

## **E. PROCEDURES FOR ACQUISITION OF A NEW LEASE OR LEASE AMENDMENT**

The major steps in procurement of a new lease, from initial planning to occupancy, are identified here along with a typical time-frame to complete each major step.

### **Form 1 & Request for Proposals (4 weeks)**

1. Agency prepares the Facility Plan, Form 1 and submits to DCAMM at least **12** months in advance of current lease expiration or scheduled occupancy date.
2. DCAMM reviews the Form 1 and, following discussion with the Agency, uses information of the Form 1 to prepare the Request for Proposals (RFP).

### **Advertisement & Solicitation (5 weeks)**

3. DCAMM advertises the availability of the RFP in the Central Register, and notifies the Agency of its advertising obligations. DCAMM distributes the RFP to interested parties, and holds a proposers' conference as appropriate.
4. Simultaneously, the Agency places advertisements in appropriate newspapers and informs potential proposers of the availability of the RFP.

### **Proposal Evaluation and Notification of Proposers (10 weeks)**

5. DCAMM receives proposals by the submission deadline and opens proposals promptly. DCAMM completes its initial review of proposals for conformance to the requirements of the RFP and to prepare the proposal list and preliminary financial analysis of each proposal. DCAMM sends the proposals and the preliminary results to the Agency.
6. Agency completes an initial review of the proposals and convenes with DCAMM to determine list of competitive qualifying proposals.
7. Agency schedules a site visit for each competitive, qualifying proposal. Together, the Agency and DCAMM complete site visits.
8. Agency and DCAMM convene to determine whether it is necessary to seek written clarification of any proposal. If so, DCAMM asks the proposers to submit written clarification to the Agency and DCAMM.
9. DCAMM and the Agency evaluate all information and jointly complete written evaluations of proposals and a recommendation for proposal selection.
10. Agency reviews the selection recommendation and, upon approval, signs and submits the Agency Recommendation Form 2 to DCAMM.
11. Upon DCAMM approval the Proposal Evaluation and Selection Recommendation Form 2, DCAMM notifies proposers in writing of the selection decision.

**Lease Execution: Preparation of Documents****(10 weeks)**

12. DCAMM and the Agency meet with the selected proposer to begin finalizing lease and schematic space plan.
13. Agency develops schematic space plan which becomes an exhibit to the lease.
14. DCAMM, the Agency and the Landlord finalize the lease and exhibits. DCAMM reviews the lease to determine that it is complete and it is sent to the Landlord for signature.
15. Landlord completes and signs the lease and sends it to the Agency.
16. Agency signs the lease and sends the lease and Transaction Approval Form 3 to DCAMM for lease execution.
17. Upon finding the lease and the Transaction Approval Form 3 are complete, DCAMM signs lease and Form and returns them to the Agency. Agency delivers lease to landlord.

**Build-out and Preparation of the Premises for Occupancy****(variable)**

18. Landlord completes design and construction of the space in accordance with the lease.
19. Agency monitors construction progress, completes and work for which it is responsible (e.g., telephone and data wiring or installation of movable partitions) and procures and schedules a mover. As needed, DCAMM will assist Agency in monitoring progress on build-out or other matters related to the lease.
20. Landlord notifies the Agency that the premises are substantially complete.
21. DCAMM and Agency review the build-out and upon confirmation of substantial completion, the Agency moves in.

**Commencement of Lease Term****(1 week)**

22. Agency completes section 3 of the Transaction Approval Form 3 identifying the occupancy date and commencement of lease term. Agency submits copy of completed Transaction Approval Form 3 to DCAMM for its records of active rental agreements.
23. Agency submits Lease Order and completed Transaction Approval Form 3 to the Comptroller so that rental payments can commence.

The approximate total elapsed time in this process, excluding the time required to build out the leased space, is 30 weeks. For planning purposes, Agencies should assume a typical schedule to prepare premises for occupancy of 16 weeks. Agencies should begin planning for a lease procurement at least 12 months before the desired commencement date for the new lease.

### Amending a Lease

The Agency may wish to extend the term of the lease, or the Agency may identify the need to modify the other provisions of an existing lease. If circumstances have changed since the execution of the lease, it may be necessary to amend the lease during the term to make adjustments to the build-out, useable area, or rent.

#### Review of Space Needs: Form 1

(up to 4 weeks)

1. Agency collects the information for the development of the Facility Plan Form 1, completes the Form and submits it to DCAMM.
2. If the proposed lease amendment extends the lease term for five years, DCAMM and the Agency first determine whether suitable state owned space is available. If state space is identified, DCAMM and the Agency proceed with all steps necessary for the Agency to occupy the space. If no state space is identified, DCAMM and the Agency proceed as follows.

#### Preparation and Execution of the Lease Amendment

(8 weeks)

3. Upon approval by DCAMM of the Facility Plan Form 1, the Agency and DCAMM meet with the Landlord to finalize the terms of the lease amendment.
4. DCAMM or the Agency, as appropriate, prepares the lease amendment and exhibits consistent with the approved Request and discussions with the Landlord. DCAMM or the Agency, as appropriate, obtains legal review and assembles copies of the complete document for execution.
5. The complete documents are sent to the Landlord for signature. The Agency completes the Transaction Approval Form 3.
6. Landlord signs and completes the lease amendments and returns them to the Agency.
7. Agency signs the lease amendments and sends them to DCAMM with the completed Transaction Approval Form 3.
8. Upon finding the lease amendment documents and Transaction Approval Form 3 complete and ready for execution, DCAMM executes the lease amendments and signs the Transaction Approval Form 3. DCAMM delivers the lease amendment and Transaction Approval Form 3 to the Agency and the lease amendment is delivered to the Landlord.

#### Preparation of the Premises for Occupancy, *if applicable*

(varies)

9. If the Landlord is completing any tenant improvements, the Landlord completes design and construction of the premises in accordance with the lease amendment. The Agency and DCAMM, as appropriate, review progress of design and improvement work.
10. Agency completes its work, if any, in the space prior to substantial completion. The Agency establishes a preliminary schedule for the move and hires a mover, if necessary. The Landlord notifies the Agency that the improvements are substantially complete. Upon confirmation of substantial completion, the Agency moves in and “takes occupancy” of the improved space.

**Commencement of Lease Term****(1 week)**

11. Agency completes the “Occupancy” section of the Transaction Approval Form 3 confirming that it has taken occupancy and that the term of the lease amendment has commenced. The Agency submits a copy of the Transaction Approval Form 3 to DCAMM for its records.
12. Agency submits a Lease Order and completed Transaction Approval Form 3 to the Comptroller so that rental payments under the lease amendment can commence.

The approximate total elapsed time in this process is 12 weeks, excluding any time required by the Landlord to complete improvements or otherwise prepare space for occupancy. For lease extension amendments, Agencies should begin planning for the lease extension approximately 12 months in advance of the expiration date of the existing lease, so that there is time to implement an alternative plan if the parties cannot reach agreement on the terms of a lease extension.