



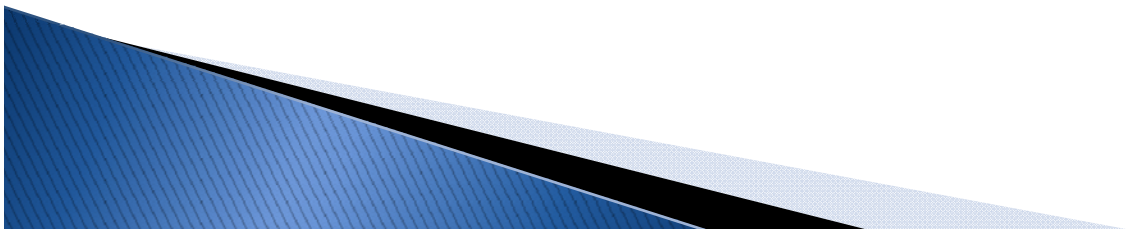
State Leasing

Carie Carman
Leasing Program Manager
Leasing, Real Estate, & Asset
Services Section
Construction & Properties



History of State Leasing

- ▶ 1984 Oklahoma State Legislature Study
 - Broad discrepancies among agencies on rental rates and lease rental contracts.
 - Legislative Directive to create consistency
 - Rules established in 1989 per statutory direction.





Enabling Authority

74 O.S. 63

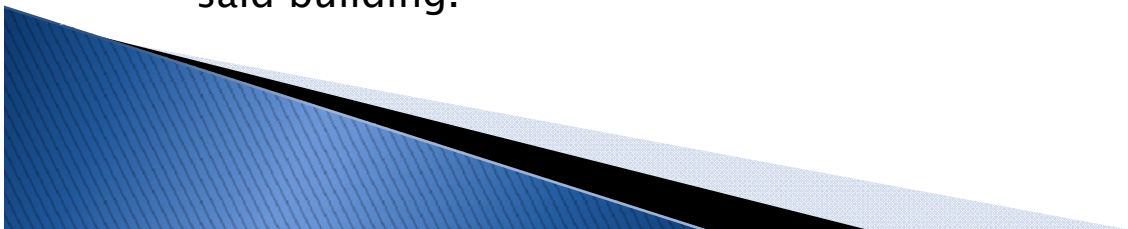
The Director of the Department of Central Services shall have authority to purchase all material and perform all other duties necessary in the construction, repair and maintenance of all buildings under its management or control, shall make all necessary contracts by or on behalf of the state for any buildings or rooms rented for the use of the state or any of the officers thereof and shall have charge of the arrangement and allotment of space in such buildings among the different state officers except as otherwise provided by law.

74 O.S. 94

Except as otherwise provided by law, the Department of Central Services shall have full and complete authority to designate quarters for every department of state government, and to determine what space shall be allotted.

73 O.S. 163

In order to prevent any defaults or threatened defaults in the payment of said bonds, the Authority [OCIA] is hereby authorized and empowered, in cooperation with the Department of Central Services, to require state departments and agencies to be housed in a building and to pay rent for the use and occupancy of said building.





Objectives

- ❑ Provide customized customer service to all user agencies.
- ❑ Apply fair and consistent guidelines when making space determinations.
- ❑ Leverage buying power of state to create savings for all user agencies.
- ❑ Ensure that procured space is the best value for the user agency and the state.



What we do for you

- ❑ Authorize the amount of space to be acquired by state agencies and execute leasing contracts on behalf of state agencies.
- ❑ Assist user agencies in completing the required forms.
- ❑ Assign space in state-owned buildings or facilitate user agency in leasing space from the private sector.
- ❑ Provide expertise in property management, lease terms and conditions, and market rate information to the agencies we serve.
- ❑ Negotiate contract terms and conditions on behalf of user agencies.
- ❑ Draft lease contracts, execute contracts, process contract renewals.
- ❑ Maintain a computerized database of leased real property for the approximately 4.4 million square feet occupied by state agencies.
- ❑ Provide information and encourage the real estate community to do business with the State of Oklahoma.
- ❑ Provide a single communication point for all state agencies and the real estate community regarding leased space, state-owned space, space standards, lease terms and conditions, rental rate, and contract expectations.



Statistics

- The State of Oklahoma currently leases approximately 2.5 million square feet of space.
 - Consists of office, storage, warehouse, mental health group homes, correctional housing, airplane hangars, parking, boat storage, etc.
- Approximately 700 lease contracts totaling \$34 million are approved by the State Leasing office annually.
- 2.25 million square feet of space leased in state-owned facilities in Oklahoma City and Tulsa.





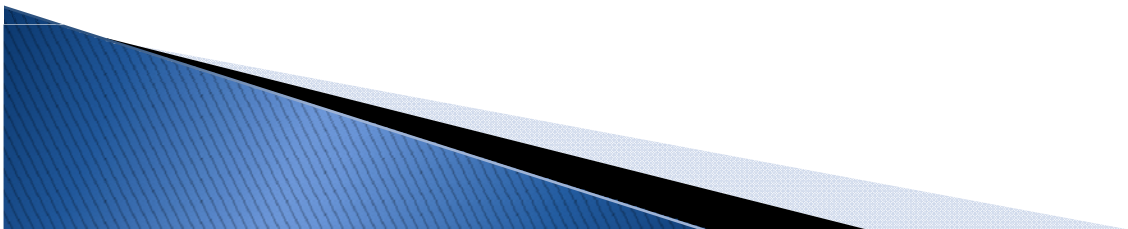
One Net Usable Square Foot





How that affects you

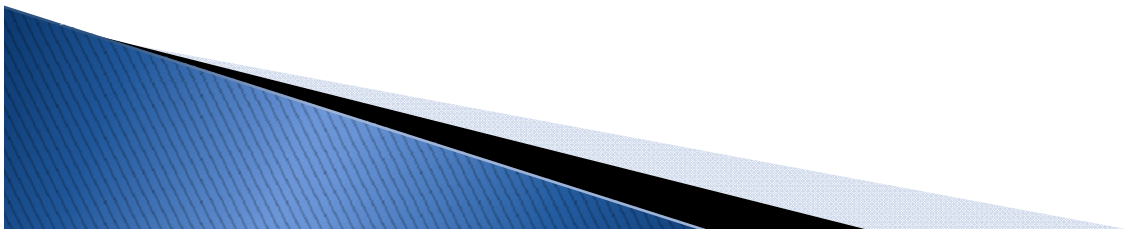
- ❑ $50/\text{nusf} \times \$9.00 = \$450 \text{ year} = \$2,250$
- ❑ $50/\text{nusf} \times \$10.00 = \$500 \text{ year} = \$2,500$
- ❑ $50/\text{nusf} \times \$11.00 = \$550 \text{ year} = \$2,750$
- ❑ $50/\text{nusf} \times \$12.00 = \$600 \text{ year} = \$3,000$
- ❑ $50/\text{nusf} \times \$13.00 = \$650 \text{ year} = \$3,250$





Negotiations

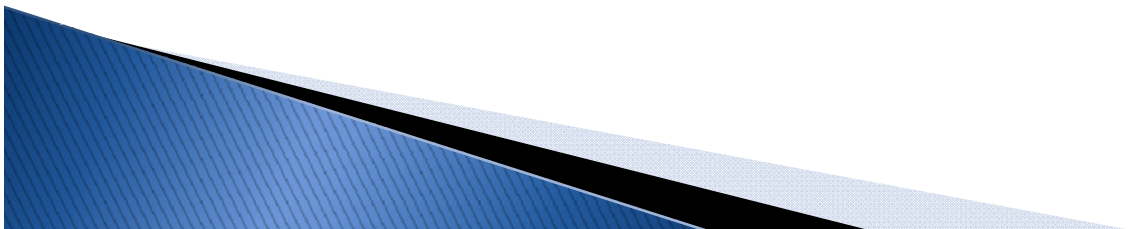
- ❑ $20,000 \times \$9.00 = \$180,000 = \$900,000$
- ❑ $20,000 \times \$10.00 = \$200,000 = \$1,000,000$
- ❑ $20,000 \times \$11.00 = \$220,000 = \$1,100.000$
- ❑ $20,000 \times \$12.00 = \$240,000 = \$1,200.000$
- ❑ $20,000 \times \$16.00 = \$320,000 = \$1,600,000$
- ❑ $20,000 \times \$18.00 = \$360,000 = \$1,800,000$





Contracts

- ❑ Leases are not valid until they are signed by the agency director, the property owner, and the Department of Central Services.
- ❑ Rental payments commence after the contract is executed and the agency occupies the space.
- ❑ Leasing has standard contracts with standard terms and conditions that are favorable to the state.





Leases – Terms and Conditions

- ❑ Leasing forms required
- ❑ One year lease with options to renew
- ❑ Permanent improvements prohibited
- ❑ No rental deposits
- ❑ No open rates or rental escalation
- ❑ Asbestos inspection – Department of Labor
- ❑ Fire & Safety inspection – State Fire Marshal
- ❑ ADA
- ❑ Scaled Floor Plan – Verify the Space
- ❑ Liability Insurance





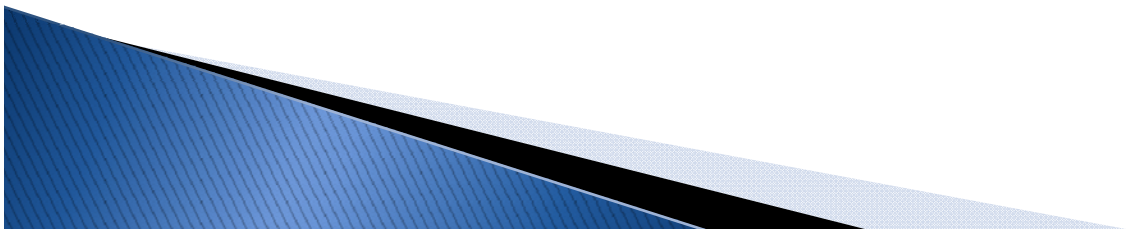
Space Requests

- ❑ Agencies must fill out a space request and be authorized to procure space before beginning to search for space.
- ❑ The space request form is being retooled. Contact Kelly or Carie for a space request form.
- ❑ The space request form is designed to assist you with determining space needs based on the Space Standards.



Space Requests

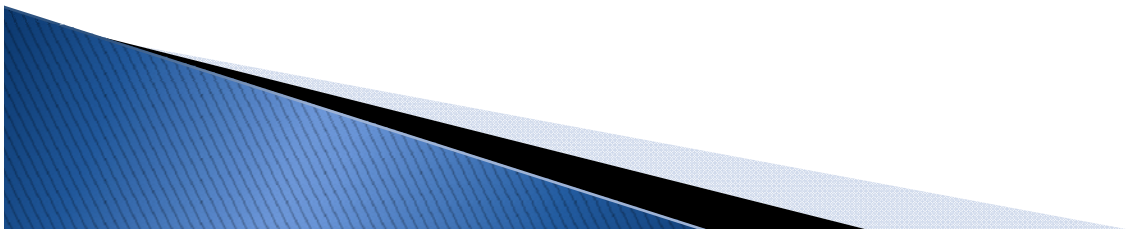
- ❑ Space Standards are not designed to entitle employees to a given amount of space. They assist State Leasing in determining space needs, and include a standard allotment per FTE.
- ❑ The standard is 150 net usable square feet for qualifying employee, plus any special space needs.





Space Requests

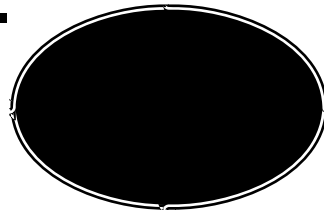
- ❑ Special space includes:
 - Conference rooms;
 - Storage;
 - Equipment (fax machines, copiers, et cetera);
 - Break rooms;
 - Safes;
 - Reception area;
 - Evidence rooms.





PeopleSoft

- ❑ State Leasing does not use the work flow in PeopleSoft.



- ❑ If you need to create a change order, the Agency CPO will initiate the change order and then submit the hard or electronic copy of the purchase order, with the required attachments, in "Pending Status".
- ❑ State Leasing does not require the Requisition, just the Purchase Order.



Contacts

- ❑ Carie Carman Carie_Carman@dcs.state.ok.us
Leasing Program Manager 521-6158
- ❑ Kelly Thompson Kelly_Thompson@dcs.state.ok.us
Leasing Administrative Officer 522-0046
- ❑ Ramona Parker – Administrative Assistant
Main Line 521-3819

- ❑ Melissa Milburn Melissa_Milburn@dcs.state.ok.us
Director, Real Estate, Leasing, & Asset Services
522-0367