§ 102–85.55 What are the terms and conditions included in an OA?

The terms and conditions are modeled after commercial practice. They are intended to reflect a full mutual understanding of the financial terms and agreement of the parties. The OA describes the actual space and services to be provided and all associated actual costs to the customer during the term of occupancy. The OA does not include any general provisions or terms contained in this part. OAs typically describe the following, depending on whether the space is leased or Federally owned:

(a) Assigned square footage;
(b) Shell Rent and term of occupancy;
(c) Amortized amount of customer allowance used;
(d) Operating costs and escalations;
(e) One time charges; e.g., lump sum payments by the customer;
(f) Real estate tax and escalations;
(g) Parking and escalations;
(h) Additional/reduced services;
(i) Security services and associated Rent;
(j) Joint use space and associated Rent;
(k) PBS fee;
(l) Customer rights and provisions for occupancy after OA expiration;
(m) Cancellation provisions if different from this part or the customer service guides;
(n) Any special circumstances associated with the occupancy, such as environmental responsibilities, unusual use restrictions, or agreements with local authorities;
(o) Emergency relocations;
(p) Clauses specific to the agreement;
(q) Other Rent, e.g., charges for antenna sites, land;
(r) Agency standard clauses; and
(s) General clauses defining the obligations of both parties.

§ 102–85.60 Who can execute an OA?

Authorized GSA and customer agency officials who can commit or obligate the funds of their respective agencies can execute an OA. Higher level signatories may be appropriate from both agencies for space assignments in owned or leased space, that are unusual in size, location, duration, public interest, or other factors. Each agency decides its appropriate signatory level.

§ 102–85.65 How does an OA obligate the customer agency?

An OA obligates the executing customer agency to fund the current-year Rent obligation owed GSA, as well as to reimburse GSA for any other bona fide obligations that GSA may have incurred on behalf of the customer agency. Although the OA is an interagency agreement, memorializing the understanding of GSA and its customer agency, the OA may not be construed as obligating future year customer agency funds until they are legally available. A multi-year OA commitment assumes the customer agency will seek the necessary funding through budget and appropriations processes.

§ 102–85.70 Are the standard OA terms appropriate for non-cancelable space?

Yes, most of the standard terms apply; however, the right to cancel upon a 4-month (120 day) notice is not available. See §102–85.35 for the definition of non-cancelable space.

§ 102–85.75 When can space assignments be terminated?

(a) Customer agencies can terminate any space assignments, except those designated as non-cancelable, with the following stipulations:

(1) The agency must give GSA written notice at least four months prior to termination.
(2) The agency is responsible for reimbursing GSA for the unpaid balance of the cost of tenant improvements, generally prior to GSA releasing the agency from the space assignment. In the event the customer agency received a rent concession (e.g., free rent) at the inception of the assignment as part of the consideration for the entire lease term, then the amount of the concession applicable to the remaining term must be repaid to GSA.
(3) If the space to be vacated is ready for occupancy by another customer and