

## SUBCHAPTER I—SPECIAL CONTRACTING PROGRAMS

### PART 570—ACQUIRING LEASEHOLD INTERESTS IN REAL PROPERTY

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#### Subpart 570.1—General

##### 570.101 Applicability.

(a) This part applies to acquisitions of leasehold interests in real property except:

(1) Leasehold interests acquired by the power of eminent domain or by donation.

(2) Acquisition of leasehold interests in bare or unimproved land.

(b) In addition, the GSAR rules in the following table apply. Other provisions of 48 CFR Chapter 5 (GSAR) do not apply to leases of real property unless specifically cross-referenced in this part 570.

GSAR RULES APPLICABLE TO ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY

501	514.201-7(b)	517.207	533
502	514.407	519.7	536.271

**570.102**

**GSAR RULES APPLICABLE TO ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY—Continued**

503	515.204-1	519.12	537.2
504.5	515.209-70	522.8	552
505	515.305	532.1	553
509.4	517.202	532.908	

**570.102 Definitions.**

*Acquisition* means the acquiring by lease of an interest in improved real property for use by the Federal Government, whether the space already exists or must be constructed.

*Contract* means lease.

*Contractor* means lessor.

*Landlord* or *lessor* means any individual, firm, partnership, trust, association, State or local government, or other legal entity that leases real property to the Government.

*Lease* or *leasehold interest in real property* means a conveyance to the Government of the right of exclusive possession of real property for a definite period of time by a landlord. It may include operational services provided by the landlord.

*Lessee* or *tenant* means the United States of America.

*Operational services* means services that support use of a leased property, such as heating, ventilation, air conditioning, utilities, and custodial services.

*Rent and related services* means that consideration paid for the use of leased property plus the costs of operational services whether furnished by the lessor, the Government, or both.

*Simplified lease acquisition procedures* mean the procedures for awarding leases at or below the simplified lease acquisition threshold.

*Simplified lease acquisition threshold* Means \$100,000 average annual rent for the term of the lease, including option periods and excluding the cost of operational services.

*Small business* means a concern including affiliates, which is organized for profit, is independently-owned and operated, is not dominant in the field of leasing commercial real estate, and has annual average gross receipts of \$15 million or less for the preceding three fiscal years.

*Solicitation for Offers (SFO)* means invitation for bids in sealed bidding or request for proposals in negotiations.

*Space in buildings* means the premises leased, or to be leased, including improvements. Its quantity is normally expressed in square feet. It does not include space acquired by the power of eminent domain, donation, or condemnation, nor acquisitions of bare or unimproved land.

*Substantially as follows* or *substantially the same as*, when used in prescribing a provision or clause, means that you may prepare and use a variation of that provision or clause to accommodate requirements peculiar to an individual acquisition. The variation must include the salient features of the FAR or GSAR provision or clause. It must also be consistent with the intent, principle, and substance of the FAR or GSAR provision or clause and related coverage on the subject matter.

**570.103 Authority to lease.**

(a) The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(h)(1)), as amended, and Section 1 of the Reorganization Plan No. 18 of 1950 (40 U.S.C. 490 Note) authorize the Administrator of General Services to acquire leasehold interests in real property for use by Federal agencies. The authority is limited to leases for buildings and improvement that bind the Government for periods not exceeding 20 years.

(b) You have exclusive authority to enter into and administer leases on the Government's behalf to the extent provided in your certificate of appointment as a contracting officer.

**570.104 Competition.**

Unless you use the simplified procedures in subpart 570.2, the competition requirements of FAR part 6 apply to acquisition of leasehold interests in real property.

**570.105 Methods of contracting.**

**570.105-1 Contracting by negotiation.**

Contracting by negotiation is usually appropriate for acquiring space in a building through a lease contract. You will usually need to conduct discussions with offerors about their proposals and consider factors other than price in making the award.

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### 570.105-2 Two-phase design-build selection procedures.

Unless you use another acquisition procedure authorized by law, you must use the two-phase design-build selection procedures in section 303M of the Federal Property and Administrative Services Act of 1949, as amended, for lease construction projects. This includes lease construction projects with options to purchase the real property leased. Use the procedures in section 303M when you meet the conditions in paragraphs (a) and (b) of this section:

(a) You anticipate the lease will involve the design and construction of a public building, facility, or work for lease to the Government.

(b) You determine the procedures are appropriate for entering into a lease construction contract based on the following:

(1) You expect to receive three or more offers.

(2) Offerors will need to perform design work before developing a price.

(3) Offerors will incur a substantial amount of expense in preparing offers.

(4) You consider criteria such as the following:

(i) The extent to which the project requirements have been adequately defined.

(ii) The time constraints for delivery of the project.

(iii) The capability and experience of potential contractors.

(iv) The suitability of the project for use of the two-phase selection procedures.

(v) The capability of the agency to manage the two-phase selection process.

(vi) Other criteria established by the HCA.

### 570.105-3 Sealed bidding.

For sealed bidding, use the procedures in FAR part 14. In most cases you should not use sealed bidding to acquire space in buildings unless you meet all the following conditions:

(a) You have a preselected site.

(b) A building will be constructed on the site using Government furnished plans and specifications.

(c) The Government will lease the building.

### 570.106 Publicizing/Advertising.

(a) Subparts 505.101, 505.202, and 505.203 define requirements for publicizing lease actions.

(b) Instead of issuing separate advertisements for multiple, known leasing actions, you may include the actions in one consolidated advertisement.

### 570.107 Oral presentations.

You may use oral presentations for acquisitions of leasehold interests in real property. Follow the procedures in FAR 15.102.

### 570.108 Responsibility determination.

(a) Determine that the prospective awardee is responsible with respect to the lease under consideration. The standards in FAR 9.104 apply. As part of the determination that a prospective contractor is otherwise qualified and eligible for award, review the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

(b) Your signature on the contract is deemed an affirmative determination.

(c) If you find an offeror nonresponsible, sign and place in the contract file a determination of nonresponsibility. State the basis for the determination.

(d) If you find a small business concern nonresponsible, the procedures at FAR 19.6 apply. Place all documents and reports supporting a determination of responsibility or nonresponsibility in the lease file.

### 570.109 Certifications.

Before awarding a lease, review applicable certifications for compliance with statute and regulations.

### 570.110 Cost or pricing data and information other than cost or pricing data.

(a) The policies and procedures of FAR 15.403 apply to lease contract actions.

(b) FAR 15.403-1 defines exceptions to and waivers for submitting cost or pricing data. Most leasing actions will have adequate price competition. For price analysis, you may use a market survey or an appraisal conducted using accepted real property appraisal procedures to establish a market price for comparison.

(c) In exceptional cases, the requirement for submission of certified cost or pricing data may be waived under FAR 15.403-1(c)(4).

(d) If cost or pricing data are required, follow the procedures in FAR 15.403-4 and 15.406-2.

**570.111 Inspection and acceptance.**

Before you accept space, obtain an inspection to ensure that the space complies with the Government's requirements and specifications. Document the inspection and acceptance in the contract file.

**570.112 Awards to Federal employees.**

If you receive an offer from an officer or employee of the Government, follow the procedures in FAR 3.6.

**570.113 Disclosure of mistakes after award.**

If you discover a mistake in a lessor's offer after award, follow the procedures in FAR 14.407-4 and subpart 514.407-4.

**570.114 Protests.**

FAR 33.1 and 533.1 apply to protests of lease acquisitions.

**Subpart 570.2—Simplified Lease Acquisition Procedures**

**570.201 Purpose.**

This subpart prescribes simplified procedures for small leases. These procedures reduce administrative costs, while improving efficiency and economy, when acquiring small leasehold interests in real property.

**570.202 Policy.**

Use simplified lease acquisition procedures to the maximum extent practicable for actions at or below the simplified lease acquisition threshold.

**570.203 Procedures.**

**570.203-1 Market survey.**

Conduct a market survey to identify potential sources. Use information available in GSA or from other sources to identify locations that will meet the Government's requirements.

**570.203-2 Competition.**

(a) Solicit at least three sources to promote competition to the maximum extent practicable. If you have repeated requirements for space in the same market, and if practicable, invite two sources not included in the most recent solicitation to submit offers.

(b) If you solicit only one source, document the file to explain the lack of competition.

**570.203-3 Soliciting offers.**

(a) Solicit offers by providing each prospective offeror a proposed short form lease or SFO. The short form lease or SFO must provide all the following information:

(1) A description of the Government's requirements.

(2) All award factors, including price or cost, and any significant subfactors you will consider in awarding the lease.

(3) A statement of the relative importance of the evaluation factors and subfactors.

(4) A statement of whether all evaluation factors other than cost or price, when combined, are either:

(i) Significantly more important than cost or price.

(ii) Approximately equal in importance to cost or price.

(iii) Significantly less important than cost or price.

(5) Either in full text or by reference, applicable FAR provisions and contract clauses required by 570.6.

(b) As necessary, review with prospective offerors the Government's requirements, pricing matters, evaluation procedures and submissions of offers.

**570.203-4 Negotiations, evaluation, and award.**

(a) If you need to conduct negotiations, use the procedures in 570.307.

(b) Evaluate offers in accordance with the solicitation. Evaluate prices and document the lease file to demonstrate whether the proposed contract prices are fair and reasonable.

(c) If the total price, including options, exceeds \$500,000, consider whether you need cost and pricing data to determine that the price is fair and reasonable. In most cases the exceptions at FAR 15.403-1 will apply.

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(d) If the total contract value of the lease, including options, will exceed \$500,000, the proposed awardee must provide an acceptable small business subcontracting plan. This requirement does not apply if the proposed awardee is a small business concern.

(e) Make award to the responsible offeror whose proposal is most advantageous to the Government considering price and other factors included in the solicitation.

### Subpart 570.3—Contracting Procedures for Leasehold Interests in Real Property

#### 570.301 Market survey.

Conduct a market survey to identify potential sources. Use information available in GSA or from other sources to identify locations capable of meeting the Government's requirements.

#### 570.302 Description of requirements.

(a) The description of requirements depends on the nature of the space the agency needs and the market available to satisfy that need.

(b) The description of requirements must include all the following:

- (1) A statement of the purpose of the lease.
- (2) Functional, performance, or physical requirements.
- (3) Any special requirements.
- (4) The delivery schedule.

(c) The description must promote full and open competition. Include restrictive provisions or conditions only to the extent necessary to satisfy the agency's needs or as authorized by law.

#### 570.303 Solicitation for offers.

##### 570.303-1 Preparing the SFO.

The SFO forms the basis for the lease negotiation process and becomes part of the lease. Document each SFO in writing or electronically. Include the information necessary to enable prospective offerors to prepare proposals. Each SFO, at a minimum, must provide all the following:

- (a) Describe the Government's requirements.
- (b) State the method the Government will use to measure space.
- (c) Explain how to structure offers.

(d) Specify a date, time, and place for submission of offers.

(e) Explain how the Government will evaluate offers.

(f) Describe the source selection procedures the Government will use.

(g) Include a statement outlining the information the Government may disclose in debriefings.

(h) Include appropriate forms prescribed in 570.7.

##### 570.303-2 Issuing the SFO.

Release the SFO to all prospective offerors at the same time.

##### 570.303-3 Late offers, modifications of offers, and withdrawals of offers.

Follow the procedures in FAR 15.208.

##### 570.303-4 Changes to SFOs.

(a) If the Government's requirements change, either before or after receipt of proposals, issue an amendment. Document the amendment using the same method as for the SFO, written or electronic.

(b) If time is critical, you may provide information on SFO amendments orally.

(1) Make a record of the information provided.

(2) Provide, or attempt to provide, the notice to all offerors or prospective offerors on the same day.

(3) Promptly confirm the information provided orally in a written amendment.

(c) Distribute an amendment as follows:

(1) If before the proposal due date, send the amendment to all prospective offerors who were sent a copy of the SFO.

(2) If after proposal receipt, send the amendment to each offeror who submitted a proposal.

(d) If an amendment is so substantial that it requires a complete revision of the SFO, cancel the SFO and issue a new one.

##### 570.304 General source selection procedures.

(a) These procedures apply to acquisitions of leasehold interests except if you use either:

(1) Simplified lease acquisition procedures authorized by 570.2.

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(2) Two-phase design-build selection procedures authorized by 570.105-2.

(b) The contracting officer is designated as the source selection official unless the HCA appoints another individual for a particular leasing action or group of leasing actions.

(c) You must include price or cost to the Government and past performance as evaluation factors in every case.

(d) The SFO must comply with FAR 15.304 and either:

(1) FAR 15.101-1 if you will use the tradeoff process.

(2) FAR 15.101-2 if you will use the lowest price technically acceptable source selection process.

### **570.305 Two-phase design-build selection procedures.**

(a) These procedures apply to acquisitions of leasehold interests if you use the two-phase design-build selection procedures authorized by 570.105-2.

(b) The SFO must include all the following information:

(1) The scope of work.

(2) The evaluation factors and subfactors to be used in evaluating phase-one proposals and their relative importance.

(3) The maximum number of offerors to be selected to submit competitive proposals in phase-two.

(4) The evaluation factors, including cost or price, and subfactors to be used in evaluating phase-two proposals and selecting the successful offeror, and their relative importance.

(c) The following procedures apply to phase-one evaluation factors:

(1) Phase one factors include:

(i) Specialized experience and technical competence.

(ii) Capability to perform.

(iii) Past performance of the offeror's team (including architect-engineer and construction members of the team).

(iv) Other appropriate factors, such as site or location.

(2) Do not require offerors to submit detailed design information or cost or price information in phase one. Do not use cost related or price related evaluation factors.

(d) Set the maximum number of offerors to be selected for phase-two to not exceed five (5) unless you deter-

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mine that a number greater than five is both:

(1) In the government's interest.

(2) Consistent with the purpose and objectives of the two-phase selection process.

(e) In phase-two, require detailed technical and price proposals. Evaluate the proposals using the procedures in 570.306.

### **570.306 Evaluating offers.**

(a) You must evaluate offers solely in accordance with the factors and subfactors stated in the SFO.

(b) Evaluate prices and document the lease file to demonstrate that the proposed contract price is fair and reasonable.

(c) Evaluate past performance in accordance with FAR 15.305(a)(2).

(d) Document the evaluation of award factors other than price listed in the solicitation. The file must include the basis for evaluation, an analysis of each offer, and a summary of findings.

### **570.307 Negotiations.**

(a) Follow the procedures in FAR 15.306 and 15.307 for exchanges (including clarifications, communications, negotiations, discussions, and revisions).

(b) Place a written record of all exchanges in the lease file.

(c) Provide prompt written notice to any offeror excluded from the competitive range or otherwise eliminated from the competition in accordance with FAR 15.503(a).

### **570.308 Award.**

(a) Make award to the responsible offeror whose proposal represents the best value after evaluation in accordance with the factors and subfactors in the SFO.

(b) Make award in writing and in the timeframe specified in the SFO.

(1) If you cannot make an award in that time, request in writing from each offeror an extension of the acceptance period through a specific date.

(2) If time is critical, you may request the extensions orally. You must make a record of the requested and confirm it promptly in writing.

(c) Notify unsuccessful offerors in writing or electronically in accordance with FAR 15.501 and 15.503(b).

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(d) The source selection authority may reject all proposals received in response to an SFO, if doing so is in the best interest of the Government.

### 570.309 Debriefings.

The procedures of FAR 15.505 and 15.506 apply to leasing actions.

## Subpart 570.4—Special Aspects of Contracting for Continued Space Requirements

### 570.401 Renewal options.

(a) *Exercise of options.* Before exercising an option to renew, follow the procedures in 517.202 and 517.207. The contract must first provide the right to renew the lease.

(b) *Market survey.* Before exercising an option to renew a lease, review current market information to ensure the rental rate in the option is fair and reasonable.

### 570.402 Succeeding leases.

#### 570.402-1 General.

(a) If a succeeding lease for the continued occupancy of space in a building does not exceed the simplified lease acquisition threshold, you may use the simplified procedures in 570.2. Explain the absence of competition in the contract file.

(b) If a succeeding lease will exceed the simplified lease acquisition threshold, you may enter into the lease under either of the following conditions:

(1) You do not identify any potential acceptable locations.

(2) You identify potential acceptable locations, but a cost-benefit analysis indicates that award to an offeror other than the present lessor will result in substantial relocation costs or duplication of costs to the Government, and the Government cannot expect to recover such costs through competition.

#### 570.402-2 Publicizing/Advertising.

Publish a notice if required by 505.101(c). The notice should:

(a) Indicate the Government's lease is expiring.

(b) Describe the requirement in terms of type and quantity of space.

(c) Indicate the Government is interested in considering alternative space if economically advantageous.

(d) Advise prospective offerors that the Government will consider the cost of moving, alterations, etc., when deciding whether it should relocate.

(e) Provide a contact person for those interested in providing space to the Government.

#### 570.402-3 Market survey.

Conduct a market survey following 570.301.

#### 570.402-4 No potential acceptable locations.

If you do not identify any potential acceptable locations through the advertisement or the market survey, you may prepare a justification to negotiate directly with the present lessor. Fully document the efforts to locate alternative sources. Prepare the justification and obtain approval following FAR 6.3 and 506.3.

#### 570.402-5 Potential acceptable locations.

If you identify potential acceptable locations through the advertisement or market survey, conduct a cost-benefit analysis following the procedures in 570.402-6. Based on the results of the cost-benefit analysis, take appropriate action as follows:

(a) If the cost-benefit analysis indicates that the Government will recover relocation costs and duplication of costs through competition, develop an SFO and negotiate with all interested parties following 570.3.

(b) If the cost-benefit analysis indicates that the Government cannot expect to recover relocation costs and duplication of costs through competition, prepare a justification for approval in accordance with FAR 6.3 and 506.3. Explain both:

(1) How you performed the cost-benefit analysis.

(2) That the cost-benefit analysis indicates that award to any other offeror will likely result in substantial costs to the Government that the Government cannot expect to recover through competition.

**570.402-6 Cost-benefit analysis.**

(a) The cost-benefit analysis must consider all the following:

(1) The prices of other potentially available properties.

(2) Relocation costs, including estimated costs for moving, telecommunications, and alterations, amortized over the firm term of the lease.

(3) Duplication of costs to the Government.

(4) Other appropriate considerations.

(b) Establish the prices for other potentially available properties by requesting each prospective offeror to provide an informational quotation for standard space for comparison purposes.

(1) Adjust the prices quoted for standard space for any special requirements.

(2) You do not need a formal SFO to obtain the informational quotation. However, you must provide a general description of the Government's needs.

(3) If you obtain oral quotations, document the following information, as a minimum:

(i) Name and address of the firm solicited.

(ii) Name of the firm's representative providing the quote.

(iii) Price(s) quoted.

(iv) Description of the space and services for which the quote is provided.

(v) Name of the Government employee soliciting the quotation.

(vi) Date of the conversation.

(4) Compare the informational quotations to the present lessor's price, adjusted to reflect the anticipated price for a succeeding lease.

**570.403 Expansion requests.**

(a) If the expansion space is in the general scope of the lease, you may acquire the space through a modification without further justification under FAR 6.3.

(b) If the expansion space needed is outside the general scope of the lease, determine whether it is more prudent to provide the expansion space by supplemental agreement to the existing lease or to satisfy the requirement by competitive means.

(1) Conduct a market survey to determine the availability of suitable alternative locations.

(2) If you identify alternate locations that can satisfy the total requirement, perform a cost-benefit analysis to determine whether it is in the Government's best interest to relocate. Consider, as appropriate.

(i) The cost of the alternate space compared to the cost of expanding at the existing location.

(ii) The cost of moving.

(iii) The cost of duplicating existing improvements.

(iv) The cost of the unexpired portion of the firm lease term. If a termination is possible, use the actual cost of such an action.

(v) the cost of disruption to the agency's operation.

(c) If you determine not to use competitive procedures and the expansion space is outside the general scope of the lease:

(1) If the estimated value of the acquisition does not exceed the simplified lease acquisition threshold, document the file as required by 570.203-2(b).

(2) If the estimated value of the acquisition exceeds the simplified lease acquisition threshold, prepare a justification for approval under FAR 6.3 and 506.3.

**570.404 Superseding leases.**

(a) Consider executing a superseding lease to replace an existing lease when the Government need numerous or detailed modifications to the space that would cause complications or substantially change the present lease.

(b) If the value of the superseding lease exceeds the simplified lease acquisition threshold, the justification and approval requirements in FAR 6.3 and 506.3 apply. If the cost does not exceed the simplified lease acquisition threshold, you may use the simplified procedures in 570.2 and explain the absence of competition in the file.

**570.405 Lease extensions.**

(a) This section applies to extension of the term of a lease to provide for continued occupancy on a short-term basis.

(b) If the value of a lease extension will exceed the simplified lease acquisition threshold, the justification and approval requirements in FAR 6.3 and 506.3 apply. For extensions that will

not exceed the simplified lease acquisition threshold, you may use the simplified procedures in 570.2 and explain the absence of competition in the file.

(c) FAR 6.302-1 permits contracting without providing for full and open competition when the property or services needed by the agency are available from only one responsible source and no other type of property or services will satisfy the needs of the agency. This authority may apply to lease extensions in situations such as the following:

(1) The agency occupying the leased space is scheduled to move into other Federally controlled space, but encounters unexpected delays in preparing the new space for occupancy.

(2) The Government encounters unexpected delays outside of its control in acquiring replacement space.

(3) The Government is consolidating various agencies occupying the leased space and you need to extend the terms of some leases to establish a common expiration date.

### Subpart 570.5—Special Aspects of Contracting for Lease Alterations

#### 570.501 General.

(a) Acquire alterations through a modification to an existing lease if you meet all the following conditions:

(1) The alterations fall in the general scope of the lease. Consider whether the work can be regarded as fairly and reasonably an inseparable part of the lease requirement originally contracted for.

(2) The lessor is willing to perform the proposed alterations at a fair and reasonable price.

(3) It is in the Government's interest to acquire the alterations from the lessor.

(b) If proposed alterations are outside the general scope of the existing lease, decide whether to acquire the alterations through either:

(1) A supplemental lease agreement, justified and approved under 570.502-1.

(2) Government performance or a separate contract. The lease must first provide the Government the right to perform alterations to the leased space.

#### 570.502 Alterations by the lessor.

These procedures apply to alterations you acquire directly from a lessor by modification or supplement lease agreement.

#### 570.502-1 Justification and approval requirements.

If the proposed alterations are outside the general scope of the lease and you plan to acquire them from the lessor without competition, the following justification and approval requirements apply:

(a) If the alteration project will exceed the simplified lease acquisition threshold, the justification and approval requirements in FAR 6.3 and 506.3 apply.

(b) If the alteration project will exceed \$2,500, but not the simplified lease acquisition threshold, you may use simplified acquisition procedures and explain the absence of competition in the file.

(c) If the alteration project will not exceed \$2,500, no justification and approval is required.

#### 570.502-2 Procedures.

(a) *Scope of work.* Prepare a scope of work for each alteration project.

(b) *Independent Government estimate.* Obtain an independent Government estimate for each alteration project, including changes to existing alteration agreements with the lessor.

(c) *Request for proposal.* (1) Provide the scope of work to the lessor, including any plans and specifications, and request a proposal. Indicate in the request for proposal if the Government will make progress payments and provide for retainage, when appropriate.

(2) Request sufficient cost or price information to permit a price analysis.

(d) *Audits.* If you require cost or pricing data and the alteration project will exceed \$500,000, request an audit.

(e) *Proposal evaluation.* (1) Determine if the proposal meets the Government's requirements.

(2) Analyze price or cost. At a minimum, compare the proposed cost to the independent estimate and, if applicable, any audit received.

(3) Analyze profit following FAR 15.404-4.

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(4) Document your analysis under this paragraph and the resulting negotiation objectives.

(f) *Price negotiations.* (1) Exercise sound judgment. You may make reasonable compromises as necessary.

(2) The negotiated price should provide the lessor with the greatest incentive for efficient and economical performance.

(3) Document negotiations in the contract file.

(g) *Award.* Use GSA Form 276, Supplemental Lease Agreement. If the modification does not exceed the simplified acquisition threshold, you may use GSA Form 300, Order for Supplies or Services. Reference the lease on the form.

(h) *Inspection and payment.* Do not make final payment for alterations until the work is:

(1) Inspected by a qualified Government employee or independent Government contractor.

(2) Confirmed as completed in a satisfactory manner.

[64 FR 37265, July 9, 1999; 64 FR 49844, Sept. 14, 1999]

**570.503 Alterations by the Government or through a separate contract.**

(a) If the Government chooses to exercise its right to make the alterations rather than contracting directly with the lessor, the Government may either:

(1) Have Federal employees perform the work.

(2) Contract out the work using standard contracting procedures that apply to a construction contract performed on Federal property.

(b) If the Government decides to contract for the work, invite the lessor, as well as all other prospective contractors, to submit an offer for the project.

**Subpart 570.6—Solicitation Provisions and Contract Clauses**

**570.601 FAR provisions and clauses.**

Include provisions or clauses substantially the same as the following FAR provisions and clauses.

If . . .	Then include . . .
(a) the estimated value of the acquisition exceeds \$2,500.	52.204-3 Taxpayer Identification. 52.219-1 Small Business Program Representations. 52.222-36 Affirmative Action for Workers with Disabilities. 52.232-23 Assignment of Claims. 52.233-1 Disputes.
(b) the estimated value of the acquisition exceeds \$10,000.	52.222-21 Prohibition of Segregated Facilities. 52.222-22 Previous Contracts and Compliance Reports. 52.222-25 Affirmative Action Compliance. 52.222-26 Equal Opportunity. 52.222-35 Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era. 52.222-37 Employment Reports on Disabled Veterans and Veterans of the Vietnam Era.
(c) the estimated value of the acquisition exceeds \$25,000.	52.209-6 Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment.
(d) the estimated value of the acquisition exceeds \$100,000.	52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions.
(e) the estimated value of the acquisition exceeds the simplified lease acquisition threshold.	52.203-2 Certificate of Independent Price Determination. 52.203-7 Anti-Kickback Procedures. 52.209-5 Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters. 52.215-2 Audit and Records—Negotiation. 52.219-8 Utilization of Small Business Concerns. 52.223-6 Drug-Free Workplace. 52.233-2 Service of Protest.
(f) the estimated value of the acquisition exceeds \$500,000.	52.219-9 Small Business Subcontracting Plan. 52.219-16 Liquidated Damages—Subcontracting Plan.
(g) the estimated value of the acquisition exceeds \$500,000 and the acquisition includes an evaluation factor that considers the extent of participation of small disadvantaged business concerns in accordance with FAR 19.12.	52.219-24 Small Disadvantaged Business Participation Program—Targets. 52.219-25 Small Disadvantaged Business Participation Program—Disadvantaged Status and Reporting.

If . . .	Then include . . .
(h) the estimated value of the acquisition exceeds \$10 million.	52.222-24 Preaward On-Site Equal Opportunity Compliance Review.
(i) you require cost or pricing data for work or services exceeding \$500,000.	52.215-10 Price Reduction for Defective Cost or Pricing Data. 52.215-12 Subcontractor Cost or Pricing Data.
(j) you authorize submission of facsimile proposals.	52.215-5 Facsimile Proposals.
(k) a negotiated acquisition provides monetary incentives based on actual achievement of small disadvantaged business subcontracting targets under FAR 19.1203 and 519.1203.	52.219-26 Small Disadvantaged Business Participation Program—Incentive Subcontracting.

**570.602 GSAR solicitation provisions.**

Each SFO must include provisions substantially the same as the following, unless you determine that the provision is not appropriate:

- 552.270-1 Instructions to Offerors—Acquisition of Leasehold Interests in Real Property. Use Alternate I if you decide that it is advantageous to the Government to allow offers to be submitted up to the exact time specified for award. Use Alternate II if the Government intends to award without discussions. These two alternates are not exclusive.
- 552.270-2 Historic Preference.
- 552.270-3 Parties to Execute Lease.

**570.603 GSAR contract clauses.**

Insert clauses substantially the same as the following in solicitations and contracts for leasehold interests in real property that exceed the simplified lease acquisition threshold, unless you determine that a clause is not appropriate. You do not require a deviation under 570.604 to determine that a clause in this section is not appropriate. Use the clauses at your discretion in actions at or below the simplified lease acquisition threshold.

- 552.270-4 Definitions. You must use this clause if you use 570.270-28.
- 552.270-5 Subletting and Assignment.
- 552.270-6 Maintenance of Building and Premises—Right of Entry.
- 552.270-7 Fire and Casualty Damage.
- 552.270-8 Compliance with Applicable Law.
- 552.270-9 Inspection—right of Entry.
- 552.270-10 Failure in Performance.
- 552.270-11 Successors Bound.
- 552.270-12 Alterations.
- 552.270-13 Proposals for Adjustment.
- 552.270-14 Changes.
- 552.270-15 Liquidated Damages. Insert this clause in solicitations and contracts if you have a critical requirement to meet the delivery date and you cannot estab-

- lish an actual cost for the loss to the Government resulting from late delivery.
- 552.270-16 Adjustment for Vacant Premises.
- 552.270-17 Delivery and Condition.
- 552.270-18 Default in Delivery—Time Extensions.
- 552.270-19 Progressive Occupancy.
- 552.270-20 Payment.
- 552.270-21 Effect of Acceptance and Occupancy.
- 552.270-22 Default by Lessor During the Term.
- 552.270-23 Subordination, Nondisturbance and Attornment
- 552.270-24 Statement of Lease.
- 552.270-25 Substitution of Tenant Agency.
- 552.270-26 No Waiver.
- 552.270-27 Integrated Agreement.
- 552.270-28 Mutuality of Obligation.
- 552.270-29 Acceptance of Space.

**570.604 Deviations to provisions and clauses.**

- (a) You need a deviation approved under 501.4 to omit any required provision or clause.
- (b) You also need an approved deviation to modify the language of a provision or clause mandated by statute (e.g., GSAR 552.203-5, Covenant Against Contingent Fees, FAR 52.215-2, Audit and Records—Negotiation). The authorizing statute must allow for a waiver.
- (c) Certain clauses required by non-GSA regulations require approval of the issuing agency before you can delete or modify them. For example, 52.222-28, Equal Opportunity; 52.222-35, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era; and 52.222-36, Affirmative Action for Workers with Disabilities, require the approval of the Department of Labor's Office of Federal Contract Compliance Programs before they can be deleted from or modified in the SFO or lease.

**Subpart 570.7—Forms****570.701 Standard forms.**

Use Standard Form 2, U.S. Government Lease for Real Property, to award leases unless you use GSA Form 3626 (see 570.702). Delete the reference to the Standard Form 2-A in paragraph 7.

**570.702 GSA forms.**

(a) You may use GSA Form 3626, U.S. Government Lease for Real Property (Short Form), to award leases if you

use the simplified leasing procedures in 570.2 or if you determine it advantageous to use.

(b) You may use GSA Form 276, Supplemental Lease Agreement, for actions requiring the agreement of both parties. This includes actions such as amending an existing lease to acquire additional space, obtaining partial release of space, revising the terms of a lease, settling restoration claims, and acquiring alterations.

(c) You may use GSA Form 1364, Proposal To Lease Space, to obtain offers from prospective offerors.