

## Federal Management Regulation

## § 102-73.50

### UNITED STATES POSTAL SERVICE- CONTROLLED SPACE

#### **§ 102-73.20 Are Federal agencies required to give priority consideration to space in buildings under the custody and control of the United States Postal Service in fulfilling Federal agency space needs?**

Yes, after considering the availability of GSA-controlled space and determining that no such space is available to meet its needs, Federal agencies must extend priority consideration to available space in buildings under the custody and control of the United States Postal Service (USPS) in fulfilling Federal agency space needs, as specified in the "Agreement Between General Services Administration and the United States Postal Service Covering Real and Personal Property Relationships and Associated Services," dated July 1985.

### LOCATING FEDERAL FACILITIES

#### **§ 102-73.25 What policies must executive agencies comply with in locating Federal facilities?**

Executive agencies must comply with the location policies in this part and part 102-83 of this chapter.

### HISTORIC PRESERVATION

#### **§ 102-73.30 What historic preservation provisions must Federal agencies comply with prior to acquiring, constructing, or leasing space?**

Prior to acquiring, constructing, or leasing space, Federal agencies must comply with the provisions of section 110(a) of the National Historic Preservation Act of 1966, as amended, (16 U.S.C. 470h-2(a)), regarding the use of historic properties. Federal agencies can find guidance on protecting, enhancing and preserving historic and cultural property in part 102-78 of this chapter.

### PROSPECTUS REQUIREMENTS

#### **§ 102-73.35 Is a prospectus required for all acquisition, construction, or alteration projects?**

No, a prospectus is not required if the dollar value of a project does not exceed the prospectus threshold. The Public Buildings Act of 1959, as amend-

ed, 40 U.S.C. 601-619, establishes a prospectus threshold, applicable to Federal agencies operating under, or subject to, the authorities of the Administrator of General Services, for the construction, alteration, purchase, and acquisition of any building to be used as a public building, and establishes a prospectus threshold to lease any space for use for public purposes. The current prospectus threshold value for each fiscal year can be found at <http://www.gsa.gov>.

#### **§ 102-73.40 What happens if the project exceeds the prospectus threshold?**

Such projects require approval by the Senate and the House of Representatives if the dollar value exceeds the prospectus threshold. In order to obtain this approval, prospectuses for such projects must be submitted to GSA and the Administrator of General Services will transmit the proposed prospectuses to Congress for consideration by the Senate and the House of Representatives.

### Subpart B—Acquisition by Lease

#### **§ 102-73.45 When may Federal agencies consider leases of privately owned land and buildings to satisfy their space needs?**

Federal agencies may consider leases of privately owned land and buildings only when needs cannot be met satisfactorily in Government-controlled space and one or more of the following conditions exist:

(a) Leasing is more advantageous to the Government than constructing a new building, or more advantageous than altering an existing Federal building;

(b) New construction or alteration is unwarranted because demand for space in the community is insufficient, or is indefinite in scope or duration; or

(c) Federal agencies cannot provide for the completion of a new building within a reasonable time.

#### **§ 102-73.50 Are Federal agencies that possess independent statutory authority to acquire leased space subject to requirements of this part?**

No, Federal agencies possessing independent statutory authority to acquire

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leased space are not subject to GSA authority and, therefore, are not subject to the requirements of this part.

**§ 102-73.55 On what basis must Federal agencies acquire leases?**

Federal agencies must acquire leases on the most favorable basis to the Federal Government, with due consideration to maintenance and operational efficiency, and at charges consistent with prevailing market rates for comparable facilities in the community.

**§ 102-73.60 With whom may Federal agencies enter into lease agreements?**

Federal agencies, upon approval from GSA, may enter into lease agreements with any person, partnership, corporation, or other public or private entity, provided that such lease agreements do not bind the Government for periods in excess of twenty years (40 U.S.C. 490(h)(1)). Federal agencies may not enter into lease agreements with persons who are barred from contracting with the Federal Government (*e.g.*, Members of Congress or debarred or suspended contractors).

**§ 102-73.65 Are there any limitations on leasing certain types of space?**

Yes, the limitations on leasing certain types of space are as follows:

(a) In general, Federal agencies may not lease any space to accommodate computer and telecommunications operations; secure or sensitive activities related to the national defense or security; or a permanent courtroom, judicial chamber, or administrative office for any United States court, if the average annual net rental cost of leasing such space would exceed the prospectus threshold (40 U.S.C. 606(e)).

(b) However, Federal agencies may lease such space if the Administrator of General Services first determines that leasing such space is necessary to meet requirements which cannot be met in public buildings and then submits such determination to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives in accordance with 40 U.S.C. 606(e).

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**§ 102-73.70 Are executive agencies required to acquire leased space by negotiation?**

Yes, executive agencies must acquire leased space by negotiation, except where the sealed bid procedure is required by the Competition in Contracting Act of 1984 (CICA), as amended (41 U.S.C. 253(a)).

**§ 102-73.75 What functions must Federal agencies perform with regard to leasing building space?**

Federal agencies, upon approval from GSA, must perform all functions of leasing building space, and land incidental thereto, for their use except as provided in this subpart.

**§ 102-73.80 Who is authorized to contact lessors, offerors, or potential offerors concerning space leased or to be leased?**

No one, except the Contracting Officer or his or her designee, may contact lessors, offerors, or potential offerors concerning space leased or to be leased for the purpose of making oral or written representation or commitments or agreements with respect to the terms of occupancy of particular space, tenant improvements, alterations and repairs, or payment for overtime services.

**§ 102-73.85 Can agencies with independent statutory authority to lease space have GSA perform the leasing functions?**

Yes, upon request, GSA may perform, on a reimbursable basis, all functions of leasing building space, and land incidental thereto, for Federal agencies possessing independent statutory authority to lease space. However, GSA reserves the right to accept or reject reimbursable leasing service requests on a case-by-case basis.

**§ 102-73.90 What contingent fee policy must Federal agencies apply to the acquisition of real property by lease?**

Federal agencies must apply the contingent fee policies in 48 CFR 3.4 to all negotiated and sealed bid contracts for the acquisition of real property by lease. Federal agencies must appropriately adapt the representations and covenants required by that subpart for