**How Can Affiliates Participate with VA for**

**Real Property Leases under Section 704 of the PACT Act (38 USC 8103(h))?**

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| 1. **Affiliate engages VAMC in assessment of VA real property/space needs**
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| 1. Engages VAMC leadership to determine and understand VA existing or emerging real property space requirements:
	1. Recognizes shared common missions.
	2. Discusses VA real property needs for clinical, research, education, or administrative space.
	3. Identifies potential for VA to lease space for VA’s exclusive use.
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| 1. **Affiliate identifies resources and opportunities**
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| 1. Identifies current or potential affiliate-owned or controlled assets to meet VA-defined technical space requirements as approved through the VA capital planning process.
2. Engages VAMC leadership to discuss existing or new affiliate assets that may meet VA lease requirements. These assets could be:
	1. Construction of a new facility, unit or other subdivision.
	2. An existing facility, unit or other subdivision of an existing building (that may be renovated for VA’s exclusive use).
3. Identifies an integrated project team to manage relationships and actions between the two parties (affiliate and VA) for the duration of the project/lease.
4. Discusses any potential associated Healthcare Resource sharing – noting that this must executed separately from the space lease, through an agreement under 38 USC 8153.
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| 1. **VA initiates acquisition process**
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| 1. VA evaluates potential courses of action for acquisition. If sole-source to affiliate is selected, VA prepares justification and prepares acquisition package for approvals.
2. Upon approval of VA’s lease, VA’s Lease Contracting Officer provides the affiliate VA’s Lease templates, which outline terms and conditions and roles and responsibilities.
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| 1. **Affiliate participates in VA acquisition process**
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| 1. Responds to VA Request for Lease Proposal
	1. Affiliate responds to proposal outlining how they will meet VA’s terms and conditions and costs for the lease. (Note: Affiliate proposal must have fair and reasonable cost in relation to market.)
2. Negotiations
	1. Enters into lease negotiations with VA.
	2. Provides documentation as required by VA, including any questioned costs.
3. Lease Award
	1. Resultant lease award signed by both the affiliate and VA.
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| 1. **Affiliate executes project and VA occupies leased space**
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| 1. Renovates or constructs space for exclusive VA use.
2. Upon lease commencement, provides facility management (pursuant to terms of the lease).
3. Communicates with VA often and on a consistent basis.
4. Regularly assesses lease to inform decisions about the lessee-lessor relationship for current and future needs.
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