

By Representatives McGriff, Harrell and Richardson

1                                   A bill to be entitled  
2           An act relating to state agencies leasing  
3           space; amending s. 255.25, F.S.; revising  
4           language with respect to the extension of  
5           certain existing leases by an agency; providing  
6           for direct negotiation with a building owner  
7           for leased space in certain areas without  
8           competitive bid requirements; providing an  
9           effective date.

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11 Be It Enacted by the Legislature of the State of Florida:

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13           Section 1. Subsection (3) of section 255.25, Florida  
14 Statutes, is amended to read:

15           255.25 Approval required prior to construction or  
16 lease of buildings.--

17           (3)

18           (a) Except as provided in subsection (10), no state  
19 agency shall enter into a lease as lessee for the use of 5,000  
20 square feet or more of space in a privately owned building  
21 except upon advertisement for and receipt of competitive bids  
22 and award to the lowest and best bidder. The Department of  
23 Management Services shall have the authority to approve a  
24 lease for 5,000 square feet or more of space that covers more  
25 than 1 fiscal year, subject to the provisions of ss. 216.311,  
26 255.2501, 255.2502, and 255.2503, if such lease is, in the  
27 judgment of the department, in the best interests of the  
28 state. This paragraph does not apply to buildings or  
29 facilities of any size leased for the purpose of providing  
30 care and living space for persons.

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1           (b) The Department of Management Services may approve  
2 extensions of an existing lease of 5,000 square feet or more  
3 of space if such extensions are determined to be in the best  
4 interests of the state, but in no case shall the total of such  
5 extensions exceed 11 months. If at the end of the 11th month  
6 an agency still needs space, it shall be procured by  
7 competitive bid in accordance with s. 255.249(2)(b) or, if an  
8 agency determines that it is in its best interest to remain in  
9 the space it currently occupies, the agency may negotiate a  
10 replacement lease with the lessor if an independent market  
11 analysis demonstrates that the rates offered are within market  
12 rates for the space offered and if the cost of the new lease  
13 does not exceed the cost of a comparable lease plus documented  
14 moving costs. A present value analysis and the consumer price  
15 index shall be used in the calculation of lease costs. The  
16 term of the replacement lease shall not exceed the base term  
17 of the expiring lease.

18           (c) Any agency proposing to enter into a lease for  
19 office space in an area designated as a community  
20 redevelopment area (CRA) or part of the Front Porch Initiative  
21 may, with the prior approval of the Department of Management  
22 Services, directly negotiate with a building owner for leased  
23 space within such area without the competitive bid requirement  
24 of paragraph (a).

25           ~~(d)~~(e) Any person who files an action protesting a  
26 decision or intended decision pertaining to a competitive bid  
27 for space to be leased by the agency pursuant to s.  
28 120.57(3)(b) shall post with the state agency at the time of  
29 filing the formal written protest a bond payable to the agency  
30 in an amount equal to 1 percent of the estimated total rental  
31 of the basic lease period or \$5,000, whichever is greater,

1 which bond shall be conditioned upon the payment of all costs  
2 which may be adjudged against him or her in the administrative  
3 hearing in which the action is brought and in any subsequent  
4 appellate court proceeding. If the agency prevails after  
5 completion of the administrative hearing process and any  
6 appellate court proceedings, it shall recover all costs and  
7 charges which shall be included in the final order or  
8 judgment, excluding attorney's fees. Upon payment of such  
9 costs and charges by the person protesting the award, the bond  
10 shall be returned to him or her. If the person protesting the  
11 award prevails, the bond shall be returned to that person and  
12 he or she shall recover from the agency all costs and charges  
13 which shall be included in the final order of judgment,  
14 excluding attorney's fees.

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

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

1 portion shall be abated during occupancy. The portion of the  
2 repayment to be abated shall be based on the ratio of leased  
3 space to unleased space.

4 Section 2. This act shall take effect July 1, 2001.

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HOUSE SUMMARY

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Provides that if a state agency leasing office space determines that it is in the agency's best interest to remain in the space it currently occupies at the end of the current statutory period which will then require competitive bidding, the agency may negotiate a replacement lease with the lessor if an independent market analysis demonstrates that the rates offered are within market rates for the space offered and if the cost of the new lease does not exceed the cost of a comparable lease plus documented moving costs. Provides that any agency proposing to enter into a lease for office space in an area designated as a community redevelopment area or part of the Front Porch Initiative may, with the prior approval of the Department of Management Services, directly negotiate with a building owner for leased space within such area without competitive bidding.

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