

Date: August 28, 2023

From: Associate Executive Director, Office of Real Property (003C7)

Subj: Office of Construction and Facilities Management Real Property Policy Memorandum 2023-03: Submitting a Request for Land and Leasing Actions to Office of Real Property (VIEWS 10624642)

To: Under Secretaries, Assistant Secretaries, Other Key Officials

1. The purpose of this memorandum is to establish the intake process for Office of Construction and Facilities Management's (CFM) Office of Real Property's (ORP) Land and Leasing actions. This policy provides a list of potential transactions with authorities, delegations, and estimated timeframes for execution of the Land or Leasing actions where CFM ORP is required or requested to take action due to lack of delegated authority or support needed to complete the transaction. Lastly this policy provides guidance, document requirements for a successful request, and expected timeframes of communication from CFM ORP to the requestor.

a. For Veterans Health Administration (VHA) leases:

- i. The term "Minor Lease" or "Minor Level Lease" means leases of \$1,000,000 or less in annual unserviced rent (net average annual rent for the term of the lease, including option periods and excluding the cost of services).
- ii. The term "Mid-Level Lease" means leases exceeding \$1,000,000 in annual unserviced rent (net average annual rent for the term of the lease, including option periods and excluding the cost of services) but less than the major level lease threshold<sup>1</sup>.
- iii. The term "Major Lease" means leases is equal to or greater than the prospectus level threshold<sup>1</sup> in annual unserviced rent (net average annual rent for the term of the lease, including option periods and excluding cost of services) for the fiscal year in which award is to be made. The prospectus threshold for VA is the "major medical facility lease threshold" as defined in [38 USC § 8104 \(a\)\(3\)\(B\)](#).

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<sup>1</sup> [OMB Circular A-11 Appendix B](#) reflects 2023-2025 prospectus thresholds which are not yet reflected at [Annual prospectus thresholds | GSA](#).

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- iv. Requests for Major and Mid-Level Leases approved through the normal Strategic Capital Investment Planning (SCIP) cycle do not require a separate submission.
- v. Requests for SCIP approved Out of Cycle Mid-Level Leases require a completed Request Sample Memo (Attachment A) as an attachment in addition to the SCIP Out-of-Cycle Mid-Level Lease Checklist (Attachment B).

b. For non-VHA leases:

- i. Requests for SCIP approved leases of up to 19,999 American National Standards Institute/Building Owners and Managers Association (ANSI/BOMA) Office Area (ABOA) Square Feet require submission of a Request Sample Memo (Attachment A).

2. This memo rescinds OCFM Real Property Policy Memorandum 2022-07 – Submitting a Request for Land and Leasing Actions to Office of Real Property dated July 12,2022.

3. CFM ORP land transactions or those delegated to other administrations and being forwarded to CFM ORP for execution may include:

| <b><u>Activity</u></b>                                   | <b><u>Office with Authority</u></b> | <b><u>Delegated to Administration</u></b>  | <b><u>CFM's Executing Office for Non-Delegated</u></b>               | <b><u>CFM Typical Timeframe for Execution</u></b> |
|--|-------------------------------------|--|--|---|
| Disposition – Direct Compensated Work Therapy (CWT) Sale | CFM                                 | Non-Delegated  | CFM ORP's Land Management (LMD) Division                             | 12 – 18 months                                    |
| Disposition – GSA Excess                                 | CFM                                 | Non-Delegated  | CFM ORP's Land Acquisition and Strategic Utilization (LASU) Division | 18 – 24 months                                    |
| Disposition – Legislated Transfer                        | CFM                                 | Non-Delegated  | CFM ORP's LASU   | 18 – 24 months                                    |
| Donations of Real Property                               | CFM                                 | VHA – Delegated with Market Value less than \$100,000;<br>Non-Delegated – All Non-VHA (regardless of value),<br>or<br>VHA – Greater than \$100,000 | CFM ORP's LASU   | 20 – 24 months                                    |

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| <u>Activity</u>   | <u>Office with Authority</u> | <u>Delegated to Administration</u>   | <u>CFM's Executing Office for Non-Delegated</u> | <u>CFM Typical Timeframe for Execution</u> |
|---|------------------------------|--|---|--|
| Easement Acquisitions   | CFM                          | Non-Delegated  | CFM ORP's LASU                                  | 10 – 12 months                             |
| Easement Grants   | CFM                          | Non-Delegated  | CFM ORP's LMD                                   | 3 – 8 months                               |
| Federal Transfers   | CFM                          | Non-Delegated  | CFM ORP's LASU                                  | 20 – 24 months                             |
| Intra-Agency Transfers  | CFM                          | Non-Delegated  | CFM ORP's LMD                                   | 20 – 24 months                             |
| Historic Re-Use   | CFM                          | Non-Delegated  | CFM ORP's LASU                                  | 30 – 36 months                             |
| Land Acquisition Market Values to support SCIP Business Cases (BC) for Major or Minor Construction Projects | CFM                          | Non-Delegated  | CFM ORP's LASU                                  | 5 – 6 months                               |
| Land Acquisition to Support Major or Minor Construction Projects  | CFM                          | Non-Delegated  | CFM ORP's LASU                                  | 20 – 24 months                             |
| Outleases   | CFM or VHA                   | Non-NCA – Delegated Up to 3 Years;<br>NCA – Delegated Up to 10 Years; must include option years        | CFM ORP's LMD                                   | 12 – 18 months                             |
| Permits   | CFM or VHA                   | Delegated Up to 5 Years  | CFM ORP's LMD                                   | 3 – 6 months                               |
| Revocable Licenses  | CFM or VHA                   | Without fees or consideration - Delegated Up to 5 Years;<br>With fees or consideration - Non-Delegated | CFM ORP's LMD                                   | 3 – 6 months                               |

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4. CFM ORP leasing transactions for VHA or those delegated and being forwarded to  
 CFM ORP for execution may include:

| <u>Activity</u>  | <u>Office with Authority</u> | <u>Actions Delegated to VHA</u>   | <u>If VHA Requests CFM to Execute, CFM's Executing Office</u>                                  | <u>CFM Typical Timeframe for Execution</u>                               |
|--|------------------------------|---|--|--|
| Major Leases – New/ Replacing, Succeeding, and Superseding   | CFM                          | Non-Delegated, Requires VA and GSA's Committee Resolutions                      | CFM ORP's Lease Execution (LE) Division <b>NOTE:</b> CFM will execute without VHA's submission | 48 – 60 months   |
| Major Leases – Extensions, Expansions, or Reductions   | CFM                          | Non-Delegated <sup>2</sup>  | CFM ORP's LE   | 22 – 24 months   |
| Major Leases – Exercising of Renewal Options   | CFM                          | Non-Delegated <sup>2</sup>  | CFM ORP's LE   | 10 – 12 months prior to required Lessor Notification, per Lease Contract |
| Major Leases – Post-Occupancy Alterations Less Than General Services Administration's (GSA) Alterations Prospectus Threshold | CFM                          | Delegated to Admin Lease Contracting Officer <sup>2</sup>                       | CFM ORP's LE   | 4 – 6 months   |
| Major Leases – Post-Occupancy Alterations Equal to or Greater Than GSA's Alterations Prospectus Threshold                    | CFM                          | Non-Delegated – Requires GSA's Committees Resolutions and then GSA's Delegation | CFM ORP's LE   | 22 – 24 months   |
| Major Lease – Standstill Agreements  | CFM                          | Non-Delegated   | CFM ORP's LE   | 3 – 6 months   |
| Mid-Level Leases – New/ Replacing, Succeeding, and Superseding   | CFM                          | Non-Delegated   | CFM ORP's LE   | 48 – 60 months   |

<sup>2</sup> Prior to FY2022, Major and Mid-Level Leases were delegated to VHA via an Administrative Contracting Officer (ACO) letter. These leases can proceed with the respective actions noted in the table above.

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| <b><u>Activity</u></b>  | <b><u>Office with Authority</u></b>           | <b><u>Actions Delegated to VHA</u></b>  | <b><u>If VHA Requests CFM to Execute, CFM's Executing Office</u></b> | <b><u>CFM Typical Timeframe for Execution</u></b>                        |
|---|---|---|--|--|
| Mid-Level Leases – Extensions, Expansions, or Reductions  | CFM   | Non-Delegated <sup>3</sup>  | CFM ORP's LE   | 22 – 24 months   |
| Mid-Level Leases – Exercising of Renewal Options  | CFM   | Non-Delegated <sup>3</sup>  | CFM ORP's LE   | 10 – 12 months prior to required Lessor Notification, per Lease Contract |
| Mid-Level Leases – Post-Occupancy Alterations Less Than GSA's Prospectus Threshold                | CFM or VHA Regional Procurement Offices (RPO) | Delegated to Admin Lease Contracting Officers <sup>3</sup>                      | CFM ORP's LE   | 4 – 6 months   |
| Mid-Level Leases – Post-Occupancy Alterations Equal to or Greater Than GSA's Prospectus Threshold | CFM   | Non-Delegated – Requires GSA's Committees Resolutions and then GSA's Delegation | CFM ORP's LE   | 22 – 24 months   |
| Mid-Level Lease – Standstill Agreements   | CFM   | Non-Delegated   | CFM ORP's LE   | 3 – 6 months   |
| Minor Leases – New/ Replacing, Succeeding, and Superseding  | CFM or VHA RPO                                | After GSA Delegation, Delegated to Lease Contracting Officers                   | CFM ORP's LE   | 30 – 36 months   |
| Minor Leases – Extensions, Expansions, or Reductions  | CFM or VHA RPO                                | After GSA Delegation, Delegated to Admin Lease Contracting Officers             | CFM ORP's LE   | 22 – 24 months   |
| Minor Leases – Exercising of Renewal Options  | CFM or VHA RPO                                | After GSA Delegation, Delegated to Admin Lease Contracting Officers             | CFM ORP's LE   | 10 – 12 months prior to required Lessor Notification, per Lease Contract |

<sup>3</sup> Prior to FY2022, Major and Mid-Level Leases were delegated to VHA via an Administrative Contracting Officer (ACO) letter. These leases can proceed with the respective actions noted in the table above.

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 Memorandum 2023-03: Submitting a Request for Land Actions and Leasing Actions to  
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| <u>Activity</u>   | <u>Office with Authority</u> | <u>Actions Delegated to VHA</u>   | <u>If VHA Requests CFM to Execute, CFM's Executing Office</u> | <u>CFM Typical Timeframe for Execution</u> |
|---|------------------------------|---|---|--|
| Minor Leases – Post-Occupancy Alterations Less Than GSA's Prospectus Threshold                | CFM or VHA RPO               | After GSA Delegation, Delegated to Admin Lease Contracting Officers             | CFM ORP's LE  | 4 – 6 months                               |
| Minor Leases – Post-Occupancy Alterations Equal to or Greater Than GSA's Prospectus Threshold | CFM                          | Non-Delegated – Requires GSA's Committees Resolutions and then GSA's Delegation | CFM ORP's LE  | 22 – 24 months                             |

5. CFM ORP leasing transactions for non-medical/non-VHA leases or those delegated and being forwarded to CFM ORP for execution may include:

| <u>Activity</u>   | <u>Office with Authority</u>  | <u>Actions Delegated to Administration</u>                          | <u>If Admin Requests CFM to Execute, CFM's Executing Office</u> | <u>CFM Typical Timeframe for Execution</u>                               |
|---|---|---|---|--|
| Leases Less Than or Equal to 19,999 ABOA SQFT – New/ Replacing, Succeeding, and Superseding | Veterans Benefits Administration (VBA)/National Cemetery Administration (NCA) | After GSA Delegation, Delegated to Admin Lease Contracting Officers | CFM ORP's LE  | 48 – 60 months   |
| Leases Less Than or Equal to 19,999 ABOA SQFT – Extensions, Expansions, or Reductions       | VBA/NCA   | After GSA Delegation, Delegated to Admin Lease Contracting Officers | CFM ORP's LE  | 22 – 24 months   |
| Leases Less Than or Equal to 19,999 ABOA SQFT – Exercising of Renewal Options               | VBA/NCA   | After GSA Delegation, Delegated to Admin Lease Contracting Officers | CFM ORP's LE  | 10 – 12 months prior to required Lessor Notification, per Lease Contract |

For more information on the processes, authorities, and delegations for the above real property actions, please see CFM's ORP Acquisition Authorities Matrix located at [VA CFM ORP](#).

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6. The individual with the appropriate authority to approve funding for the request shall upload a Request Sample Memo (Attachment A) signed by the VAMC Director (or his/her delegated authority), NCA Cemetery Improvements Director, or VBA Facilities Directorate Director, Office of Mission Support, to the [CFM ORP SharePoint](#) under "Request for Land and Leasing Action." All memos shall include:

- a. **Requirements:** Requirements should include scope from the approved SCIP project, if applicable, i.e., square feet, acreage, functions within the space; desired location of land action or delineated area of lease (include legal description and/or survey, and an aerial view of the area where the action is needed, if available); the names of entities involved in the land actions, the entity points of contact; desired term length of the land action, agreement or contract; that funding is available for any required due diligence; and any additional information that supports the request;
- b. **Justification:** Explain why the initiative is being requested and beneficial to VA. VHA Minor Lease Actions or non-VHA Lease Actions within local authority: Explain why lease is being requested to be procured by CFM rather than the local procurement office;
- c. **Timing:** Requested timeline for completion of the action, including an explanation for issues causing urgency;
- d. **SCIP #:** SCIP Automated Tool (SAT) number, if required per SCIP guidance;
- e. **SCIP Approval:** SCIP approval, if required per SCIP guidance;
- f. **Funds:** Certification that funds are available for the requested action and any required due diligence for land or lease acquisitions; and
- g. **POC:** A primary VA point of contact (POC) and a primary third party POC (if required). Third party POC includes lessees, lessors, grantees, and municipalities, if party to the transaction, agreement or contract.

7. Upon receipt of the complete, signed Request Sample Memo (Attachment A) for VHA Minor Leases or non-VHA lease actions, the Associate Executive Director (AED), ORP will evaluate the request and provide an approval or disapproval to the requestor within five business days. Upon receipt of the complete, signed Request Sample Memo (Attachment A) for all other land and lease actions, the respective CFM ORP Directors will review for completeness and have a Project Manager (PM) assigned within five business days to execute the requested action.

8. To be consistent with VA policies on updating directives and handbooks, CFM ORP issued policies and procedures are subject to renewal every five years. Policies and procedures will be updated whenever substantive changes are needed, even if this precedes the five-year renewal requirement. CFM ORP issued policies are located at

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[VA Real Property Policy Program - Office of Construction & Facilities Management](#) along with other real property policies and guidance, including this policy memo and attachments.

9. In the event policy or other guidance issued by any other VA organization pertaining to real property lease acquisitions conflicts with policy or guidance issued by ORP, ORP's policy/guidance shall control.

10. Please direct questions regarding this policy to the Director, CFM ORP Policy and Programs, via email [VACO003C7APolicyandProgramsTeam@va.gov](mailto:VACO003C7APolicyandProgramsTeam@va.gov).

**JOHN**  
**THOMAS**

Digitally signed by  
JOHN THOMAS  
Date: 2023.08.28  
17:22:25 -04'00'

John D. Thomas

Attachments



**Department of  
Veterans Affairs**

# Memorandum

Date:

From: [Title of Authorized Approver], [Insert Office] ([insert mail code])

Thru: **[For VHA Requests Only: Network Director]**

Thru: **[For VHA Requests Only: Director, Capital Asset Management (CAM)]**

**[For VBA Requests Only: Director, Office of Mission Support, Facilities Directorate]**

**[For NCA Requests Only: Director, Cemetery Improvements]**

Subj: Request Office of Real Property (ORP) Action for [e.g., *Land Acquisition/Easement Grant*] in [location]- Project Initiation Memo

To: Associate Executive Director, Office of Real Property (003C7)

1. The purpose of this memorandum is to request that the Office of Construction and Facilities Management (CFM), Office of Real Property (ORP) to *[insert description of task requested of ORP and any special requirements]*.
2. *[Provide the justification for land or leasing action. VHA's Minor Leases or non-VHA leases within local execution authority – justification should also explain why lease is being requested to be procured by CFM ORP rather than the local procurement office along with signed acknowledgement from the local procurement office director or equivalent of their office's responsibility for lease administration upon award and throughout the term of the resultant lease, to include tenant improvement activities.]*
3. The requested action should be completed no later than *[insert date; 3 - 8 months for small land actions like easements; 20 – 24 months for land acquisitions; 30 – 36 months for Minor Leases and 48 – 60 months for Mid-Level Leases all depending on size and complexity in accordance with paragraph 3 or 4 of OCFM RPPM 2023-03]*. *[Requesting office should provide an explanation of its timeline and whether there are any extenuating circumstances affecting the requested action.]*
4. *[For land actions, provide a survey and legal description, if possible, or an aerial view of the area outlined where the action is needed, the names of entities involved in the land actions such as permittee and permittor, grantee and grantor, donor, etc., all relevant points of contact and any other pertinent details.]*

5. *[Provide the initiative's Strategic Capital Investment Planning (SCIP) Automated Tool (SAT) number [xxxx-xxx-xxxx-xxxxx], if required, and attach the action plan project or business case and SCIP approval, such as an approved operating plan. If SCIP approval is not required, state the reason.]*
6. I certify that funds in the amount of **\$XXXXXX** are available for this action.
7. Questions concerning this matter should be directed to *[insert Points of Contact information]\_\_\_\_\_at [insert email.]*

*[Signature]*

*[Name]*

*[Position & Title]*

**[Add the following approvals for VHA requests only:**

CONCUR / NON-CONCUR

*[Name]*

Network Director, Veterans Health Administration

APPROVE / DISAPPROVE

*[Name]*

Director, Capital Asset Management, Veterans Health Administration]

**[Add the following approvals for VBA requests only:**

APPROVE / DISAPPROVE

[Name]  
Director, Office of Mission Support, Facilities Directorate]

**[Add the following approvals for NCA requests only:**

APPROVE / DISAPPROVE

[Name]  
Director, Cemetery Improvements]

Attachment(s) [*if applicable*]

Attachment B – SCIP Out-of-Cycle Mid-Level Lease Checklist

**CHECKLIST FOR VHA’s SCIP OUT-OF-CYCLE MID-LEVEL LEASES  
TO BE EXECUTED BY CFM’S OFFICE OF REAL PROPERTY**

**Policy:** As detailed in VA’s Lease Directive 7815 and VA’s Supplement to the Leasing Desk Guide, Office of Construction and Facilities Management’s Office of Real Property (CFM ORP) Lease Execution (LE) will execute all actions for Veterans Health Administration’s (VHA) Major Leases and Mid-Level Leases; Minor Leases can be executed by CFM ORP LE, if requested as detailed above.

**Process:** For normal VHA Major Lease and Mid-Level Lease Strategic Capital Investment Planning (SCIP) submissions, prospectus packages will be developed by CFM ORP Policy and Programs, which replaces the need for a request memo and the below check-list to be submitted to CFM ORP.

For VHA’s SCIP Out-of-Cycle Mid-Level Leases, upon SCIP approval, a request memo and the below checklist should be sent per this policy.

| Check or<br>N/A | Item   |
|-----------------|--|
|                 | Memo addressed TO: Associate Executive Director, Office of Real Property (ORP)<br>FROM: VAMC Director<br>THRU: Network Director, Veterans Health Administration (must have VISN Director’s signed on the memo)<br>(See Attachment A)<br>THRU: Director, Capital Asset Management   |
|                 | Approved SCIP Business Case.   |
|                 | Space Equipment Planning Software’s (SEPS) Program for Design (PFD).<br>Notes:<br>Your submission of this PFD is your acknowledgement that it has been vetted through the appropriate specialty offices at the VAMC (for example, Police, SPD, IT, and the department heads) and that those offices approve of their respective space. Once the PFD is submitted to CFM ORP, no significant deviations will be allowed without the need for the VAMC/VISN to obtain additional approvals by VHA’s CAM, potentially delaying the lease. |

Subject: Attachment B – SCIP Out-of-Cycle Mid-Level Lease Checklist

| <b>Check or N/A</b> | <b>Item</b>   |
|---------------------|---|
|                     | For non-medical leases: certification from VISN Capital Asset Manager (CAM) that the requested lease will not result in a net increase in space leased in the VISN or the planned off-set to ensure a net-zero result; alternatively, a statement from the VISN CAM that “freeze the footprint” does not apply is acceptable.   |
|                     | Number of full-time employees and estimated number of patients to be served at the facility.  |
|                     | Delineated area, detailed written justification for that area, and any special requirements required regarding space location (i.e., within walking distance to public transportation, a bus stop at the corner, near hotels, shopping, banks, etc., near the VAMC for what purpose).   |
|                     | Certification of funding availability for the first year’s rent and the lump sum payment for tenant improvements, as well as acknowledgement of responsibility for rent and all other expenses throughout the term of the lease.  |
|                     | Certification that Architect/Engineer funds are available at a currently estimated amount of \$7.00 per NUSF.   |
|                     | Lease term requested (up to 20 years, including all options.) If not specified, CFM ORP will solicit for various terms up to a 20-year firm term.   |
|                     | Any special requirements needed in terms of the space (i.e., all on one floor, contiguous on two or three floors, floor loads to accommodate large lateral files, type of building security due to sensitive files, etc.)   |
|                     | Number of parking spaces needed, especially if more than local code dictates. Whether the parking must be on site or within walking distance (1 to 2 blocks from facility).   |
|                     | If this lease is replacing existing space, provide location, building name, square footage, and current annual rent of the facility(ies) it will be replacing. Also provide the existing lease(s) expiration date and the status of any options. If an existing lease will be expiring prior to the replacement facility’s activation, state the parent facility’s plans for that existing lease. |

Subject: Attachment B – SCIP Out-of-Cycle Mid-Level Lease Checklist

| <b>Check<br/>or N/A</b> | <b>Item</b>  |
|-------------------------|--|
|                         | Contact information for the one (1) individual with decision-making authority from the VA Medical Center (VAMC) Director's office or Chief Engineer's office who will represent the parent facility in a market survey of properties and in general communications with CFM ORP and its contractors and one (1) individual to serve as an alternate/back-up. |
|                         | Contact information for a local Lease Contracting Officer who will be assigned to obligate funds as necessary for this project (A/E, due diligence, lump sum for tenant improvements, and the first year's rent).  |

**NOTES:** CFM ORP will return this SCIP Out-of-Cycle Mid-Level Lease package if:

1. All items in this checklist or a justification as to why a particular item is not applicable.
2. If any information or data is inconsistent with approved SCIP Business Case.