forms should document reasons that space is unacceptable and identify interested parties that should receive the SFO.

### C. Competition Determination.

- (1) If no potentially acceptable locations are identified through the notice or the market survey, the RPLO may prepare a justification to negotiate directly with the present lessor. The justification must be prepared and approved (See Chapter I, 2.C.) and should fully document the efforts to indicate alternative sources.
- (2) If potentially acceptable locations are identified through the advertisement or market surveys and relocations costs (including estimated moving costs, telecommunication costs, and the estimated cost of alterations, amortized over the firm term of the lease) are not significant enough to preclude recovery of such costs through competition, the RPLO may proceed to develop the SFO and negotiate with all interested parties.
- (3) If potentially acceptable locations are identified through the advertisement or market survey and substantial relocation costs are involved, the RPLO shall conduct a cost/benefit analysis to determine whether the duplication of costs to the Government could be recovered

through competition. The cost/benefit analysis must give consideration to the prices of other potentially available properties, relocation costs, and other appropriate considerations. The prices for other potentially available properties must be established by (### requesting the prospective offeror to provide an informational quotation for standard space for comparison purposes. The prices quoted for standard space will be adjusted by the Government for special requirements. A SFO is not required for the purpose of obtaining the information quotation. The RPLO shall provide a general description of the Government's needs when requesting informational quotations. If oral quotations are provided, the record must be documented to reflect the following information, as a minimum: the name and address of the firm solicited, the name of the firm's representative providing the quote, the price(s) quoted, the description of the space and services for which the quote is provided, the name of the Government employee soliciting the quotation, and the date of the conversation. The informational quotations shall be compared to the present lessor's price and adjusted to reflect the anticipated price for a succeeding lease. Based on the results of the cost- benefit analyses,, the RPLO will:

- (a) prepare a justification for approval to support the determination to negotiate with the present lessor for continued occupancy because it is likely that an award to any other offeror would result in substantial duplication of cost to the Government that would not be expected to be recovered through competition, or
- (b) develop the SFO and negotiate with all interested parties.

3. Expansion Space (within the scope)

Expansion space within the scope of the lease (an increase of up to 10 percent of the amount of space covered by the existing lease is generally considered within the scope) may be acquired by modification of the lease. Use Supplemental Lease Agreement Form AD-276, (Figure 2). The original lease term may not be extended when acquiring expansion space.

4. Expansion Space (outside the scope)

When the expansion space needs are outside the general scope, a market survey shall be conducted to determine whether suitable locations are available.

- A. If alternate locations are available, a cost benefit/analysis shall be performed to determine whether it is in the Government's best interest to relocate. This analysis should include:

- (1) cost of alternate space compared to expanding at the existing location,
- (2) the cost of moving,
- (3) the cost of duplicating existing improvements, ### 5/31/91)
- (4) the cost of the unexpired portion of the firm term lease (unless termination is possible, in which case the actual cost of such action should be used).

- B. If no suitable space is available and the cost of the space exceeds \$25,000, justification/approvals (see Chapter I, 2.C.) to negotiate a supplemental lease agreement for expansion space is required. The original lease term may not be extended in this situation.

Note: How to deal with existing cost escalators when requiring expansion space: Identify the current lease's rate for the operating expenses and negotiate a rate that is the same as or less than that for the additional space.

#### 5. Superseding Leases

When needed changes (such as expansion and/or alterations) to the space are so numerous, detailed or would otherwise substantially charge the present lease, consideration should be given to the execution of a superseding lease.

A market survey must be conducted to ensure that no other suitable space, meeting our requirements, is available.

Justification statements must be prepared and approved before negotiating a superseding lease if the amount of the lease over the term (including renewal options) exceeds \$25,000.

#### 6. Lease Extensions

Lease extensions provide for continued occupancy on a short term basis (usually not to exceed one year).

A market survey is required to document that the price for the extension is fair and reasonable.

In justification cite 41 USC 253(c)(1) "only one responsible source" (see Chapter I, 2.C.) for required approvals for extensions exceeding \$25,000.

This authority may be used to extend the term of a lease by supplemental lease agreements in situations such as the following:

--When the agency occupying the leased space is scheduled to move into other GSA controlled space, or other USDA controlled space, but unexpected delays are encountered in acquiring the new space.

--When unexpected delays which are outside of the RPLO's control



(e.g. protests, etc.) are encountered in acquiring the replacement space.

--When various agencies (e.g. SCS, FmHA, ASCS, etc.) occupying leased space are being consolidated and it is necessary to extend the term of one or more leases to establish a common expiration date.

#### 7. Space for Short-Term Use

An agency may lease space for short-term use not to exceed 180 days, (such as conferences and meetings, judicial proceedings, and emergency situations).

Agencies shall make efforts to utilize Government-owned or leased space before initiating a lease action.

Such efforts shall be documented.

The acquisition of short-term space requires competition.

A market survey, agency specifications, negotiations and awards are required.

When the Government is conveyed a right of exclusive possession for a definite period of time by a landlord, a lease contract SF-2 should be used.

All other transactions can be handled with a purchase order.

#### 8. Lease Alterations

Although the Government generally has a contractual right to alter the space leased, normally most alterations are acquired.

through a

modification to the lease because they fall within the general scope of the lease and it is in the Government's interest to acquire the alterations from the lessor.

As the need for alterations arises during the term of a lease contract, the RPLO must examine each project and, make a determination as.

to whether the alterations are within the general scope of the lease and may be acquired through a modification to the lease.

The primary test is whether the work should be regarded as a fairly and reasonably inseparable part of the lease requirement originally contracted.

If the alterations are outside

the general scope, the RPLO must make a decision to acquire the alterations through a separate contract or through a Supplemental Lease Agreement with the lessor.

##### A. Alterations by the Lessor

- (1) The justification and approval requirements in Chapter I, 2.C. must be complied with before negotiating directly with the lessor for any alteration project exceeding \$25,000 which is outside the general scope of the lease contract.
- (2) Before negotiating directly with the lessor for any alteration project of \$25,000 or less, which is outside the general scope of the lease, the RPLO shall document, in writing, the reasons for the absence of competition.
- (3) Procedure
  - (a) Prepare a scope of work statement for the alteration project to include plans and specifications.
  - (b) An independent Government estimate must be prepared for all alteration projects.
  - (c) The lessor shall be provided with a scope of work, including any plans and specifications, and shall be requested to submit a proposal. The proposal shall be requested to be submitted in such detail that a cost or price analysis can be made.
  - (d) Analyze the costs of the project as compared to, the independent estimate.
  - (e) Negotiate price -- the Government's alterations may enhance the value of the lessor's property. The objective is to provide a good deal for both parties.
  - (f) Award may be procured using AD Form 276, Supplemental Lease Agreement. The agreement should indicate whether progress payments or a lump sum will be made and provide for retainage, when appropriate. Purchase orders can be issued for projects \$25,000 or less, provided a reference is made to the lease.
  - (g) Final payment for alterations shall not be made until the work is inspected and certified by a qualified Government employee or independent Government contractor as being completed in a satisfactory manner.
  - (h) The requirements for submission of certified cost or pricing data outlined in FAR 15.804-2 apply to alteration projects over \$100,000. The procedural requirements at FAR 15.804-6 must be followed when requesting cost and pricing data.
  - (i) All lease alterations that are estimated to exceed \$750,000, regardless of whether the payment for the alterations is in a lump sum or amortized into the rent must have congressional approval prior to

award. Any lease alteration project estimated to exceed \$750,000 shall be forwarded to OO for transmittal by GSA to the House and Senate Committees on Public Works.

Note: The RPLO should have the lessor sign a waiver of restoration for all lease alterations performed by the lessor.

B. Alterations by the Government.

When the Government elects to exercise its rights to make the alterations rather than contract directly with the lessor, the work may be performed by Federal employees or may be contracted out using all of the standard contracting procedures that would apply to a construction contract as if the work was to be performed on Federal property. If the Government decides to contract for the work, the lessor as well as all other prospective contractors, should be invited to submit an offer for the project.

9. Termination

Termination of a lease may be made by allowing it to expire, by exercising termination rights, or by negotiations. These are in addition to termination due to default, fire or destruction.

Termination of a lease by permitting its expiration may be accomplished either by withholding a notice of renewal or by allowing the lease to expire. Regardless of which, the lessor should be notified of the Government's intent no less than 30 days in advance.

When leased space becomes unoccupied and there is no prospect for assignment and the Government has no right of immediate termination, negotiations shall be initiated to effect a release of the unoccupied space.

If cancellation cannot be negotiated, efforts shall be made for a reduction in service and utility charges for the remainder of the term.

Vacant property shall be offered to, GSA for possible assignment to other agencies (see FPMR 101-47.

202 4(b)

for exceptions to reporting).

If terms and conditions permit, and there is no Federal tenant available, agencies shall attempt to outlease or sublease the vacant space.

10. Restorations

Restoration is the physical replacement or repair of the premises

at the termination of the Government's occupancy to the same condition existing at the commencement of such occupancy, except for reasonable and ordinary wear and tear.

Changes made to the

space during occupancy are subject to restoration by the Government if not waived by the lessor at the time of installation.

The RPLO

should have the lessor sign a waiver of restoration for all lease alterations performed by the lessor.

The waiver signed and dated by the lessor should read "the lessor waives restoration for any work done under his contract."

#### 11. Change of ownership

When the leased premises have been sold.

The following is

required: evidence of the transfer of title (the best evidence is a certified copy of the deed), letter from successor-lessor assuming, approving and adopting the lease and agreeing to be bound by its terms, and a letter from the prior lessor waiving all rights under the lease against the Government, except unpaid rents through a specified date.

When the leased premises is transferred by death of the lessor, a copy of the letters of administration where there is no will, showing the new lessor(s), is required.

Upon final settlement of

the estate, the rental will be paid to the new owners.

Any change of ownership should be reflected on a Supplemental Lease Agreement, AD Form 276, which is executed by the Government and the new lessor.

Note: Legal actions involving the disposition of the premises occupied by the Government do not nullify the Government's lease contract.

Responsibility rests with the lessor's successor.

See GSA Form 3517 Item Number 12.

PLEASE SEE HARD COPY OR CONTACT OIRM, IMD ON 202-720-8799  
FOR THE PAPER COPY OF THE FOLLOWING IMAGE(S):

Figure 1 - U.S. GOVERNMENT LEASE FOR REAL PROPERTY

FIGURE 2 - SUPPLEMENTAL LEASE AGREEMENT

Figure 3

JUSTIFICATION FOR OTHER THAN

FULL AND OPEN COMPETITION

Sample Format  
U. S. Department of Agriculture

(Identify the Contracting Agency)

Proposed Action: i.e., extension, succeeding, expansion, new lease, alterations.

Description of Requirements: explain what is required. i.e., square footage, terms, estimated costs, etc.

Identify Statutory Authority 41 U.S.C. 253

(c) (1) - only responsible source

(c) (2) - unusual and compelling urgency.

Nature of Acquisition Requiring Authority Cited: i.e., special alterations which are infeasible to duplicate, the program requires collocated expansion space, etc.

Market Survey and/or, advertising Results: Attach market survey data and ads, include a narrative demonstrating solicitation efforts and cost are fair and reasonable.

Demonstrate that the Anticipated Cost will be Fair and Reasonable: attach appraisal information.

Other Factors Supporting Justification for Other Than Full and Open Competition: costs, consolidation, not meeting the Government's requirements.

I hereby certify that the above information is accurate and complete to the best of my knowledge. Agency requirements supporting this action are attached.

\_\_\_\_\_  
Real Property Leasing Officer  
Approval:

\_\_\_\_\_  
Date

\_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_

\_\_\_\_\_  
Date

See approval levels of justification for appropriate signature(s)  
Chapter I, 2-E.

Figure 4

ACQUISITION PLAN

- 1. Analysis of Requirement

- A. Project number \_\_\_\_\_
- B. Location (city/state) \_\_\_\_\_
- C. Type of space \_\_\_\_\_
- D. Square footage \_\_\_\_\_
- E. Estimated rental: total \_\_\_\_\_ per sq. ft. \_\_\_\_\_
- F. Contract period \_\_\_\_\_
- G. Background and acquisition history.

- ( ) New requirement
- ( ) Continuing need
- ( ) Change in sq. ft.
- ( ) Other \_\_\_\_\_

If continuing need or change in sq. ft. indicate current rental rate: total sq. ft. \_\_\_\_\_ award year of current lease \_\_\_\_\_.

2. Current Consideration Affecting the Acquisition.

- A. Subcontracting plans required? \_\_\_\_\_yes\_\_\_\_\_ no
- B. Will options be used? \_\_\_\_\_yes \_\_\_\_\_No  
If answer is "yes" will options be evaluated?  
\_\_\_\_\_yes\_\_\_\_\_no
- C. Is competition expected? \_\_\_\_\_yes \_\_\_\_\_no
- D. CPI adjustment necessary? \_\_\_\_\_yes \_\_\_\_\_no
- E. Acquisition approach.

- ( ) Full and open competition
- ( ) Other than full and open competition

3. Milestone events

- A. Approved space request. Projected Date
- B. Acquisition plan approval.
- C. Justification and approval for other than full and open competition and/or any required D&F approval.
- D. Issuance of advertisements, flyers, etc.
- E. Issuance of solicitation
- F. Evaluation of proposals, audit, other field pricing reports, and technical reports.
- G. Beginning and completion of negotiations.

- H. Lease preparation, review, clearance.
- I. Lease award.

Prepared by: \_\_\_\_\_ Date \_\_\_\_\_

Real Property Leasing Officer: \_\_\_\_\_ Date \_\_\_\_\_

Approved by: \_\_\_\_\_ Date \_\_\_\_\_  
 (one level above Real Property Leasing Officer)

Concurrence: \_\_\_\_\_ Date \_\_\_\_\_  
 (when required)

PLEASE SEE HARD COPY OR CONTACT OIRM, IMD ON 202-720-8799 FOR THE PAPER COPY OF THE FOLLOWING IMAGE(S):  
 Figure 5 - LEASE MARKET SURVEY  
 Pages 1 - 4

Figure 6

SOLICITATION PROVISIONS  
 (Acquisition of Leasehold Interests in Real Property)

1. 52.270-1-PREPARATION OF OFFERS (JUN 1985)
  - (a) Offerors are expected to read all parts of this solicitation.
  - (b) Offerors must be (1) submitted on the forms prescribed and furnished by the Government as a part of this solicitation or on copies of those forms, and (2) signed. The person signing an offer must initial each erasure or change appearing on any offer form. If the offeror is a partnership, the names of the partners composing the firm must be included with the offer.
  - (c) Offers will be construed to be in full and complete compliance with this solicitation unless the offer describes any deviation in the offer.

2. 552.270-2- EXPLANATION TO PROSPECTIVE OFFERORS (JUN 1985)

Any prospective offeror desiring an explanation or interpretation of the solicitation should request it in writing. Oral explanations or instructions given to a prospective offeror will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offeror.

3. 552.270-3-LATE SUBMISSIONS, MODIFICATIONS, AND WITHDRAWALS OF OFFERS (JUNE 1985)

(a) Any offer or modification of an offer which is received after the exact time specified for receipt of "best and final" offers will not be considered unless it is received before award is made, and \_\_\_\_

(1) It was sent registered or certified mail not later than the fifth calendar day prior to the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th or earlier);

(2) It was sent by mail (telegram or mailgram if authorized) and it was determined by the Government that the late receipt was due solely to mishandling by the Government after receipt at the Government installation; or

(3) It is the only offer received.

(b) The only acceptable evidence to establish

(1) The date of the mailing of a late offer or modification sent other by registered or certified mail is the U.S. Postal Service postmark on the envelope or wrapper and on the original receipt form the U.S. Postal Service. If neither postmark shows a legible date, the offer or modification will be deemed to have been mailed late. (The term "postmark" means a printed, stamped, or otherwise placed impression) that is readily identifiable without further action as having been supplied and affixed on the date of mailing by employees of the U.S. Postal Service. Therefore, offerors should request that the postal clerk place a hand canceled postmark on both the receipt and the envelope or wrapper.)

(2) The time of receipt at the Government installation is the time-date stamp of such installation on the offer wrapper or other documentary evidence of receipt maintained by the installation.

(c) Notwithstanding (a), of this provision, a late modification of an otherwise successful offer which makes its terms more favorable to the Government will be considered at any time it is received and may be accepted.

(d) Offers may be withdrawn by written notice or telegram (including mailgram) received at any time prior to award. Offers may be withdrawn in person by an offeror or his authorized representative, provided his identity is made known and he signs a receipt for the proposal before award.

4. 552.203-71-PROHIBITED CONDUCT (SEP 1990)

(This provision applies to leases with a contract value exceeding \$25,000 over the term, including options.)

(a) Prohibited conduct. The Office of Federal Procurement Policy Act, as amended (41 U.S.C. 423), provides that during the conduct of any



Federal agency procurement of property or services, no completing contractor of officer, employee, representative, agency, or consultant of competing contractor shall knowingly---

(1) Make directly or indirectly, any offer or promise of future employment or business opportunity to, or engage, directly or indirectly, in any discussion of future employment or business opportunity with, any procurement official of the agency, except as provided in FAR 3.104-6(b);

(2) Offer, give or promise to offer or give, directly or in directly, any money, gratuity, or other thing of value to any procurement official of the agency; or

(3) Solicit or obtain, directly or indirectly, from any officer or employee of the agency, prior to the award of a contract any proprietary or source selection information regarding the procurement.

(b) Penalties. Civil penalties for violation of these prohibitions are up to \$100,000 for an individual or \$1,000,000 for an offeror or prospective Offeror other than an individual. Criminal penalties are up to 5 years imprisonment and/or fine in accordance with Title 18, United States Code.

5. 552.203-72- REQUIREMENT FOR CERTIFICATE OF PROCUREMENT INTEGRITY (NOV 1990)

(This provision applies to leases with a contract value exceeding \$100,000 over the term including options.)

(a) Definitions. The definitions at FAR 3.104-4 are hereby incorporated in this provision, except that "property" also means acquisitions of leasehold interests in real property.

(b) Certifications. The officer or employee responsible for the offer submitted in response to this solicitation shall submit the following certification to the Contracting Officer when requesting the certificate. The Contracting Officer will request the successful Offeror to submit the certificate before awarding a lease contract exceeding \$100,000.

CERTIFICATE OF PROCUREMENT INTEGRITY

(1) I, (Name of certifier), am the officer or employee responsible for the preparation of this offer and hereby certify that to the best of my knowledge and belief, with the exception of any information described in this certificate, I have no information concerning a violation or possible violation of subsections 27(a), (b), (d), or (f) of the Office of Federal Procurement Policy Act, as amended\* (41 U.S.C. 423), (hereinafter referred to as "the Act"), as implemented in the FAR, occurring during the conduct of this procurement (solicitation number).

(2) As required by subsection 27(e) (1) (B) of the Act, I further certify that, to the best of my knowledge and belief, each officer, employees, agent, representative, and consultant of (Name of Offeror) who has participated personally and substantially in the preparation or submission of this offer has certified that he or she is familiar with,

and will comply with the requirements of subsection 27(a) of the SCT, as implemented in the FAR, and will report immediately to me any information concerning a violation or possible violation of subsections 27(a), (b), (d), or (f) of the Act, as implemented in the FAR, pertaining to this procurement.

(3) Violations or possible violations: (Continue on plain bond paper if necessary and label Certificate of Procurement Integrity (Continuation Sheet)), ENTER "NONE" IF NONE EXISTS

SAMPLE - DO NOT COMPLETE OR SIGN THIS CERTIFICATE.  
THE  
CONTRACTING OFFICER WILL SPECIFICALLY REQUEST IT WHEN NEEDED).

(4) I agree that, if awarded a contract, under this solicitation, the certifications required by subsection 27(e) (1) (B) of the Act shall be maintained in accordance with paragraph (f) of this provision.

\_\_\_\_\_  
(Signature of officer or employee responsible for offer)      Date

\_\_\_\_\_  
(Typed name of officer or employee responsible for offer)

\*Subsections 27(a), (b), and (d) are effective on December 1, 1990.  
Subsection 27(f) is effective on June 1, 1991.

## **THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN**

OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO  
PROSECUTION UNDER TITLE 18, UNITED STATES CODE, SECTION 1001.

(c) Pursuant to FAR 3.104-9(d), the Offeror may be requested to execute additional certifications at the request of the Government. Failure of an Offeror to submit the additional certification may cause its offer to be rejected.

(d) A certification containing a disclosure of a violation or possible violation will not necessarily result in the withholding of award under this solicitation. However, the Government, after the evaluation of the disclosure, may cancel this procurement or take any other actions in the interest of the Government, such as disqualification of the Offeror.

(e) In making the certification in paragraph (2) of the certificate, the officer or employee of the competing contractor responsible for the offer may rely upon a one-time certification form each individual required to submit a certification to the competing Contractor, supplemented by periodic training. These certifications shall be obtained at the earliest possible date after an individual required to certify begins employment or association with the

Contractor. If a Contractor decides to rely on a certification executed prior to the suspension of section 27 (i.e., prior to December 1, 1989), the Contractor shall ensure that an individual who has so certified is notified that section 27 has been reinstated. These certifications shall be maintained by the Contractor for 6 years from the date of a certifying employee's employment with the company ends or, for an agent, representative, or consultant, 6 years from the date such individual ceases to act on behalf the Contractor.

(f) Certifications under paragraphs (b) and (c) of this provision are material representations of fact which reliance will be placed in awarding a contract.

6. 52.215-12-RESTRICTION ON DISCLOSURE AND USE OF DATA (APR 1984);

Offerors or quotes who include in their proposals or quotations data that they do not want disclosed to the public for any purpose or used by the Government except for evaluation purposes, shall---

(a) Mark the title page with the following legend: "This proposal or quotation includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate this proposal or quotation. If, however, a contract is awarded to this offeror or quoter as a result of-or in connection with-the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. This data subject to this restriction are contained in sheets (insert number of sheets)"; and

(b) Mark each sheet of data it wishes to restrict with the following legend: "Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal or quotation."

7. APPRAISALS (JUN 1985)

The Government reserves the right to make an appraisal off the space offered. The offeror shall make available any pertinent information which is required.

8. FLOOD PLAINS AND WETLANDS (APR 1984)

An award of contract will not be made for a property located within a base flood plain or wetland unless the Government has determined it to be the only practicable alternative.

9. 52.222-24- PREAWARD EQUAL OPPORTUNITY COMPLIANCE REVIEW (APR 1984)

An award in the amount of \$1 million or more will not be made under this solicitation unless the offeror and each of its known first-tier subcontractors (to whom it intends to award a subcontract of \$1 million or more) are found, on the basis of a compliance review, to be able to

comply with the provisions of the Equal Opportunity clause of this solicitation.

10. 552.219-72- NOTICE TO OFFERORS OF SUBCONTRACTING PLAN REQUIREMENTS (NOV 1988)

Offerors, prior to being awarded any contract exceeding \$500,000 (\$1 million for construction), shall be required to submit an acceptable subcontracting plan (see FAR 52.219-9-) or demonstrate that no subcontracting opportunities exist. This provision does not apply to small business concerns.

11. 552.270-5-LEASE AWARD (JUN 1985)

(a) The Government will award a lease resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation, will be most advantageous to the Government, price and other factors, specified elsewhere in this solicitation, considered.

(b) The Government may (1) reject any or all offers, (2) accept other than the lowest priced offer, and (3) waive informalities and minor irregularities in offers received.

(c) Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the Government.

(d) The unconditional acceptance of an offer establishes a valid contract.

12. 552.270-6-PARTIES TO EXECUTE LEASE (JUN 1985)

(a) If the lease is executed by an attorney, agent, or trustee on behalf of the Lessor, an authenticated copy of this power of attorney, or other evidence to act of behalf of the Lessor, must accompany the lease.

(b) If the lessor is a partnership, the lease must be signed with the partnership name, followed by the name of the legally authorized partner signing the same.

(c) If the Lessor is a corporation, the lease must be signed with the corporate name, followed by the signature and title of the officer or other person signing the lease on its behalf, duly attested, and, if requested by the Government, evidence of this authority so to act must be furnished.

13. 52.233-2-SERVICE OF PROTEST (NOV 1988)

(a) Protest, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO) or the General Services Administrative Board of Contract Appeals (GSECA), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgement of receipt from the Contracting Officer at the address shown in the paragraph of this solicitation entitled "How to Offer."

(b) The copy of any protest shall be received in the office designated above on the same day a protest is filed with the GSBGA or within one day of filing a protest with the GAO.

Figure 7

GENERAL CLAUSES

(Acquisition of Leasehold Interests in Real Property)

1. 552.270-10-DEFINITIONS (JUN 1985)

(a) The terms "contract" and "Contractor" shall mean "lease" and "Lessor," respectively.

(b) If the lease is a sub-lease, the term "Lessor" means the sub-lessor.

(c) The term "Lessor shall provide" means the Lessor shall furnish and install.

2. 552.270-28-TIME EXTENSIONS

The lease will not be terminated nor the Lessor charged with resulting damage if delays arise from unforeseeable causes beyond the control of the Lessor and/or his contractors, subcontractors, suppliers, or another Government contractor. However, the Lessor shall notify the Contracting Officer, in writing, of any delay within 10 calendar days, after it begins. The Contracting Officer shall ascertain the facts, determine the extent of the delay, and grant extensions when justified.

3. 552.270-29-TERMINATION FOR DEFAULT (JUN 1985)

If the Lessor fails to prosecute the work required to deliver the leased premises ready for occupancy by the Government with such diligence as will ensure delivery of the leased premises within the time required by the lease agreement, or any extension of the specified time, or if the Lessor fails to complete said work within such time, the Government may by written notice to the Lessor, terminate the lease agreement. Regardless of whether the lease is terminated, the lessor and his sureties shall be liable for any damage to the Government resulting from his failure to deliver the premises ready for occupancy within the specified time.

4. 52.203-1-OFFICIALS NOT TO BENEFIT (APR 1984)

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit arising from it. However, this clause does not apply to this contract to the extent that this contract is made with a corporation for the corporation's general benefit.

5. 552.270-27-DELIVERY AND CONDITION (JUN 1985)

Unless the Government elects to have the space occupied in increments, the space must be delivered ready for occupancy as a complete unit. The Government reserves the right to determine when the space is ready to occupy.

## 6. 552.270-30-PROGRESSIVE OCCUPANCY (JUN 1985)

The Government shall pay rent only when the entire premises or suitable units are ready for occupancy. If the agency occupies the space in partial increments, rent will accrue or be paid on a pro rata basis. Rental payments shall become due on the first workday of the month following the month in which an increment of space is occupied, except that should an increment of space be occupied after the fifteenth day of the month, the payment due date will be the f

## 26. 52.203-3 - GRATUITIES (APR 1984)

(a) The right of the Contractor to proceed may be terminated by written notice if, after notice and hearing, the agency head or a designee determines that the Contractor, its agent, or another representative--

(1) Offered or gave a gratuity (e.g., an entertainment or gift) to an officer, official, or employee of the Government: and

(2) Intended, by the gratuity, to obtain a contract or favorable treatment under a contract.

(b) The facts supporting this determination may be reviewed by any court having lawful jurisdiction.

(c) If this contract is terminated under paragraph (a) above, the Government is entitled--

(1) To pursue the same remedies as in a breach of the contract; and

(2) In addition to any other damages provided by law, to exemplary damages of not less than 3 nor more than 10 times the cost incurred by the Contractor in giving gratuities to the person concerned, as determined by the agency head or a designee. (This subparagraph (c)(2) is applicable only if this contract uses money appropriated to the Department of Defense).

(d) The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

## 27. 552.203-5 - COVENANT AGAINST CONTINGENT FEES (FEB 1990)

(a) The contractor warrants that no person or agency has been employed or retained to solicit or obtain this contract upon an agreement or understanding for a contingent fee, except a bona fide employee or agency. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or, in its discretion, to deduct from the contract price or consideration, otherwise recover the full amount of the contingent fee.

(b) "Bona fide agency," as used in this clause means an established commercial or selling agency (including licensed real estate agents or brokers), maintained by a Contractor for the purpose of securing business, that neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds itself out

as being able to obtain any Government contract or contracts through improper influence.

"Bona fied employee," as used in this clause, means a person, employed by a Contractor and subject to the Contractor's supervision and control as to time, place, and manner of performance, who neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds out as being able to obtain any Government contract or contracts through improper influence.

"Contingent fee," as used in this clause, means any commission, percentage, brokerage, or other fee that is contingent upon the success that a person or concern has in securing a Government contract.

"Improper influence," as used in this clause , means any influence that induces or tends to induce a Government employee or officer to give consideration or to act regarding a Government contract on any basis other than the merits of the matter.

28. 552.232-71 - PROMPT PAYMENT (APR 1989)

The Government will make payments under the terms and conditions specified in this clause. Payment shall be considered as being made on the day a check is dated or an electronic funds transfer is made. All days referred to in the clause are calendar days, unless otherwise specified.

(a) Payment due date.

(1) Rental payments. Rent shall be paid monthly in arrears and will be due on the first workday of each month, and only as provided for by the lease.

(i) When the date for commencement of rent falls on the 15th day of the month or earlier, the initial monthly rental payment under this contract shall become due on the first workday of the month following the month in which the commencement of the rent is effective.

(ii) When the date for commencement of rent falls after the 15th day of the month, the initial monthly rental payment under this contract shall become due on the first workday of the second month following the month in which the commencement of the rent is effective.

INITIALS: \_\_\_\_\_ & \_\_\_\_\_  
Lessor Government

(2) Other payments. The due date for making payments other than rent shall be the later of the following two events:

(i) The 30th day after the designated billing office has received a proper invoice from the Contractor.

(ii) The 30th day after Government acceptance of the work or service. However, if the designated billing office fails to annotate the invoice with the actual date of receipt, the invoice payment due date shall be deemed to be the 30th day after the Contractor's invoice is dated, provided a proper invoice is received and there is no disagreement over quantity, quality, or Contractor compliance with contract requirements.

(b) Invoice and inspection requirements for payments other than rent.

(1) The contractor shall prepare and submit an invoice to the designated billing office after completion of the work. A proper invoice shall include the following items:

- (i) Name and address of the Contractor.
- (ii) Invoice date.
- (iii) Lease number.
- (iv) Government's order number or other authorization.
- (v) Description, price, and quantity of work or services delivered.
- (vi) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the remittance address in the lease or the order.)
- (vii) Name (where practicable), title, phone number, and mailing address of person to be notified in the event of a defective invoice.

(2) The Government will inspect and determine the acceptability of the work performed or services delivered within 7 days after the receipt of a proper invoice or notification of completion of the work or services unless a different period is specified at the time the order is placed. If actual acceptance occurs later, for the purpose of determining the payment due date and calculation of interest, acceptance will be deemed to occur on the last day of the 7-day inspection period. If the work or service is rejected for failure to conform to the technical requirements of the contract, the 7 days will be counted beginning with receipt of a new invoice or notification. In either case, the Contractor is not entitled to any payment or interest unless actual acceptance by the Government occurs.

(c) Interest Penalty.

(1) An interest penalty shall be paid automatically by the Government, without request from the Contract, if payment is not made by the due date.

(2) The interest penalty shall be at the rate established by the Secretary of the Treasury under Section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611) that is in effect on the day after the due date. This rate is referred to as the "Renegotiation Board Interest Rate," and it is published in the Federal Register semiannually on or about January 1 and July 1. The interest penalty shall accrue daily on the payment amount approved by the Government and be compounded in 30-day increments inclusive from the first day after the due date through the payment date.

(3) Interest penalties will not continue to accrue after the filing of a claim for such penalties under the clause at 52.233-1, Disputes, or for more than 1 year. Interest penalties of less than \$1.00 need not be paid.

(4) Interest penalties are not required on payment delays due to disagreement between the Government and Contractor over the payment amount or other issues involving contract compliance or on amounts temporarily withheld or retained in accordance with the terms of the contract. Claims involving disputes, and any interest that may be



payable, will be resolved in accordance with the clause at 52.23301, Disputes.

29. 552.232-72 - INVOICE REQUIREMENTS (VARIATION) (APR 1986)

(This clause applies to payments other than rent.)

(a) Invoices shall be submitted in an original only, unless otherwise specified, to the designated billing office specified in this contract or purchase/delivery order.

INITIALS: \_\_\_\_\_ & \_\_\_\_\_  
Lessor Government

(b) Invoices must include the Accounting Control Transaction (ACT) number provided below or on the purchase/delivery order. ACT Number (to be supplied on individual orders)

(c) If information or documentation in addition to that required by the Prompt Payment clause of this contract is required in connection with an invoice for a particular order, the order will indicate what information or documentation must be submitted.

30. 52.232-23 - ASSIGNMENT OF CLAIMS (JAN 1986)

(a) The Contractor, under the Assignment of Claims Act, as amended, 31 USC 3727, 41 USC 15 (hereafter referred to as the "the Act"), may assign its rights to be paid amounts due or to become due as a result of the performance of this contract to a bank, trust company, or other financing institution, including any Federal lending agency. The assignee under such an assignment may thereafter further assign or reassign its right under the original assignment to any type of financing institution described in the preceding sentence.

(b) Any assignment or reassignment authorized under the Act and this clause shall cover all unpaid amounts payable under this contract, and shall not be made to more than one party, except that an assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in the financing of this contract.

(c) The Contractor shall not furnish or disclose to any assignee under this contract any classified document (including this contract) or information related to work under this contract until the Contracting Officer authorizes such action in writing.

31. 52.223-2 - CLEAN AIR AND WATER (APR 1984)

(Applicable to leases which exceed \$100,000.)

(a) "Air Act," as used in this clause, means the Clear Air Act (42 usc 7401 et seq.).

"Clean air standards," as used in this clause, means--

(1) Any enforceable rules, regulations, guidelines, standards, limitations, orders, controls, prohibitions, work practices, or other requirements contained in, issued under, or otherwise adopted

under the Air Act or Executive Order 11738;

(2) An applicable implementation plan as described in section 110(d) of the Air Act (42 USC 7410(d));

(3) An approved implementation procedure or plan under section 111(c) or section 111(d) of the Air Act (42 USC 7411(c) or (d)); or

(4) An approved implementation procedure under section 112(d) of the Air Act (42 USC 7412(d)).

"Clean water standards," as used in this clause, means any enforceable limitation, control condition, prohibition, standard, or other requirement promulgated under the Water Act or contained in a permit issued to a discharger by the environmental Protection Agency or by a State under an approved program, as authorized by section 402 of the Water Act (33 USC 1342), or by local government to ensure compliance with pretreatment regulations are required by section 307 of the Water Act (33 USC 1317).

"Compliance," as used in this clause, means compliance with--

(1) Clean air or water standards; or

(2) A schedule or plan ordered or approved by a court of competent jurisdiction, the Environmental Protection Agency, or an air or water pollution control agency under the requirements of the Air Act or Water Act and related regulations.

"Facility," as used in this clause, means any building, plant, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a Contractor or subcontractor, used in the performance of a contract or subcontract. When a location or site of operations includes more than one building, plant, installation, or structure, the entire location or site shall be deemed a facility except when the Administrator, or a designee, of the Environmental Protection Agency, determines that independent facilities are collocated in one geographical area.

INITIALS: \_\_\_\_\_ & \_\_\_\_\_  
Lessor Government

"Water Act," as used in this clause, means Clean Water Act (33 USC 1251 et seq.).

(b) The Contractor agrees--

(1) To comply with all the requirements of section 114 of the Clean Air Act (42 USC 7414) and section 308 of the Clean Water Act (33 USC 1318) relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in section 113 and section 308 of the Air Act and the Water Act, and all regulations and guidelines issued to implement those acts before the award of this contract;

(2) That no portion of the work required by this prime contract will be performed in a facility listed on the Environmental Protection Agency List of Violating Facilities on the date when this contract was awarded unless and until the EPA eliminates the name of the facility from the listing;

(3) To use best efforts to comply with clean air standards and clean water standards at the facility in which the contract is being

performed; and

(4) To insert the substance of this clause into any nonexempt subcontract, including this subparagraph (b) (4).

32. 52.222-26 - EQUAL OPPORTUNITY (APR 1984)

(Applicable to leases which exceed \$10,000.)

(a) If, during any 12-month period (including the 12 months preceding the award of this contract), the Contractor has been or is awarded nonexempt Federal contracts and/or subcontracts that have an aggregate value in excess of \$10,000, the Contractor shall comply with subparagraphs (b) (1) through (11) below. Upon request, the Contractor shall provide information necessary to determine the applicability of this clause.

(b) During performing this contract, the Contractor agrees as follows:

(1) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.

(2) The Contractor shall take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. This shall include, but not be limited to (i) employment, (ii) upgrading, (iii) demotion, (iv) transfer, (v) recruitment or recruitment advertising, (vi) layoff or termination, (vii) rates of pay or other forms of compensation, and (viii) selection for training, including apprenticeship.

(3) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.

(4) The Contractor shall in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(5) The Contractor shall send, to each labor union or representative if workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or worker's representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.

(6) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.

(7) The Contractor shall furnish to the contracting agency all information required by Executive Order 11246, as amended, and by the rules, regulations, and orders of the Secretary of Labor. Standard Form 100 (EEO-1), or any successor form, is the prescribed form to be filed within 30 days following the award, unless filed within 12 months preceding the date of award.

(8) The Contractor shall permit access to its books, records, and accounts by the contracting agency of the Office of Federal Contract Compliance Programs (OFCCP) for the purpose of investigation to

ascertain the Contractor's compliance with the applicable rules, regulations, and orders.

(9) If the OFCCP determines that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts, under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.

(10) The Contractor shall include the terms and conditions of subparagraph (b)(1) through (11) of this clause in every subcontract or purchase order that is not exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor.

INITIALS: \_\_\_\_\_ & \_\_\_\_\_  
Lessor Government

(11) The Contractor shall take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing these terms and conditions, including sanctions for noncompliance; provided, that if the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of any direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

(c) Notwithstanding any other clause in this contract, disputes relative to this clause will be governed by the procedures in 41 CFR 60-1.1.

33. 52.219-8 - UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESS CONCERNS (FEB 1990)

(Applicable to leases which exceed \$10,000.)

(a) It is the policy of the United States that small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals shall have the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems. It is further the policy of the United States that its prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals.

(b) The Contractor hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with efficient contract performance. The Contractor further agrees to cooperate in any studies or surveys as may be conducted by the United States Small Business Administration or the awarding agency of the United States as may be necessary to determine the extent of the Contractor's compliance with this clause.

(c) As used in the contract, the term "small business concern" shall mean a small business as defined pursuant to section 3 of the Small Business Act and relevant regulations promulgated pursuant thereto. The term "small business concern owned and controlled by socially and economically disadvantaged individuals" shall mean a small business concern (1) which is at 51 percent unconditionally owned by one or more socially and economically disadvantaged individuals; or, in the case of any publicly owned business, at least 51 per centum of the stock of which is unconditionally owned by one or more socially and economically disadvantaged individuals; and (2) whose management and daily business operations are controlled by one or more of such individuals. This term also means a small business concern that is at least 51 percent unconditionally owned by an economically disadvantaged Indian tribe or Native hawaiian Organization, or a publicly owned business having at lease 51 percent of its stock unconditionally owned by one of these entities which has its management daily business controlled by members of an economically disadvantaged indian tribe or Native Hawaiian Organizations, and which meets the requirements of 13 CFR 124. The Contractor shall presume that socially and economically disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, and other minorities, or any other individual found to be disadvantaged by the Administration pursuant to section 8(a) of the Small Business Act. The Contractor shall presume that socially and economically disadvantaged entities also include Indian Tribes and native Hawaiian Organizations.

(d) Contractors acting in good faith may rely on written representations by their subcontractors regarding their status as either a small business concern or a small business concern owned and controlled by socially and economically disadvantaged individuals.

34. 52.219-13 - UTILIZATION OF WOMEN-OWNED SMALL BUSINESSES (AUG 1986)

(Applicable to leases which exceed \$25,000.)

(a) "Women-owned small businesses," as used in this clause, means businesses that are at least 51 percent owned by women who are United States citizens and who also control and operate the business.

"Control," as used in this clause, means exercising the power to made policy decisions.

"Operate," as used in this clause, means being actively involved in the day-to-day management of the business.

INITIALS: \_\_\_\_\_ & \_\_\_\_\_  
Lessor Government

"Small business concern," as used in the clause, means a concern including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria and size standards in 13 CFR 121.

(b) It is the policy of the United States that women-owned small

businesses shall have the maximum practicable opportunity to participate in performing contracts awarded by any Federal agency.

(c) The Contractor agrees to use its best efforts to give women-owned small businesses the maximum practicable opportunity to participate in the subcontracts it awards to the fullest extent consistent with the efficient performance of its contract.

(d) The Contractor may rely on written representations by its subcontractors regarding their status as women-owned small businesses.

35. 52.222-35 - AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS (APR 1984)

(Applicable to leases which exceed \$10,000.)

(a) Definitions.

"Appropriate office of the State employment service system," as used in this clause, means the local office of the Federal-State national system of public employment offices assigned to serve the area where the employment opening is to be filled, including the District of Columbia, Guam, Puerto Rico, Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

"Openings that the Contractor proposes to fill from within its own organization," as used in this clause, means employment openings for which no one outside the Contractor's organization (including any affiliates, subsidiaries, and the parent companies) will be considered and includes any openings that the Contractor proposes to fill from regularly establish "recall" lists.

"Opening that the Contractor proposes to fill under a customary and traditional employer-union hiring arrangement," as used in this clause, means employment openings that the Contractor proposes to fill from union halls, under their customary and traditional employer-union hiring relationship.

"Suitable employment openings," as used in this clause-- (1)

Includes, but is not limited to, openings that occur in jobs categorized as--

- (i) Production and nonproduction;
- (ii) Plant and office;
- (iii) Laborers and mechanics;
- (iv) Supervisory and nonsupervisory;
- (v) Technical; and
- (vi) Executive; administrative, and professional

positions compensated on a salary basis of less than \$25,000 a year; and

(2) Includes full-time employment, temporary employment of over 3 days, and part-time employment, but not openings that the Contractor purposes to fill from within its own organization or under a customary and traditional employer-union hiring arrangement, nor openings in an educational institution that are restricted to students of that institution.

(b) General. (1) Regarding any position for which the employee or applicant for employment is qualified, the Contractor shall not discriminate against the individual because the individual is a special disabled of Vietnam era veteran. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified special disabled and Vietnam era veterans without discrimination based upon their disability or veterans' status in all employment practices such as-

- (i) Employment;
- (ii) Upgrading;
- (iii) Demotion or transfer;
- (iv) Recruitment;
- (v) Advertising;
- (vi) Layoff or termination;
- (vii) Rates of pay or other forms of compensation; and
- (viii) Selection for training, including apprenticeship.

INITIALS: \_\_\_\_\_ & \_\_\_\_\_  
Lessor Government

(2) The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor (Secretary) issued under the Vietnam Era Veterans' Readjustment Assistance Act of 1972 (the Act), as amended.

(c) Listing openings. (1) The Contractor agrees to list all suitable employment openings existing at contract award or occurring during contract performance at an appropriate office of the State employment service system in the locality where the opening occurs. These openings include those occurring at any contractor facility, including one not connected with performing this contract. An independent corporation affiliate is exempt from this requirement.

(2) State and local government agencies holding Federal contracts of \$10,000 or more shall also list all their suitable openings with the appropriate office of the State employment service.

(3) The listing of suitable employment openings with the State employment service system is required at least concurrently with using any other recruitment source or effort and involves the obligations of placing a bona fide job order, including accepting referrals of veterans and nonveterans. This listing does not require hiring any particular job applicant or hiring from any particular group of job applicants and is not intended to relieve the Contractor from any requirements of Executive orders or regulations concerning nondiscrimination in employment.

(4) whenever the Contractor becomes contractually bound to the listing terms of this clause, it shall advise the State employment service system in each State where it has establishments, of the name and location of each hiring location in the State. As long as the contractor is contractually bound to these terms and has so advised the State system, it need not advise the State system of subsequent contracts. The Contractor may advise the State system when it is no longer bound by this contract clause.

(5) Under the most compelling circumstances, an employment opening may not be suitable for listing, including situations when (i) the Government's need cannot reasonably be supplied, (ii) listing would be contrary to National security, or (iii) the requirement of listing

would not be in the government's interest.

(d) Applicability. (1) This clause does not apply to the listing of employment openings which occur and are filled outside the 50 states, the District of Columbia, Puerto Rico, Guam, Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(2) the terms of paragraph (c) above of this clause do not apply to openings that the Contractor proposes to fill from within its own organization or under a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of its own organization or employer-union arrangement for that opening.

(e) Postings. (1) The Contractor agrees to post employment notices stating (i) the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified special disabled veterans and veterans of the Vietnam era, and (ii) the rights of applicants and employees.

(2) These notices shall be posted in conspicuous places that are available to employees and applicants for employment. They shall be in a form prescribed by the Director, Office of Federal Contract Compliance Programs, Department of Labor (Director), and provided by or through the contracting Officer.

(3) The Contractor shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of the Act, and is committed to take affirmative action to employ, and advance in employment, qualified special disabled and Vietnam era veterans.

(f) Noncompliance. If the contract does not comply with the requirements of this clause, appropriate actions may be taken under the rules, regulations, and relevant orders of the Secretary issued pursuant to the Act.

(g) Subcontracts. The Contractor shall include the terms of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary. The Contractor shall act as specified by the Director to enforce the terms, including action for noncompliance.

36. 52.222-37 - EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (MAR 1987)

(Applicable to leases which exceed \$10,000)

(a) The Contractor agrees to report at least annually, as required by the Secretary of Labor, on;

INITIALS: \_\_\_\_\_ & \_\_\_\_\_  
Lessor Government

(1) The number of special disabled veterans and the number of veterans of the Vietnam era in the workforce of the contractor by job



category and hiring location; and

(2) The total number of new employees hired during the period covered by the report, and of that total, the number of special disabled veterans, and the number of veterans of the Vietnam era.

(b) The above item shall be reported by completing the form entitled "Federal Contractor Veterans' Employment Report VETS-100."

(c) Reports shall be submitted no later than March 31 of each year beginning March 31, 1988.

(d) The employment activity report required by paragraph (a) (2) of this clause shall reflect total hires during the most recent 12-month period as of the ending date selected for the employment profile report required by paragraph (a) (1) of this clause. Contractors may select an ending date: (1) As of the end of any pay period during the period January through March 1st of the year the report is due, or (s) as of December 31, if the Contractor has previous written approval from the Equal Employment Opportunity Commission to do so for purposes of submitting the Employer information Report EEO-1 (Standard Form 100).

(e) The count of veterans reported according to paragraph (a) of this clause shall be based on voluntary disclosure. Each Contractor subject to the reporting requirements at 38 U.S.C 2012(d) shall invite all special disabled veterans and veterans of the Vietnam era who wish to benefit under the affirmative action program at 38 USC 2012 to identify themselves to the Contractor. The invitation shall state that the information is voluntarily provided, that the information will be kept confidential, that disclosure or refusal to provide the information will not subject the applicant or employee to any adverse treatment, and that the information will be used only in accordance with the regulations promulgated under 38 U.S.C 2012.

(f) The Contractor shall include the terms of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary.

37. 52.222-36 - AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (APR 1984)

(Applicable to leases which exceed \$2,500.)

(a) General. (1) Regarding any position for which the employee or applicant for employment is qualified, the Contractor shall not discriminate against any employee or applicant because of physical or mental handicap. The Contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as--

- (i) Employment;
- (ii) Upgrading;
- (iii) Demotion or transfer;
- (iv) Recruitment;
- (v) Advertising;
- (vi) Layoff or termination;
- (vii) Rates of pay or other forms of compensation; and

(viii) Selection for training, including apprenticeship.

(2) The Contractor agrees to comply with the rules, regulations and relevant orders of the Secretary of Labor (Secretary issued under the Rehabilitation Act of 1973 (29 USC 793) (the Act), as amended.

(b) Postings. (1) The Contractor agrees to post employment notices stating (i) the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped individuals and (ii) the rights of applicants and employees.

(2) These notices shall be posted in conspicuous places that are available to employees and applicants for employment. They shall be in a form prescribed by the Director, Office of Federal Contract Compliance Programs, Department of Labor (Director), and provided by or through the contracting Officer.

(3) the Contractor shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Section 503 of the Act and is committed to take affirmative action to employ, and advance in employment, qualified physically and mentally handicapped individuals.

(c) Noncompliance. If the Contractor does not comply with the requirements of this clause, appropriate actions may be taken under the rules, regulations, and relevant orders of the Secretary issued pursuant to the Act.

(d) Subcontracts. The Contractor shall include the terms of this clause in every subcontract or purchase order in excess of \$2,500 unless exempted by rules, regulations, or orders of the Secretary. The Contractor shall act as specified by the Director to enforce the terms, including action for noncompliance.

38. 52.219-9 - SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN (FEB 1990)

(Applicable to leases which exceed \$500,000.)

This clause incorporated the clause at FAR 52.219-9 by reference.

It has the same force and effect as if it were included in full text.

39. 52.219-16 - LIQUIDATED DAMAGES - SMALL BUSINESS SUBCONTRACTING PLAN (VARIATION) (AUG 1989)

(a) "Failure to make a good faith effort to comply with the subcontracting plan," as used in the clause, means a willful or intentional failure to perform in accordance with the requirements of the subcontracting plan approved under the clause in this contract entitled "Small Business and Small Disadvantaged Business Subcontracting Plan," or willful or intentional action to frustrate the plan.

(b) If, at contract completion, or in the case of a commercial

products plans, at the close of the fiscal year for which the plan is applicable, the Contractor has failed to meet its subcontracting goals and the Contracting Officer decides in accordance with paragraph (c) of this clause that the Contractor failed to make good faith effort to comply with its subcontracting plan, established in accordance with the clause shall pay the Government liquidated damages in an amount stated. The amount of damages attributable to the Contractor's failure to comply shall be an amount equal to the actual dollar amount by which the Contractor failed to achieve each subcontract goal or, in the case of a commercial products plan, that portion of the dollar amount allocable to Government contracts by which the Contractor failed to achieve each subcontract goal.

(c) Before the Contracting Officer makes a final decision that the Contractor has failed to make such good faith effort, the Contracting Officer shall give the Contractor written notice specifying the failure and permitting the contractor to demonstrate what good faith efforts have been made. Failure to respond to the notice may be taken as an admission that no valid explanation exists. If, after consideration of all pertinent data, the Contracting Officer finds that the Contractor failed to make a good faith effort to comply with the subcontracting plan, the Contracting Officer shall issue a final decision to that effect and require that the contractor pay the government liquidated damages as provided in paragraph (b) of this clause.

(d) The Contractor shall have right of appeal, under the clause in this contract entitled Disputes, from any final decision of the Contracting Officer.

(e) Liquidated damages shall be in addition to any other remedies that the Government may have.

40. 52.209-6 - PROTECTING THE GOVERNMENTS INTEREST WHEN  
SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR  
PROPOSED FOR DEBARMENT (MAY 1989)

(a) the Government suspends or debar Contractors to protect the Government's interest. Contractors shall not enter into any subcontract equal to or in excess of \$25,000 with a Contractor that has been debarred, suspended, or proposed for debarment unless there is a compelling reason to do so. If a Contractor intends to subcontract with a party that is debarred, suspended, or proposed for debarment (see FAR 9.404 for information on the list of Parties Excluded from Procurement Programs), a corporate officer or designee of the Contractor shall notify the Contracting Officer, in writing, before entering into such subcontract. The notice must include the following:

- (1) The name of the subcontractor,
- (2) The Contractor's knowledge of the reasons for the subcontractor being on the list of Parties Excluded from Procurement Programs:
- (3) The compelling reason(s) for doing business with the subcontractor notwithstanding its inclusion on the list of Parties Excluded from Procurement Programs; and
- (4) The systems and procedures the Contractor has established to ensure that it is fully protecting the Government's interest when dealing with such subcontractor in view of the specific basis for the

part's debarment, suspension, or proposed debarment.

(b) The Contractor's compliance with the requirements of 52.209-6 will be reviewed during Contractor Purchasing System Reviews (See FAR Subpart 44.3).

41. 52.203-7 - ANTI-KICKBACK PROCEDURES (OCT 1988)

(a) Definitions.

"Kickback," as used in this clause, means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to any prime Contractor, prime Contractor employee, subcontractor, or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract or in connection with a subcontracting relating to a prime contract.

"Person," as used in this clause, means a corporation, partnership, business association of any kind, trust, joint-stock company, or individual.

"Prime contract," as used in this clause, means a contract or contractual action entered into by the United States for the purpose of obtaining supplies, materials, equipment, or services of any kind.

"Prime Contractor," as used in this clause, means any officer, partner, employee, or agent of a prime Contractor.

"Prime Contractor employee," as used in this clause, means any officer, partner, employee, or agent of a prime Contractor.

"Subcontractor," as used in the clause, (1) means any person, other than the prime Contractor, who offers to furnish or furnishes any supplies, materials, equipment, or services of any kind under a prime contract or a subcontract entered into in connection with such prime contract, and (2) includes any person who offers to furnish or furnishes general supplies to the prime Contractor or a higher tier subcontractor.

"Subcontractor employee," as used in this clause, means any officer, partner, employee, or agent of a subcontractor.

(b) The Anti-Kickback Act of 1986 (41 USC 51-58) (the Act), prohibits any person from--

(1) Providing or attempting to provide or offering to provide any kickback;

(2) Soliciting, accepting, or attempting to accept any kickback; or

(3) Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Contractor to the United States or in the contract price charged by a subcontractor to a prime Contractor or higher tier subcontractor.

(c) (1) The Contractor shall have in place and follow reasonable procedures designed to prevent and detect possible violations described in paragraph (b) of this clause in its own operations and direct

business relationships.

(2) When the Contractor has reasonable grounds to believe that a violation described in paragraph (b) of this clause may have occurred, the Contractor shall promptly report in writing the possible violation. Such reports shall be made to the inspector general of the contracting agency, the head of contracting agency if the agency does not have an inspector general, or the Department of Justice.

(3) The Contractor shall cooperate fully with any Federal agency investigating a possible violation described in paragraph (b) of this clause.

(4) The Contracting Officer may (i) offset the amount of the kickback against any monies owed by the United States under the prime contract and/or (ii) direct that the Prime Contractor withhold from sums owed a subcontractor under the prime contract, the amount of the kickback. The Contracting Officer may order that monies withheld under subdivision (c) (4) (ii) of this clause be paid over to the Government unless the Government has already offset those monies under subdivision (c) (4) (i) of this clause. In the either case, the Prime Contractor shall notify the Contracting Officer when the monies are withheld.

(5) the Contractor agrees to incorporate the substance of this clause, including subparagraph (c) (5) but excepting subparagraph (c) (1), in all subcontracts under this contract.

42. 52.203-9 - REQUIREMENT FOR CERTIFICATE OF PROCUREMENT INTEGRITY - MODIFICATION (NOV 1990)

(Applicable to leases which exceed \$100,000.)

(a) Definitions. The definitions set forth in FAR 3.104-4 are hereby incorporated in this clause.

(b) The Contractor agrees that it will execute the certification set forth in paragraph (c) of this clause, when requested by the Contracting Officer in connection with the execution of any modification of this contract.

(c) Certification. As required in paragraph (b) of this clause, the officer or employee responsible for the modification proposal shall execute the following certification:

CERTIFICATE OF PROCUREMENT INTEGRITY - MODIFICATION (NOV 1990)

(1) I, (Name of certifier), am the officer or employee responsible for the preparation of this modification proposal and hereby certify that, to the best of my knowledge and belief, with the exception of any information described in this certification, I have no information concerning a violation or possible violation of subsection 27(a), (b), (d) or (f) of the Office of Federal Procurement Policy Act, as amended\* (41 USC 423) 9 (hereinafter referred to as "the Act"), as implemented in the FAR, occurring during the conduct of this procurement (contract and modification number).

(2) As required by subsection 27(e) (1) (B) of the Act, I further certify that, to the best of my knowledge and belief each officer, employee, agent, representative, and consultant of (Name of Offeror) who has participated personally and substantially in the preparation or

submission of this proposal has certified that he or she is familiar with, and will comply with, the requirements of subsection 27(a) of the Act, as implemented in the FAR, and will report immediately to me any information concerning a violation or possible violation of subsections 27(a), (b), (d), or (f) of the Act, as implemented in the FAR, pertaining to this procurement.

(3) Violations or possible violations: (Continue on plan bond paper if necessary and label Certificate of Procurement Integrity-Modification (Continuation Sheet), ENTER "NONE" IF NONE EXISTS)

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(SAMPLE - DO NOT COMPLETE OR SIGN THIS CERTIFICATE. THE CONTRACTING OFFICER WILL SPECIFICALLY REQUEST IT WHEN NEEDED.)

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(signature of the officer or employee responsible for the modification proposal and date)

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(typed name of the officer or employee responsible for the modification proposal)

\*Subsections 27(a), (b) and (d) are effective on December 1, 1990  
 Subsection 27(f) is effective on June 1, 1991. THIS CERTIFICATION STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER TITLE 18, UNITED STATES CODE, SECTION 1001.

(End of certification)

(d) In making the certification in paragraph (2) of the certificate, the officer or employee of the competing Contractor responsible for the offer or bid, may rely upon a one-time certification from each individual required to submit a certification to the competing Contractor, supplemented by periodic training. These certifications shall be obtained at the earliest possible date after an individual required to certify begins employment or association with the Contractor. If a Contractor decides to rely on a certification executed prior to the suspension of section 27 (i.e., prior to December 1, 1989), the Contractor shall ensure that an individual who has so certified is notified that section 27 has been reinstated. These certifications shall be maintained by the Contractor for a period of 6 years from the date a certifying employee's employment with the company ends or, for an agency, representative, or consultant, 6 years from the date such individual ceases to act on behalf of the contractor.

(e) The certification required by paragraph (c) of this clause is a material representation of fact upon which reliance will be placed in executing this modification.

43. 52.203-73 - PRICE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY

(SEP 1990)

(a) If the head of the contracting activity (HCA) or his or her designee determines that there was a violation of subsection 27(a) of the Office of Federal Procurement Policy Act, as amended (41 USC 324), as implemented in the Federal Acquisition Regulation, the Government, at its election, may--

(1) Reduce the monthly rental under this lease by 5 percent of the amount of the rental for each month of the remaining term of the lease, including any option periods, and recover 5 percent of the rental already paid;

(2) Reduce payments for alterations not included in monthly rental payments by 5 percent of the amount of the alterations agreement; or

(3) Reduce the payments for violations by a Lessor's subcontractor by an amount not to exceed the amount of profit or fee reflected in the subcontract at the time the subcontract was placed.

(b) Prior to making a determination as set forth above, the HCA or designee shall provide to the Lessor a written notice of the action being considered and the basis therefor. The Lessor shall have a period determined by the agency head or designee, but not less than 30 calendar days after receipt of such notice, to submit in person, in writing, or through a representative, information and argument in opposition to the proposed reduction. The agency head or designee may, upon good cause shown, determine to deduct less than the above amounts from payments.

(c) The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law or under this lease.

44. 52.203-12 - LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (JAN 1990)

(Applies to leases which exceed \$100,000.)

(a) Definitions:

"Agency," as used in this clause, means executive agency as defined in 2.101.

"Covered Federal action," as used in this clause, means any of the following Federal actions:

(a) The awarding of any Federal contract.

(b) The making of any Federal grant.

(c) The making of any Federal loan.

(d) The entering into of any cooperative agreement.

(e) The extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement.

"Indian tribe" and "tribal organization," as used in this clause, have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 USC 450B) and include Alaskan Natives.

"Influencing or attempting to influence," as used in the clause, means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government," as used in this clause, means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency," as used in this clause, includes the following individuals who are employed by an agency:

(a) An individual who is appointed to a position in the Government under title 5, United States Code, including a position under a temporary appointment.

(b) A member of the uniformed services, as defined in subsection 101(3), title 37, United States Code.

(c) A special Government employee, as defined in section 202, title 18 United States Code.

(d) An individual who is a member of an Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, United States Code, appendix 2.

"Person," as used in this clause, means an individual, corporation, company, association, authority, firm, partnership, society, State and local government, regardless of whether such entity is operated for profit, or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Reasonable compensation." as used in this clause, means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

"Reasonable payment." as used in this clause, means with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

"Recipient," as used in this clause, includes the Contractor and all subcontracts. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed," as used in this clause, means, with respect to an officer or employee of a person requesting or receiving a Federal contract, an officer or employee who is employed by such person for at least 130 working days within 1 year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract. An officer or employee who is employed by such person for less than 130 working days within 1 year immediately



preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State," as used in this clause, means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibitions:

(1) Section 1352 of title 31, United States Code, among other things, prohibits a recipient of a Federal contract, grant, loan, or cooperative agreement from using appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal loan; the entering into of any cooperative agreement; or the modification of any Federal contract, grant, loan, or cooperative agreement.

(2) The Act also requires Contractor to furnish a disclosure of any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with Federal contract, grant, loan, or cooperative agreement.

(3) The prohibitions of the Act do not apply under the following conditions:

(i) Agency and legislative liaison by own employees:

(A) The portion on the use of appropriated funds, in subparagraph (b)(1) of this clause, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.

(B) For purposes of subdivision (b)(3)(i)(A) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(C) The following agency and legislative liaison activities are permitted at any time where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency the qualities and characteristics (including individual demonstrations) of the person's products or services, conditions or terms of sale, and service capabilities.

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(D) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action-

(1) Providing any information not specifically

requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Pub. L 95-507, and subsequent amendments.

(E) Only those services expressly authorized by subdivision (b) (3) (i) (A) of this clause are permitted under this clause.

(ii) Professional and technical services.

(A) The prohibition of the use of appropriated funds, in subparagraph (b) (1) of this clause, does not apply in the case of--

(1) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(2) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers of employees or receiving a covered Federal Action include consultants and trade associations.

(B) For purposes of subdivision (b) (3) (ii) (A) of this clause, "professional and technical services: shall be limited to advice and analysis directly applying any professional or technical discipline. The following examples are not intended to be all inclusive, to limit the application of the professional or technical exemption provided in the law, or to limit the exemption to licensed professionals. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for advice or analysis directly and solely related to the legal aspects of his or her client;s proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made

by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(C) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation and any other requirements in the actual award documents.

(D) Only those services expressly authorized by subdivision (b) (3) (ii) (A) (1) and (2) of this clause are permitted under this clause.

(E) the reporting requirements of FAR 3.803(a) shall not apply with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

(iii) Selling activities by independent sales representatives

The prohibition on the use of appropriated funds, in subparagraph (b) (1) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter.

(A) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities ; and

(B) Technical discussions and other activities regarding the application or adoption of the person's products or services for an agency's use.

(c) Disclosure.

(1) The Contractor who requests or receives from an agency a Federal contract shall file with that agency a disclosure form, OMB standard form LLL, Disclosure of Lobbying Activities, if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action) (, which would be prohibited under subparagraph (b) (1) of this clause, if paid for with appropriated funds.

(2) The Contractor shall file a disclosure form at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any disclosure from previously filed by such person under subparagraph (c) (1) of this clause. An event that materially affects the accuracy of the information reported includes--

(i) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

(ii) A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or

(iii) A change in the officer(s), employee(s) or

Member(s) contacted to influence or attempt to influence a covered Federal Action.

(3) The Contractor shall require the submittal of a certification, and if required, a disclosure form by any person who requests or receives any subcontract exceeding \$100,000 under the Federal contract.

(4) All subcontractor disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the prime Contractor. The prime Contractor shall submit all disclosures to the Contracting Officer at the end of the calendar quarter in which the disclosure form is submitted by the subcontractor. Each subcontractor certification shall be retained in the subcontract file of the awarding Contractor.

(d) Agreement. The Contractor agrees not to make any payment prohibited by this clause.

(e) Penalties.

(1) Any person who makes an expenditure prohibited under paragraph (b) of this clause or who fails to file or amend the disclosure form to be filed or amended by paragraph (c) of this clause shall be subject to civil penalties as provided for by 31 USC 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(2) Contractors may rely without liability on the representation made by their subcontractors in the certification and disclosure form.

(f) Cost allowability. Nothing in this clause makes allowable or reasonable any costs which would otherwise be unallowable or unreasonable. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any other provision.

#### 45. NOTIFICATION OF PCB HAZARDOUS CONDITION (NOV 1985)

The lessor shall promptly notify the Contracting Officer and the tenant agency official of any leaks, spills, or other hazardous conditions which involve PCBs in any area of the building.

#### 46. WARRANTY OF SPACE (OCT 1986)

(a) Notwithstanding inspection and acceptance by the Government of any provision concerning the conclusiveness thereof, the lessor warrants that all space leased to the Government under this contract, spaces above suspended ceilings in the leased space, air plenum, s elsewhere in the building which service the leased space, engineering spaces in the same ventilation zone as the leased space, public spaces and common use space (e.g., lobbies, hallways) will, at the time of acceptance and during the term of the lease contract, comply with the asbestos requirements of this contract. The contracting officer shall notify the lessor in writing, within 30 days after the discovery, of any failure to comply with the asbestos requirements.

(b) If the lessor fails, after receipt of notice, to make correction within the specified period of time, the Government shall

have the right to make correction and charge to the lessor the costs occasioned to the Government or terminate the lease agreement at no cost to the Government.

(c) The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law and under this contract.

(d) Definitions.

(1) "Acceptance", as used in this clause means the act of an authorized representative of the Government by which the Government assumes for itself, or as an agent of another, the leased premises as ready for occupancy or approves a portion of the premises for occupancy in accordance with the provisions of this lease contract.

(2) "Correction", as used in this clause, means (i) the removal, encapsulation or enclosure of any friable asbestos materials found in the space leased to the Government, spaces above suspended ceilings in the lease space, air plenums elsewhere in the building which service the leased space, public spaces, engineering spaces in the same ventilation zone as the lease space and common use space (e.g., lobbies, hallways). following such abatement actions, the lessor shall adhere to the Government's required post- asbestos-abatement air monitoring program. (ii) With regard to non-friable asbestos materials in good condition, it means the establishment and execution of a special operations and maintenance program and an abatement plan, approved by the Government, to be implemented from the time the materials are discovered through the remainder of the lease term.

47. 52.223-6 - DRUG FREE WORKPLACE (JUL 1990)

(Applicable to leases which equal or exceed \$25,000.)

(a) Definitions. As used in this clause, "Controlled substance" means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act (21 USC 812) and as further defined in regulation at 21 CFR 1308.11-1308.15.

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

"Criminal drug statutes" means a Federal or nonfederal criminal statute involving the manufacture, distribution, dispensing, possession or use of any controlled substance.

"Drug-free workplace" means the site(s) for the performance of work done by the Contractor in connection with a specific contract at which employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

"Employee" means an employee of a Contractor directly engaged in the performance of work under a Government contract. Directly engaged is defined to include all direct cost employees and any other Contractor

employee who has other than a minimal impact or involvement in contract performance.

"Individual" means an Offeror/Contractor that has no more than one employee including the Offeror/Contractor.

(b) The Contractor, if other than an individual, shall within 30 calendar days after award (unless a longer period is agreed to in writing for contracts of 30 calendar days or more performance duration), or as soon as possible, for contracts of less than 30 calendar days performance duration-

(1) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

(2) Establish an ongoing drug-free awareness program to inform such employees about-

(i) The dangers of drug abuse in the workplace;

(ii) The contractor's policy of maintaining drug-free workplace;

(iii) Any available drug counseling, rehabilitation, and employee assistance programs; and

(iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

(3) Provide all employees engaged in performance of the contract with a copy of a statement required by subparagraph (b)(1) of this clause;

(4) Notify such employees in writing in the statement required by subparagraph (b)(1) of this clause that, as a condition of continued employment on this contract, the employee will-

(i) Abide by the terms of the statement; and

(ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 calendar days after such conviction.

(5) Notify the Contracting Officer in writing within 10 calendar days after receiving notice under subdivision (b)(4)(ii) of this clause, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;

(6) Within 30 calendar days after receiving notice under subdivision (b)(4)(ii) of this clause of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:

(i) Taking appropriate personnel action against such employee, up to and including termination; or

(ii) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health law enforcement, or other appropriate agency.

(7) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraph (b) (1) through (b) (6) of this clause.

(c) The Contractor, if an individual, agrees by award of the contract or acceptance of a purchase order, not to engage in the unlawful, manufacture, distribution, dispensing, possession, or use of a controlled substance in the performance of this contract.

(d) In addition to other remedies available to the Government, the contractor's failure to comply with the requirements of paragraphs (b) or (c) of this clause may, pursuant to FAR 23.506, render the Contractor subject to suspension of contract payments, termination of the contract for default, and suspension or debarment.

48. TERMINATION - ERRONEOUS REPRESENTATION CONCERNING  
POLYCHLORINATED BIPHENYLS (PCB's) AND/OR HAZARDOUS WASTE  
MANAGEMENT (OCT 1986)

(a) The certification regarding PCB's contained in the representation and certification provision of this solicitation is a material representation of fact upon which the Government relies when making award. If it is later determined that the presence of PCBs has been misrepresented, the Government reserves the right to require the Lessor, at no cost to the Government, to remove or retrofill any PCB equipment present in the building, in accordance with EPA regulations, or alternatively the Government may terminate the lease. This is in addition to other remedies available to the Government.

(b) The certification regarding hazardous waste management contained in the representation and certification provision of this solicitation is a material representation of fact upon which the Government relies when making award. If it is later determined that the presence of hazardous waste, or inappropriate handling thereof, has been misrepresented, the Government reserves the right to require the Lessor, at no cost to the Government, to take the necessary action to mitigate the hazardous waste condition, in accordance with local, state and Federal laws, or alternatively the Government may terminate the lease. This is in addition to the other remedies available to the Government.

49. 552.270-18 -LESSOR'S SUCCESSORS (JUN 1985)

The terms and provisions of this lease and the conditions herein bind the Lessor and the Lessor's heirs, executors, administrators, successors, and assigns.

Figure 8

REPRESENTATIONS AND CERTIFICATIONS (Acquisition of Leasehold interests in Real Property)	Solicitation Number	Dated
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Complete appropriate boxes, sign the form and attach to offer.

The Offeror makes the following Representations and Certifications.

NOTE: The "Offeror," as used on this form, is the owner of the property offered, not an individual or agent representing the owner.

1. 52.219-1 SMALL BUSINESS CONCERN REPRESENTATION (FEB 1990)  
(DEVIATION FAR 52.219-1)

The Offeror represents and certifies as part of its offer that it ( ) is, ( ) is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the size standards in this solicitation.

2. 52.219-70 SMALL BUSINESS SIZE STANDARD (MAR 1987)

The Small business size standard applicable to this acquisition is annual average gross receipts of \$10 million or less for the preceding three fiscal years.

3. 52.219-2- SMALL DISADVANTAGED BUSINESS CONCERN REPRESENTATION  
(FEB 1990)

(a) Representation. The Offeror represents that it ( ) is, ( ) is not a small disadvantaged business concern.

(b) Definitions.

"Asian Pacific Americans," as used in this provision, means United States citizens whose origins are in Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territory of the Pacific Islands (Republic of Palau), the Northern Mariana Islands, Laos, Kampuchea (Cambodia), Taiwan, Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Republic of the Marshall Islands, or the Federated States of Micronesia.

"Indian tribe," as used in this provision, means any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native Corporation as defined in 13 CFR 124.100 which is recognized as eligible for the special programs and services provided by the U.S. to Indians because of their status as Indians, or which is recognized as such by the State in which such tribe, band, nation, group, or community resides.

"Native Americans," as used in this provision, means American Indians, Eskimos, Aleuts, and native Hawaiians.

"Native Hawaiian Organization," as used in this provision, means any community service organization serving Native Hawaiians in, and chartered as not-for-profit organization by, the State of Hawaii, which is controlled by Native Hawaiians, and whose business activities will principally benefit such Native Hawaiians.

"Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under criteria and size standards in 13 CFR 121.



"Small disadvantaged business concern," as used in this provision, means a small business concern that (a) is at least 51 percent unconditionally owned by one or more individuals who are both socially and economically disadvantaged, or a publicly owned business having at least 51 percent of its stock unconditionally owned by one or more socially and economically disadvantaged individuals and (b) has its management and daily business controlled by one or more such individuals. This term also means a small business concern that is at least 51 percent unconditionally owned by an economically disadvantaged Indian tribe or Native Hawaiian Organization, or a publicly owned business having at least 51 percent of its stock unconditionally owned by one of these entities which has its management and daily business controlled by members of an economically disadvantaged Indian tribe or Native Hawaiian Organization, and which meets the requirements of 13 CFR 124.

"Subcontinent Asian Americans," as used in this provision, means United States citizens whose origins are in India, Pakistan, Bangladesh, Sri Lanka, Bhutan, or Nepal.

(c) Qualified groups. The Offeror shall presume that socially and economically disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, and other individuals found to be qualified by SBA under 13 CFR 124. The Offeror shall presume that socially and economically disadvantaged entities also include Indian tribes and Native Hawaiian Organization.

4. 52.219-3 - WOMEN-OWNED SMALL BUSINESS REPRESENTATION (APR 1984)

(a) Representation. The Offeror represents that it () is, () is not a women-owned small business concern.

(b) Definitions.

"Small business concern," as used in the provision, means a concern including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria and size standards in 13 CFR 121.

"Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

5. 52.222-22 - PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (APR 1984)

The Offeror represents that --

(a) It () has, () has not participated in a previous contract or subcontract subject either to the Equal Opportunity clause of this solicitation, the clause originally contained in Section 310 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 11114;

(b) It ( ) has, ( ) has not filed all required compliance reports;  
and

(c) representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards. (approved by OMB under Control Number 1215-0072)

6. 52.222-25 - AFFIRMATIVE ACTION COMPLIANCE (APR 1984)

(Applicable to other than construction contracts which include the clause at FAR 52.222-26, Equal Opportunity.)

The Offeror represents that--

(a) It ( ) has developed and has on file, ( ) has not developed and does not have on file, at each establishment affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or

(b) It ( ) has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor. (Approved by OMB under Control Number 1215-0072.)

7. 52.222-21 - CERTIFICATION OF NONSEGREGATED FACILITIES (APR 1984)

(a) "Segregated facilities," as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom, or otherwise.

(b) By the submission of this offer, the Offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Offeror agrees that a breach of this certification is a violation of the Equal Opportunity clause in the contract.

(c) The Offeror further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will--

(1) Obtain identical certifications from proposed subcontractors before the award of subcontracts under which the subcontractor will be subject to the Equal Opportunity clause;

(2) Retain the certifications in the files; and

(3) Forward the following notice to the proposed subcontractors (except if the proposed subcontractors have submitted

identical certifications for specific time periods).

NOTICE TO PROSPECTIVE SUBCONTRACTORS OF REQUIREMENT FOR  
CERTIFICATIONS OF NO SEGREGATED FACILITIES.

A Certification of Nonsegregated Facilities must be submitted before the award of a subcontract under which the subcontractor will be subject to the Equal Opportunity clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

NOTE: The penalty for making false statements in offers is prescribed in 18 USC 1001. (Approved by OMB under Control Number 1215-0072.)

8. 552.203-4 - CONTINGENT FEE REPRESENTATION AND AGREEMENT (MAY 1989)

(a) Representation. The Offeror represents that, except for full-time bona fide employees working solely for the Offeror or bona fide established real estate agents or brokers maintained by the Offeror for the purpose of securing business, the Offeror--

(Note: The Offeror must check the appropriate boxes. For interpretation of the term "bona fide employee or agency," see paragraph (b) of the Covenant Against contingent Fees clause).

(1) ( ) Has, ( ) has not, employed or retained any company or persons to solicit or obtain this lease; and

(2) ( ) Has, ( ) has not, paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) Agreement. The Offeror agrees to provide information relating to the above Representation as requested by the Contracting Officer and, when subparagraph (a)(1) or (a)(2) is answered affirmatively, to promptly submit to the Contracting Officer--

(1) A complete Standard Form 119, Statement of Contingent of Other Fees, (SF 119); or

(2) A signed statement indicating that the SF 119 was previously submitted to the same contracting office, including the date and applicable solicitation or contract number, and representing that the prior SF 119 applies to this offer or quotation.

9. 52.203-02 - CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (APR 1985)

(a) The Offeror certifies that--

(1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices

offered;

(2) the prices in this offer have not been and will not be knowingly disclosed by the Offeror, directly or indirectly, to any other Offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the Offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory--

(1) Is the person in the Offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a) (1) through (a) (3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a) (1) through (a) (3) above \_\_\_\_\_ (insert full name of person(s) in the Offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the Offeror's organization);

(ii) As an authorized agent, does certify that the principals named in subdivision (b) (2) (i) above have not participated, and will not participate, in any action contrary to subparagraphs (a) (1) through (a) (3) above; and

(iii) As an agent, has not personally participated, and will not participate, in action contrary to subparagraphs (a) (1) through (a) (3) above.

(c) If the Offeror deletes or modifies subparagraph (a) (2) above, the Offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

10. 52.203-11 CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (JAN 1990) (DEVIATION)

(Applies to leases which exceed \$100,000.)

(a) The definitions and prohibitions contained in the clause, at FAR 52.203-12, Limitation on Payments to influence Certain Federal Transactions, included in this solicitation, are hereby incorporated by reference in paragraph (b) of this certification.

(b) The Offeror, by signing its offer, hereby certifies to the best of his or her knowledge and belief as of December 23, 1989, that--

(1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee

of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of a contract resulting from this solicitation.

(2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer, and

(3) He or she will include the language of this certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.

(c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000 for each such failure.

11. 52.209-5 -CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS (MAY 1989)

(a) (1) The Offeror certifies, to the best of its knowledge and belief, that--

(i) The Offeror and/or any of its Principals--

(A) Are ( ) are not ( ) presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have ( ) have not ( ), within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the submission of offers; of commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and

(C) Are ( ) are not ( ) presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a) (1) (i) (B) of this provision.

(ii) The Offeror has ( ) has not ( ), within a three year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means

officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager, head of a subsidiary, division, or business segment, and similar positions).

## **THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF ANY**

OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER SECTION 1001, TITLE 18 UNITED STATES CODE.

(b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.

(d) Nothing contain in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. It if is later determined that the Offer knowingly rendered an erroneous certification, in addition to other remedies available to the government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

### 12. ASBESTOS REPRESENTATION

The Offeror represents and certifies as part of its off that the offered space, spaces above suspended ceilings in the offered space, air plenums elsewhere in the building which service the offered space, engineering spaces in the same ventilation zones as the offered space, public spaces, and common used space (e.g. lobbies, hallways)--

(a) ( ) Does, ( ) does not include asbestos-containing materials (ACM). ACM as used in this provision is defined as any materials with a concentration of 1 percent or greater by dry wright of asbestos fibers.

(b) If any of the above areas include ACM, please indicate whether the materials are

- (1) friable  Yes  No
- (2) non-friable, in good condition, and located in a place where they are not likely to be disturbed during the term of any ensuing lease contract  Yes  No
- (3) in a solid matrix, already in place, and in good condition  Yes  No

## 13. POLYCHLORINATED BIPHENYLS (PCB'S) CERTIFICATION

The Offeror certifies as part of its offer that the building in which the space is offered for lease to the Government--

(a)  Contains,  does not contain transformers with 1 quart or more of PCB fluid.

(b)  Contains,  does not contain other equipment, e.g., capacitors, with one quart or more of PCB fluid. If present, specify the type of equipment\_\_\_\_\_.

(c) If PCB transformers are present, please indicate the number that,

- (1) are owned by the building owner, \_\_\_\_\_and/or by the utility company\_\_\_\_\_
- (2) are leaking \_\_\_\_\_, are not leaking \_\_\_\_\_
- (3) have overcurrent protection \_\_\_\_\_, have low current fault protection \_\_\_\_\_
- (4) are inspected quarterly \_\_\_\_\_.

## 14. CERTIFICATION FOR PAST OR PRESENT HAZARDOUS WASTE OPERATIONS (NOV 1987)

To the best of his or her knowledge, the Offeror represents and certifies, as part of the offer that the site upon which space is offered for lease to the Government--

(a)  Was,  was not a site used for any of the operations listed in item b below.

(b) Was a site used for any or all of the following operations:

- (1) generation of hazardous waste  Yes  No
- (2) treatment, temporary/permanent storage or disposal of solid or hazardous waste  Yes  No
- (3) storage of hazardous substances or petroleum products  Yes  No
- (4) used/waste oil storage or reclamation units  Yes  No
- (5) laboratory or rifle range  Yes  No
- (6) chemical manufacturing/storage  Yes  No
- (7) military or intelligence weapons or ammunition training or testing  Yes  No

- (8) ordnance and/or weapons production,  
storage, or handling  Yes  No

(c) If any of the above operations ever occurred at the site, the Offeror certifies that appropriate cleanup or other action  was,  was not performed in accordance with the local, state and Federal laws.

#### 15. RADON CERTIFICATION

(a) The Offeror certified as part of its offer that the portion of the space proposed for lease or acquisition by the Government which is in ground contact or closest to the ground (i.e., if space offered is on floors 4 through 9, certification is required for the 4th floor only) has been measured for radon. Radon detectors were placed throughout the required area to ensure each detector covered no more than 2,000 square feet of space. Radon analyses were performed by a laboratory successfully participating in the Environmental Protection Agency--sponsored Radon Measurement Proficiency Program. The highest radon level was found to be--

- Below 4 picocuries per liter (pCi/I)  
 4 pCi/I or greater, but less than 200 pCi/I  
 200 pCi/I or greater

(b) The highest radon level measures was \_\_\_\_\_.

(c) the measurement method used was \_\_\_\_\_.

#### 16. 52.223-1 - CLEAN AIR AND WATER CERTIFICATION (APR 1984)

(Applicable if the offer exceeds \$100,000 or the contracting officer has determined that orders under an indefinite quantity contract in any year will exceed \$100,000, or a facility to be used has been the subject of a conviction under the Clean Air Act (42 USC 1857c-8(c)(1)) or the Federal Water Pollution Control Act (33 USC 1319)(c)) and is listed by EPA, or is not otherwise exempt.)

The Offeror certifies that--

(a) Any facility to be used in the performance of this proposed contract  is,  is not listed on the Environmental Protection Agency List of Violating Facilities;

(b) The Offeror will immediately notify the Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the Environmental Protection Agency, indicating that any facility that the Offeror proposes to use for the performance of the contract is under consideration to be listed in the EPA List of Violating Facilities; and

(c) The Offeror will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract. (Approved by OMB under control Number 3090-0130.)

#### 17. 52.203-5 - CERTIFICATION REGARDING A DRUG-FREE WORKPLACE (JUL 1990)

(a) Definitions. As used in this provision, "Controlled



substance" means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act (21 USC 812) and as further defined in regulation at 21 CFR 1308.11-1308.15.

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

"Criminal drug statutes" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession or use of any controlled substance.

"Drug-free workplace" means the site(s) for the performance of work done by the Contractor in connection with a specific contract at which employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

"Employee" means an employee of a Contractor directly engaged in the performance of work under a Government contract. Directly engaged is defined to include all direct cost employees and any other Contractor employee who has other than a minimal impact or involvement in contract performance.

"Individual" means an Offeror/Contractor that has no more than one employee including the Offeror/Contractor.

(b) By submission of its offer, the Offeror, if other than an individual, who is making an offer that equals or exceeds \$25,000, certifies and agrees that, with respect to all employees of the Offeror to be employed under a contract resulting from this solicitation, that, no later than 30 calendar days after contract award (unless a longer period is agreed to in writing), for contracts of 30 calendar days or more performance duration, or as soon as possible, for contracts of less than 30 calendar days performance duration, but in any case, by a date prior to when performance is expected to be completed, it will--

(1) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

(2) Establish an ongoing drug-free awareness program to inform such employees about--

(i) The dangers of drug abuse in the workplace;  
(ii) The contractor's policy of maintaining drug-free workplace;  
(iii) Any available drug counseling, rehabilitation, and employee assistance programs; and  
(iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

(3) Provide all employees engaged in performance of the contract with a copy of a statement required by subparagraph (b)(1) of this clause;

(4) Notify such employees in writing in the statement required by subparagraph (b)(1) of this clause that, as a condition of continued employment on this contract, the employee will-

(i) Abide by the terms of the statement; and  
(ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 calendar days after such conviction.

(5) Notify the Contracting Officer in writing within 10 calendar days after receiving notice under subdivision (b)(4)(ii) of this clause, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee; and

(6) Within 30 calendar days after receiving notice under subdivision (b)(4)(ii) of this clause of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:

(i) Taking appropriate personnel action against such employee, up to and including termination; or  
(ii) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health law enforcement, or other appropriate agency.

(7) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraph (b)(1) through (b)(6) of this clause.

(c) By submission of its offer, the Offeror, if an individual who is making an offer of any dollar value, certifies and agrees that the Offeror will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in the performance of this contract resulting from this solicitation.

(d) Failure of the Offeror to provide the certification required by paragraph (b) or (c) of this provision renders in Offeror unqualified and ineligible for award. (See FAR 9.104-1(g) and 19.602-1(a)(2)(i).)

(e) In addition to other remedies available to the Government, the certification in paragraphs (b) or (c) of this provision concerns a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

#### 18. 52.204-3 TAXPAYER IDENTIFICATION (SEP 1989)

(a) Definitions.

"Common parent," as used in this solicitation provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the Offeror is a member.

"Corporate status," as used in this solicitation provision, means a

designation as to whether the Offeror is a corporate entity, an unincorporated entity (e.g., sole proprietorship or partnership), or a corporation providing medical and health care services.

"Taxpayer Identification Number (TIN)," as used in this solicitation provision, means the number required by the IRS to be used by the Offeror in reporting income tax and other returns.

(b) The Offeror is required to submit the information required in paragraphs (c) through (e) of this solicitation provision in order to comply with reporting requirements of 26 USC 6041, 6041A, and 6050M and implementing regulations issued by the Internal Revenue Service (IRS). If the resulting contract is subject to the reporting requirements described in 4.902(a), the failure or refusal by the Offeror to furnish the information may result in a 20 percent reduction of payments otherwise due under the contract.

(c) Taxpayer Identification Number (TIN)

- TIN: \_\_\_\_\_.
- TIN has been applied for.
- TIN is not required because:
- Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the U.S. and does not have an office of place of business or a fiscal payment agent in the U.S.;
- Offeror is an agency of instrumentality of a foreign government;
- Offeror is an agency of instrumentality of a Federal, state, or local government;
- Other, State basis. \_\_\_\_\_

(d) Corporate Status

- Corporation providing medical and health care services, or engaged in the billing and collecting of payments for such services;
- Other corporate entity;
- Not a corporate entity;
- Sole proprietorship;
- Partnership
- Hospital or extended care facility described in 26 CFR 501(c)(3) that is exempt from taxation under 26 CFR 501(a).

(e) Common Parent

- Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this clause.
- Name and TIN of common parent;

Name \_\_\_\_\_  
TIN \_\_\_\_\_

19. OFFEROR'S DATA UNIVERSAL NUMBERING SYSTEM (DUNS)  
NUMBER: \_\_\_\_\_

Name and Address (including ZIP Code) Telephone No.

OFFEROR OR  
AUTHORIZED  
REPRESENTATIVE

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

PLEASE SEE HARD COPY OR CONTACT OIRM, IMD ON  
202-720-8799 FOR THE PAPER COPY OF THE  
FOLLOWING IMAGES(S) :

Figure 9 - Abstract and Evaluation of Offers  
Figure 10 - Cost & Rate Factors

ANNUAL COMPOUND INTEREST TABLE  
EFFECTIVE RATE 4%

Year	
1	1.0400
2	1.0816
3	1.1249
4	1.1699
5	1.2167
6	1.2653
7	1.3159
8	1.3686
9	1.4233
10	1.4802
11	1.5395
12	1.6010
13	1.6651
14	1.7317
15	1.8009
16	1.8730
17	1.9479
18	2.0258
19	2.1068
20	2.1911
21	2.2788
22	2.3699
23	2.4647
24	2.5633
25	2.6658
26	2.7725
27	2.8834
28	2.9987
29	3.1187
30	3.2434

PLEASE SEE HARD COPY OR CONTACT OIRM, IMD ON  
202-720-8799 FOR THE PAPER COPY OF THE  
FOLLOWING IMAGES(S) :

Figure 11 - Lease Inspection Checklist  
Figure 12 - Lessor's Annual Cost Statement

## Appendix A

SMALL LEASE PACKAGE UNDER 10,000 SQUARE FEET  
SAMPLE SOLICITATION FOR OFFERS (SFO)

The following SFO is intended as a guide to assist the Real Property Leasing Officer (RPLO) in assembling agencies' space requirements in a solicitation for offers (SFO). The SFO will form the basis of the acquisition, and will become part of the lease. The objective of this sample is to provide a basic format which is sufficiently flexible to meet varying lease requirements and to promote maximum competition in satisfying the Department's space requirements. The sample SFO also contains explanations of certain clauses. The explanatory information is in capital letters indented directly below the prescribed clause that should be a part of your solicitation. The private sector is not familiar with the term RPLO, therefore, the term contracting officer has been substituted in the SFO, and is synonymous.

The U.S. Department of Agriculture (USDA) \_\_\_\_\_  
(Agency and Address) \_\_\_\_\_ is interested in leasing  
space in (City, State) \_\_\_\_\_.

## SECTION A - GENERAL SPACE REQUIREMENTS

A1. LOCATION. The space must be bounded by:

ANY OFFER OUTSIDE OF A GIVEN DELINEATED AREA IS  
CONSIDERED NON-COMPETITIVE AND  
CANNOT BE CONSIDERED  
WITHOUT AMENDING THE SFO AND INCLUDING ANY OTHER  
BUILDINGS WHICH FALL WITHIN THE AMENDED DELINEATED  
AREA. CHECK TO ENSURE THE AREA OF CONSIDERATION  
ALLOWS ADEQUATE COMPETITION. DO NOT RESTRICT IT TO  
SPECIFIC BUILDINGS. BE SPECIFIC (WHERE POSSIBLE)  
BY STREET NAMES, MAKING SURE THAT THE STREETS  
CONNECT. REMEMBER THAT BUILDINGS ON BOTH SIDES OF  
THE STREETS MUST BE CONSIDERED.

A2. TYPE AND AMOUNT OF NET USABLE SPACE

(A) First-class (type of space) is required. Space offered must be in a quality building of sound and substantial construction and shall conform, or be capable of being altered to conform, with the requirements set forth herein.  
Office space must have windows  
unless waived by the contracting officer.

(B) Offers are solicited for a minimum of \_\_\_\_\_ to a maximum of \_\_\_\_\_ net usable (see Section D1 for definition) square feet of (type of space).

INITIALS: \_\_\_\_\_  
LESSOR & GOVERNMENT

TYPE OF SPACE (OFFICE, STORAGE, OR SPECIAL, ETC.) SHOULD BE CLEARLY DEFINED IN THE SFO. OFFERORS SHOULD BE REQUIRED TO BREAK DOWN THEIR PROPOSAL TO COSTS PER SQUARE FOOT PER TYPE OF SPACE SOLICITED. THIS

CAN BE DONE BY REQUIRING OFFERORS TO USE AD FORM 1364, PROPOSAL TO LEASE SPACE.

-- IF CONTIGUOUS SPACE ON ONE FLOOR OR ON CONTIGUOUS FLOORS IS REQUIRED, IT SHOULD BE SPECIFICALLY STATED IN THE SFO.

-- THE AMOUNT OF SPACE SHOULD BE CLEARLY STATED WITHIN A RANGE, E.G., A MINIMUM OF 2,500 TO A MAXIMUM OF 2,600 NET USABLE SQUARE FEET OF OFFICE SPACE.

-- THE NUMBER OF OFFICIAL PARKING SPACES, IF REQUIRED, SHOULD BE INCLUDED IN THE SFO.

-- IF OTHER THAN FIRST-CLASS OFFICE SPACE IS REQUIRED MODIFY SECTION A2 (A) AND (B) OF THE SFO TO INDICATE WHAT TYPE OF SPACE IS REQUIRED, E.G., WAREHOUSE, SPECIAL PURPOSE, STORAGE, ETC. ALSO INDICATE THE MINIMUM AND MAXIMUM AMOUNT NEEDED OF EACH TYPE OF SPACE. IF THERE ARE ANY SPECIAL REQUIREMENTS, E.G., LABORATORY, HVAC, COMPUTER, PLUMBING, ETC., THIS WOULD BE AN APPROPRIATE PLACE TO INSERT YOUR PERFORMANCE SPECIFICATIONS.

A3. TERM OF LEASE. The lease is for \_\_\_\_ years, \_\_\_\_ firm. USDA may terminate this lease anytime after the initial term on \_\_\_\_ days written notice to the lessor.

NO LEASE WITHOUT WRITTEN APPROVAL FROM THE ADMINISTRATOR, GSA, SHALL OBLIGATE USDA FOR A PERIOD TO EXCEED 5 YEARS FIRM. THE LEASE TERM SHOULD BE BASED ON THE FOLLOWING:

- AGENCY'S FUTURE PLAN.
- MARKET CONDITIONS IN THE PARTICULAR COMMUNITY.
- AMOUNT OF SPACE.
- TYPE OF SPACE.
- OFFERS FOR ALTERNATE FIRM TERMS SHOULD BE SOLICITED IF DETERMINED BY THE RPLO THAT A MORE FAVORABLE RENTAL RATE MAY BE OBTAINED BY SOLICITING FOR ALTERNATIVE PROPOSALS.

INITIALS: \_\_\_\_\_  
LESSOR & GOVERNMENT

A4. RENEWAL OPTIONS. \_\_\_\_\_ Year renewal option(s) is/are solicited.

Each renewal option may be renewed at the option of the Government, provided notice be given in writing to the lessor at least \_\_\_\_ days before the end of the initial term or any

renewal term.

INSERT THE NUMBER OF OPTIONS BEING SOLICITED FOR AND THE TERM FOR EACH OPTION BEING SOLICITED. THE INITIAL SOLICITATION MAY PROVIDE FOR ONE OR MORE OPTIONS TO RENEW FOR AN APPROPRIATE TERM, WITH TERMINATION RIGHTS ON THE PART OF THE GOVERNMENT. TERMINATION RIGHTS IN A RENEWAL OPTION ARE NEGOTIABLE. OFFERORS SHALL BE INFORMED IN THE SONICATION THAT OFFERS QUOTED FOR RENEWAL PERIOD(S) WILL BE CONSIDERED IN THE PRICE EVALUATION. (SEE CHAPTER IV, EVALUATION OF OFFERS) THE RPLO MUST CONDUCT NEGOTIATIONS TO OBTAIN THE BEST POSSIBLE PRICE FOR ANY AND ALL RENEWAL OPTIONS IN THE SF-2. INCLUDE ANNUAL RENTAL RATES AND SQUARE FOOT RATES PERTAINING TO EACH RENEWAL. ALSO INCLUDE THE NUMBER OF DAYS NOTICE NECESSARY TO EFFECT THE RENEWAL.

- A5. **HOLDOVER.** After expiration of the lease term, including any renewal options, the Government has the option to retain possession of the premises on a day-to-day basis not to exceed 90 days. The lease terms, conditions, and provisions shall continue in force and effect. Rent shall be paid monthly in arrears on a prorated basis at the rate paid during the lease term. The Government shall provide written notice to the lessor, prior to the lease expiration.

THIS CLAUSE AUTHORIZING HOLDOVER TENANCY HAS BEEN ABUSED IN THE PART, CAUSING SOME AGENCIES TO QUESTION ITS USE. IT IS RECOMMENDED THAT SUCH CLAUSES BE INCLUDED ONLY WHEN IT IS STRONGLY EXPECTED THAT A GENUINE NEED WILL ARISE. EVEN WHEN INCLUDED, THE USE SHOULD BE AVOIDED IF POSSIBLE.

- A6. **OFFER ACCEPTANCE PERIOD.** Offers are due by \_\_\_\_\_, and must remain open until \_\_\_\_\_.

IF NO OFFERS ARE RECEIVED BY THE DUE DATE, THE RPLO CAN EITHER CANCEL THE SFO, OR IF DETERMINED THAT IT IS IN THE BEST INTEREST OF THE GOVERNMENT, THE RPLO CAN AMEND THE SFO ACCORDINGLY. ALL POTENTIAL OFFERS AS REVEALED IN THE MARKET SURVEY MUST BE INFORMED IN WRITING OF THE CHANGE. SEE FORM 3516 ITEM NUMBERS 1, 3 AND 7 FOR ADDITIONAL INFORMATION.

INITIALS: \_\_\_\_\_  
LESSOR & GOVERNMENT



A7. OCCUPANCY DATE. Occupancy is required on \_\_\_\_\_.

INSERT THE DATE THE SPACE IS REQUIRED. ANY CHANGE IN DATE MADE BY THE RPLO MUST BE IN ACCORDANCE WITH CHAPTER 3 (CHANGES). ADDITIONAL CLAUSES APPLICABLE TO THE OCCUPANCY DATE ARE FOUND ON FORM 3517, NUMBERS 5, 9, 10, 17 AND 26. BE SURE THE DELIVERY DATE ALLOWS SUFFICIENT TIME TO LEASE THE SPACE IN ACCORDANCE WITH THE ACQUISITION PROCESS. SUFFICIENT TIME TO LEASE THE SPACE IN ACCORDANCE WITH THE ACQUISITION PROCESS. IF THE DELIVERY DATE IS CRITICAL TO THE NEEDS OF THE PROGRAMS MISSION, E.G., DELAYED OCCUPANCY WILL RESULT IN A SIGNIFICANT LOSS IN THE OPERATING EFFICIENCY OF THE AGENCY, OR WHEN THE RPLO DETERMINES THAT AS A RESULT OF THE AWARD NEW CONSTRUCTION WILL BE REQUIRED, A LIQUIDATED DAMAGES PROVISION SHOULD BE INCLUDED IN THE SFO. OTHERWISE THE USE OF LIQUIDATED DAMAGES PROVISION IS OPTIONAL AND IS WRITTEN THE DISCRETION OF THE RPLO. THE FOLLOWING SCHEDULE OF LIQUIDATED DAMAGES IS FOR GUIDANCE IN DETERMINING THE APPLICABLE RATE OF DAMAGES. THE RATES SHOWN REPRESENT ANTICIPATED COSTS FOR CONTRACT ADMINISTRATION AND SUPERVISION, AND LOSS DUE TO IMPAIRMENT IN EFFICIENCY OF OPERATION OF THE AGENCY TO BE HOUSED. THE GUIDE RATES SHOULD BE ADJUSTED IF IT IS APPARENT THAT THE GOVERNMENT'S LIABILITY WILL BE INCREASED OR DECREASED AS A RESULT OF ANY DELAY.

RATE OF LIQUIDATED DAMAGES

SQUARE FEET		DOLLARS PER CALENDAR DAY
AS MUCH AS	BUT LESS THAN	RATE
200	300	\$ 60
300	450	95
450	600	100
600	800	120
800	1,000	130
1,000	1,200	145
1,200	1,500	165
1,500	2,000	220
2,000	3,000	300
3,000	4,000	360
4,000	5,000	450
5,000	6,000	540
6,000	7,000	630
7,000	8,000	720
8,000	10,000	840

IF LIQUIDATED DAMAGES ARE INCORPORATED IN THE SFO USE THE

FOLLOWING CLAUSE:

A8. LIQUIDATED DAMAGES (Optional)

In case of failure on the part of the lessor to complete the work within the time fixed in the lease contract or letter of award, the lessee shall pay the Government as fixed, agreed, liquidated damages pursuant to this provision, the sum of \$\_\_\_\_\_ for each and every day that the delivery is delayed beyond the date specified for delivery of all of the space ready for occupancy by the Government.

The lease agreement shall not be terminated for default nor the lessor charged with resulting damages if:

The delay in the completion of the work and delivery of the premises ready for occupancy are causes beyond the control and without the fault or negligence of the lessor and/or his construction contractor, including but not restricted to acts of God, acts of public enemy, acts of Government in either its sovereign or contractual capacity, acts of another contractor in the performance of a contract with the Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, or delays of subcontractors or suppliers arising unforeseeable causes beyond the control and without the fault or negligence of both the lessor and/or his construction contractor and such subcontractors or suppliers; and

The lessor, within 10 calendar days from the beginning of any such delay unless the Government's contracting officer grants a further period of time), notifies the contracting officer in writing of causes of the delay.

The contracting officer shall ascertain the facts and the extent of the delay and extend the time for completing the work when, in his judgment, the findings justify such an extension and his findings of fact shall be final and conclusive on the parties.

A9. PROPOSAL TO LEASE

All offers submitted shall be in accordance with his Solicitation for Offers.

Proposals shall be submitted on Form AD 1364, completed Form AD 1217, Lessor's Annual Cost Statement, and GSA Form 3518, Representations and Certifications.

The offeror will be required to execute Standard Form 2, U.

S.  
Government Lease of Real Property and its attachments consisting of \_\_\_\_\_.

AD FORM 1364, PROPOSAL TO LEASE SPACE, CAN BE  
SUBSTITUTED FOR A SIMILAR INTER-AGENCY FORM.  
THE ATTACHMENTS TO THE LEASE (SF-2) WHICH WILL

BECOME A PART OF THE LEASE SHALL INCLUDE, AT A MINIMUM, THE SFO AND ANY AMENDMENTS TO THE SFO AND FORMS 1364, 1217, 2517, AND 3518. THE RPLO SHALL GIVE THE OFFEROR AN OPPORTUNITY TO CORRECT ANY DEFICIENCY RESULTING FROM A MINOR INFORMALITY OR IRREGULARITY IN AN OFFER. IF, AT ANY TIME DURING THE LEASE PROCESS, THE RPLO LEARNS OR HAS REASONS TO BELIEVE, THAT OFFERORS HAVE CONSULTED, COMMUNICATED OR AGREED FOR THE PURPOSE OF RESTRICTING COMPETITION, THE OFFICE OF THE INSPECTOR GENERAL (OIG) SHALL BE REQUESTED TO CONDUCT AN INVESTIGATION OF THE MATTER. DO NOT AWARD THE LEASE UNTIL OIG HAS COMPLETED THEIR INVESTIGATION AND THE RPLO HAS REVIEWED THEIR REPORT AND IN THE RPLO'S OPINION, COMPETITION WAS NOT RESTRICTIVE.

#### A10. PLANS

An offeror must submit with the offer two copies of a schematic floor plan(s) drawn to scale of 1/8 inch or 1/4 inch to the foot indicating the space offered and showing the location of all existing windows, entrances, corridors, partitions, columns and exitways.

ON ACQUISITIONS OVER 10,000 SQUARE FEET AND ACQUISITIONS INVOLVING SPECIAL PURPOSE SPACE, THE FOLLOWING CLAUSE MAY BE WARRANTED. "30 DAYS AFTER OCCUPANCY, LESSOR MUST SUBMIT REPRODUCIBLE FLOOR PLANS OF 1/8 INCH SCALE SHOWING RENTED SPACE AND IDENTIFYING ENTRANCES, EXITS, STAIRS, WINDOWS, PARTITIONS, CLOSETS, ETC."

#### A11. LEASE AWARD FACTORS

The contracting officer will conduct negotiations with all responsible offerors. The offerors will be provided a reasonable opportunity to submit any cost or price, technical or other revisions to their offers that may result from the negotiations.

Negotiations will be closed in writing requesting the submission of final offers.

(A) Handicapped. All offers received in response to the request for final offers will be initially evaluated to determine whether the offer meets the handicapped accessibility requirements of this solicitation.

If offers are received which fully meet the handicapped requirements, other offers which do not fully meet these requirements will not be considered unless the contracting officer requests a waiver of handicapped requirements and the Director, Office of Operations, USDA grants the waiver in accordance with the Architectural Barriers Act of 1968, as amended.

If no offers are received which fully meet handicapped accessibility requirements but offers are received which substantially meet the requirements, other offers which do not substantially meet these requirements will not be considered.

"Substantially meets" as used herein means the offer complies with the requirements of this specifications package for access/entrances, drinking fountains, elevators, restrooms, interior doors, parking, and ramps.

(B) Other Factors. After the initial review of final offers is completed and offers are identified for further consideration, the lease will be awarded to the offeror whose offer will be most advantageous to the Government, price and other factors considered.

Price is (of equal importance to, more important than, or less important than) other factors.  
The following award factor(s),  
listed in descending order of importance, will be considered in addition to price:

-- \_\_\_\_\_

-- \_\_\_\_\_ (Other approved award factors)

-- The use of renewable energy in the offered building, for example, solar, wind, geothermal, biomass, and hydropower sources.

The contracting officer for these lease acquisition is \_\_\_\_\_.

Questions pertaining to these specifications shall be referred to \_\_\_\_\_ on \_\_\_\_\_.

(Title)

(Telephone no.)

-- REQUEST FOR WAIVER OF HANDICAPPED REQUIREMENTS SHALL BE FORWARDED TO THE DIRECTOR, OFFICE OF OPERATIONS, USDA.

-- OTHER APPROVED AWARD FACTORS WHICH, AT THE DISCRETION OF THE RPLO, CAN BE USED AS FOLLOWS: (SEE CHAPTER 4 FOR INFORMATION ON HOW TO EVALUATE AWARD FACTORS).

-- AVAILABILITY OF LOW AND MODERATE INCOME HOUSING FOR GOVERNMENT EMPLOYEES WITHIN A REASONABLE PROXIMITY OF THE SPACE OFFERED.

-- AVAILABILITY OF ADEQUATE PUBLIC TRANSPORTATION WITHIN \_\_\_\_\_ LOCKS FROM THE SPACE BEING OFFERED.

-- ADEQUATE EATING FACILITIES WITH \_\_\_\_\_  
BLOCKS FROM THE SPACE BEING OFFERED.

All(A). LEASE AWARD FACTORS (Optional)

The contracting officer will conduct negotiations with all responsible responsive offerors. The offerors will be provided a reasonable opportunity to submit any cost or price, technical, or other revisions to their offers that may result from the negotiations. Negotiations will be closed in writing with a request for the submission of final offers.

(1) Handicapped and Seismic Safety. All offers received in response to the request for final offers will be initially evaluated to determine whether the offer meets the seismic safety and handicapped accessibility requirements of the solicitation. If offers are received which fully meet both seismic safety and handicapped requirements, other offers which do not fully meet these requirements will not be considered unless the contracting officer requests a waiver of handicapped requirements and the Administrator of GSA grants the waiver in accordance with the Architectural Barriers Act of 1968, as amended.

"Fully meets" with regard to handicapped means meeting all of the handicapped requirements of this package. "Fully meets" with regard to seismic safety means the offer contains a certification by a registered structural engineer that the building conforms to the seismic requirements for new construction of the current (as of the date of this package) edition of the Uniform Building Code (UBC) the 1970 edition of the lateral load resisting system is of steel construction, or the 1976 edition of the lateral load resisting system is concrete or masonry construction.

If no offers are received which fully meet both seismic safety and handicapped accessibility requirements but offers are received for properties which substantially meet the requirements, other offers which do not substantially meet these requirements will not be considered. "Substantially meets" with regard to seismic safety means the offeror has provided an analysis by a registered structural engineer that specifically describes all exceptions to full UBC compliance and a statement that the building has adequate strength to resist the maximum credible earthquake without collapse. Structural calculations may be required. "Substantially meets" as used herein with respect to the handicapped requirements means the offer complies with the requirements of this specifications package for access/entrances, drinking fountains, elevators, restrooms, interior doors, parking, and ramps.

If no offer meets the modified seismic safety requirements described above, the contracting officer will make an award consistent with other requirements of this package with due consideration to the extent offers can meet seismic safety. (See "Other Factors" subparagraph below).

(2) Other Factors. After the initial review of final offers is completed and offers are identified for further consideration, the lease will be awarded to the offeror whose offer will be most advantageous to the Government, price and other factors considered.

Price is (of equal importance to, more important than, or less important than) other factors. The following award factor(s), listed in descending order of importance, will be considered in addition to price:

- Seismic Safety (when no offer fully or substantially meets the requirements of this specifications package).
- The use of renewable energy in the offered building, for example solar, wind, geothermal, biomass, and hydropower sources.

SEISMIC SAFETY AWARD FACTOR SHOULD BE USED IN KNOWN HIGH RISK GEOGRAPHICAL AREAS. WHEN USING THIS CLAUSE THE RPLO MAY ALSO INCLUDE OTHER AWARD FACTORS AS DESCRIBED IN THE EXPLANATORY PORTION OF A11.

The contracting officer for these lease acquisition is \_\_\_\_\_.

Questions pertaining to these specifications shall be referred to \_\_\_\_\_ on \_\_\_\_\_.

(Title) (Telephone No.)

#### SECTION B - GENERAL BUILDING REQUIREMENTS AND SPECIFICATIONS

##### B1. HVAC

Heating, ventilation and air-conditioning systems are required which maintain a temperature range of 65-70 degrees Fahrenheit during the heating season and a range of 76-80 degrees Fahrenheit during the cooling season. Temperatures in the zone between 68 and 78 degrees are permissible as long as heating systems are not operated to maintain temperatures above 70 degrees, and cooling systems are not operated to achieve temperatures below 76 degrees.

These temperatures must be maintained throughout the leased premises and service areas, regardless of outside temperatures, during lease specified hours of operation. During nonworking hours, the space temperatures shall be maintained no higher than 55 degrees during the heating season. No cooling is to be provided during nonworking hours.

##### B2. LIGHTING

Modern, diffused, fluorescent fixtures with thermally protected ballast (rapid start) shall be provided which are capable of producing and maintaining a uniform lighting level of 50 foot

candles at working surface height throughout the space.

B3. CEILINGS

Ceilings must be at least 8'0" and no more than 11'0" clear from floor to the lowest obstruction. they must have acoustical treatment acceptable to the contracting officer with a flamespread of 25 or less and smoke development rating of 50 or less.

B4. FLOOR LOAD

Office area shall have a minimum live load capacity of 50 pounds per square foot live load plus 20 pounds per square foot for movable partitions. Storage areas shall have a minimum live load capacity of 100 pounds per square foot including movable partitions.

B5. TELEPHONE AND ELECTRICAL OUTLETS

Lessor shall provide \_\_\_ telephone outlets and \_\_\_ duplex electrical outlets at locations to be determined by the Government.

THE RPLO MAY REQUIRE THE OFFEROR TO QUOTE A UNIT PRICE SCHEDULE FOR THESE AND OTHER SPECIAL PURPOSE ITEMS. THE UNIT COST MUST BE THE TOTAL COST TO FURNISH AND INSTALL THE ITEM. THE QUOTED PRICE SHALL BE CHECKED BY THE GOVERNMENT FOR REASONABLE, AND WILL THEN BE USED AS THE BASIS FOR COMPUTING A DEFICIT OR CREDIT ADJUSTMENT IN THE AMOUNT OWED TO EITHER PARTY FOR PROVIDING MORE OR LESS OF THE ITEMS SPECIFIED IN THE SFO. ALL COSTS INCURRED FOR THESE ITEMS SHALL BE INCLUDED IN THE OFFEROR'S PROPOSAL UNLESS SPECIFICALLY STATED IN THE SFO THAT THE GOVERNMENT REQUESTS ONLY A UNIT COST QUOTATION.

B6. RESTROOMS

Separate toilet facilities for men and women shall be provided on each floor where the Government leases space. Water closets and urinals shall not be visible when the exterior door is open. Each toilet room shall contain toilet paper dispensers, soap dispensers, paper towel dispensers, waste receptacles, a coin operated sanitary napkin dispenser with receptacle for each women's toilet, disposable toilet seat cover dispensers, a convenience outlet, and hot and cold water. (The Government will advise if additional facilities are required.)

TOILET FIXTURE SCHEDULE SPECIFIED BELOW SHALL BE APPLIED TO EACH FULL FLOOR BASED ON ONE PERSON FOR EACH 135 SQUARE FEET OF OFFICE SPACE IN A RATIO OF \_\_\_\_\_ PERCENT MEN AND \_\_\_\_\_

PERCENT WOMEN. REFER TO THE SCHEDULE SEPARATELY FOR EACH SEX.

No. of Men*/Women	Water Closets	Laboratories
1-15	1	1
16-25	2	2
36-55	3	3
56-60	4	4
61-80	4	4

\*In men's facilities, urinals may be substituted for 1/3 of the water closets specified.

B7. DRINKING FOUNTAINS

The lessor shall provide a minimum of one chilled drinking fountain on each floor where the Government leases space.

B8. PARTITIONS

Lessor shall construct \_\_\_ linear feet of finished and painted ceiling-high partitions, which includes interior doors. These partitions shall have low sound transmission, flamespread, and smoke development properties. Demolition of existing improvements necessary to satisfy the Government's layout shall be done at the lessor's expense.

LINEAR FEET OF PARTITIONS DOES NOT INCLUDE OUTSIDE WALLS, LOAD BEARING WALLS, INTERIOR PARTITIONS THAT SEPARATE USDA LEASES FROM SPACE OF ANOTHER TENANT OR COMMON HALLWAYS, STAIRWAYS, TOILETS, ELEVATORS, BUILDING REQUIREMENTS AND SERVICES AND STACKS AND SHAFTS. THE RPLO MUST ESTIMATE AS CLOSELY AS POSSIBLE THE NUMBER OF LINEAR FEET OF PARTITIONS REQUIRED TO EFFECT AN EFFICIENT SPACE LAYOUT TAKING INTO ACCOUNT SUCH FACTORS AS, BUT NOT LIMITED TO, THE SIZE AND NUMBER OF ROOMS. THE RPLO CAN ASK FOR A UNIT PRICE SCHEDULE IN THE SAME MANNER REPRESENTED IN B5, TELEPHONE AND ELECTRIC OUTLETS.

B9. PAINTING

Prior to occupancy, all surfaces designated by the contracting officer for painting must be newly painted in colors acceptable to the contracting officer, and painted every \_\_\_ years, thereafter.

B10. WINDOW AND FLOOR COVERINGS

(A) Windows. All exterior windows shall be equipped with window blinds or draperies. All windows shall be weathertight, and



equipped with locks.

(B) Floors. Vinyl floor covering or carpeting shall be provided. (Vinyl asbestos floor tile shall not be used for new installations.)

Existing floor and/or window covering or carpeting may be accepted, provided they are in good condition. If accepted by the contracting officer, these items must be thoroughly cleaned and/or shampooed.

#### B11. DOORS

Exterior doors shall be weather tight, equipped with automatic door closers and open outward. Corridor and outside doors must be equipped with cylinder locks and door checks. All locks must be master keyed.

The Government must be furnished at least two master keys and two keys for each lock.

Doors must have matching hardware stops.

Hardware for doors in the means of egress shall conform to NFPA Standard No.

101.

#### B12. FIRESAFETY AND SAFETY REQUIREMENTS

Buildings in which space is offered for lease will be evaluated based on requirements of the Solicitation. The space will be inspected by the Government and offerors will be advised of the necessary work to meet these requirements. Equivalent or alternate means of protection, as required by applicable standards, shall be approved by the contracting officer.

THE PARAMOUNT CONCERN IN ASSESSING FIRESAFETY REQUIREMENTS IS LIFESAFETY. THE RPLO SHOULD BE ABLE TO INSPECT BUILDINGS FOR THE BASIC LIFESAFETY REQUIREMENTS. THE INSPECTION INSTRUCTIONS ARE GEARED TO TAKING THE TOUGH APPROACH, BASED STRICTLY ON WHAT IS CLEARLY EVIDENT. IF THERE ARE EXCEPTIONS TO BE MADE, I.E., AN ASSESSMENT OF RISK BASED ON THE OVERALL ENVIRONMENT, THIS CAN ONLY BE MADE BY AN IN-HOUSE QUALIFIED FIRESAFETY SPECIALIST/ENGINEER OR BY CONTRACT WITH A RECOGNIZED FIRESAFETY ENGINEER. IN QUESTIONABLE SITUATIONS, THE FIRESAFETY EXPERTS CAN BE CONSULTED FOR THEIR EVALUATION.

FROM A FIRE PROTECTION STANDPOINT, THE BEST SPACE IS LOCATED ON THE FIRST FLOOR EXITING AT STREET LEVEL.

WHATEVER A BUILDING'S HEIGHT, A BUILDING IS

CONSIDERED ONLY AS HIGH AS THE HIGHEST FLOOR OCCUPIED BY THE GOVERNMENT.

(A) Emergency Illumination. A backup system of lighting is required in corridors and stairways so that exits out of the building are visible in the event of a power failure. The system shall be automatically activated in the event of failure of the normal lighting.

THE BACK-UP SYSTEM FOR EMERGENCY LIGHTING CAN BE PROVIDED BY UNITS CONNECTED TO A STANDBY GENERATOR OR BY BATTERY PACK UNITS WHICH ARE SUSPENDED FROM THE CEILING OR WALL-MOUNTED. THE BATTERY UNITS SHOULD BE TESTED PERIODICALLY. IN ADDITION TO THE BATTERY OPERATED EMERGENCY LIGHTS, INDUSTRY IS NOW USING LIGHTING FIXTURES IN OFFICES AREAS AND HALLWAY AREAS THAT LOOK LIKE STANDARD LIGHTING FIXTURES, BUT ARE CAPABLE OF STORING POWER FOR UP TO THREE HOURS OF USE AND ARE ACCEPTABLE.

(B) Exit Lights. Illuminated exit signs must be installed in all corridors and stairways to indicate the route leading out of the building.

(C) Exterior Doors. Exterior doors shall open towards the outside of the building.

NO DEVICES SUCH AS DEADBOLTS, CHAINS, PADLOCKS OR OTHER DEVICES RESTRICTING FREE EXIT CAN BE ALLOWED.

(D) Stairwell Doors. Stairwell doors must be self-closing with operable latching devices.

DOOR KNOBS OR PANIC BARS ARE PERMISSIBLE. NO DEVICES SUCH AS DEADBOLTS, CHAINS, PADLOCKS, OR OTHER DEVICES RESTRICTING FREE EXIT CAN BE ALLOWED. ALL DOORS IN AN EXIT (STAIRWAY DOORS, EXIT DOORS, CORRIDOR DOORS) SHOULD SWING IN THE DIRECTION OF THE EXIT.

(E) Exits. There shall be a minimum of two separate exits on each floor where the Government occupies space.

(F) Fire Extinguisher. There should be a minimum of one fire extinguisher for every 6,000 square feet of space.

CHECK THE LABEL FOR TYPE OF EXTINGUISHER. CLASS "A" OR CLASS "A-B-C" IS SUITABLE FOR GENERAL OFFICE SPACE. VERIFY THAT THE

INSPECTION DATE ON THE ATTACHED TAG IS NOT MORE THAN ONE YEAR OLD. ANY INSPECTION DATES OVER A YEAR WILL NOT DISQUALIFY THE BUILDING. THE EXTINGUISHER, HOWEVER, WILL NOT TO BE REINSPECTED BEFORE SPACE CAN BE LEASED IN THE BUILDING.

(G) Standpipes. For space to be occupied on the fourth floor or above the building must have a standpipe in each stairwell.

THE STANDPIPE RUNS THE HEIGHT OF THE BUILDING AND IS USED BY THE FIRE DEPARTMENT IN CASE OF FIRE TO SUPPLY WATER.

(H) Manual Fire Alarms. A fire alarm system is required when space is occupied above or below the first floor. Alarm pulls are to be located by every exit and will send a signal to the local fire department or to a private 24-hour monitoring service (UL listed).

ALARMS WHICH RING ONLY AT THE BUILDING ARE NOT ACCEPTABLE.

(I) Stairways. A minimum of two separate stairways is required. It is preferred that each be in its own shaft. Handrails on both sides of the stairs are required. The stair treads should have a non-slip surface.

OUTSIDE OPEN FIRE ESCAPES DO NOT MEET USDA STANDARDS. AN OPEN STAIRWELL THAT IS NOT COMPLETELY ENCLOSED AND DOES NOT REQUIRE A DOOR TO ENTER, IS NOT ACCEPTABLE WHEN THE BUILDING IS THREE STORIES OR MORE. SCISSOR STAIRS, WHICH ARE TWO STAIRWAYS LOCATED IN ONE SHAFT COUNT AS ONE EXIT. HOWEVER, IT MAY BE ALLOWED TO MEET THE REQUIREMENT OF TWO EXITS WHEN THERE IS A FIRE RATED WALL SEPARATING THE TWO SETS OF STAIRS WITHIN ONE SHAFT. EXIT STAIRS SHOULD DISCHARGE DIRECTLY OUT OF DOORS AT GROUND LEVEL. IF THE STAIRS OPEN UP INTO A LOBBY, GARAGE OR ONTO A ROOF OR ELEVATED GARAGE DECK, CHECK WITH A FIRESAFETY SPECIALIST PRIOR TO AWARD. DO NOT LEASE SPACE WITH A SINGLE STAIRWELL IF AT POSSIBLE. IN EXTREME INSTANCES WHERE THERE MAY BE NO OTHER CHOICE, YOU MAY CONSIDER, AFTER CONSULTING WITH A FIRESAFETY SPECIALIST, SPACE WITH A SINGLE STAIRWAY IF:

1. THERE WILL BE NO MORE THAN 30 PEOPLE ON THE FLOOR.
2. THERE IS NO MORE THAN 100 FEET OF TRAVEL DIRECTLY OUTSIDE OF THE BUILDING OR AN

APPROVED ENCLOSED STAIRWELL WHICH LEADS  
DIRECTLY OUR OF THE BUILDING.

(J) Elevator. Signs are required to be installed in each elevator lobby or in each elevator warning against its use during a fire. A telephone is required in each elevator for emergency situations.

(K) Sprinkler systems. Automatic sprinkler systems are required for space on the 6th floor or ABOVE, for warehouse space, space below grade except garage parking, paint and woodworking shops, printing reproduction operations, and other space having high fuel load.

(L) Asbestos. No asbestos-containing fireproofing or insulation on building structures, acoustical treatment, molded or wet-applied ceilings or wall finishes/decorations, whether friable or non-friable will be permitted. If present, such materials must be removed by the successful offeror prior to occupancy by the Government.

No friable asbestos-containing boiler lagging or pipe insulation is acceptable. If present, such materials shall be removed, encapsulated or enclosed.

All offerors are subject to the asbestos inspection and testing provisions specified in paragraph 7 of the attached Form 3517 (General Clauses).

- A5. HOLDOVER. After expiration of the lease term, including any renewal options, the Government has the option to retain possession of the premises on a day-to-day basis not to exceed 90 days. The lease terms, conditions, and provisions shall continue in force and effect. Rent shall be paid monthly in arrears on a prorated basis at the rate paid during the lease term. The Government shall provide written notice to the lessor, prior to the lease expiration.

THIS CLAUSE AUTHORIZING HOLDOVER TENANCY HAS BEEN ABUSED IN THE PART, CAUSING SOME AGENCIES TO QUESTION ITS USE. IT IS RECOMMENDED THAT SUCH CLAUSES BE INCLUDED ONLY WHEN IT IS STRONGLY EXPECTED THAT A GENUINE NEED WILL ARISE. EVEN WHEN INCLUDED, THE USE SHOULD BE AVOIDED IF POSSIBLE.

A6. OFFER ACCEPTANCE PERIOD. Offers are due by \_\_\_\_\_, and must remain open until \_\_\_\_\_.

IF NO OFFERS ARE RECEIVED BY THE DUE DATE, THE RPLO CAN EITHER CANCEL THE SFO, OR IF DETERMINED THAT IT IS IN THE BEST INTEREST OF THE GOVERNMENT, THE RPLO CAN AMEND THE SFO ACCORDINGLY. ALL POTENTIAL OFFERS AS REVEALED IN THE MARKET SURVEY MUST BE INFORMED IN WRITING OF THE CHANGE. SEE FORM 3516 ITEM NUMBERS 1, 3 AND 7 FOR ADDITIONAL INFORMATION.

INITIALS: \_\_\_\_\_  
LESSOR & GOVERNMENT

A7. OCCUPANCY DATE. Occupancy is required on \_\_\_\_\_.

INSERT THE DATE THE SPACE IS REQUIRED. ANY CHANGE IN DATE MADE BY THE RPLO MUST BE IN ACCORDANCE WITH CHAPTER 3 (CHANGES). ADDITIONAL CLAUSES APPLICABLE TO THE OCCUPANCY DATE ARE FOUND ON FORM 3517, NUMBERS 5, 9, 10, 17 AND 26. BE SURE THE DELIVERY DATE ALLOWS SUFFICIENT TIME TO LEASE THE SPACE IN ACCORDANCE WITH THE ACQUISITION PROCESS. SUFFICIENT TIME TO LEASE THE SPACE IN ACCORDANCE WITH THE ACQUISITION PROCESS. IF THE DELIVERY DATE IS CRITICAL TO THE NEEDS OF THE PROGRAMS MISSION, E.G., DELAYED OCCUPANCY WILL RESULT IN A SIGNIFICANT LOSS IN THE OPERATING EFFICIENCY OF THE AGENCY, OR WHEN THE RPLO DETERMINES THAT AS A RESULT OF THE AWARD NEW CONSTRUCTION WILL BE REQUIRED, A LIQUIDATED DAMAGES PROVISION SHOULD BE INCLUDED IN THE SFO. OTHERWISE THE USE OF LIQUIDATED DAMAGES PROVISION IS OPTIONAL AND IS WRITTEN THE DISCRETION OF THE RPLO. THE FOLLOWING SCHEDULE OF LIQUIDATED DAMAGES IS FOR GUIDANCE IN DETERMINING THE APPLICABLE RATE OF DAMAGES. THE RATES SHOWN REPRESENT ANTICIPATED COSTS FOR CONTRACT ADMINISTRATION AND SUPERVISION, AND LOSS DUE TO IMPAIRMENT IN EFFICIENCY OF OPERATION OF THE AGENCY TO BE HOUSED. THE GUIDE RATES SHOULD BE ADJUSTED IF IT IS APPARENT THAT THE GOVERNMENT'S LIABILITY WILL BE INCREASED OR DECREASED AS A RESULT OF ANY DELAY.

RATE OF LIQUIDATED DAMAGES

SQUARE FEET	DOLLARS PER CALENDAR DAY	
AS MUCH AS	BUT LESS THAN	RATE
200	300	\$ 60

300	450	95
450	600	100
600	800	120
800	1,000	130
1,000	1,200	145
1,200	1,500	165
1,500	2,000	220
2,000	3,000	300
3,000	4,000	360
4,000	5,000	450
5,000	6,000	540
6,000	7,000	630
7,000	8,000	720
8,000	10,000	840

IF LIQUIDATED DAMAGES ARE INCORPORATED IN THE SFO USE THE FOLLOWING CLAUSE:

A8. LIQUIDATED DAMAGES (Optional)

In case of failure on the part of the lessor to complete the work within the time fixed in the lease contract or letter of award, the lessee shall pay the Government as fixed, agreed, liquidated damages pursuant to this provision, the sum of \$\_\_\_\_ for each and every day that the delivery is delayed beyond the date specified for delivery of all of the space ready for occupancy by the Government.

The lease agreement shall not be terminated for default nor the lessor charged with resulting damages if:

The delay in the completion of the work and delivery of the premises ready for occupancy are causes beyond the control and without the fault or negligence of the lessor and/or his construction contractor, including but not restricted to acts of God, acts of public enemy, acts of Government in either its sovereign or contractual capacity, acts of another contractor in the performance of a contract with the Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, or delays of subcontractors or suppliers arising unforeseeable causes beyond the control and without the fault or negligence of both the lessor and/or his construction contractor and such subcontractors or suppliers; and

The lessor, within 10 calendar days from the beginning of any such delay unless the Government's contracting officer grants a further period of time), notifies the contracting officer in writing of causes of the delay.

The contracting officer shall ascertain the facts and the extent of the delay and extend the time for completing the work when, in his judgment, the findings justify such an extension and his findings of fact shall be final and conclusive on the parties.

A9. PROPOSAL TO LEASE

All offers submitted shall be in accordance with his Solicitation for Offers.

Proposals shall be submitted on Form AD 1364, completed Form AD 1217, Lessor's Annual Cost Statement, and GSA Form 3518, Representations and Certifications.

The offeror will be required to execute Standard Form 2, U.

S.

Government Lease of Real Property and its attachments consisting of

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AD FORM 1364, PROPOSAL TO LEASE SPACE, CAN BE SUBSTITUTED FOR A SIMILAR INTER-AGENCY FORM. THE ATTACHMENTS TO THE LEASE (SF-2) WHICH WILL BECOME A PART OF THE LEASE SHALL INCLUDE, AT A MINIMUM, THE SFO AND ANY AMENDMENTS TO THE SFO AND FORMS 1364, 1217, 2517, AND 3518. THE RPLO SHALL GIVE THE OFFEROR AN OPPORTUNITY TO CORRECT ANY DEFICIENCY RESULTING FROM A MINOR INFORMALITY OR IRREGULARITY IN AN OFFER. IF, AT ANY TIME DURING THE LEASE PROCESS, THE RPLO LEARNS OR HAS REASONS TO BELIEVE, THAT OFFERORS HAVE CONSULTED, COMMUNICATED OR AGREED FOR THE PURPOSE OF RESTRICTING COMPETITION, THE OFFICE OF THE INSPECTOR GENERAL (OIG) SHALL BE REQUESTED TO CONDUCT AN INVESTIGATION OF THE MATTER. DO NOT AWARD THE LEASE UNTIL OIG HAS COMPLETED THEIR INVESTIGATION AND THE RPLO HAS REVIEWED THEIR REPORT AND IN THE RPLO'S OPINION, COMPETITION WAS NOT RESTRICTIVE.

#### A10. PLANS

An offeror must submit with the offer two copies of a schematic floor plan(s) drawn to scale of 1/8 inch or 1/4 inch to the foot indicating the space offered and showing the location of all existing windows, entrances, corridors, partitions, columns and exitways.

ON ACQUISITIONS OVER 10,000 SQUARE FEET AND ACQUISITIONS INVOLVING SPECIAL PURPOSE SPACE, THE FOLLOWING CLAUSE MAY BE WARRANTED. "30 DAYS AFTER OCCUPANCY, LESSOR MUST SUBMIT REPRODUCIBLE FLOOR PLANS OF 1/8 INCH SCALE SHOWING RENTED SPACE AND IDENTIFYING ENTRANCES, EXITS, STAIRS, WINDOWS, PARTITIONS, CLOSETS, ETC."

#### A11. LEASE AWARD FACTORS

The contracting officer will conduct negotiations with all responsible offerors.

The offerors will be provided a reasonable opportunity to submit any cost or price, technical or other

revisions to their offers that may result from the negotiations.

Negotiations will be closed in writing requesting the submission of final offers.

(A) Handicapped. All offers received in response to the request for final offers will be initially evaluated to determine whether the offer meets the handicapped accessibility requirements of this solicitation.

If offers are received which fully meet the handicapped requirements, other offers which do not fully meet these requirements will not be considered unless the contracting officer requests a waiver of handicapped requirements and the Director, Office of Operations, USDA grants the waiver in accordance with the Architectural Barriers Act of 1968, as amended.

If no offers are received which fully meet handicapped accessibility requirements but offers are received which substantially meet the requirements, other offers which do not substantially meet these requirements will not be considered.

"Substantially meets" as used herein means the offer complies with the requirements of this specifications package for access/entrances, drinking fountains, elevators, restrooms, interior doors, parking, and ramps.

(B) Other Factors. After the initial review of final offers is completed and offers are identified for further consideration, the lease will be awarded to the offeror whose offer will be most advantageous to the Government, price and other factors considered.

Price is (of equal importance to, more important than, or less important than) other factors. The following award factor(s), listed in descending order of importance, will be considered in addition to price:

-- \_\_\_\_\_

-- \_\_\_\_\_ (Other approved award factors)

-- The use of renewable energy in the offered building, for example, solar, wind, geothermal, biomass, and hydropower sources.

The contracting officer for these lease acquisition is \_\_\_\_\_.

Questions pertaining to these specifications shall be referred to \_\_\_\_\_ on \_\_\_\_\_.

(Title)

(Telephone no.)

-- REQUEST FOR WAIVER OF HANDICAPPED



REQUIREMENTS SHALL BE FORWARDED TO THE DIRECTOR, OFFICE OF OPERATIONS, USDA.

-- OTHER APPROVED AWARD FACTORS WHICH, AT THE DISCRETION OF THE RPLO, CAN BE USED AS FOLLOWS: (SEE CHAPTER 4 FOR INFORMATION ON HOW TO EVALUATE AWARD FACTORS).

-- AVAILABILITY OF LOW AND MODERATE INCOME HOUSING FOR GOVERNMENT EMPLOYEES WITHIN A REASONABLE PROXIMITY OF THE SPACE OFFERED.

-- AVAILABILITY OF ADEQUATE PUBLIC TRANSPORTATION WITHIN \_\_\_\_\_ LOCKS FROM THE SPACE BEING OFFERED.

-- ADEQUATE EATING FACILITIES WITH \_\_\_\_\_ BLOCKS FROM THE SPACE BEING OFFERED.

All(A). LEASE AWARD FACTORS (Optional)

The contracting officer will conduct negotiations with all responsible responsive offerors. The offerors will be provided a reasonable opportunity to submit any cost or price, technical, or other revisions to their offers that may result from the negotiations. Negotiations will be closed in writing with a request for the submission of final offers.

(1) Handicapped and Seismic Safety. All offers received in response to the request for final offers will be initially evaluated to determine whether the offer meets the seismic safety and handicapped accessibility requirements of the solicitation. If offers are received which fully meet both seismic safety and handicapped requirements, other offers which do not fully meet these requirements will not be considered unless the contracting officer requests a waiver of handicapped requirements and the Administrator of GSA grants the waiver in accordance with the Architectural Barriers Act of 1968, as amended.

"Fully meets" with regard to handicapped means meeting all of the handicapped requirements of this package. "Fully meets" with regard to seismic safety means the offer contains a certification by a registered structural engineer that the building conforms to the seismic requirements for new construction of the current (as of the date of this package) edition of the Uniform Building Code (UBC) the 1970 edition of the lateral load resisting system is of steel construction, or the 1976 edition of the lateral load resisting system is concrete or masonry construction.

If no offers are received which fully meet both seismic safety and handicapped accessibility requirements but offers are received for properties which substantially meet the requirements, other offers which do not substantially meet these requirements will not be considered. "Substantially meets" with regard to seismic safety

means the offeror has provided an analysis by a registered structural engineer that specifically describes all exceptions to full UBC compliance and a statement that the building has adequate strength to resist the maximum credible earthquake without collapse. Structural calculations may be required. "Substantially meets" as used herein with respect to the handicapped requirements means the offer complies with the requirements of this specifications package for access/entrances, drinking fountains, elevators, restrooms, interior doors, parking, and ramps.

If no offer meets the modified seismic safety requirements described above, the contracting officer will make an award consistent with other requirements of this package with due consideration to the extent offers can meet seismic safety. (See "Other Factors" subparagraph below).

(2) Other Factors. After the initial review of final offers is completed and offers are identified for further consideration, the lease will be awarded to the offeror whose offer will be most advantageous to the Government, price and other factors considered.

Price is (of equal importance to, more important than, or less important than) other factors. The following award factor(s), listed in descending order of importance, will be considered in addition to price:

- Seismic Safety (when no offer fully or substantially meets the requirements of this specifications package).
- The use of renewable energy in the offered building, for example solar, wind, geothermal, biomass, and hydropower sources.

SEISMIC SAFETY AWARD FACTOR SHOULD BE USED IN KNOWN HIGH RISK GEOGRAPHICAL AREAS. WHEN USING THIS CLAUSE THE RPLO MAY ALSO INCLUDE OTHER AWARD FACTORS AS DESCRIBED IN THE EXPLANATORY PORTION OF All.

The contracting officer for these lease acquisition is \_\_\_\_\_.

Questions pertaining to these specifications shall be referred to \_\_\_\_\_ on \_\_\_\_\_.

(Title)

(Telephone No.)

#### SECTION B - GENERAL BUILDING REQUIREMENTS AND SPECIFICATIONS

##### B1. HVAC

Heating, ventilation and air-conditioning systems are required which maintain a temperature range of 65-70 degrees Fahrenheit during the heating season and a range of 76-80 degrees Fahrenheit during the cooling season. Temperatures in the zone between 68 and 78 degrees are permissible as long as heating systems are not

operated to maintain temperatures above 70 degrees, and cooling systems are not operated to achieve temperatures below 76 degrees.

These temperatures must be maintained throughout the leased premises and service areas, regardless of outside temperatures, during lease specified hours of operation. During nonworking hours, the space temperatures shall be maintained no higher than 55 degrees during the heating season. No cooling is to be provided during nonworking hours.

B2. LIGHTING

Modern, diffused, fluorescent fixtures with thermally protected ballast (rapid start) shall be provided which are capable of producing and maintaining a uniform lighting level of 50 foot candles at working surface height throughout the space.

B3. CEILINGS

Ceilings must be at least 8'0" and no more than 11'0" clear from floor to the lowest obstruction. They must have acoustical treatment acceptable to the contracting officer with a flamespread of 25 or less and smoke development rating of 50 or less.

B4. FLOOR LOAD

Office area shall have a minimum live load capacity of 50 pounds per square foot live load plus 20 pounds per square foot for movable partitions. Storage areas shall have a minimum live load capacity of 100 pounds per square foot including movable partitions.

B5. TELEPHONE AND ELECTRICAL OUTLETS

Lessor shall provide \_\_\_ telephone outlets and \_\_\_ duplex electrical outlets at locations to be determined by the Government.

THE RPLO MAY REQUIRE THE OFFEROR TO QUOTE A UNIT PRICE SCHEDULE FOR THESE AND OTHER SPECIAL PURPOSE ITEMS. THE UNIT COST MUST BE THE TOTAL COST TO FURNISH AND INSTALL THE ITEM. THE QUOTED PRICE SHALL BE CHECKED BY THE GOVERNMENT FOR REASONABLE, AND WILL THEN BE USED AS THE BASIS FOR COMPUTING A DEFICIT OR CREDIT ADJUSTMENT IN THE AMOUNT OWED TO EITHER PARTY FOR PROVIDING MORE OR LESS OF THE ITEMS SPECIFIED IN THE SFO. ALL COSTS INCURRED FOR THESE ITEMS SHALL BE INCLUDED IN THE OFFEROR'S PROPOSAL UNLESS SPECIFICALLY STATED IN THE SFO THAT THE GOVERNMENT REQUESTS ONLY A UNIT COST QUOTATION.

## B6. RESTROOMS

Separate toilet facilities for men and women shall be provided on each floor where the Government leases space. Water closets and urinals shall not be visible when the exterior door is open. Each toilet room shall contain toilet paper dispensers, soap dispensers, paper towel dispensers, waste receptacles, a coin operated sanitary napkin dispenser with receptacle for each women's toilet, disposable toilet seat cover dispensers, a convenience outlet, and hot and cold water. (The Government will advise if additional facilities are required.)

TOILET FIXTURE SCHEDULE SPECIFIED BELOW SHALL BE APPLIED TO EACH FULL FLOOR BASED ON ONE PERSON FOR EACH 135 SQUARE FEET OF OFFICE SPACE IN A RATIO OF \_\_\_\_\_ PERCENT MEN AND \_\_\_\_\_ PERCENT WOMEN. REFER TO THE SCHEDULE SEPARATELY FOR EACH SEX.

No. of Men*/Women	Water Closets	Laboratories
1-15	1	1
16-25	2	2
36-55	3	3
56-60	4	4
61-80	4	4

\*In men's facilities, urinals may be substituted for 1/3 of the water closets specified.

## B7. DRINKING FOUNTAINS

The lessor shall provide a minimum of one chilled drinking fountain on each floor where the Government leases space.

## B8. PARTITIONS

Lessor shall construct \_\_\_ linear feet of finished and painted ceiling-high partitions, which includes interior doors. These partitions shall have low sound transmission, flamespread, and smoke development properties. Demolition of existing improvements necessary to satisfy the Government's layout shall be done at the lessor's expense.

LINEAR FEET OF PARTITIONS DOES NOT INCLUDE OUTSIDE WALLS, LOAD BEARING WALLS, INTERIOR PARTITIONS THAT SEPARATE USDA LEASES FROM SPACE OF ANOTHER TENANT OR COMMON HALLWAYS, STAIRWAYS, TOILETS, ELEVATORS, BUILDING REQUIREMENTS AND SERVICES AND STACKS AND SHAFTS. THE RPLO MUST ESTIMATE AS CLOSELY AS POSSIBLE THE NUMBER OF LINEAR FEET OF PARTITIONS REQUIRED TO EFFECT AN EFFICIENT SPACE LAYOUT TAKING INTO ACCOUNT SUCH FACTORS

AS, BUT NOT LIMITED TO, THE SIZE AND NUMBER OF ROOMS. THE RPLO CAN ASK FOR A UNIT PRICE SCHEDULE IN THE SAME MANNER REPRESENTED IN B5, TELEPHONE AND ELECTRIC OUTLETS.

B9. PAINTING

Prior to occupancy, all surfaces designated by the contracting officer for painting must be newly painted in colors acceptable to the contracting officer, and painted every \_\_\_ years, thereafter.

B10. WINDOW AND FLOOR COVERINGS

(A) Windows. All exterior windows shall be equipped with window blinds or draperies. All windows shall be weathertight, and equipped with locks.

(B) Floors. Vinyl floor covering or carpeting shall be provided. (Vinyl asbestos floor tile shall not be used for new installations.)

Existing floor and/or window covering or carpeting may be accepted, provided they are in good condition. If accepted by the contracting officer, these items must be thoroughly cleaned and/or shampooed.

B11. DOORS

Exterior doors shall be weather tight, equipped with automatic door closers and open outward. Corridor and outside doors must be equipped with cylinder locks and door checks. All locks must be master keyed.

The Government must be furnished at least two master keys and two keys for each lock.

Doors must have matching hardware stops.

Hardware for doors in the means of egress shall conform to NFPA Standard No.

101.

B12. FIRESAFETY AND SAFETY REQUIREMENTS

Buildings in which space is offered for lease will be evaluated based on requirements of the Solicitation. The space will be inspected by the Government and offerors will be advised of the necessary work to meet these requirements. Equivalent or alternate means of protection, as required by applicable standards, shall be approved by the contracting officer.

THE PARAMOUNT CONCERN IN ASSESSING FIRESAFETY REQUIREMENTS IS LIFESAFETY. THE RPLO SHOULD BE ABLE TO INSPECT BUILDINGS FOR THE BASIC LIFESAFETY REQUIREMENTS. THE INSPECTION

INSTRUCTIONS ARE GEARED TO TAKING THE TOUGH APPROACH, BASED STRICTLY ON WHAT IS CLEARLY EVIDENT. IF THERE ARE EXCEPTIONS TO BE MADE, I.E., AN ASSESSMENT OF RISK BASED ON THE OVERALL ENVIRONMENT, THIS CAN ONLY BE MADE BY AN IN-HOUSE QUALIFIED FIRESAFETY SPECIALIST/ENGINEER OR BY CONTRACT WITH A RECOGNIZED FIRESAFETY ENGINEER. IN QUESTIONABLE SITUATIONS, THE FIRESAFETY EXPERTS CAN BE CONSULTED FOR THEIR EVALUATION.

FROM A FIRE PROTECTION STANDPOINT, THE BEST SPACE IS LOCATED ON THE FIRST FLOOR EXITING AT STREET LEVEL.

WHATEVER A BUILDING'S HEIGHT, A BUILDING IS CONSIDERED ONLY AS HIGH AS THE HIGHEST FLOOR OCCUPIED BY THE GOVERNMENT.

(A) Emergency Illumination. A backup system of lighting is required in corridors and stairways so that exits out of the building are visible in the event of a power failure. The system shall be automatically activated in the event of failure of the normal lighting.

THE BACK-UP SYSTEM FOR EMERGENCY LIGHTING CAN BE PROVIDED BY UNITS CONNECTED TO A STANDBY GENERATOR OR BY BATTERY PACK UNITS WHICH ARE SUSPENDED FROM THE CEILING OR WALL-MOUNTED. THE BATTERY UNITS SHOULD BE TESTED PERIODICALLY. IN ADDITION TO THE BATTERY OPERATED EMERGENCY LIGHTS, INDUSTRY IS NOW USING LIGHTING FIXTURES IN OFFICES AREAS AND HALLWAY AREAS THAT LOOK LIKE STANDARD LIGHTING FIXTURES, BUT ARE CAPABLE OF STORING POWER FOR UP TO THREE HOURS OF USE AND ARE ACCEPTABLE.

(B) Exit Lights. Illuminated exit signs must be installed in all corridors and stairways to indicate the route leading out of the building.

(C) Exterior Doors. Exterior doors shall open towards the outside of the building.

NO DEVICES SUCH AS DEADBOLTS, CHAINS, PADLOCKS OR OTHER DEVICES RESTRICTING FREE EXIT CAN BE ALLOWED.

(D) Stairwell Doors. Stairwell doors must be self-closing with operable latching devices.

DOOR KNOBS OR PANIC BARS ARE PERMISSIBLE. NO DEVICES SUCH AS DEADBOLTS, CHAINS, PADLOCKS,

OR OTHER DEVICES RESTRICTING FREE EXIT CAN BE ALLOWED. ALL DOORS IN AN EXIT (STAIRWAY DOORS, EXIT DOORS, CORRIDOR DOORS) SHOULD SWING IN THE DIRECTION OF THE EXIT.

(E) Exits. There shall be a minimum of two separate exits on each floor where the Government occupies space.

(F) Fire Extinguisher. There should be a minimum of one fire extinguisher for every 6,000 square feet of space.

CHECK THE LABEL FOR TYPE OF EXTINGUISHER. CLASS "A" OR CLASS "A-B-C" IS SUITABLE FOR GENERAL OFFICE SPACE. VERIFY THAT THE INSPECTION DATE ON THE ATTACHED TAG IS NOT MORE THAN ONE YEAR OLD. ANY INSPECTION DATES OVER A YEAR WILL NOT DISQUALIFY THE BUILDING. THE EXTINGUISHER, HOWEVER, WILL NOT TO BE REINSPECTED BEFORE SPACE CAN BE LEASED IN THE BUILDING.

(G) Standpipes. For space to be occupied on the fourth floor or above the building must have a standpipe in each stairwell.

THE STANDPIPE RUNS THE HEIGHT OF THE BUILDING AND IS USED BY THE FIRE DEPARTMENT IN CASE OF FIRE TO SUPPLY WATER.

(H) Manual Fire Alarms. A fire alarm system is required when space is occupied above or below the first floor. Alarm pulls are to be located by every exit and will send a signal to the local fire department or to a private 24-hour monitoring service (UL listed).

ALARMS WHICH RING ONLY AT THE BUILDING ARE NOT ACCEPTABLE.

(I) Stairways. A minimum of two separate stairways is required. It is preferred that each be in its own shaft. Handrails on both sides of the stairs are required. The stair treads should have a non-slip surface.

OUTSIDE OPEN FIRE ESCAPES DO NOT MEET USDA STANDARDS. AN OPEN STAIRWELL THAT IS NOT COMPLETELY ENCLOSED AND DOES NOT REQUIRE A DOOR TO ENTER, IS NOT ACCEPTABLE WHEN THE BUILDING IS THREE STORIES OR MORE. SCISSOR STAIRS, WHICH ARE TWO STAIRWAYS LOCATED IN ONE SHAFT COUNT AS ONE EXIT. HOWEVER, IT MAY BE ALLOWED TO MEET THE REQUIREMENT OF TWO EXITS WHEN THERE IS A FIRE RATED WALL SEPARATING THE TWO SETS OF STAIRS WITHIN ONE SHAFT. EXIT

STAIRS SHOULD DISCHARGE DIRECTLY OUT OF DOORS AT GROUND LEVEL. IF THE STAIRS OPEN UP INTO A LOBBY, GARAGE OR ONTO A ROOF OR ELEVATED GARAGE DECK, CHECK WITH A FIRESAFETY SPECIALIST PRIOR TO AWARD. DO NOT LEASE SPACE WITH A SINGLE STAIRWELL IF AT POSSIBLE. IN EXTREME INSTANCES WHERE THERE MAY BE NO OTHER CHOICE, YOU MAY CONSIDER, AFTER CONSULTING WITH A FIRESAFETY SPECIALIST, SPACE WITH A SINGLE STAIRWAY IF:

1. THERE WILL BE NO MORE THAN 30 PEOPLE ON THE FLOOR.
2. THERE IS NO MORE THAN 100 FEET OF TRAVEL DIRECTLY OUTSIDE OF THE BUILDING OR AN APPROVED ENCLOSED STAIRWELL WHICH LEADS DIRECTLY OUT OF THE BUILDING.

(J) Elevator. Signs are required to be installed in each elevator lobby or in each elevator warning against its use during a fire. A telephone is required in each elevator for emergency situations.

(K) Sprinkler systems. Automatic sprinkler systems are required for space on the 6th floor or ABOVE, for warehouse space, space below grade except garage parking, paint and woodworking shops, printing reproduction operations, and other space having high fuel load.

(L) Asbestos. No asbestos-containing fireproofing or insulation on building structures, acoustical treatment, molded or wet-applied ceilings or wall finishes/decorations, whether friable or non-friable will be permitted. If present, such materials must be removed by the successful offeror prior to occupancy by the Government.

No friable asbestos-containing boiler lagging or pipe insulation is acceptable. If present, such materials shall be removed, encapsulated or enclosed.

All offerors are subject to the asbestos inspection and testing provisions specified in paragraph 7 of the attached Form 3517 (General Clauses).

#### B13. Handicapped Accessibility Requirements

(A) Access/Entrances. Access for wheelchairs shall be provided from the street, sidewalk or parking (if provided) to every reasonable subdivision of space where a physically handicapped person may visit or work. At least one main entrance shall be accessible. If power-operated entrance doors are provided, they shall comply with ANSI 156.10 (1979).



(B) Drinking fountains. Water fountains shall be accessible to and usable by the physically disabled. They shall have an up front spout and control which is located no higher than 36 inches above the finished floor. Controls shall be hand or hand foot operated.

Conventional floor mounted water fountains can be serviceable to individuals in wheelchairs if a clear floor space of 30 inches by 48 inches is provided adjacent to the fountain. A wall mounted hand operated cooler may serve the able bodied and physically disabled equally well when the bubbler is mounted no higher than 36 inches and there is clear knee space between the bottom of the apron of the cooler and the floor of at least 27 inches high, 30 inches wide and 17-19 inches deep. A fully recessed water fountain is not recommended. The water fountain should not be set into an alcove unless the alcove is wider than 30 inches and not more than 2 feet deep.

(C) Elevators. Elevators shall be inspected and maintained in accordance with American national Standard A17.2, Inspector's Manual for Elevators, or equivalent local codes and ordinances.

Entrances. The elevator entrance should provide a clear opening of at least 36 inches. The inside measurements shall be a minimum of 51 inches deep and 68 inches wide.

Call Buttons. Fifty-four inches, (48 inches preferred) is the maximum permissible height for the highest call button inside the cab. However the highest operable part of a two-way communication system inside the cab cannot exceed 48 inches from the floor. The lobby call button should be centered nominally at 42 inches above the floor but no higher than 54 inches maximum.

(D) Restrooms. All public toilet rooms must have accessible fixtures, accessories, doors and adequate maneuvering clearance.

The interior of toilet rooms, having more than one stall, shall allow an unobstructed floor space of 5 feet in diameter, measured 12 inches above the floor.

At lease one men's and one women's toilet room on each floor where the Government leases part of the floor, or all public toilet rooms where the Government leases the entire floor, shall have one toilet stall that:

- Is 60 inches wide.
- Has a minimum depth of 56 inches when wall mounted water closets are used or 59 inches when floor mounted water closets are used.
- Has a clear floor area.
- Has a door that is 32 inches wide and swings out.
- Has handrails on each side (front transfer stall) or on the side and back (side transfer stall). They shall be 33-36 inches high and parallel to the floor, 1 1/4 to 1 1/2 inch clearance between rail and wall, and fastened

securely at ends and center. They shall have no sharp edges and must permit the continuous sliding of hands.

-- Has a water closet mounted at a height from 17 to 19 inches, measured from floor to the top of the seat. Hand operated or automatic flush controls shall be mounted no higher than 44 inches above the floor. A stall measuring either 36" or 48" wide by 66", but preferably 72" deep, may be acceptable as determined by the contracting officer.

At least one lavatory shall be mounted with a clearance at least 29 inches from the floor to the bottom of the apron. The height from the floor to the top of the lavatory rim shall not exceed 34 inches. Faucets shall be lever operated, push type or electronically activated for one hand grasping. Drain pipes and hot water pipes under a lavatory must be covered, insulated, or recessed far enough so that wheelchair individuals will not burn themselves.

One mirror with shelf shall be provided above the lavatory height as low as possible and no higher than 40 inches above the floor, measured from the top of the shelf and the bottom of the mirror. A common mirror provided for both the able and disabled must provide a convenient view for both. Toilet rooms for men shall have one wall mounted urinal with an elongated lip, with the basin opening no more than 17 inches above the floor. Accessible floor mounted stall urinals with basins at the level of the floor are acceptable.

The toilet room shall have at least one towel rack, towel dispenser and other dispensers and disposal units mounted no higher than 48 inches from the floor or 54 inches if a person in a wheelchair has to approach it from the side.

(E) Switches. Switches and controls for lighting, heat, fire alarms, and all similar controls of frequent or essential use shall be placed no higher than 54 inches from the floor with 48 inches preferred. Switches shall be located on columns or walls by door openings.

(F) Interior Doors. Doors must be at least 36 inches with a minimum opening of 32 inches and of sturdy construction. They shall be operable by a single effort and must be in accordance with national building code requirements.

(G) Parking. If parking is provided, then at least one or up to four percent of those spaces closest to the building should be designated for use by the physically handicapped. These spaces shall be at least 8 feet wide with a 5-foot wide access aisle to walks and ramps. Two spaces may share a common aisle. These spaces should be designated so the disabled are not compelled to wheel or walk behind parked cars. If necessary, curb cuts or ramps shall be provided.

(H) Walks. At least one accessible route having no steps or abrupt changes in level shall be provided from the accessible parking space(s), public sidewalk(s), and transportation stop(s), if provided, into each accessible primary building entrance.

Public walks in these access paths should be at least 36 inches wide with a slope no greater than one foot rise in 20 feet. If an accessible walk is less than 60 inches in width, then it shall have level passing zones, spaced at no more than 200 feet apart, measuring a minimum of 60 inches by 60 inches. They shall be stable, firm and slip resistant. Changes exceeding 1/2 inch shall be treated as a ramp. Whenever possible, gratings should not be located within or along walks. Walks shall have a level platform at the top in accordance with the maneuvering clearance for doors.

(I) Ramps. Where ramps are necessary or desired, they shall be of a non-slip surface, with a slope no greater than one foot rise in 12 feet. they must have a minimum clear width of 3 feet with level landings at the top and bottom of each ramp run. Each landing shall be as wide as the widest ramp run leading to it.

Landings on

a straight run ramp shall be 5 feet minimum. Intermediate landing dimensions for ramps turning directions shall be a minimum of five feet by five feet. Continuous handrails shall be provided on both sides of all ramps with a vertical rise greater than 6 inches.

Ramps with vertical drop-offs greater than 6 inches shall have curbs, walls, railing or projecting surfaces.

(J) Telephone. If provided, an appropriate number of public telephones should be equipped for those with hearing disabilities.

An appropriate number should be made accessible to persons in wheelchairs by wall mounting them so the top of the phone is no more than 48 inches from the floor (frontal approach) or 54 inches (parallel approach). The length of the cord from the telephone to the handset should be at least 29 inches.

SEE APPENDIX B FOR DETAILED HANDICAPPED REQUIREMENTS

SECTION C - SERVICES, UTILITIES, AND MAINTENANCE

C1. GENERAL

The following services, utilities, and maintenance shall be provided by the lessor as part of the rental consideration. The lessor must have a building superintendent or a designated representative available to promptly correct deficiencies.

WHEN THE RPLO DETERMINES THAT IT IS IN THE  
BEST INTEREST OF THE GOVERNMENT TO SOLICIT

OFFERS FOR OTHER THAN FULLY SERVICED, THE SFO SHOULD ADDRESS WHAT SERVICES, IF ANY, ARE TO BE INCLUDED IN THE RENTAL CONSIDERATION. THE RPLO SHOULD CONSIDER ALL FACTORS INVOLVED THAT WILL ALLOW FULL AND OPEN COMPETITION.

C2. NORMAL HOURS

Services, utilities, and maintenance will be provided daily, except Saturdays, Sundays, and Federal holidays during the Government's working hours (\_\_\_\_ to\_\_\_\_) unless otherwise amended.

C3. OVERTIME USAGE

(A) The Government shall have access to the leased space at all times, including the use of elevators, toilets, lights, and small business machines without additional payment. If heating or cooling is required by the Government on an overtime basis, beyond the above specified hours, they will be furnished by the lessor only when ordered in advance (orally or in writing) by the contracting officer or his designee\_\_\_\_\_. Reimbursement to the lessor for heating or cooling will be at the negotiated rate (\$\_\_\_\_\_per hour). costs for personal services, e.g., engineers, or maintenance, etc., shall only be included as authorized by the contracting officer.

(B) Lessor will not be paid for any services which are not authorized in advance by the contracting officer or his designee. Upon presentation of a properly certified invoice, payment will be made by the Government for services requested and furnished.

C4. UTILITIES

The lessor shall ensure that utilities necessary for operation are available. If the cost of utilities is not included as part of the rental consideration, the offeror must specify which utilities are excluded. The lessor shall provide separate meters for utilities to be paid for by the Government.

When the Government is to pay for utilities, the lessor will furnish the contracting officer, prior to occupancy by the Government, written verification of the meter numbers and certification that these meters will measure Government usage only.

PRORATION OF UTILITIES IS NOT PERMISSIBLE. IF THE COST OF UTILITIES FOR HEATING, VENTILATION, AND AIR CONDITIONING IS NOT INCLUDED AS PART OF THE RENTAL CONSIDERATIONS, AN AUTOMATED CONTROL SYSTEM SHOULD BE PROVIDED TO ASSURE COMPLIANCE WITH HEATING AND AIR CONDITIONING PROVISIONS INCLUDED IN THIS SPECIFICATIONS PACKAGE.

## C5. SERVICES

Services shall be furnished in accordance with the following schedule showing frequency and work to be accomplished.

(A) Daily. Empty trash receptacles and clean ashtrays. Sweep entrances, lobbies and corridors. Damp mop and spray buff all floors in main corridors, entrances, and lobbies. Sweep and/or vacuum traffic patterned areas in offices and sweep or vacuum to remove obvious dirt from around and under fixtures. Clean drinking fountains. Sweep and damp mop or scrub toilet rooms. Clean all toilet fixtures and replenish toilet supplies. Dispose of all trash and garbage generated in or about the building. In office areas, dust all horizontal surfaces that are readily available and visibly require dusting. Spot clean carpet to remove stains.

(B) Every other day. Sweep or vacuum stair landings and steps. Police garage areas.

(C) Weekly. Sweep sidewalks, parking areas and driveways.

(D) Every two weeks. Damp mop and spray buff all floors in secondary entrances, lobbies, corridors and office areas.

(E) Monthly. Thoroughly dust all horizontal surfaces of furniture in office areas. Thoroughly vacuum and spot clean carpet and/or sweep full floor areas in office space. Spot clean wall surfaces.

Mop or scrub stair steps, risers and landings. Sweep garages and garage ramps. Sweep the floor area in storage space.

(F) Every two months. In toilet rooms, damp wipe stall partitions and waste paper receptacles. Clean entrance and elevator rugs.

(G) Quarterly. Dust vertical surfaces and walls in office areas. Wet mop or scrub loading areas, garages, ramps and driveways.

(H) Semi-annually. In the toilet rooms strip resilient floors and apply four coats of finish. Strip floors and apply four coats of finish in main entrances, main lobbies and main corridors. Wash both sides of interior windows.

(I) Annually. Wash all venetian blinds. Vacuum all drapes in place. Shampoo carpets.

(J) As required. Wash or damp wipe inside of wastebaskets. Wipe down and treat wood paneling. Provide initial supply, installation

and replacement of light bulbs, tubes, ballasts and starters.

During inclement weather, lay out floor mats in entrances and lobbies. Clean and store mats when no longer required. Perform trash removal, pest control and lawn and grounds maintenance.

Remove snow and ice before working hours to ensure building access.

#### THESE SERVICES

#### C6. SCHEDULE OF PERIODIC SERVICES

Within 60 days after occupancy by the Government, the lessor shall provide the contracting officer with a detailed written schedule of all periodic services and maintenance to be performed other than daily, weekly, or monthly.

#### SECTION D - MISCELLANEOUS CLAUSES

#### D1. DEFINITION OF NET USABLE SPACE.

"Net usable space" is the method of measurement of the area for which the Government will pay a square foot rate. It is determined as follows:

--If the space is on a single tenancy floor, compute the inside gross area by measuring between the inside finish of permanent exterior building walls or from the face of convectors (pipes or other wall hung fixtures) if the convector occupies at least 50 percent of the length of exterior walls.

--If the space is on a multiple tenancy floor, measure from the exterior building walls as above and to the room side finish of the fixed corridor and shaft walls and/or the center of tenant-separating partitions.

--In all measurements, make no deductions for columns and projections enclosing the structural elements of the building and deduct the following from the gross area including their enclosing walls:

- (1) Toilet and lounges
- (2) Stairwells
- (3) Elevators and escalator shafts
- (4) Building equipment and service areas
- (5) Entrance and elevator lobbies
- (6) Stacks and shafts
- (7) Corridors in place or required by local codes and ordinances
- (8) Hallways required by local code

The right to use appurtenant areas and facilities is included.

## D2. PRICE EVALUATION

(A) Offerors are requested elsewhere in this solicitation to submit their offers on the basis of price per square foot for office, special, and storage space, as applicable. The square footage will be established for price evaluation purposes by eliminating the square footage for any parking and wareyard areas from the total area. However, the price for those areas will be included in the total cost. If such areas are offered and/or different rates are offered for different types of space, a composite price per square foot for each year, including any renewal period, will be determined by dividing the total annual rental by the total square footage of office, storage, and special space.

(B) If annual Consumer Price Index (CPI) adjustments in operation expenses are included, offerors must break out their offers to a "net" price per square foot for rental and a "base" price per square foot for services and utilities (operating expenses) to be provided by the lessor. The net and base prices combined are the total "gross" annual per square foot price offered. If the offer includes annual adjustments in operating expenses, the base price from which adjustments are made will be the base price for the term of the lease, including any option periods.

(C) All price evaluation will be on the basis of the annual price per square foot. Depending upon the structure of offers, price evaluation will be either in actual (undiscounted) dollars or in present value dollars.

(D) Price evaluation will be conducted as follows when all best and final offers are structured so that there will be no free rental periods, net annual rental will be level over the full term including options, and special requirements and other items not covered in rental are to be paid over the same period of time, i.e., lump sum or amortized (including interest) over an identical number of years:

(1) The annual per square foot price for evaluation purposes will be determined as in (A), above.

(2) To this annual per square foot price will be added:

-- The estimated annual per square foot cost for escalation attributable to operating expenses if the offer includes the CPI escalator clause. In estimating escalation, a 4 percent factor, compounded annually, will be used.

-- The estimated annual per square foot cost of escalated Government provided services, if applicable, under paragraph (B), above.

-- the annualized (over the full term) per square foot cost of any other items specified in this solicitation which are not included in the rental.

INSERT OTHER ELEMENTS TO BE CONSIDERED IN THE  
EVALUATION OF OFFERS

(E) Price evaluation will be conducted as follows when one or more best and final offers are structured either so that there will be free rent, that price will not be level over the term, that items not covered in rental are not to be paid over the same period of time or that options will be offered at a different price from the initial term:

(1) The annual per square foot price for evaluation purposes will be determined as in paragraph (A), above.

(2) If annual adjustments in operating expenses will not be made, the gross annual per square foot price will be discounted annually at 8 percent to yield a gross present value cost (PVC) per square foot.

(3) If annual adjustments in operating expenses will be made, the annual per square foot price, minus the base cost of operating expenses, will be discounted annually at 8 percent to yield a net PVC per square foot. The operating expenses will be both escalated at 4 percent compounded annually and discounted annually at 8 percent, then added to the net PVC to yield the gross PVC.

(4) To the gross PVC will be added:

-- The cost of Government provided services not included in the offered rental escalated at 4 percent compounded annually and discounted annually at 8 percent.

-- The annualized (over the full term) per square foot cost of any items which are to be reimbursed in a lump sum payment.

(The cost of these items is present value; therefore, it will not be discounted.)

INSERT OTHER ELEMENTS TO BE CONSIDERED IN THE  
EVALUATION OF OFFERS

(5) The sum of either (2) and (4) or (3) and (4), above, will be the per square foot present value of the offer for price evaluation purposes.

D3. ADJUSTMENT FOR VACANT PREMISES



If the Government fails to occupy any portion of the leased premises or vacates the premises in whole or in part prior to expiration of the firm term of the lease, the rental rate shall be reduced as follows: The rate shall be reduced by that portion of the costs per square foot of operating expenses not required to maintain the space. Said reduction shall occur after the Government gives 30 days prior notice to the lessor, and shall continue in effect until the Government occupies the premises or the lease expires or is terminated.

D4. UNAUTHORIZED NEGOTIATIONS

In no event shall the offeror enter into negotiations concerning the space leased or to be leased with representatives of Federal agencies other than the contracting officer or his or her designee.

D5. WIRING FOR TELEPHONES

The Government reserves the right to provide its own telecommunications (voice and data) service in the space to be leased. The Government may contract with another party to have inside wiring and telephone equipment installed or use wiring provided by the lessor, if available. In any case, space for telecommunication equipment shall be provided by the lessor.

SECTION E - OPTIONAL CLAUSES

E1. CARPET

The carpet construction may be woven or tufted loop pile with at least 64 tufts per square inch. It must have a synthetic primary back and tuft bind of at least 10 pounds. Other physical requirements include:

- \* Pile yarn content: Continuous filament soil-hiding nylon, wool/nylon, or olefin combinations.
- \* Static buildup 3.5 IV maximum with built in static dissipation is recommended, however "static-controlled" is acceptable.
- \* Pile height: 3/16" minimum but no than 1/2 maximum.
- \* Pile weight: 29 ounces per square yard minimum.
- \* Secondary back: synthetic fiber or jute for glue-down installation.
- \* Total weight: 64 ounces per square yard minimum.
- \* Flammability: Carpet in unsprinkled exists shall have a critical radiant flux of 0.22 or greater (NFPA Standard No.

253). All carpet not in corridors and bumper waffle pads shall pass Consumer Product Safety Commission FFL-70 (Pill test).

The lessor shall provide the Government with a minimum of give samples which vary in color. The contracting officer or designee must approve the sample and color prior to installation.

IF IT IS DETERMINED BY THE RPLO THAT THE EXISTING CARPETING NEEDS TO BE REPLACED AND/OR NEWLY INSTALLED, THIS CLAUSE SHOULD BE MADE AN ATTACHMENT TO THE SFO. IF THE RPLO DETERMINES THAT NEW FLOOR TILE IS REQUIRED, NO TILE CONTAINING ASBESTOS SHALL BE USED.

## E2. DRAPERIES

Drapery fabric must be flame retardant. Casements and sheer fabrics shall be unlined. Other fabrics shall be lined with either white or off-white plain lining fabric suited to the drapery fabric weight. Draperies shall be either floor, apron, or sill length, as specified by the Government and shall be hung with drapery hooks on well-anchored heavy duty traverse rods. Traverse rods shall draw from either the center, right or left side. Lessor shall provide a minimum of five patterns and colors for selection by the Government.

Draperies must be made as follows:

- \* 100 percent fullness, including overlap, one and one half inch side hems and necessary returns.
- \* Four-inch double headings turned over a four-inch permanently finished stiffener.
- \* One-and-one half-inch double side hems; four-inch doubled and bind stitched bottom hems.
- \* Three fold pinch pleats.
- \* Safety stitched intermediate seams.
- \* Except for fiberglass, weighted bottoms.
- \* Matched patterns.
- \* Tacked corners.
- \* No raw edges or exposed seams.

IF IT IS DETERMINED BY THE RPLO THAT EXISTING DRAPERIES NEED TO BE REPLACED AND/OR NEWLY INSTALLED, THE PRECEDING CLAUSE SHOULD BE MADE AN ATTACHMENT TO THE SFO.

## E3. HISTORIC PREFERENCE

(A) Preference will be given to offerors of space in buildings on, or formally listed as eligible for inclusion in the National Register of Historic Places and historically significant buildings in historic districts listed in the National Register. Such preference will be extended to historic buildings and will result in award if:

(1) The offer for space meets the terms and conditions of this solicitation as well as any other offer received. (It is within the discretion of the contracting officer to accept alternatives to certain architectural characteristics and firesafety features defined elsewhere in this solicitation to maintain the historical integrity of the building, such as high ceilings, wooden floors, etc.) and

(2) the rental is no more than 10 percent higher on a total annual square foot (net usable area) cost to the Government, than the lowest otherwise acceptable offer.

(B) If more than one offer of a historic building is received and they meet the above criteria, an award will then be made to the lowest historic property offered.

IF DURING THE MARKET SURVEY A HISTORIC BUILDING IS IDENTIFIED AS HAVING POTENTIAL TO MEET THE GOVERNMENT'S REQUIREMENTS, AT THE DISCRETION OF THE RPLO, THIS CLAUSE CAN BE INCLUDED IN THE SFO. THE BUILDING AND OFFEROR MUST BE CAPABLE OF MEETING AND/OR COMPLYING WITH THE FOLLOWING CRITERIA.

-- BUILDING COMPLIES WITH MINIMUM FIRESAFETY STANDARDS. (ASK FOR ASSISTANCE FROM A FIRESAFETY SPECIALIST WHEN IN DOUBT).

-- SPACE WILL BE ACCESSIBLE TO THE PHYSICALLY HANDICAPPED.

-- OFFEROR WILL PERFORM INITIAL ALTERATIONS AS REQUIRED.

-- LOCATED IN DELINEATED AREA.

-- LESSOR TO CONFORM WITH APPLICABLE CODES AND ORDINANCES.

-- SPACE MEETS AGENCY MISSION REQUIREMENTS.

-- TERMS OF THE LEASE ARE CONSISTENT WITH GOVERNMENT'S REQUIREMENTS.

## E4. OPERATING COSTS

Beginning with the second year of the lease and for each year after, the Government shall pay adjusted rent for changes in costs for cleaning services, supplies, materials, maintenance, trash removal, landscaping, water, sewer charges, heating, electricity, and certain administrative expenses attributable to occupancy.

The amount of adjustment will be determined by multiplying the base rate by the percent of change in the cost of living index. The percent change will be computed by comparing the index figure published for the month prior to the lease commencement date with the index figure published for the month which begins each successive 12-month period. For example, a lease which commences in June of 1985 would use the index published for May of 1985, and that figure would be compared with the index published for May of 1986, May of 1987, and so on, to determine the percentage change. The cost of living index will be measured by the U.S. Department of Labor Revised Consumer Price Index for Wage Earners and Clerical Workers, U.S. City Average, All Items figure (1982- 84=100) published by the Bureau of Labor Statistics. Payment will be made with the monthly installment of fixed rent.

Rental adjustments will be effective on the anniversary date of the lease. Payment of the adjusted rental rate will become due on the first workday of the second month following publication of the cost of living index for the month prior to the lease commencement date.

If the Government exercises an option to extend the lease term at the same rate as that of the original terms, the option price will be based on the adjustment during the original term. Annual adjustment will continue.

In the event of any decrease in the cost of living index occurring during the term of occupancy under the lease, the rental amount will be reduced accordingly. The amount of any such reductions will be determined in the same manner as increased in rent provided under this clause. The base for operating costs adjustment will be \$\_\_\_\_\_.

IF THE RPLO DETERMINES THAT A CPI ESCALATION PROVISION WILL PROMOTE COMPETITION AND OBTAIN AN OVERALL LOWER COST TO THE GOVERNMENT, THE ABOVE OPERATING COST ESCALATION CLAUSE SHOULD BE MADE PART OF THE SFO. THIS DETERMINATION SHOULD BE MADE FROM THE DATA COLLECTED IN THE PHYSICAL MARKET SURVEY. ESCALATION FOR INCREASED IN OPERATING COSTS WILL BE PAID IN ACCORDANCE WITH THIS CLAUSE. A BASE COST FOR OPERATING COST ESCALATION MUST BE ESTABLISHED

PRIOR TO AWARD AND SHOULD BE STATED IN THE LEASE DOCUMENT. IN DETERMINING THE BASE RATE FOR ESCALATION OF OPERATING COST THE LESSOR SHALL COMPLETE AD FORM 1217, LESSOR'S ACTUAL COST STATEMENT, IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED THEREON. THE LESSOR WILL ESTIMATE THE COST OF SERVICES AND/OR UTILITIES TO BE PROVIDED FOR UNDER THE LEASE TERMS IN SECTION I. IN COLUMN (A) AN ESTIMATE FOR EACH SERVICE OR UTILITY FURNISHED FOR THE ENTIRE BUILDING, AND FOR THE PORTION OF THE BUILDING TO BE LEASED TO THE GOVERNMENT IN COLUMN (B). IN COLUMN (C) THE GOVERNMENT'S ESTIMATED COST FOR THOSE SERVICES AND UTILITIES WHICH ARE PROPOSED FOR ESCALATION. THE GOVERNMENT'S COSTS ARE BASED ON THE RPLO'S EXPERIENCE RELATIVE TO SUBSTANTIALLY SIMILAR BUILDINGS. THE RPLO SHOULD SEEK ADVICE WHEN NECESSARY FROM BUILDERS, REAL ESTATE BROKERS, AND THE APPROPRIATE UTILITY COMPANIES, TO JUSTIFY THE GOVERNMENT'S ESTIMATE. FROM THIS INFORMATION THE RPLO WILL CONCLUDE NEGOTIATIONS AND ARRIVE AT A BASE RATE FOR DETERMINING FUTURE CPI ESCALATIONS WHICH IS ACCEPTABLE TO BOTH PARTIES. ESCALATION IS DUE ANNUALLY ON THE ANNIVERSARY DATE OF THE LEASE. THE METHOD OR CALCULATION IS AS FOLLOWS:

(A) ASCERTAIN THE CPI FOR THE MONTH PRIOR TO THE MONTH IN WHICH THE LEASE WAS EFFECTIVE. THIS FIGURE REFLECTS THE ECONOMIC CONDITIONS AT THE OUTSET OF THE LEASE. AS AN EXAMPLE, THE AUGUST CPI WOULD BE USED FOR ANY LEASE WHICH COMMENCED DURING THE MONTH OF SEPTEMBER.

THE FIGURES ARE ISSUED BY THE U.S. DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, WASHINGTON, D.C. 20212. USE THE REVISED CONSUMER PRICE INDEX FOR WAGE EARNERS AND CLERICAL WORKERS, U.S. CITY AVERAGE, ALL ITEMS--SERIES A, (1982-84=100).

(B) ASCERTAIN THE CPI FOR THE MONTH PRIOR TO THE ANNIVERSARY DATE OF THE LEASE.

(C) SUBTRACT THE BASE FIGURE (A) FROM THE INDEX FOR THE MONTH PRIOR TO THE ANNIVERSARY DATE (B). TAKE THE RESULT AND DIVIDE THAT BY THE CPI FOR THE MONTH PRIOR TO THE MONTH IN WHICH THE LEASE WAS EFFECTIVE (A).

(D) THIS IS THE PERCENT OF INCREASE IN THE CPI.

(E) ASCERTAIN THE BASE OPERATING COST OF THE ORIGINAL LEASE, WHICH SHOULD BE DOCUMENTED IN THE LEASE FILE.

(F) MULTIPLY THE BASE OPERATING COSTS (E) BY THE PERCENTAGE INCREASE.

(G) ASCERTAIN THE GROSS ANNUAL RENT IN THE BASIC LEASE.

(H) ADD THE TOTAL ANNUAL INCREASE IN OPERATING COSTS (F) TO THE ANNUAL RENT (G) WHICH RESULTS IN THE NEW ESCALATED GROSS ANNUAL RENT.

(### SAMPLE ESCALATION CALCULATIONS

LEASE NUMBER: 57-3142-5-020
GROSS ANNUAL RENTAL: \$25,000.00
TOTAL NET RENTABLE SQUARE FEET: 2,500
ANNUAL RATE PER SQUARE FOOT: \$10.00

BASE RATE FOR OPERATING COST: \$3.00 PER SQUARE FOOT

EFFECTIVE DATE OF THE LEASE: JANUARY 15, 1986

(A) CPI FOR MONTH BEFORE EFFECTIVE 108.6

DATE OF LEASE (DECEMBER 1985)

(B) CPI FOR MONTH BEFORE CURRENT ESCALATOR 109.3

IS DUE (DECEMBER 1986)

(C) DIFFERENCE (B) - (A) .7

(D) PERCENTAGE INCREASE: (C) .7 ? (A) 108.6 = .00645

(E) BASE OPERATING COST \$3.00 X 2,500 SQUARE FEET \$7,500.00

(F) BASE OPERATING COST \$7,500.00 X (D) PERCENTAGE \$48.38

INCREASE = (G) TOTAL ANNUAL INCREASE

(H) ANNUAL RENTAL \$25,000 + (G) ANNUAL INCREASE

= (J) NEW ESCALATED GROSS ANNUAL RENT \$25,048.38

(I) AS A FINAL NOTE, ALWAYS USE BASE YEAR OPERATING COST FIGURES

INITIALLY AGREED UPON IN THE LEASE FOR OPERATING COST  
ESCALATION PURPOSES.

APPROPRIATE ADJUSTMENTS MUST BE MADE IF

KINDS OF SERVICES AND UTILITIES, OR FOOTAGE CHANGE AFTER THE  
EFFECTIVE DATE OF THE BASIC LEASE.

THESE SAME PROCEDURES

SHOULD BE FOLLOWED FOR EACH SUCCEEDING ANNIVERSARY DATE.

(J) WITH RESPECT TO ANNUAL ESCALATION WHEN ACQUIRING ADDITIONAL

SPACE, THERE ARE THREE APPROACHES FROM WHICH TO CHOOSE.

(1) IF ADDITIONAL SPACE IS ACQUIRED AT THE SAME RENTAL RATE,  
THE LEASE MAY BE SUPPLEMENTED, AND ESCALATION ON ALL  
SPACE WILL BE PAID AT THE ANNIVERSARY DATE OF THE  
ORIGINAL BLOCK.

(2) IF ADDITIONAL SPACE AT THE SAME RENTAL MAY NOT BE  
OBTAINED, A NEW LEASE MUST BE EXECUTED. THIS IS  
NECESSARY BECAUSE ESCALATION MAY NOT BE PAID FOR LESS  
THAN ONE YEAR ON ANY ADDITIONAL SPACE LEASED AT A HIGHER  
RATE.

(3) IF CIRCUMSTANCES MAKE EITHER OF THESE TWO ALTERNATIVES  
UNDESIRABLE EXECUTE A SUPERSEDING LEASE.

#### E5. TAX ADJUSTMENT

The Government shall pay additional rent for its share of increases  
### 10/1/91) in real estate taxes over taxes paid for the calendar  
year in which its lease commences (base year). Payment will be in  
a lump sum and become due the first workday of the month following  
the month in which paid tax receipts for the base year and the  
current year are presented, or the anniversary date of the lease,  
whichever is later. The Government will be responsible for payment  
only if the receipts are submitted within the 60 calendar days of  
the date the tax payment is due. If no full tax assessment is made

during the calendar year in which the Government lease commences, the base year will be the first year of full assessment.

The Government's share of the tax increase will be based on the ratio of the square feet occupied by the Government to the total rentable square feet in the building. If the Government's lease terminates before the end of a calendar year, payment will be based on the percentage of the year in which the Government occupied space. The payment will not include penalties for non-payment or delay in payment. If there is any variance between the assessed value of the Government's space and to the space in the building, the Government may adjust the basis for determining its share of the tax increase.

The Government may contest the tax assessment by initiating legal proceedings on behalf of the Government and the lessor or the Government alone. If the Government is precluded from taking legal action, the lessor shall contest the assessment upon reasonable notice by the Government. The Government shall reimburse the lessor for all costs and shall execute all documents required for the legal proceedings. The lessor shall agree with the accuracy of the documents. The Government shall receive its share of any tax refund. If the Government elects to contest the tax assessment, payment of the adjusted rent shall become due on the first workday of the month following conclusion of the appeal proceedings.

In the event of any decrease in real estate taxes occurring during the term of occupancy under the lease, the rental amount will be reduced accordingly. The amount of any such reductions will be determined in the same manner as increase in rent provided under this clause.

The percent for the building occupied by the Government, for purposes of tax adjustments, will be \_\_\_\_%.

ESCALATION FOR INCREASES IN TAXES WILL BE PAID  
IN ACCORDANCE WITH THE PROVISIONS OF THE TAX  
ADJUSTMENT CLAUSE. THE PERCENTAGE OF THE  
BUILDING OCCUPIED BY THE GOVERNMENT SHOULD BE  
ESTABLISHED PRIOR TO AWARD TO PRECLUDE  
DISAGREEMENTS WHEN THE ADJUSTMENT IS DUE, BUT  
MUST BE ESTABLISHED BEFORE A TAX ADJUSTMENT CAN BE MADE.

#### E6. UNIT PRICES FOR ADJUSTMENTS

Several paragraphs in this SFO specify means for determining quantities of items, such as electrical outlets and partitions.

These are Government projections to assist the offeror in developing a per square foot price for the space offered. Actual quantities may not be determined until after the lease is awarded



and the space layout completed. If the Government layout departs from the projection, the lessor will only be paid for the actual quantity provided. The Government will make a lump sum payment or rental increase if the amount of material required by the layout is more than specified or take credit from rental if the amount is less than specified. Offerors are required to state unit costs for the following items in their offer:

- The cost per linear foot of office subdividing ceiling-high partitioning.
- The cost per floor mounted duplex electrical outlet.
- The cost per wall mounted duplex electrical outlet.
- The cost per floor mounted fourplex (double duplex) electrical outlet.
- The cost per wall mounted fourplex (double duplex) electrical outlet.
- The cost per dedicated clean electrical computer receptacle.
- The cost per floor mounted telephone outlet.
- The cost per wall mounted telephone outlet.
- The cost per interior door.

THE RPLO MAY AT HIS OR HER DISCRETION ADD OR DELETE UNIT PRICE ITEMS. THE RPLO SHALL NEGOTIATE EACH ITEM TO ENSURE THAT THE PRICE PER ITEM IS FAIR AND REASONABLE. THE LESSOR SHALL BE REIMBURSED BY EXECUTING A SUPPLEMENTAL LEASE AGREEMENT, FOR THE NUMBER OF UNIT PRICE ITEMS ACTUALLY INSTALLED ABOVE THE NUMBER STATED IN THE SFO.

#### INDEX FOR SAMPLE SMALL LEASE PACKAGE

Section	Subject
A	General Space Requirements
A1.	Location
A2.	Type and Amount of Net Usable Space
A3.	Term of Lease
A4.	Renewal Options
A5.	Holdover (Optional)
A6.	Offer Acceptance Period
A7.	Occupancy Date
A8.	Liquidated Damages
A9.	Proposal to Lease
A10.	Plans
A11.	Lease Award Factors
(A)	Lease Award Factors (Optional)

B General Building Requirements and Specifications

- B1. HVAC
- B2. Lighting
- B3. Ceilings
- B4. Floor Load
- B5. Telephone and Electrical Outlets
- B6. Restrooms
- B7. Drinking Fountains
- BS. Partitions
- B9. Painting
- B10. Window and Floor coverings
- B11. Doors
- B12. Firesafety and Safety Requirements
- B13. Handicapped Accessibility Requirements

C Services, Utilities, and Maintenance

- C1. General
- C2. Normal Hours
- C3. Overtime Usage
- C4. Utilities
- CS. Services
- C6. Schedule of Periodic Services

D Miscellaneous Clauses

- D1. Definition of Net Usable Space
- D2. Price Evaluation
- D3. Adjustment for Vacant Premises
- D4. Unauthorized Negotiations
- D5. Wiring for Telephones

E Optional Clauses

- E1. Carpet
- E2. Draperies
- E3. Historic Preference
- E4. Operating Costs
- E5. Tax Adjustment
- E6. Unit Prices for Adjustments

PLEASE SEE HARD COPY OR CONTACT OIRM, IMD ON  
202-720-8799 FOR THE PAPER COPY OF THE  
FOLLOWING IMAGES(S) :

Appendix B - Handicapped Building Description  
Data (pages B1 - B12)

APPENDIX C

April 22, 1985

SUBJECT: Lease Acquisition of Real Property

TO: Agency Heads  
(ASCS, FMHA, FS, SCS)

On May 15, 1985, we advised you that the General Services Administration (GSA) had prohibited the Agricultural Stabilization and Conservation

Service (ASCS) from using the delegated leasing authority while acting as a lead agency. However, that prohibition does not affect ASCS's statutory authority to lease space directly using the Commodity Credit Corporation authority (15 USC 714). Subsequently, the Congress extended the use of the CCC authority to include the acquisition of space for ASCS and any other Agriculture agency when the space is jointly occupied (P.L. 99-190). Although this authorization is contained in an annual appropriation act, it is considered to be permanent.

This authority will assist in the Department's colocation program. The agencies without statutory authority will continue to use the leasing authority delegated by GSA for acquiring space for their own use or for collocations of any USDA agencies. Use of the delegated authority will continue to be under the same terms and conditions. This permits acquiring space for field offices and district ranger offices without regard to location for periods of up to five years. ASCS will continue to use its statutory authority when acquiring space for itself or for a colocation of Agriculture agencies. This will permit the lease to be made at the county level. However, when acting as a lead agency in a colocation, ASCS should notify GSA of the proposed action to ensure compliance with the policies of all Agriculture agencies.

Reimbursements to the lead agency in any colocation will continue to be made under the present arrangements regardless of which authority is used to acquire the space.

Operating in this manner will satisfy the requirements of the delegation and also expedite the acquisition of necessary space for all agencies of the Department. If You have any questions, please contact Vince Chaverini or Jim Wood on 447-5225.

FRANK GEARDE, JR.  
Director

#### Appendix D

##### SAMPLE PRICE NEGOTIATION MEMORANDUM

The Price Negotiation Memorandum (PNM) is in effect a summary of the entire negotiation process. The PNM should have an introductory paragraph describing the requirement, location, term, and any unique circumstances.

(At this point be sure to assemble all of the negotiation records, negotiation objectives, letters from offerors agreeing to or objecting to various conditions, phone records, notes, appraisal(s) abstracts of offers, withdrawals of offers, calculations of square feet report, etc. It will be necessary to relate in detail all of the factors that went into the negotiations and final evaluation of offers.) The second paragraph should describe the competitive sources (advertisement and

flyer response and locations identified during the market survey), the number of solicitations issued, the number of offers received, and the number of offerors who participated in negotiations.

The third paragraph should set forth the negotiation objectives (example, to get all specials included in a reasonable rental, to negotiate a rate in the range of \$12-15 per square foot fully serviced based on the following: market survey data, newspaper articles, and BOMA reports).

Following this, a narrative should be given for each offeror summarizing each negotiation session and the position at the end of each session.

Example:

Offeror No.                    1. - Mr. John Jones  
   A Realty Company  
   Any City, USA

Location: 321 Second Street, Any City, USA. The initial offer was in the amount of \$18 per square foot. The first negotiation session was held on January 3, 1989, with \_\_\_\_\_, \_\_\_\_\_ and representing Mr. Jones the owner, and \_\_\_\_\_ and \_\_\_\_\_ representing Government. All clauses of the SFO were reviewed. Offeror was advised of firesafety and handicapped requirements. Offeror will have to evaluate the cost of these items and price will go up. Government representative cautioned that this would hurt his competitive position even more than his already above market offer. He will get back to us.

Second session was held on \_\_\_\_\_ and the following were present \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_. Firesafety and handicapped requirements were again discussed and offeror suggested some less costly alterations. These will have to be approved. There were discussions on base! operating expenses, with offeror being required to provide documentation for his maintenance and utility costs. Offeror agreed to reduce the basic per square foot rate, but said he will add back in the firesafety costs.

The third session was held on \_\_\_\_\_ with \_\_\_\_\_ present. Negotiated percentage of occupancy at 80% (total space 9,995 square feet--space offered 8,090 square feet), overtime rate at \$20 per hour, with a 2-hour minimum. Offeror was asked to reduce unit prices by 15%. After discussing average material cost and labor cost, offeror agreed to cut the prices by 10%. The firesafety and handicapped alternatives offered by Mr. Jones were accepted and he agreed to reconsider the final price. He said he would probably be able to offer \$16 a square foot. He was told to sharpen his pencil because the Government's survey of the market indicted prices closer to the \$12-14 range for similar space.

In response to best and final offer request, Mr. Jones offered a rental rate of \$15.10 per square foot and agreed to comply with all SFO terms.

Offer No. 2.    Ms. Jane Dough  
   8 Real Company  
   Your City, USA

Location: 560 Troy Street, Your City, USA

(List information in same format for each offeror)

#### Summary and Conclusion

After receipt of best and final offers, the four offers were ranked as follows:

- Offer No. 1 - \$15.10 per square-foot meets all SFO requirements.
- Offer No. 2 - \$15.25 per square-foot cannot meet timeframes.
- Offer No. 3 - \$14.90 per square-foot meets all SFO requirements.
- Offer No. 4 - \$17.00 per square-foot meets all SFO requirements.

The attached abstract of best and final offers shows all of the elements of the offers including per square foot rental, overtime rates, and percentage of occupancy, base operating expenses and specials. The cost items have been factored and subject to present value analysis. Offer No. 3 remains the low responsive offer after all calculations have been done.

While the low offer appears to be at the higher range of the negotiation objectives, it is a fair and reasonable rental). The appraisal figure is \$16 per square foot and appears to be more reflective of the market than the \$12-15 range in the negotiation objectives. The figures did not include the same level of finish required by the SFO, since in this community the custom is for minimal work to be done by lessors such as painting and carpet cleaning as part of the quoted rental rates. The appraisal did take this into consideration. When the rates quoted in local publications and by lessors are adjusted to reflect new partitions, electrical outlets, and new carpet, a \$16 market rate is indicated.

Therefore, an award will be made to Offeror No. 3 for \$14.90 per square foot for 5 years.

\_\_\_\_\_  
Real Property Leasing Officer

\_\_\_\_\_  
Date

Appendix E

DISCUSSION ON COMPLETING AD 1241-E FORM

Name and Address of Property

Enter subject property address

Occupying Agencies

Identify the proposed agency(ies)

Panel 1. Conclusions:

- a. N/A
- b. FAR (fair annual rent) including services (from Panel 7C)
- c. FAR without services. 7C less operating expenses.

Panel 2. Description of City, General Area and Neighborhood:

Briefly describe the city and neighborhood in which the property is located (residential, commercial, industrial).

What are the neighborhood trends, and how do these trends affect values and rents of real estate.

Panel 3. Description of Property and Space to be Leased:

Briefly describe the lot size, and the building age and condition.

Give the total square footage (see panel 5 for additional information) of the building.

Give the number of stories in the building and location of leased space in the building.

Describe the quality of building, the number of parking spaces and any special features.

Panel 4. Lease Information:

Briefly describe the conditions of the proposed lease including the number of years to be leased specifying the length of the firm term and the number and length of renewal options.

Cancellation privileges by either party - when and how many days notice required? The services to be provided as part of the rent and any other conditions such as escalation clauses for operating expenses and real estate taxes should be included.

Remember that every condition cited here which is not typical of the local commercial market can be the basis of a rental adjustment.

Panel 5. Method of Measuring Rentable Area:

It is essential that the subject and comparables all be measured by the same method.

Although it may sound reasonable that a square foot is a square foot, this statement does not take into account the inventiveness of the marketplace for commercial space.

The market at various times and places uses the New York Rule, Washington Board of Realtors Rule, (both of which are devices for adding a percentage of the building common areas to the space physically occupied), SOMA, American National Standards Rules, Usable, Occupiable, Net Rentable, Multiple-Tenancy and as many local methodologies as can be devised.

You must reduce all these possibilities to a single system so that regardless of what kind of measurement method you may encounter you will be able to convert it and make comparisons.

Generally, it is more practical to measure the appraisal subject property in the same way that the comparables are measured.

The most common commercial measurement systems are single tenancy net rentable and multi-tenancy net rentable.



The definitions of these two measured systems follows:

Single Tenancy Net Rentable: Compute the gross inside area of a floor by measuring the space from the inside finish of the exterior building walls or the glass line where at least 50 percent of the outer building wall is glass.

No deductions are made for columns and projections necessary to the building.

To develop single tenancy net rentable floor area (also known as "full floor" or "full floor net rentable"), deduct the major floor penetrations (stairwells, elevators, air shafts) from gross inside area.

Multi-Tenancy Net Floor: To develop multi-tenancy net rentable area make the same deductions as for a single tenancy floor, then make further deductions for corridors, restrooms, air conditioner rooms, janitor and electric closets or any room not actually available to the use of the tenant.

For example, assume that the gross interior floor area of a building is:

64' x 106'		=6,784 s.f.
Less		
8' x 20' elevator	=160	
6' x 16' stairwell	= 96	
	256 -	256 s.f.

f. The full floor rentable = 6,528 s.

In order to determine the multi-tenancy net rentable area, make additional deductions as follows:

6' x 90' corridor	= 540 s.f.
8' x -20' restrooms	= 160 s.f.
	700 - 700 s.f.

f. Then, the multi-tenancy rentable = 5,828 s.

Remember:

The owner has a gross number of dollars in mind which his building will generate in rent.  
He has a number of dollars assigned to each floor.

So no matter how you ask for it to be measured or cut up in pieces the owner will have a price designed to achieve his rental objective.

Example of Measurement Conversion, using the single and multi-tenancy net rental areas developed above:

A. If comparables rental is \$10/s.f. on a multi-tenancy rentable:

5,828 s.f. x \$10/s.f. \$58,280 (total rental of comparable) \$58,280  
 -. 6,528 s.f. \$8.93/s.f. on a single tenancy (or full floor) net rentable basis.

Therefore, in this particular example a \$10 multiple tenancy rate equals to an \$8.

93 Full Floor Rate.

B. If the rentable rate were quoted in New York Rule as \$8.50/s.f. and the adjustment factor was say 10 percent (or 85 cents), then \$8.

50

+.85 = \$9.35/s.f. as the rentable rate for the space to be physically occupied.

Panel 6. Comparative Rental Analysis:

Insert the name and address of each comparable building.

For the

"current" column use the annual lease rate per s.f. quoted for the lease for the comparable.

Always adjust the rental of the comparable space to arrive at an indicated rental rate for the subject space.

Take the "current" rent for each comparable plus "adjustment for services" (this can be a minus adjustment if the comparable provides more services than the subject property), subtract the "better by" column and add the "poorer by" column. The total goes into the "subject by comparison" column.

Analyze the comparables

used and determine which ones are most similar to the subject and the reasoning behind your selection of the best rate for the subject space.

This selected rate is put in 7 b.

Note: if too wide

a range exists in the adjusted comparables, either the adjustments are incorrect or the comparables are poor.

NEVER average the rate of the comparables used for comparison to the subject property.

What to adjust for:

The simple answer to this question is anything which might make a difference in rent.

Some of the things which may cause dollar and cents differences and which should be considered are:

- A. Length of lease
- B. Pass-through
- C. Cancellation privileges
- D. Any peculiar or unique occupancy terms
- E. Length of time since comparable lease was signed
- F. Parking availability
- G. Assigned or reserved parking spaces included in the rent
- H. Quality of finishes
- I. Handicapped facilities
- J. Quantity of space leased
- K. Lessee improvement-s
- L. Quality of space leased
- M. Location in neighborhood or city
- N. Location within building
- O. Access
- P. Condition and character of surrounding properties
- Q. Just about anything else that could conceivably make a significant difference

In considering any of these items as possible adjustments, remember

your obligation is to demonstrate that an adjustment is required by comparison of the specific variance in several comparables or that knowledgeable "body" of public opinion believes an adjustment is justified.

Any adjustments should be supported by a narrative discussion in Panel 8.

There are, of course, sophisticated mathematical methods of refining this number, but since they rely on projections of appropriate discount rates and/or selection of sinking fund type data, the gain in accuracy is subject to question, if it exists.

Panel 7. FAR with Specified Services and Utilities for the Leased Space:

- a. Rental area is determined by measuring the leased space.
- b. Rate per s.f. is the rate arrived at by analyzing lease comparables.
- c. Total FAR is the product of multiplying a. x b. c.

Panel 8. Discussion of Comparables as Related to Subject Leased Space:

Provide a brief narrative discussion of each lease comparable. Be sure to include the lessee's name, amount of s.f. leased, method of

floor measurement (ex. 3,100 s.f. net rentable full floor area), terms, of comparable lease such as length of lease, services provided, and escalation clauses. Discuss amounts of adjustments, if any, in cents and dollars for differences between the comparable space and subject space in terms of quality of space, size of space, time adjustments, location of buildings and respective location within the buildings, lease term differences, floor measurement adjustments amortized item adjustment or parking differences.

As mentioned in the discussion of Panel 6, always adjust the comparable to the subject space. Add all of the "better by" amounts and put in Panel 6.

Before you can fill in the "Adjustment for Services" column in Panel 6, you will have to make your estimates for services for the subject space. If the comparable has less services, add the cost of any services which the comparable does not have to be comparable rent. Conversely, if the comparable rental includes services which are not to be included in the subject rent, then the cost of the extra services must be deducted from the comparable rental rate.

Lease comparable offering prices are not acceptable. Use only actual specific lease comparables and try to get at least one comparable lease rate in the subject building.

PLEASE SEE HARD COPY OR CONTACT OIRM, IMD 202-720-8799  
FOR THE PAPER COPY OF THE FOLLOWING IMAGE(S):

Figure E-1 IN-LEASE APPRAISAL

## Appendix F

PROTESTS TO GAO  
FACTORS TO BE CONSIDERED BY HCA ON WHETHER  
TO PROCEED WITH LEASE ACQUISITION

1. Protests regarding the acquisition of leasehold interests in real property shall be handled in accordance with the procedures and requirements outlined in FAR Subpart 33.1 and GSAR Subpart 533.1, except the clause prescribed by FAR 33.102(b) shall not be included in solicitations and contracts for the acquisition of leasehold interests in real property.

2. The head of the contracting activity shall consider the following factors in determining, in accordance with FAR 33.104(b) and GSAR 533.104(b), whether to award a lease contract prior to resolution of a preaward protest to the GAO:

A. The merits of the protest.

B. The urgency of the need for the space and the impact on the agency's mission if space is not provided.

C. The availability of space to house the agency(s) from other sources and the cost of suit space.

D. The effect of the delay on the prospective lessor's ability to prepare the space for occupancy.

E.

The offerors' willingness to extend the date for acceptance of their offers, if necessary.

F. Any other pertinent facts and circumstances.

3. The head of the contracting activity shall consider the following factors in determining, in accordance with FAR 33.104(c) and GSAR 533.104(c), whether to delay the scheduled date for occupancy, and the work required to prepare the space for occupancy, when a protest is received within 10 calendar days after award.

A. The terms of the lease contract and applicable laws and regulations.

B. The merits of the protest.

C. The urgency of the need for the space and the impact on the agency's mission if the space is not provided.

D. Whether the space is already occupied by the Government and/or altered to meet the Government's requirements.

E. The availability of space to house the agency(s) from other sources and the cost of such space.

F. The effect of the delay on the lessor's ability to prepare the space for occupancy, i.e., the impact on the contracts for alteration work and cost of delay.

G. Total cost of delay.

H. Any other pertinent facts of circumstances.

4. The head of the contracting activity shall consider the following factors in determining whether to implement a GAO recommendation to terminate a lease contract.

A. The terms of the lease contract and applicable laws and regulations.

B. Whether the space is already occupied by the Government and/or altered to meet the Government's requirements.

C. The availability of space to house the agency(s) from other sources and the cost of such space, including any costs associated with alterations, moving, telecommunications, etc.

D. Cost of termination or buyout.

E. The benefits to be derived through implementation of GAO's recommendation.

F. Any other pertinent facts and circumstances.

Appendix G  
COMPLETION OF PROPOSAL TO LEASE  
SPACE, AD FORM 1364

(a) Blocks 1 through 6 Enter the general information about the building.

(b) Blocks 7 through 10 Complete Section II, as required. If N/A appears in a block it is not applicable. Enter in column (a) the amount of each type of space offered. Enter total in 10a. Enter in column (b) the square foot rate per year, including all building supplies, services, and utilities, for each type of space offered for the initial term. Multiply column (a) by column (b) for each type of space offered and enter in column (c). Also enter the total in 10c. Enter in column (d) the square foot rate per year, including all building supplies, services, and utilities for each type of space offered for the renewal term. Multiply column (a) by column (d) for each type of space offered and enter in column (e). Also enter the total in 10e.

(c) Block 11a - Divide the amount in 10c by the quantity in 10a to obtain the composite square foot per annum rate and enter in 11a.

(d) Block 11b - Divide the amount in 10e by the quantity in 10a to obtain the composite square foot per annum rate and the renewal term and enter in 11b.

(e) Block 12 - Enter the number of days after award the space will be ready for occupancy.

(f) Block 13 - Enter the requested information. If parking is available for employee use, provide the following information--

- (1) The number of spaces and the monthly rental charge for individual spaces, if not free.
- (2) The number of spaces and the unit rate, if leased as a group to an employee association.

(g) Block 14 - Enter the number of years, and based on block 12, the starting and ending date for the initial term.

(h) Block 15 - Enter the number of renewal periods and the years for each period.

(i) Block 16 - Enter the number of days notice required to renew the lease.

(j) Block 17 - Enter the number of days notice for the Government to terminate the lease during any renewal period.

(k) Block 18 - Enter the date to which the offer remains open.

(l) Block 19 - Offeror may enter an alternate proposal which excludes any separately metered utility. Specify utilities which are excluded. Also specify if escalation under the consumer price index as detailed elsewhere in this solicitation, is included in the offer.

(m) Block 20 - Enter any appropriate information. In addition, indicate the availability of food services in the building in which space is offered and whether exclusive rights have been granted to such food services.

(n) Block 21 - List all attachments which are to be included as part of the offer.

(o) Block 22 - List all addenda, if any, to the solicitation for offers.

(p) Block 23 - Check the appropriate blocks.

(q) Block 24 - Enter the requested information regarding the owner of record of the offered property.

(r) Block 25 - Check the appropriate block. If the offeror operations as a corporation, enter the state in which incorporated.

(s) Block 26 - Indicate the offeror's interest in the offered property. Specify if other than owner or agent. Agents must submit a valid copy of a notarized agreement authorizing him to submit and negotiate on behalf of the owner.

(t) Block 27 - Enter the employer's identification number (EIN) for tax reporting purposes or the social security number of the owner of the offered property.

(u) Block 28 - Complete and sign offer.

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720-8799 FOR THE PAPER COPY OF THE FOLLOWING  
IMAGE(S):

Figure G-1      PROPOSAL TO LEASE SPACE



## Appendix H

## MAJOR URBAN CENTERS

State	Major Urban Center	Associated County(ies)
Alabama	Birmingham Huntsville  Mobile  Montgomery	Jefferson Limestone Madison Baldwin Mobile Elmore Montgomery
Alaska	The entire state	
Arizona	Phoenix Tucson	Maricopa Pima
Arkansas	Little Rock-North Little Rock (Memphis, TN-AR)	Pulaski Crittenden (Shelby, TN)
California	Anaheim-Santa Ana-Garden Grove Fresno Los Angeles-Long Beach Sacramento  San Bernardino-Riverside-Ontario  San Diego San Francisco-Oakland  Stockton	Orange Fresno Los Angeles Placer Sacramento Yolo Riverside San Bernardino San Diego Alameda Contra Costa Marin San Francisco San Mateo San Joaquin
Colorado	Colorado Springs Denver	El Paso Adams Arapahoe Boulder Denver Jefferson
Connecticut	Bridgeport  Hartford  Meridan New Britain New Haven New London-Groton-Norwick Norwalk	Fairfield New Haven Hartford Middlesex Tolland New Haven Hartford New Haven New London Fairfield

	Stamford Waterbury	Fairfield Litchfield New Haven
Delaware	None	None
District of Columbia (See Washington, D.C.)		
Florida	Jacksonville Miami Orlando  Tampa-St, Petersburg  West Palm Beach	Duval Dade Orange Seminole Hillsborough Pinellas Palm Beach
Georgia	Atlanta   Savannah	Clayton Cobb DeKalb Fulton Gwinnett Chatham
Hawaii	The entire state	
Idaho	Boise	Ada
Illinois	Chicago          (St. Louis, MO-IL)	Cook Du Page Kane Lake McHenry Will Madison St. Clair (St. Louis City, MO) (Jefferson, MO) (St. Charles, MO) (St. Louis, MO)
Indiana	Ft. Wayne (Cincinnati, OH-KY-IN)      Gary-Hammond-East Chicago  Indianapolis	Allen Dearborn (Clermont, OH) (Hamilton, OH) (Warren, OH) (Boone, KY) (Campbell, KY) (Kenton, (KY) Lake Porter Hamilton Hancock Hendricks Johnson Marion Morgan Shelby

	(Louisville, KY-IN)	Clark Floyd (Jefferson, KY)
Iowa	Des Moines (Omaha, NE-IA)	Polk Pottawattamie (Douglas, NE) (Sarpy, NE)
Kansas	Kansas City  (Kansas City, MO)  Topeka	Johnson Wyandotte (Cass, MO) (Clay, MO) (Jackson, MO) (Platte, MO) Shawnee
Kentucky	(Cincinnati, OH-KY-IN)    (Huntington-Ashland, WV-KY-OH)  Louisville KY-IN	Boone Campbell Kenton (Clermont, OH) (Hamilton, OH) (Warren, OH) (Dearborn, IN) Boyd (Cabell, WV) (Wayne, WV) (Lawrence, OH) Jefferson (Clark, IN) (Floyd, IN)
Louisiana	Baton Rouge  New Orleans    Shreveport	East Baton Rouge Parish Jefferson Parish Orleans Parish St. Bernard Parish St. Tammany Parish Bossier Parish Caddo Parish
Maine	None	None
Maryland	Baltimore    (Washington, DC-MD-VA) Montgomery	Baltimore City Anne Arundel Baltimore Carroll Howard  Prince Georges (Wash. D.C.) (Alexandria, VA) (Fairfax Cty, VA)  (Falls Church, VA) (Arlington, VA) (Fairfax, VA)

Massachusetts	Boston	Essex Middlesex Norfolk Plymouth Suffolk
	Brockton	Bristol Norfolk Plymouth
	Fall River, MA-RI	Bristol (Newport, RI)
	Fitchburg-Leominster	Middlesex Worcester
	Lawrence-Haverhill MA-NH	Essex (Rockingham, NH)
	Lowell	Middlesex
	New Bedford	Bristol Plymouth
	(Providence-Pawtucket Warwick, RI-MA)	Bristol Norfolk Worcester (Bristol, RI) (Kent, RI) (Newport, RI) (Providence, RI) (Washington, RI)
	Worcester	Worcester
Michigan	Battle Creek	Calhoun
	Detroit	Macomb Oakland Wayne
	Grand Rapids	Kent Ottawa
Minnesota	(Fargo-Moorhead, ND-MN)	Clay (Cass, ND)
	(Minneapolis-St. Paul)	Anoka Dakota Hennepin Ramsey Washington
Mississippi	Jackson	Hinds Rankin
Missouri	Kansas City, MO-KS	Cass Clay Jackson Platte (Johnson, KS) (Wyandotte, KS)
	St. Louis, MO-IL	St. Louis City Jefferson St. Charles St. Louis (Madison, IL)

		(St. Clair, IL)
Montana	Billings Missoula	Yellowstone Missoula
Nebraska	Lincoln Omaha, NE-IA)	Lancaster Douglas Sarpy
	(Pottawattamie, IA)	
Nevada	Las Vegas	Clark
New Hampshire	Manchester	Hillsborough
New Jersey	Jersey City Newark  (Philadelphia, PA-NJ)	Hudson Essex Morris Union Burlington Camden Gloucester (Bucks, PA) (Chester, PA) (Delaware, PA) (Montgomery, PA) (Philadelphia, PA)
New Mexico	Albuquerque	Bernalillo
New York	Albany-Schenectady-Troy  Binghamton, NY-PA  Buffalo  New York    Syracuse	Albany Rensselaer Saratoga Schenectady Broome Tioga (Susquehanna, PA) Erie Niagara Bronx Kings New York Queens Richmond Nassau Rockland Suffolk Westchester Madison Onondaga Oswego
North Carolina	Asheville Durham Greensboro-High Point Raleigh Winston-Salem	Buncombe Durham Guilford Wake Forsyth

North Dakota	Fargo, Moorehead, ND-MN	Cass (Clay, MN)
Ohio	Akron	Portage Summit
	Cincinnati, OH-KY-IN	Clermont Hamilton Warren (Boone, KY) (Campbell, KY) (Kenton, KY) (Dearborn, IN)
	Cleveland	Cuyahoga Geauga Lake Medina
	Columbus	Oelaware Franklin Pickaway
	Dayton	Greene Miami Montgomery Preble
	(Huntington-Ashland, WV-KY-OH)	Lawrence (Cabell, WV) (Wayne, WV) (Boyd, KY)
	Youngstown-Warren	Mahoning Trumbull
Oklahoma	Oklahoma City	Canadian Cleveland
	Tulsa	Creek Tulsa
Oregon	Albany	Linn
	Portland, OR-WA	Clackamas Multnomah Washington (Clark, WA)
Pennsylvania	(Binghamton, NY-PA)	Susquehanna (Broom, NY) (Tioga, NY)
	Harrisburg	Cumberland Dauphin Perry
	Philadelphia PA-NJ	Bucks Chester Delaware Montgomery Philadelphia (Burlington, NJ) (Camden, NJ)
	Pittsburgh	Allegheny Beaver Washington

	Wilkes Barre-Hazleton	Westmoreland Luzerne
Puerto Rico	The entire commonwealth	
Rhode Island	Providence-Pawtucket-Warwick RI-MA  (Falls River, MA-RI)	Bristol Kent Newport Providence Washington (Bristol, MA) (Norfolk, MA) (Worcester, MA) Newport
South Carolina	Charleston  Columbia	Berkeley Charleston Lexington Richland
South Dakota	None	None
Tennessee	Knoxville  Memphis, TN-AR  Nashville	Anderson Blount Knox Shelby (Crittenden, AR) Davidson Sumner Wilson
Texas	Austin Dallas  El Paso Fort Worth  San Antonio	Travis Collin Dallas Denton Ellis El Paso Johnson Tarrant Houston Bexar Guadalupe
Utah	Ogden Salt Lake City	Weber Davis Salt Lake
Vermont	None	None
Virginia	Norfolk-Portsmouth  Richmond	Chesapeake City Norfolk City Portsmouth City Virginia Beach Richmond City Chesterfield Hanover

	Roanoke (Washington, DC-MD-VA)	Henrico Roanoke City Roanoke Alexandria City Fairfax City Falls Church City Arlington Fairfax (Montgomery, MO) (Prince Georges (D.C.)
Washington	(Portland, OR-WA)  Seattle-Everett  Spokane Walla Walla	Clark (Clackamas, OR) (Multnomah, OR) (Washington, OR) King Snohomish Spokane Benton Walla Walla
Washington, DC-MD-VA		Dist.of Columbia (Montgomery, MO) (Pr Georges, MD) (Alexandria, VA) (Fairfax, VA) (Falls Church,VA) (Arlington, VA) (Fairfax, VA)
West Virginia	Huntington-Ashland, WV-KY-OH  Parkersburg	Cabell Wayne (Boyd, KY) (Lawrence, OH) Wood
Wisconsin	Milwaukee	Milwaukee Ozaukee Waukesha
Wyoming	Cheyenne	Laramie

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Appendix I- Federal Register/Rules and Regulations  
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