
CHAPTER 3 • ACQUISITION AND MANAGEMENT OF LEASES

A. THE ROLE OF DCAMM AND THE AGENCY; AN OVERVIEW

B. THE LEASE

A. THE ROLE OF DCAMM AND THE AGENCY; AN OVERVIEW

This Manual sets forth new and streamlined methods for acquiring leased space. Detailed information is found in Chapter 4. Before reviewing in detail the procedures and documents which provide the framework for the procurement, it is important to understand the role and responsibilities of DCAMM and the Agency.

THE ROLE OF DCAMM

PROCUREMENT OF LEASED SPACE

Under M.G.L. Chapter 7, DCAMM is responsible for acquiring leased real property on behalf of the Commonwealth for use by state agencies. DCAMM is designated as the central repository for all rental agreements and is required to retain copies of all disclosure statements of persons having a beneficial interest in leased property.

STANDARDS FOR FACILITY PLANNING AND REAL ESTATE TRANSACTIONS

DCAMM is responsible for establishing and maintaining standards for facilities planning, including standards and guidelines for utilization of space for staff and other office areas; for the tenant improvements and building conditions required to meet the Agency's programmatic needs; and standards for delivery of services to the leased premises during the term of a lease. These standards are contained in Chapter 4A.

In addition, DCAMM's standard forms for leasing and Request for Proposals are designed to communicate the Agency's programmatic needs in an organized format (Facility Plan Form 1) to others within the Commonwealth and, through the Request for Proposals, to potential landlords. Additional standard forms provide for the structured evaluation of proposals received and for the recommendation for selection of the most advantageous proposal (Agency Recommendation Form 2; summarizing the terms of the lease transaction (Transaction Approval Form 3) and for internal communication on the termination of occupancy and the rental obligation (Agreement Termination Form 4). Chapter 4B contains the standard forms and instructions; Chapter 4C contains the Request for Proposals.

DCAMM is also responsible for developing and maintaining standard documents necessary for the leasing of real property, including the Commonwealth Standard Office Lease, form Lease Amendment, and related documents. These documents and accompanying instructions for completion and execution are contained in Chapter 4D.

Taken together, these materials effectively establish and communicate state policy and practice on matters relating to the leasing of real property.

COMPREHENSIVE LISTING OF ALL RENTAL AGREEMENTS

Under M.G.L. Chapter 7, DCAMM is responsible for maintaining an accurate listing of all of the Commonwealth's active rental agreements and for filing periodic reports with the Legislature on the Commonwealth's leasing activity.

PRIMARY CONTACT WITH REAL ESTATE COMMUNITY

DCAMM is the Commonwealth's primary contact with the brokerage community and is the agency responsible for maintaining information on the real estate market statewide. Utilizing such information, DCAMM is responsible for developing and communicating proposals for strategic decision-making for the Commonwealth's leasing activity.

SUPPORT AND TECHNICAL ASSISTANCE

DCAMM will provide training and technical support to Facilities Directors, staff and Agency Counsel. DCAMM, in conjunction with the Agencies, will strive to improve the planning and coordination of state leasing activity.

Lease Administration

THE ROLE OF THE AGENCY

PLANNING AND BUDGETING

The Agency is responsible for planning, budgeting, and payment of rent and related occupancy costs. For a facility in transition, this may include procurement and management of contracts for professional services such as space planning, moving of furniture and equipment, and installation or relocation of furniture and equipment ranging from systems furniture and copiers to telephone systems. Planning should include projecting the timing and future cost of all activity and obligations, and strategies to minimize cost and disruption to agency operations.

The Agency is responsible for developing specific programs and statements of need for each office or facility. To the extent that this statement of need includes the acquisition of leased space or a change in conditions of existing leased space, the Agency is responsible for development of the Facility Plan Form 1 which includes a description of the amount and types of space required and building features and services necessary to support operations.

DEVELOPMENT OF THE SCHEMATIC SPACE PLAN

The Agency is responsible for development of the schematic space plan. This space plan is developed based upon the tenant improvement specifications and Space Allocation Schedule of the RFP and the measured drawings of the selected premises. This plan becomes an exhibit to the lease along with the specifications of the RFP as they may have been revised by the selected proposal and further discussion with the selected proposer. The landlord is obligated to complete the premises in accordance with this plan and the associated specifications. The Agency should determine in its planning for each facility how the schematic space plan will be completed. The Agency may contract for the professional services of an architect or space planner, utilize the services of a selected systems furniture company to develop portions of the plan, or prepare the plan in-house.

LEASE ADMINISTRATION

The Agency plays an important role in monitoring the landlord's compliance with the terms of the lease. Once a lease has been executed, the Agency and DCAMM monitor the Landlord's completion of tenant improvements in accordance with approved plans and the specifications and the construction schedule of the lease. DCAMM confirms the commencement of the lease. The Agency has the primary contact with the landlord with respect to building management and delivery of services in accordance with the terms of the lease. The Agency should consult with the DCAMM project manager if the landlord does not appear to be meeting its obligations under the lease.

PAYMENT FOR SERVICES

In some instances, the Agency may have determined that it would directly procure and pay for building services, such as utilities or janitorial services. It is important that the Agency plan and budget for all services related to its leased offices and facilities.

B. THE LEASE

If DCAMM is procuring the lease on behalf of the Commonwealth and in partnership with the Agency, DCAMM issues the Request for Proposals for the new lease and is responsible for actions related to the RFP. DCAMM makes the proposal selection based upon joint evaluation of proposals received, takes the lead in finalizing the lease, and executes the lease on behalf of the Commonwealth.

As stated in the section above, the Agency is responsible for completion of the schematic space plan which is an exhibit to the lease. The Agency has primary responsibility for monitoring the activity of the landlord during design and buildout of the leased space. Agency personnel have primary contact with the landlord during the term of the lease.