

CHANGE REQUEST COVER SHEET

Change Request Number: 12-77

Date Received: 6/14/2012

Title: Update to Real Property Policy Relating to Sustainability

Name: Susan Freericks

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Policy OR Guidance: Policy

Section/Text Location Affected: Section 4.2.3.3.1: Succeeding Leases/Renewal Leases

Summary of Change: Revisions to the Succeeding Leases/Renewal Leases policy to improve clarity on sustainability related matters.

Reason for Change: The wording of this section of policy needed rephrasing for clarity regarding sustainability.

Development, Review, and/or Concurrence: ALO-200, ALO-300, AGC-520, WLSA, ELSA, and CLSA

Target Audience: Real Estate Contracting Officers

Potential Links within FAST for the Change: N/A

Briefing Planned: No

ASAG Responsibilities: None

Potential Links within FAST for the Change: N/A

Links for New/Modified Forms (or) Documents (LINK 1) [null](#)

Links for New/Modified Forms (or) Documents (LINK 2) [null](#)

Links for New/Modified Forms (or) Documents (LINK 3) [null](#)

SECTIONS EDITED:

Acquisition Management Policy:

Section 4.2.3.3.1 : Succeeding Leases/Renewal Leases [\[Old Content\]](#) [\[New Content\]](#) [\[RedLine Content\]](#)

SECTIONS EDITED:

Section 4.2.3.3.1 : Succeeding Leases/Renewal Leases

Old Content: Acquisition Management Policy:

Section 4.2.3.3.1 : Succeeding Leases/Renewal Leases

Prior to determining whether to enter into a succeeding lease (i.e., the lease expires at the end of the term and no renewal option(s) remain), or to renew an existing lease (i.e., the exercise of an option to stay in the existing location), the RECO must consult with the using service/requesting office and obtain an approved business case or a statement of continuing need. Additionally, in the case of space leases, the facility subject to the expiring lease must be in compliance with current life safety, seismic safety, and high performance sustainable building (HPSB) requirements.

If the agency is considering remaining at the current location, then the current Lessor must be contacted regarding potential upgrades to the real property, to ensure that the space will comply with all requirements contained in the proposed new lease, and that the Lessor is willing to execute the proposed lease. If the Lessor is unable or unwilling to support the necessary improvements, or other changes necessary to meet the FAA's current requirements, then the FAA must either:

1. Relocate to another location, or
2. The Spaceholder's Council may consider mission-related reasons to stay. In this case, the justification to stay must be documented in the project's business case and approved by the appropriate Spaceholder's Council. Alterations, upgrading, and expansion/reduction of requirements must also be considered and included, as appropriate, in the subsequent acquisition and final documentation.

When fulfilling the using service/requesting office requirements, the RECO **must** use the standard land lease, space lease, utilities and outgrant templates and associated forms for all new, succeeding and renewal lease acquisitions.

In accordance with the provisions of 49 USC 40110(c)(1), the RECO may enter into a lease with a term of up to 20 years, regardless of whether appropriations sufficient to pay the rent for the lease term have been obligated. Thus, the RECO is authorized to award a lease without having any funds on the date the lease is signed (i.e., the RECO can sign a lease in the current fiscal year, even though rent commencement does not occur until the next fiscal year).

The RECO must ensure that all clauses incorporated in the succeeding lease agreement are current and applicable. In addition, if the term of a cost lease is less than 20 years, including all renewal options, and if the RECO determines that the best method to fulfill a short term

continuing need is by extending the current lease, the Supplemental Lease Agreement must contain all current clauses. However, if the lease has been effective for over 20 years, the RECO must negotiate a new or succeeding lease.

In addition, all proposed permanent changes to the standard lease clauses must be approved by ALO-200 and AGC-500. The RECO must maintain signed approvals in the lease file.

Note: Any changes to lease clauses that are to be applied to a single case must be approved by Regional Counsel each time they are proposed.

New Content: Acquisition Management Policy:
Section 4.2.3.3.1 : Succeeding Leases/Renewal Leases

Prior to determining whether to enter into a succeeding lease (i.e., the lease expires at the end of the term and no renewal option(s) remain), or to renew an existing lease (i.e., the exercise of an option to stay in the existing location), the RECO must consult with the using service/requesting office and obtain a statement of continuing need. Additionally, in the case of space leases, the facility subject to the expiring lease must be in compliance with current life safety, seismic safety, and to the extent practicable high performance sustainable building (HPSB) requirements.

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