

	DEPARTMENT OF ADMINISTRATIVE SERVICES POLICY MANUAL ISSUING DIVISION: FACILITIES DIVISION	NUMBER 125-6-120 - Revised
APPROVAL:		EFFECTIVE DATE March 12, 2001
SUBJECT: UNIFORM RENT PROGRAM		PAGE 1 OF 5

General Policy:

We, the Facilities Division of the Department of Administrative Services (DAS), are landlord for many state agencies. We use two rental systems: *uniform rent* and *self-supporting rent*. The Uniform Rent Program is a pool of general office buildings. Pooling costs allows us to provide lower overall rates than commercial rent. Self-supporting rent is for lone facilities, apart from the general office pool. It collects each facility's full costs in arrears as rent.

A. Setting Rates:

1. Each odd numbered year, we estimate the pool costs and recommend the coming biennium's rental rates for Emergency Board approval. The rates, with fund earnings and other revenues, must cover all pooled costs. Those may include planning, design, construction, improvement, repairing, equipping, general furnishing, operation, maintenance, insurance, debt service, deconstruction, and related costs. Straight-line depreciation is a cost paid into a fund for capital projects.
2. Uniform rent is an *internal service fund* under federal rules. Because some tenants receive federal funds as revenues, the program must comply with federal Circular A-87. The regulations require that we spend rent pool revenues on pooled costs, amass no excess funds, and treat all renters alike.

B. Space Allocation Committee:

1. We invite all state agencies to apply for the economic benefits of uniform rent space. We aim to allocate it in the best interests of the whole of state government.
2. Only we may allocate uniform rent space. We do so through our Space Allocation Committee. It consists of our senior staff and managers for operations and maintenance, leasing, parking, space planning, and construction management. Agencies' representatives may attend committee meetings.
3. When space is to be vacated, we will invite all agencies' facility coordinators, as they appear in our records, to apply for it. The invitation will describe the space and say when and how agencies may apply for it. An agency must use our space request form to apply. We may consider an agency that does not apply if we believe the space is suitable to their needs. We may choose to allocate a space without notice. We might do so to meet the needs of statewide elected officials or to allocate space that is very small or poorly located.
4. Agencies that request a space as required in an invitation may appeal the decision that results. The agency director or facilities coordinator may ask our administrator to overrule the

committee. The director may appeal from that decision, asking our administrator to refer the file to the DAS director for final determination. Time is critical because a chain of leases or contracts is usually involved. Therefore, each appeal must reach our administrator's office by fax, e-mail, or by hand within three working days after we give notice of each decision.

C. Allocating Uniform Rent Space:

1. In making a decision among two or more agencies, the space allocation committee will prefer and protect the intended and suitable uses of the site as described in this policy.
2. Economic opportunity will be fostered. The committee will prefer agencies with little or no uniform rent space over large users. It will prefer those that do not own buildings over those that do. It may prefer the one that will achieve the greatest economic gain from moving into the uniform rent space. This may be in dollars or as a percent of budget.
3. Sustainable principles shall be applied. The committee will prefer full occupancy, least alteration, and longer-term use of space. Office and actively used space is preferred over storage. In this is the age of electronic and worldwide business, the committee will give no preference to housing an agency under a single roof. Client and staff traffic loads must match the site. Field staff should be in offices near the areas they serve. PSOB and the Mall are not suitable sites for state vehicle fleets.
4. On the Mall, the committee will prefer the major tenant among competing *non*-headquarters or *non*-central government uses. The committee will prefer agencies without headquarters on the Mall over other agencies' non-headquarters functions.

Currently the major tenants are:

Building	Major Tenant
Archives	Secretary of State
Agriculture	Agriculture
Human Services	Human Services
Public Utility Commission	Public Utility Commission
Revenue	Revenue
Labor & Industries	Consumer and Business Services, Treasurer
State Library	State Library
Public Service	Education, Secretary of State, Governor
Executive	Administration
General Services	Administration
Justice	Judicial (planned)
Commerce	Unknown
North Mall Complex	Housing, Parks, Water Resources (planned)
North Mall Historic District	None
Justice Center	Justice (planned)
Employment	Employment
PSOB	None
Pendleton	None

D. Intended and Suitable Uses:

1. The Capitol Mall is meant to house state headquarters and central state government. As long as space remains reasonably adequate for those, then other functions may be housed on the Mall. We may require other functions to move to commercially leased quarters, ceding Mall space for headquarters and central government.

“Headquarters” means an agency’s high-level supervision and central support. Headquarters have a high level of attention from statewide elected leaders and the legislature. They include directors’ staff and central personnel, accounting, staff training, central data systems, etc. *Headquarters* do not include: field work, client services or training, case or application processing, case files; technical planning, review, and design; and other program or client-centered functions.

“Central state government” means the statewide elected officials and their programs. It also means state programs that support and internally regulate the state agencies.

2. Portland State Office Building (PSOB) is a multi-agency building with priority for functions that need to be conducted in or near the urban center. It is ill suited for functions that require frequent travel by staff or clients in and out of the urban center.
3. Pendleton State Office Building is intended to be a multi-agency building, serving the city and surrounding rural region.
4. The Public Service, Justice, and Commerce Buildings are multi-agency buildings with priority for statewide elected officials and programs that are part of the Governor’s office or the Governor’s special initiatives.
5. State agency functions are the only purpose of uniform rent space. Our administrator may approve an exception if the siting of a non-profit or local government is clearly essential to critical, non-discretionary work of a state agency. In that rare event, the non-state unit must pay commercial rates. We will not house any entity in uniform rent space if its funding source will claim a lien on the space.

E. Uniform Rent Billings:

1. Uniform Rent is owed from the date the space is made available and assigned as-is. Rent is payable in arrears by the 15th day of each month. We prorate rent if assigned and available for less than a month.
2. When an agency asks that the space be remodeled at its expense and for its needs, rent commences from the date the space is assigned. When we determine the space needs to be remodeled at our expense, the rent for the unoccupied remodeled space commences the fifteenth day after the remodeling is completed and accepted by us, rent for occupied space commences the date of occupancy.
3. We will correct future rent billings starting the first day of the month after we verify a billing error. We will not make retroactive adjustments unless we find the agency could not have reasonably known about the error.

F. General Terms and Conditions:

1. Rent is for the rentable space, as we designated it, plus a pro rata share of the building's common space. We use American National Standards Institute (ANSI) standards as adopted by Building Owners and Managers Association (BOMA) to measure space. However, repeated space reassignments do cause measurement errors. If we re-measure a building or part of a building, we may revise space measurements and adjust rents starting in the following month. We may decline to measure or adjust space if the change would be less than 10 percent.
2. Uniform rent space is general office. Surcharge rates may apply for new buildings and for uses that require exceptional power, equipment, or maintenance. We will timely notify agencies of any surcharges so they may include them in their budgets.
3. Under the state budget, rents cover our cleaning, landscaping, maintenance and repair, and utilities for normal office building functions and hours Monday through Friday. Rents do not cover parking, computer, or telecommunication services. They do not pay for unique needs or preferences of an agency.
4. Rents pay for limited building security and the keycard system at some sites. They do not pay for personnel security. An agency may request the installation of special security devices or measures at their expense. We expect that the agency will consult with State Police before requesting security measures.
5. Rents pay for Risk Management Division coverage and insurance on our buildings, but not for coverage on tenants' or employees' personal property or liability risks. A tenant agency is responsible to assure that its employees do not damage the building.
6. An agency may place unattached office equipment, partitions, and personal property in its assigned space. However, it must arrange with us for installation of tenant fixtures or anything that alters, attaches to, or affects the building or any of its systems. Fixtures require our prior written approval in response to a completed Project Authorization Request form. An agency is responsible for all costs related to its tenant fixtures.

We will not maintain, repair, or replace tenant fixtures, even if we have previously done so, unless we committed to do so in writing when the fixture was installed. Unless we agreed otherwise in writing when the fixture was installed, we may require an agency to remove its fixtures or pay for our removal of them upon their vacating the space.

"Tenant fixtures" means equipment and unique features installed in a building at an agency's request and expense to meet its unique needs or preferences. They are not installed at our expense because they are not necessary to a general office building. Here are a few examples: computer room raised floors and air conditioning, humidifiers, climate control alarms, security equipment, exhaust hoods, pumps, tanks, special lighting, counters, cashier windows, kiosks, and computer and telecommunications cabling.

7. An agency shall comply with the policies of the Department of Administrative Services as they relate to occupancy or use of the assigned space. Among these are policies on emergency evacuation, energy use and conservation, and building security.
8. An agency shall comply with state codes, laws, and rules as they relate to occupancy or use of the assigned space. Among these are state fire, electrical, and building codes.

9. An agency shall comply with federal regulations as they relate to occupancy or use of the assigned space. One of these is the Americans With Disabilities Act.

G. Term and Termination:

1. The term of a uniform rent agreement is indefinite, except as provided in this policy or specified by us in writing.
2. An agency wishing to vacate space must give us written notice as early as possible. The vacating agency must continue to pay the rent until the earlier of 18 months from the date of notice or the date another agency is assigned the space and assumes payment of the rent. In the event of an unforeseeable, uncontrolled emergency that requires immediate vacancy, our administrator may reduce this requirement.
3. When an agency vacates space, it relinquishes it to us. No agency may promise, sublet, or cede to another any space it rents from us. If we find that space is under-used or inappropriately used, we may direct an agency to relinquish it.
4. We may remove an agency from its assigned space:
 - (a) For cause, with reasonable notice. Cause may include failure to pay rent as billed or to fully comply with this policy.
 - (b) Without cause, if we give written notice during the second quarter of any biennium that the agency must vacate the space on or before the end of the first quarter of the next biennium.
 - (c) In the event of building system failure, damage to the building, or other circumstances that require a move and were not planned by us.
 - (d) For other unavoidable cause, including operation of law.
5. We will pay an agency's reasonable and necessary relocation costs if we direct it to vacate uniform rent space on short notice to accommodate our foreseeable, manageable needs. Relocation costs may include a temporary subsidy if higher rents are required at the new site. If vacation is required to accommodate another agency, that agency shall bear the vacating agency's reasonable and necessary relocation costs.

Please check our website or e-mail us for the latest forms to request space, installation of fixtures, and other services.

Notes:

1. Policy 125-6-135, *Mall Rental Units*, dated March 1, 1998 is now repealed.
2. Policy 125-6-121, *Office Rent Under the Uniform Rent Program*, dated March 1, 1998 is now repealed.