



FLORIDA DEPARTMENT OF JUVENILE JUSTICE PROCEDURE

Title: Facility Leases Procedures

Related Policy: FDJJ - 1650

I. DEFINITIONS

Lease Coordinators - Staff in the DJJ Bureau of General Services, Purchasing, Leasing, and Land Acquisition Section, which provide specific support to DJJ programs in lease functions with the responsibility of reviewing all documentation submitted by DJJ programs for correctness, compliance with Florida Statutes and Department of Management Services (DMS) rules and regulations with regards to leasing procedures, and compliance with the requirements set forth in this policy. Lease documentation is processed by these staff to obtain all departmental and budgetary approvals prior to execution of leases. They are also responsible for obtaining prior DMS approval of the Request for Space Needs (RSN), and subsequent DMS approval of the lease documentation. These positions report to the department's Director of Purchasing, Leasing, and Land Acquisitions within the Bureau of General Services.

Contract Manager - The person(s) designated in each program, region to initiate any lease procedures and to be the liaison with the DJJ headquarters leasing office in furnishing lease documentation needed to complete lease transactions.

Lease Agreement – State of Florida's standard lease agreement (DMS form 4054) is the legal contract whereby a Lessor provides space to DJJ for a specified cost under certain terms and conditions, which are mutually agreed upon.

Lessee – Shall always be the Department of Juvenile Justice and not a particular program name.

Lessor - The individual, partnership, corporation, entity, or other state agency, which is the owner of the facility, which is leased/rented to DJJ.

Lease Termination - The early termination of a lease agreement with six months written notice to the lessor. Terminations must be in accordance with article XVIII or XXI of the standard lease agreement (DMS form 4054).

Addendum - A binding agreement signed by the lessor and lessee containing lease terms and conditions which are in addition to or differ from those in the standard State of Florida lease agreement promulgated by the Department of Management Services, executed at the same time the standard lease agreement is executed.

Rental Rate - The cost of space measured in terms of dollars per square foot per year or as otherwise defined by the Lease Agreement or Addendums.

Tenant-at-Will - Term used when DJJ has to remain in an existing space after a lease has expired usually due to difficulties in getting a new lease finalized; the option is always up to the lessor to allow the

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Department to remain in the space as a "tenant-at-will" at the expired lease rate on a month-to-month basis (see section 83.01 – 83.04, Florida Statutes).

Addenda (required for leases 4,999 square feet or less) – A binding agreement signed by lessor and lessee containing lease terms and conditions which are in addition to or differ from those in the standard State of Florida lease agreement promulgated by the Department of Management Services, executed at the same time the standard lease agreement is executed. The following addenda are required in all Department leases under 5,000 SF: Rental Rate Schedule (Addendum A- DMS Form 4054, Public Entity Crime Statement (Addendum B - DMS Form 4054E, Discrimination (Addendum C - DMS Form 4054G, Public Hurricane Evacuation Shelter (Addendum D – DMS Form 4054F, Failure to Comply (Addendum E- DMS Form 4054C, Janitorial Services (Addendum F – DMS Form 4054C, Disclosure Statement (DMS Form 4114, Rental Commencement (Addendum G – DMS Form 4054A).

Addenda (required for leases 5,000 square feet or greater) – The following addenda are required in all Department leases 5,000 SF and greater: Rental Rate Schedule (Addendum A- DMS Form 4054), Public Entity Crime Statement (Addendum B - DMS Form 4054E, Discrimination (Addendum C - DMS Form 4054G, Public Hurricane Evacuation Shelter (Addendum D – DMS Form 4054F, Failure to Comply (Addendum E- DMS Form 4054C, Janitorial Services (Addendum F – DMS Form 4054C, Disclosure Statement (DMS Form 4114), Rental Commencement (Addendum G – DMS Form 4054A), Assessing Liquidated Damages (Addendum H – DMS Form 4054B), Tenant Improvement Reimbursement (Addendum G – DMS Form 4054J)(5 copies).

Certification of Compliance - Certification of Compliance (DMS form 4113) must be completed and provided to DMS with the submission of any lease action.

Collocated Services - A shared agreement for services between two or more agencies. The lessee (host agency) pays for the supplies, service agreements, equipment and other shared services. The other agency (ies) reimburse(s) the host agency for services based upon a formula to be determined by the parties.

Collocated Space - A shared agreement for space between two or more agencies within a single state owned facility lease. The agency not responsible for the lease has a sub-lease with the lessee for the space occupied.

Department of Management Services (“DMS”) – The state agency charged with the responsibility to oversee all leases in which any agency of state government is involved, specifically the Bureau of Real Property Management for the purposes of this policy.

Disclosure Statement - Disclosure Statement (DMS form 4114) must be completed and signed to disclose ownership of any space prior to that space being leased by a state agency. The form requires the owner(s) to disclose the identity of any person who holds four percent (4%) or more interest in the property. Form 4114B must be completed and signed by the lessor for any renewal and/or modification, declaring that no changes in ownership have occurred since the initial Disclosure Statement was filed. DMS requires that a new Disclosure Statement be filed if the current Disclosure Statement on file is more than one year old.

Evaluation Committee - Committee of three (or more) individuals selected by the Lease Coordinator to personally inspect every responsive facility being offered in response to an ITN for 5,000 square feet or greater and to evaluate all proposals based on the criteria set forth in the ITN. Each committee member is

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expected to do an individual evaluation that will be combined with all other evaluations by the DJJ Headquarters Leasing Office.

Life – Cycle Cost Analysis - Rules and procedures, including energy conservation performance guidelines, for conducting a life-cycle cost analysis of alternative architectural and engineering designs and alternative major items of energy-consuming equipment to be retrofitted in existing state-owned or leased facilities and for developing energy performance indices to evaluate the efficiency of energy utilization for competing designs in the construction of state-financed and leased facilities.

DJJ Headquarters Leasing Office - This office is located within the Bureau of General Services at the Department's Tallahassee headquarters building.

Lease Initiation Form (“L.I.F.”) – A DJJ form that shall be completed and submitted to the Headquarters Purchasing, Leasing and Land Acquisitions Office as a formal request by any DJJ office to begin any lease action.

Lease of 5,000 or More Square Feet - Leases over 5,000 square feet must be competitively procured via a formal solicitation “Invitation to Negotiate (ITN)”.

Lease of Less than 5,000 Square Feet - Leases of 4,999 square feet or less do not require formal solicitation. A minimum of three (3) informal quotes must be obtained from prospective lessors.

Space Allocation Worksheet (SAW) (DMS Form FM4100) - A form required to assess space needs based on information of the prospective occupants and special needs of the program area requiring lease space. This form shall be reviewed and approved by the Purchasing, Leasing, and Land Acquisitions Director prior to submittal to DMS.

Request for Space Need (“RSN”) - The Request for Space Need Form (DMS Form 4105) must be filed with, and approved by the Department of Management Services, and is used to detail need for leasing of new space, renewal space, or modification of an existing lease. The RSN specifies the type of space, boundaries, term, renewal options, procurement methodology, and other lease information.

Stay-in-Place – Upon expiration of the base term of the lease (including any renewal options) and the Department's determination that the space is still needed and that it is in the best interests of the State to remain in the existing space, a new lease may be negotiated. An independent comparative market analysis is required. The comparative market analysis must show the rates offered do not exceed the cost of a comparable lease plus moving costs. If the comparative market analysis shows the rates exceed those of a comparable facility the stay-in-place cannot be exercised. The term of the replacement stay-in-place lease may not exceed the base term of the expiring lease.

II. STANDARDS/PROCEDURES

A. Procurement of Lease Space of 4,999 Square Feet or less:

1. The Lease Initiation Form (LIF), Request for Space Need (RSN), and Space Allocation Worksheet (SAW) shall be completed by the Requesting Office and forwarded to the DJJ Headquarters Leasing Office and Bureau of Budget for review and approval.

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2. Once approved, the required forms will be electronically submitted to the Department of Management Services (DMS).
3. DMS approval including a lease number and discount rate will be received prior to any lease action.
4. The contact representative shall be the Lease Coordinator in the DJJ Headquarters Leasing Office.
5. Once the request for lease space of 4,999 square feet or less is approved by DMS, a minimum of three written quotes from separate prospective lessors shall be secured by the Requesting Office and forwarded to the DJJ Headquarters Leasing Office.
6. The requesting office member securing quotes shall not negotiate with any prospective lessor.
7. The DJJ Headquarters Leasing Office will review all proposals and award the lease based on the lowest cost and best location.
8. The DJJ Headquarters Leasing Office will forward all necessary documentation to the selected lessor for signature.
9. Upon return of the signed lease from the selected lessor the DJJ Headquarters Leasing Office shall route the lease documentation for all required HQ and DMS approval. All lease actions shall require three (3) original sets of each required document.
10. If renovations are required, the selected lessor shall provide four (4) full sets of floor plans showing the existing and proposed layouts. The State Fire Marshal Request Form and a check from the lessor payable to the State Fire Marshall for the inspection fee are also required.
11. Approval from the Fire Marshal must be granted prior to the commencement of any renovations and final lease approval by DMS.
12. The DJJ Headquarters Leasing Office shall distribute approved copies of the Lease Agreement to the Requesting Office, Finance and Accounting. One original copy shall be provided to the Lessor and an original copy shall be maintained in the DJJ Headquarters Leasing Office files.

B. Procurement of Lease Space of 5,000 Square Feet or Greater:

1. The Lease Initiation Form (LIF), Request for Space Need (RSN), and Space Allocation Worksheet (SAW) shall be completed by the Requesting Office and forwarded to the DJJ Headquarters Leasing Office and Bureau of Budget for review and approval.
2. Once approved, the required forms will be electronically submitted to DMS.
3. DMS approval including a lease number and discount rate will be received prior to any lease action.
4. The contact representative shall be the Lease Coordinator in the DJJ Headquarters Leasing Office.

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5. An Invitation to Negotiate (ITN) is required for leases of 5,000 square feet or greater located in privately owned buildings. Leases for space in public buildings (Federal, State, County, Municipal, or other public property), and for primary care and educational facilities are exempt from the competitive bid process but must be coordinated through the DJJ Headquarters Leasing Office.
6. The DJJ Headquarters Leasing Office shall post the ITN on the DMS Vendor Bid System (VBS) and place a legal advertisement in a newspaper of general circulation in the local area in which the facility is being sought and bill the Organization Code of the applicable requesting office.
7. The DJJ Headquarters Leasing Office shall work closely with the Requesting Office to insure the specifications included in the ITN meet all needs. The Requesting Office shall be responsible for notifying the DJJ Headquarters Leasing Office of unique features to be included in the solicitation.
8. All parties interested in submitting a bid shall obtain the ITN, addenda's, addendums, and any other information concerning the solicitation via the Vendor Bid System (VBS) at: http://vbs.dms.state.fl.us/vbs/main_menu or by contacting the DJJ Headquarters Leasing Office and requesting a package.
9. All proposals received by the DJJ Headquarters Leasing Office shall be recorded and date stamped (including time received). The DJJ Headquarters Leasing Office shall maintain possession of all proposals.
10. Any proposal not in compliance with the mandatory requirements of the ITN shall be deemed non-responsive by the DJJ Headquarters Leasing Office and shall receive no further consideration.
11. After an award has been made, the DJJ Headquarters Leasing Office shall forward all required leasing documents to the selected lessor.

C. Termination of Lease Agreement:

Lease Agreements are generally terminated for one of three reasons:

1. Space in a state-owned facility becomes available.
 - A. Article XXI of the Standard Lease Agreement provides for termination of a lease based on state-owned space becoming available.
 - B. Upon approval by the Department of Management Services to terminate, The Leasing Director must give the Lessor written notice of termination (FM 4060). The effective termination date is six months after the notice is given.
2. Availability of Funds.
 - A. Article XVIII of the Standard Lease Agreement provides for termination of a lease based on annual appropriation of funds by the Legislature for purposes and/or availability of funds

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through contract or grant programs. Should the agency decide to terminate a lease in accordance with the contingency provision contained in the lease, the termination must be based on an established methodology that can be defended and justifies termination of the lease.

- B. Upon approval by the Department of Management Services the Leasing Director must notify the Lessor in writing at least twenty-four hours prior to the lease cancellation due to loss/reduction of funding.
 - C. Leases, which are about to expire or exist on a month-to-month basis, should be targeted for termination first.
 - D. The effective date of lease termination shall be the date the funding stops or a mutually agreed upon date with the lessor.
3. Mutual Agreement for Lease Cancellation:
- A. The cancellation of a lease accomplished by mutual agreement of both the Lessor and Lessee or by the expiration of the lease.
 - B. HQ Leasing will process an Agreement for Lease Cancellation form (FM 4061) and route to Lessor for signature. A cover letter indicating where the staff will be relocated and the cancellation agreement must be routed to the Department of Management Services for approval. Provided the agreement and documents are technically correct, a letter of filing will be sent to the department and the comptroller.

III. RESPONSIBILITY AND DUTIES

A. DJJ Headquarters Leasing Office:

- 1. The DJJ Headquarters Leasing Office performs a centralized leasing function for DJJ. All substantive correspondence, written or verbal, with lessors that provide, or are seeking to provide, space to DJJ will be processed through the DJJ Headquarters Leasing Office. On occasions there may be a need for DJJ to contact the Lessor. If the purpose of that contact is to change or alter the terms and conditions of leases or pending leases or compliance with the terms and conditions of existing leases, that contact will be made through the DJJ Lease Coordinator.
- 2. The DJJ Headquarters Leasing Office is established as the office of record for all permanent lease files. It is the responsibility of all other DJJ offices to maintain copies of leasing documents deemed necessary for their operation.

B. Requesting Office:

- 1. The requesting office is the DJJ office with the need for leased space and initiates the Lease Initiation Form.

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C. Evaluation Committee:

1. The evaluation committee is to personally inspect every responsive facility being offered in response to a formal Invitation to Negotiate (ITN) for lease space of 5,000 square feet or more. Each committee member shall conduct an individual evaluation of all proposals based on the criteria set forth in the ITN. Upon completion, the DJJ Headquarters Leasing Office will combine all individual evaluations.

IV. ATTACHMENTS

Addendum A - Sample Monthly Rental Rate Schedule

Addendum B - Public Entity Crime Statement

Addendum C - Discrimination

Addendum D - Public Hurricane Evacuation Shelter

Addendum E - Failure To Comply

Addendum F - Janitorial Services

Addendum G - Tenant Improvement Reimbursement

Addendum H - Rental Commencement

Addendum A1 - Occupied Space