



ADS Chapter 517

Acquisition of Domestic Real Property

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ADS 517 – Acquisition of Domestic Real Property

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****This is a new ADS chapter.***

ADS Chapter 517 – Acquisition of Domestic Real Property

517.1 OVERVIEW

Effective date: 04/18/2007

This chapter provides the Agency’s internal guidance, policy directives, and required procedures for the acquisition of [real property](#) to meet USAID’s domestic space requirements.

In accordance with Section 636(a)(1) of the Foreign Assistance Act, USAID is authorized to use appropriated funds to rent buildings and space in buildings in the United States. As a matter of Agency policy, USAID must use the expertise of the General Services Administration (GSA) and first seek space in government-owned or government-leased properties to satisfy headquarters space requirements. USAID will only use its independent leasing authority when: (a) suitable GSA-controlled space is not available; (b) GSA cannot acquire suitable privately-owned space for the Agency; and (c) it is more efficient and cost effective for the Agency to rely upon its own leasing authority. Under all circumstances, when USAID undertakes space acquisition, GSA must be consulted as an expert advisor.

This chapter does not apply to the leasing of real property overseas or property leased by USAID-funded contractors.

517.2 PRIMARY RESPONSIBILITIES

Effective date: 04/18/2007

a. The **USAID Director of the Office of Overseas Management Staff (M/OMS/OD)** is the Agency’s Senior Real Property Officer (SRPO) and is responsible for the development and implementation of an Asset Management Plan to comply with requirements of [Executive Order \(E.O.\) 13327](#) and for monitoring Agency assets on an on-going basis.

b. The **Director for the Bureau for Management, Office of Administrative Services (M/AS/OD)** has primary responsibility for the following:

1. Developing Agency strategies and policies for space planning and utilization in USAID/Washington (USAID/W).
2. Leasing privately-owned space for the Agency when no suitable government-owned or leased space is available to meet Agency needs.

c. The **Chief for the Bureau for Management, Office of Administrative Services, Facilities Management Division (M/AS/FMD)** is responsible for the following:

1. Monitoring the utilization of space in USAID/W and determining the feasibility and validity of requirements for additional space.
2. Coordinating with the General Services Administration (GSA) to develop the [program of requirements](#) for new space needs.

d. **Agency bureaus and independent offices** are responsible for identifying short- and long-term space requirements and coordinating with M/AS/FMD on the utilization of assigned space.

e. The **Office of the General Counsel (GC)** is responsible for ensuring that terms and conditions of [Occupancy Agreements](#) with GSA or USAID direct leases for privately-owned space are in compliance with all applicable laws and regulations.

f. The **Chief Financial Officer (CFO)** is responsible for ensuring that the financial terms and conditions of Occupancy Agreements or USAID direct leases for privately-owned space are in compliance with Federal and USAID financial management regulations.

g. The **Office of Legislative and Public Affairs (LPA)** is responsible for reporting to Congress prior to the obligation of [operating expense](#) or capital investment funds for the construction, purchase, or long-term lease of offices where the cost will exceed \$1,000,000.

h. The **U.S. Office of Management and Budget (OMB)** oversees all Federal agencies' accountability and management of real property and monitors both current performance and progress made on the various objectives for the asset management program.

517.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES

Effective date: 04/18/2007

517.3.1 Acquisition of Federally-Owned or Leased Space

Effective date: 04/18/2007

The following internal policy directives outline the Agency's required procedures for the acquisition of space for the headquarters operation:

- a.** M/AS/FMD must coordinate with designated staff in GSA's Public Building Service to develop a program of requirements to meet the Agency's needs when space is required for headquarters operations. Guidelines for working with GSA to acquire space are outlined in [GSA's Customer Guide to Real Property](#).

b. GSA's pricing structure for federally-owned and leased space is outlined in the [GSA Pricing Desk Guide](#). The acceptance of GSA space and the financial terms must be formalized in an Occupancy Agreement (OA). The OA must include a complete statement of the financial terms of the agreement and the responsibilities of GSA and the Agency.

The Occupancy Agreement must be signed prior to the commencement of alterations or the award of lease agreements. The Director, (M/AS/OD) must sign Occupancy Agreements on behalf of the Agency. Occupancy Agreements must be cleared by the following prior to execution:

- Administrator, USAID (A/AID);
- Assistant Administrator for Management (AA/M);
- General Counsel (GC); and the
- Chief Financial Officer (CFO).

c. M/AS must obligate funds for rent payments in accordance with financial terms in the Occupancy Agreements and monthly bills issued by GSA.

d. M/AS/FMD must review monthly rent bills and resolve discrepancies with GSA.

517.3.2 Acquisition of Privately-Owned Space

Effective date: 04/18/2007

a. When USAID's needs cannot be met with GSA-controlled government-owned or leased space, USAID may acquire real estate in accordance with applicable Federal requirements.

b. USAID must acquire leases on the most favorable basis for 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.

c. Each lease agreement must contain a provision that makes all USAID financial obligations subject to the availability of funds appropriated annually by Congress. The designated leasing officer or his/her designee must confer with the Agency GC regarding such provisions prior to signing any lease agreements on behalf of the Agency.

d. USAID will follow the budget scorekeeping rules for leases as identified in appendices A and B of [OMB Circular A-11](#).

e. Only the designated leasing officer or his/her designee may contact real estate brokers or agents, lessors, offerors, or potential offerors concerning current or potential space leased or to be leased for the purpose of making oral or written representations, commitments or agreements with respect to the following:

- terms of occupancy of particular space,
- tenant improvements,
- alterations and repairs, or
- payment for overtime services.

f. The Director (M/AS/OD) will sign lease agreements on behalf of the Agency and consult with GSA and the Agency GC as appropriate. The lease agreement must be cleared by the following prior to execution:

- Administrator, USAID (A/AID);
- Assistant Administrator for Management (AA/M);
- General Counsel (GC);
- Chief Financial Officer (CFO); and the
- USAID Senior Real Property Officer.

517.3.3 Space Planning

Effective date: 04/18/2007

The following internal policy directives outline the Agency's required procedures to execute its space planning function and how the Agency plans to acquire real property through the GSA:

a. M/AS/FMD must continuously monitor the utilization of space in the Ronald Reagan Building (RRB) and work with Bureaus/Independent Offices to plan for short- and long-term space requirements. The [Archibus](#) space management system facilitates space planning and utilization. Data contained in the system is used to support requirements for additional space.

b. If a Bureau/Independent Office anticipates significant staff growth due to programmatic changes or external mandates, that Bureau/Independent Office must submit the detailed program requirements and justification to the Chief, M/AS/FMD, as soon as the requirement is known. The program requirements must include the number and grade level of additional staff anticipated and any special requirements. The Chief, M/AS/FMD, will conduct a detailed analysis of the requirements and

present a recommendation to senior management regarding actions required to meet the space needs.

- c. If it is determined that outside space is needed, M/AS/FMD must
- provide requirements to GSA,
 - conduct site visits to determine the suitability of any space proposed by GSA,
 - conduct a financial analysis to determine the costs for occupancy, and
 - obtain senior management clearance to begin negotiation of an Occupancy Agreement with GSA if suitable space can be provided.

An [SF-81, Request for Space](#), may be used to provide detailed requirements to GSA, but its use is optional. The request may take a form that is mutually agreeable to both agencies.

- d. If it is determined that no suitable government-owned space is available, M/AS/FMD may pursue privately-owned space in accordance with requirements outlined in **517.3.2**. The Assistant Administrator for Management and the USAID Administrator must provide approval in writing before a formal solicitation is issued.

517.3.4 Executive Order 13327 Compliance

Effective date: 04/18/2007

In February 2004, President Bush signed [Executive Order 13327](#) for real property asset management. This E.O. was added to the President's Management Agenda (PMA) and signifies the importance of real property asset management for the Federal Government. The primary objective of E.O. 13327 is to promote efficient and economical use of the Federal Government's real property assets. To be in compliance,

- a. USAID will designate a Senior Real Property Officer (SRPO). The SRPO is the Director of the Overseas Management Staff (M/OMS).
- b. USAID and the Department of State have in place an **Asset Management Plan (AMP)** approved by the U.S. Office of Management and Budget (OMB) that prescribes the tools and programs in place for compliance with the requirements of E.O. 13327. The AMP incorporates the 10 guiding principles as established in the "Guidance for Improved Asset Management" issued by the Federal Real Property Council.
- c. USAID will report annually to the Federal Real Property Profile (FRPP) database, through the Department of State Real Property Inventory database system, its inventory of real property holdings other than facilities acquired through GSA Occupancy Agreements.

517.3.5 Congressional Notification

Effective date: 04/18/2007

The Bureau for Legislative and Public Affairs (LPA) must report to Congress at least 15 days prior to the obligation of operating expense or capital investment funds for the following:

- construction (including architect and engineering services), purchase, or long-term lease of offices, where the cost will exceed \$1,000,000.

M/AS/FMD must work with LPA to prepare the report. USAID funds may not be obligated until after 15 days from the date of submission of the report or until after any Congressional issues are addressed, whichever comes later.

517.4 MANDATORY REFERENCES

Effective date: 04/18/2007

517.4.1 External Mandatory References

Effective date: 04/18/2007

- a. [Foreign Assistance Act of 1961 as Amended](#)
- b. [Title 41, Code of Federal Regulations \(CFR\) Parts 102-71](#)
- c. [Federal Management Regulation, Subchapter C](#)
- d. [Competition in Contracting Act of 1984](#)
- e. [National Environmental Policy Act of 1969](#)
- f. [OMB Circular A-11, Appendices A and B](#)
- g. [E.O. 13327, Federal Real Property Asset Management](#)
- h. [E.O. 12072, Federal Space Management](#)
- i. [General Services Administration \(GSA\) Customer Guide to Real Property](#)
- j. [General Services Administration \(GSA\) Pricing Desk Guide, Edition No. 3, dated March 15, 2002](#)
- k. [Guidance for Improved Asset Management](#)

517.4.2 Internal Mandatory References

Effective date: 04/18/2007

- a. **Joint Department of State and USAID Asset Management Plan dated December 22, 2005**
- b. [ADS 519, Building Support Services](#)

517.5 ADDITIONAL HELP

Effective date: 04/18/2007

- a. <http://www.gsa.gov/pbs/>

This page provides information on GSA's Public Buildings Service whose mission is to provide superior workspace for the Federal employee. For more information contact the Office of the PBS Commissioner at (202) 501-1100.

- b. <http://www.gsa.gov/iolp>

This is a database that allows visitors to the site the option of viewing expiring lease/occupancy information from over 8,900 buildings – owned and leased. Visitors to the site can also view expiring lease/occupancy information by GSA region, state, or congressional district. This is available under gsa.gov "Quick Links" under expiring leases. For more information call the Office of Real Property Asset Management at (202) 501-0638.

517.5.1 Optional Forms

Effective date: 04/18/2007

- a. [SF-81, Request for Space](#)

517.6 DEFINITIONS

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The terms and definitions listed below have been incorporated into the ADS Glossary. See the [ADS Glossary](#) for all ADS terms and definitions.

Archibus

Automated space management system used to manage the allocation of space in the Ronald Reagan Building. (Chapter 517)

Occupancy Agreement (OA)

A written agreement that describes the financial terms and conditions under which GSA assigns, and a tenant occupies, GSA-controlled space. (Chapter 517)

Operating Expense (OE)

Costs related to personnel, other administration costs, rental, and depreciation of fixed assets. ([Chapters 200, 203](#), 517)

program of requirements

A summary statement of the Agency's space needs in a form that is mutually agreeable by both GSA and the Agency. These requirements must include information about the location, square footage, construction requirements, and duration of the Agency's space needs. (Chapter 517)

real property

A parcel or plot of land and any structures contained thereon, including, but not limited to, offices, garages, warehouses, residences, schools, and recreational facilities. (6 FAM 700) (Chapters 517, [518](#), [535](#), [629](#))

space assignment

A transaction between GSA and the Agency that results in the right to occupy certain GSA-controlled space in return for payments to GSA for use of the space. Space assignment rights, obligations, and responsibilities are formalized in an Occupancy Agreement. (Chapter 517)

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