


Rental and Leasing of Real Property

	Louisiana Department of Health (LDH)	
	Policy Number	70.1
	Content	LDH Policy and Procedures for Leasing Office, Warehouse or Parking Space
	Effective Date	November 1, 2012
	Inquiries to	Office of Management and Finance Planning and Budget P.O. Box 4094 Baton Rouge, LA 70821-4094 (225) 342-7626

If there is a discrepancy between an LDH Policy and a Program Office or facility policy, the LDH policy shall govern/overrule/supersede the conflicting section within the Program Office or facility policy.

I. PURPOSE

A. Purpose and Scope

It is the policy of the Louisiana Department of Health (LDH) to adhere to the Louisiana Revised Statutes RS 39:1551-1736 and the Louisiana Administrative Code 34:III.Chapter 5.

It is the purpose of this policy to provide special allowance standards and space request procedures and regulations supplemental to the DOA Rental and Lease Procedures and Regulations.

B. Applicability

This policy shall apply to all Offices of LDH. This policy applies to all cases in which space is to be rented. The space allowance standards apply in all allocations of space, including assignments to state-owned buildings.

II. REQUESTS FOR SPACE

Requests for space must conform to LDH guidelines established in conformance with the State of Louisiana, Division of Administration (DOA) Rental and Lease Procedures and Regulations and the Louisiana Administrative Code 34:III.Chapter 5. Any exceptions to that document contained

in this policy are approved by the Division of Administration Facility Planning and Control Section.

A. Standard for Space Allowances

Requests for space should be based on the following special allowances and should clearly reveal in explanatory figures that the amount of space requested was arrived at by application of the following criteria:

1. Administrative Space

a. Definition of Administrative Space

Administrative space includes all offices or work station areas that will be occupied by employees and their furniture, equipment and other accessories necessary for the performance of their duties.

b. Qualifying Administrative Space

Requests for administrative space shall be quantified, according to employee needs, on the DOA Request for Approval (RL-2A and RL-2B Forms) - See Exhibit A and B.

The requested size of an office/work station shall be based on the minimum amount of space required for the employee to perform his/her duties in an efficient manner, with a reasonable degree of dignity.

The LDH Lease Manager shall ensure the reasonableness of each request and shall recommend to the Undersecretary or his designee any adjustments deemed necessary.

c. Maximum Allowance for Administrative Space

The maximum allowable area for administrative space shall be based on space standards issued by the DOA Facility Planning and Control and is generally based on Civil Service position level.

2. Common Function Standards

The Assistant Secretary shall assure that requests for common functions areas are based on real need and that figures used in determining the amount of space needed are derived from reliable studies. Utilization of common function areas shall be maximized by sharing between proximate agencies and by combining the functions of a room where it is practical to do so (eg., conference/training/break area, or conference room/library, etc.).

a. Conference/Meeting Rooms

Fifteen (15) square feet per person based on number of persons room will hold.

b. Classroom/Training Rooms

Desk/arm chair seating - 12 square feet per person Conference Table Seating - same as for Conference room Desk and Chair - 40 square feet per person.

c. Reception Area

Twelve (12) square feet per person based on average visitor load.

d. Kitchen

Based on number of employees divided by 1.2 then multiplied by 10 sq.ft. plus approximately 20 sq.ft. for an 8' counter, plus approximately 8 sq.ft. for the refrigerator, plus approximately 8 sq.ft. for stove, plus approximately 8 sq.ft. for each vending machine. For small offices consisting of less than 15 staff, do not divide number of staff by 1.2.

e. Lunch/Break Area

If both kitchen and lunch room are requested, total of both shall be based on the formula for kitchens.

f. Copy Machine Area, Mailrooms, Supply Rooms, Storage Rooms

110 square feet...should be combined with Mail Room or Receptionist Area.

g. Restrooms

The following are the requirements for restrooms used when a lease is competitively bid. Similar requirements should be considered on a negotiated lease.

Lessor must provide adequate number of enclosed water closets and lavatories in accordance with Louisiana State Plumbing Code 2000 Edition. Provide separate rest rooms for staff and public. The number of staff rest rooms shall be based on approximate number of employees (## females and ## males) to be located within or immediately adjacent to the leased space, and the number of public rest rooms to be based on approximate number of clients and must include one (1) male handicapped restroom and one (1) female handicapped restroom located immediately adjacent to the waiting area. Hot and cold running water shall be available at all lavatories.

Restroom(s) must be equipped with tank type or flush valve commercial grade toilet(s) or suitable for commercial use. Residential toilets will not be acceptable.

PUBLIC HANDICAPPED REST ROOMS

Must be located adjacent to the waiting area
Have a drain in the middle of the floor
Air blower only for drying hands
Mirror over lavatory
Rest room that opens directly into waiting room will have a modesty panel in front of door(s) opening
Well lighted and vented with dual switch controls in light switch where designated by Lessee
Soap dispenser
Controlled delivery roll toilet tissue dispenser
Twenty (20) gallon trash bin

EMPLOYEE REST ROOMS

FEMALE

Privacy locks and coat hook on all stalls
Wall hung sanitary napkin disposal bin in each stall
Well lighted and vented with vent control in light switch
Equipped with full length mirror and mirror over lavatory
Double roll toilet tissue dispensers in each stall
Paper towel dispenser
Small cabinet under lavatory or wall hung cabinet to hold extra supplies
The number of stalls (water closets) shall be in accordance with Louisiana State Plumbing Code 2000 Edition based on the number of female employees to be housed at this location.
Soap dispenser
Twenty (20) gallon trash bin

MALE

Privacy locks on stalls
Well lighted and vented with vent control in light switch
Mirror over lavatory
Double roll toilet tissue dispensers in each stall
The number of stalls (water closets) shall be in accordance with Louisiana State Plumbing Code 2000 Edition based on the number of male employees to be housed at this location.
Paper towel dispenser
Soap dispenser
Twenty (20) gallon trash bin
Small cabinet under lavatory or wall hung cabinet to hold extra supplies

3. Special Function Standards

To quantify the amount of space needed, use the total amount of space displaced by the equipment, furnishings, shelving boxed records, etc. (as measured), and add an adequate amount for internal circulation. Internal circulation is that space which is necessary to allow optimal access in and around furniture, equipment, shelving, etc. Internal circulation needs vary greatly, depending on the function of an area (the type of equipment or materials to be placed there) so the requesting administrator is required to be particularly attentive to this aspect in calculating special function needs.

This standard applies to the special needs unique to some units because of the nature of their work, but does not include special programmatic needs (exam rooms, therapy rooms, etc.) which exist in some programs statewide, and which may be subject to standardizations (see II A-4 below).

Requests for special space should be fully explained and justified and should reveal evidence of sound planning for economy and efficiency of space utilization.

The list below includes some of the special functions areas that could be included in a space request.

- Equipment Storage Room
- Computer Room
- Microfilm Room Warehouse
- Central Files
- Printing Facility
- Records Storage Library
- Software Supply Room
- Laboratories
- Vocational Evaluation Workshop

4. Special Programmatic Space Standards

Each Office shall establish standard special allowances and requirements for special programmatic spaces such as interview rooms, dictating rooms, treatment or examination rooms, group therapy rooms, etc., in all cases where standardization is feasible and desirable. Maximum allowances for purposes of quantifying space, minimum acceptable room sizes, and special requirements such as plumbing shall be addressed in these guidelines. The number of such rooms needed per office or facility, based on factors such as number of workers or client population served, shall also be standardized.

Programmatic guidelines shall be submitted to the Undersecretary through the LDH Lease Manager for review and approval, and shall be adhered to thereafter, where applicable, in formulating requests for space.

5. Circulation, Common Space, and Unusable or Waste Space

a. Definitions

Internal Circulation shall be any space used for circulation within the area designated for and used only by the agency such as hallways, pathways around desks or workstations, etc., leading to offices and other spaces to be used only by that agency.

Common Space includes electrical/mechanical rooms or other building operations/maintenance areas which may be included in the lease.

Unusable Space or Waste Space includes wall/partition displacement and all other spaces that are functionally useless due to poor condition, structural irregularities, and inefficient or unsuitable design. The excess space in over-sized rooms, if office sharing is impractical, is also considered unusable.

Usable Space is defined as follows: Usable space is the floor area occupied by the Lessee excluding exterior walls, equipment rooms (mechanical, electrical, telephone, and other building system rooms), dedicated corridors, lobbies, entrances, rest rooms, common space, stairwells, and elevators. The area is measured from the interior face of the exterior wall to the interior face of the wall defining the usable space. Usable space includes internal circulation.

b. Additional Guidelines

1. Lease Specifications

Parking and other building requirements, including the special requirements of the lessee agency, are presented to prospective lessors in the DOA Specifications for Lease Proposal as part of the bid package. The lessee agency is given the opportunity to inspect a lease site before final award of the bid by DOA. It is the responsibility of the lessee administrator to assure that all requirements as specified in the DOA Specifications for Lease Proposal are met.

The LDH Lease Manager shall be notified immediately, through the Assistant Secretary's Office, of any failures in compliance with the lease specifications.

2. Co-housing

The Assistant Secretary shall ensure that every consideration is given to the possibility of the lessee agency co-housing with other LDH programs if such programs are deemed programmatically compatible and the arrangement is economically advantageous to LDH.

III. LDH LEASE PROCEDURES

A. Open Specifications

It is the policy of LDH, in conformance with DOA Policy and State law, to require open specifications in bidding for space. The Assistant Secretary shall ensure that specifications in a request are written to assure maximum competition in the bidding process while still maintaining programmatic requirements.

B. Lease Negotiation

Any lease for the use of less than 5000 square feet may be negotiated by the User Agency, subject to approval by the Division of Administration.

C. Submittal Process

The leasing process shall be executed to the following manner:

D. LDH Review and Approval

The User Agency shall have an assigned Office Lease Manager who will notify applicable parties of the lease expiration eighteen (18) months prior to that date on leases 5000 square feet or more, six (6) months under 5000 square feet.

Requests for space must have the approval of the Assistant Secretary, and must be submitted to the LDH Lease Manager no later than 150 days prior to the date of occupancy required for an existing lease.

1. Requests for Approval
 - a. All requests, including amendments, for space of less than 5000 square feet which is to be negotiated, and for 5000 square feet or more which is to be bid, must be submitted on the DOA's Request for Approval Form RL-2A or RL-2B on which the User Agency's request for space, location and terms of lease are detailed. The original request will be sent to LDH Lease Manager one (1) kept for the user's file
 - b. The LDH Lease Manager will review the request for conformity with LDH policy and transmit it to the Undersecretary for approval, or return it to the Assistant Secretary for corrections, further justification, etc.
 - c. On approval by the Undersecretary or his designee, the LDH Lease Manager will file one (1) copy of the request and send another to DOA Rentals and Leases for approval.
2. DOA Approval Processing

The Budget Office of the Division of Administration will examine the request (RL-2) in relation to authorized programs, funds, and personnel, and the DOA Facility Planning and Control Section will approve, take under advisement, or disapprove, the User Agency request, taking into consideration the existing or offered price per square foot of rental space, which is deemed comparable by the DOA Facility Planning and Control Section.

a. Requests approved for 5000 square feet or more

- (1) For approved requests of 5000 square feet or more, DOA Rentals and Leases will prepare specifications and send a copy to the LDH Lease Manager to review and return to DOA.
- (2) DOA Facility Planning and Control Section then releases specifications for bid. A pre-bid conference is scheduled by DOA whereby the proposed bid package is discussed. If revisions are needed an addendum is processed by the user agency through the LDH Lease Manager. The LDH Lease Manager will then notify DOA. This must be done seven (7) calendar days prior to the bid opening. When bids are received and reviewed, DOA Rentals and Leases will send a list of all bidders to the LDH Lease Manager, indicating the qualified low bid.
- (3) The LDH Lease Manager will then forward to the User Agency for review. After corrections, additions, etc., the User Agency will send the final corrected copy to the LDH Lease Manager who will bring his files up to date and then forward to DOA.
- (4) The LDH Lease Manager will review and consult with the User Agency (through the assigned Agency Lease Manager) and will return the bids to DOA Facility Planning and Control Section with (a) LDH's concurrence with the recommended bid, or (b) justification as to why another bid should be selected. The User Agency shall inspect all bid premises. DOA Facility Planning and Control Section will award the bid, process a lease agreement (4 copies), have the lease signed by the lessor, with 4 notarized affidavits then transmit it to the LDH Lease Manager.
- (5) The LDH Lease Manager will review the lease document to assure completion and correctness, then transmit it, attached to the previously approved original request, to the Undersecretary or his designee for his approval. On approval by the Undersecretary or his designee, the LDH Lease Manager will transmit the lease to DOA Facility Planning and Control Section for final DOA processing.

(6) LDH Lease Manager will receive two approved copies of the lease from DOA, and will distribute copies to the designated Agency Lease Manager and maintains one copy for his files. He will then prepare a purchase order to arrange payments to the lessor.

b. Requests approved for less than 5000 square feet

(1) Requests approved by DOA for less than 5000 square feet will be returned to the User Agency through the LDH Lease Manager, and the User Agency will then negotiate with lessor for the approved amount of space. The User Agency, having negotiated for space, will complete and submit to the LDH Lease Manager: (1) a RL-2A, (2) Written proposals from a minimum of three properties. If three proposals cannot be obtained, document the reason(s) the proposals could not be obtained in Section 9 of the RL-2A form. (See Exhibit C) (3) LDH Lease Justification, and (4) Scaled floor plans or revised scaled floor plans (1/4" or 1/8" scale) if changes to the configuration of the space are requested. The LDH Lease Manager will obtain the Undersecretary or his designees approval and forward to DOA Facility Planning and Control Section. See Exhibit D for Negotiable Lease Checklist.

(2) The agency is responsible for determining the length of time required for construction. Once the construction timeframe is established the request must be submitted to DOA to allow three months for processing the request in addition to the required time for construction.

(3) The LDH Lease Manager will receive from DOA Facility Planning and Control Section two approved copies of the lease, and will distribute copies to the assigned Agency Lease Manager and maintain one copy for his files. The LDH Lease Manager will then enter the lease in CFMS in order to arrange payments to the lessor.

c. Amendments to Leases

(1) Any additional space added is to be only that for which the requirement could not reasonably have been foreseen at the time of execution of the lease or the latest option renewal; the additional space provision is not to be used to circumvent the bid law.

(2) Any lease for less than 5,000 square feet may be amended by negotiation between the user agency and the lessor. The square footage of such a lease may be increased up to a total of 4,999 square feet with the approval of the Division of Administration. If the amendment causes the space to measure 5,000 square feet or more, the additional space must be procured in accordance with RS 39:1594 unless it is deemed a sole source or emergency procurement.

(3) Any lease for space of 5,000 square feet or more, may be amended by negotiations between the user agency and the lessor to include up to 4,999 square feet of additional space. Such amendment must also be approved by the Division of Administration. If the amendment adds 5,000 square feet or more, the additional space must be procured in accordance with RS 39:1594 unless it is considered a sole source or emergency procurement.

(4) In the event alterations to or modifications of space currently under lease are required to meet changed operating requirements, a lease may be amended. Such lease amendment may, with the approval of the Division of Administration, provide an adjustment in monthly lease payments not to exceed 25 percent of the original annual lease price per square foot, sufficient to reimburse the lessor for paying for the leasehold improvements. Any adjustment in lease payments shall also require the approval of the Joint Legislative Committee on the Budget. The continuance of a rental adjustment in excess of 25 percent of the original rental rate shall be further contingent on the appropriation of funds in the following fiscal years.

IV. EFFECTIVE DATE

The effective date of this revised policy is November 1, 2012.

V. DISCIPLINARY ACTIONS

Any employee who violates this policy may be subject to disciplinary action up to and including dismissal from employment.

VI. REVISION HISTORY

Date	Revision
August 1, 1976	Policy created
July 1, 1985	Policy revised
November 1, 2012	Policy revised
November 14, 2018	Policy reviewed