

736-107AX-06

Bill No. HB 2007

Amendment No. ____ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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ORIGINAL STAMP BELOW

Representative(s) Rubio offered the following:

Substitute Amendment for Amendment (693731) (with title amendment)

Remove from the bill: Everything after the enacting clause and insert in lieu thereof:

Section 1. Paragraph (g) is added to subsection (3) of section 216.043, Florida Statutes, to read:

216.043 Budgets for fixed capital outlay.--

(3) Each legislative budget request for fixed capital outlay submitted shall contain:

(g) The unamortized cost of tenant improvements under any lease executed after September 30, 2000, which is terminated prior to the expiration of its term for the purpose of relocating to a state-owned building.

Section 2. Section 255.249, Florida Statutes, is amended to read:

255.249 Department of Management Services; responsibility; department rules.--

(1) The Department of Management Services shall have

1 responsibility and authority for the custodial and preventive
2 maintenance, repair, and allocation of space of all buildings
3 in the Florida Facilities Pool and the grounds located
4 adjacent thereto.

5 (2) The department shall require any state agency
6 planning to terminate a lease for the purpose of occupying
7 space in a new state-owned office building appropriated after
8 June 30, 2000, to state why the proposed relocation is in the
9 best interest of the state.

10 (3) The department shall, to the extent feasible,
11 coordinate the vacation of privately owned leased space with
12 the expiration of the lease on that space and, when a lease is
13 terminated prior to expiration of its base term, shall make a
14 reasonable effort to place another state agency in the space
15 vacated. Any state agency may lease the space in any building
16 which was subject to a lease terminated by a state agency for
17 a period of time equal to the remainder of the base term
18 without the requirement of competitive bidding.

19 (4)(2) The department shall promulgate rules pursuant
20 to chapter 120 providing:

21 (a) Methods for accomplishing the duties outlined in
22 subsection (1).

23 (b) Procedures for soliciting and accepting
24 competitive proposals for leased space of 5,000 square feet or
25 more in privately owned buildings, for evaluating the
26 proposals received, for exemption from competitive bidding
27 requirements of any lease the purpose of which is the
28 provision of care and living space for persons or emergency
29 space needs as provided in s. 255.25(10), and for the securing
30 of at least three documented quotes for a lease that is not
31 required to be competitively bid.

1 (c) A standard method for determining square footage
2 or any other measurement used as the basis for lease payments
3 or other charges.

4 (d) Methods of allocating space in both state-owned
5 office buildings and privately owned buildings leased by the
6 state based on use, personnel, and office equipment.

7 (e) Acceptable terms and conditions for inclusion in
8 lease agreements.

9 (f) Maximum rental rates, by geographic areas or by
10 county, for leasing privately owned space.

11 (g) A standard method for the assessment of rent to
12 state agencies and other authorized occupants of state-owned
13 office space, notwithstanding the source of funds.

14 (h) For full disclosure of the names and the extent of
15 interest of the owners holding a 4-percent or more interest in
16 any privately owned property leased to the state or in the
17 entity holding title to the property, for exemption from such
18 disclosure of any beneficial interest which is represented by
19 stock in any corporation registered with the Securities and
20 Exchange Commission or registered pursuant to chapter 517,
21 which stock is for sale to the general public, and for
22 exemption from such disclosure of any leasehold interest in
23 property located outside the territorial boundaries of the
24 United States.

25 (i) For full disclosure of the names of all public
26 officials, agents, or employees holding any interest in any
27 privately owned property leased to the state or in the entity
28 holding title to the property, and the nature and extent of
29 their interest, for exemption from such disclosure of any
30 beneficial interest which is represented by stock in any
31 corporation registered with the Securities and Exchange

1 Commission or registered pursuant to chapter 517, which stock
2 is for sale to the general public, and for exemption from such
3 disclosure of any leasehold interest in property located
4 outside the territorial boundaries of the United States.

5 (j) A method for reporting leases for nominal or no
6 consideration.

7 (k) For a lease of less than 5,000 square feet, a
8 method for certification by the agency head or the agency
9 head's designated representative that all criteria for leasing
10 have been fully complied with and for the filing of a copy of
11 such lease and all supporting documents with the department
12 for its review and approval as to technical sufficiency.

13 (l) The agency and the lessor, when entering into a
14 lease of 5,000 or more square feet of a privately owned
15 building, shall, prior to the effective date of the lease,
16 agree upon and separately state the cost of tenant
17 improvements which may qualify for reimbursement if the lease
18 is terminated prior to the expiration of its base term. The
19 department shall serve as mediator if the agency and the
20 lessor are unable to agree. The amount agreed upon and stated
21 shall, if appropriated, be amortized over the original base
22 term of the lease on a straight-line basis.

23 (m) The unamortized portion of the tenant
24 improvements, if appropriated, shall be paid in equal monthly
25 installments over the remaining term of the lease. If any
26 portion of the original leased premises is occupied after
27 termination but during the original term by a tenant which
28 does not require material changes to the premises, then the
29 repayment of the cost of tenant improvements applicable to the
30 occupied but unchanged portion shall be abated during
31 occupancy. The portion of the repayment to be abated shall be

1 based on the ratio of leased space to unleased space.

2 (5)~~(3)~~ The Department of Management Services shall
3 prepare a form listing all conditions and requirements adopted
4 pursuant to this chapter which must be met by any state agency
5 leasing any building or part thereof. This form shall be
6 certified by the agency head or the agency head's designated
7 representative.

8 Section 3. Paragraph (b) of subsection (2), paragraph
9 (b) of subsection (3), and subsection (10) of section 255.25,
10 Florida Statutes, are amended to read:

11 255.25 Approval required prior to construction or
12 lease of buildings.--

13 (2)

14 (b) The approval of the Department of Management
15 Services, except for technical sufficiency, need not be
16 obtained for the lease of less than 5,000 square feet of space
17 within a privately owned building, provided the agency head or
18 the agency head's designated representative has certified
19 compliance with applicable leasing criteria as may be provided
20 pursuant to s. 255.249~~(4)~~~~(2)~~(k) and has determined such lease
21 to be in the best interest of the state. Such a lease which is
22 for a term extending beyond the end of a fiscal year is
23 subject to the provisions of ss. 216.311, 255.2502, and
24 255.2503.

25 (3)

26 (b) The Department of Management Services may approve
27 extensions of an existing lease of 5,000 square feet or more
28 of space if such extensions are determined to be in the best
29 interests of the state, but in no case shall the total of such
30 extensions exceed 11 months. If at the end of the 11th month
31 an agency still needs space, it shall be procured by

1 competitive bid in accordance with s. 255.249(4)(2)(b).

2 (10) The Department of Management Services may approve
3 emergency acquisition of space without competitive bids if
4 existing state-owned or state-leased space is destroyed or
5 rendered uninhabitable by an act of God, fire, malicious
6 destruction, or structural failure, or by legal action, if the
7 chief administrator of the state agency or the chief
8 administrator's designated representative certifies in writing
9 that no other agency-controlled space is available to meet
10 this emergency need, but in no case shall the lease for such
11 space exceed 11 months. If the lessor elects not to replace or
12 renovate the destroyed or uninhabitable facility, the agency
13 shall procure the needed space by competitive bid in
14 accordance with s. 255.249(4)(2)(b). If the lessor elects to
15 replace or renovate the destroyed or uninhabitable facility
16 and the construction or renovations will not be complete at
17 the end of the 11-month lease, the agency may modify the lease
18 to extend it on a month-to-month basis for an additional 6
19 months to allow completion of such construction or
20 renovations.

21 Section 4. This act shall take effect upon becoming a
22 law.

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25 ===== T I T L E A M E N D M E N T =====

26 And the title is amended as follows:

27 remove from the title of the bill:

28

29 and insert in lieu thereof:

30 A bill to be entitled

31 An act relating to state leases; amending s.

1 216.043, F.S.; revising language with respect
2 to budget for fixed capital outlay; providing
3 an additional requirement; amending s. 255.249,
4 F.S.; requiring state agencies to present
5 justification prior to terminating a lease of
6 privately owned property; providing for the
7 coordination and assumption of the remaining
8 term of a lease terminated by a state agency
9 prior to the end of its base term; providing
10 for the determination and amortization of the
11 cost of tenant improvements; providing a
12 process for the recovery of unamortized cost of
13 tenant improvements when a lease is terminated
14 prior to the end of its base term; amending s.
15 255.25, F.S.; revising cross references, to
16 conform; providing an effective date.

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