

ADMINISTRATION -- FACILITIES

Cost-Benefit Analysis of Lease and Purchase Options

Motion:

Move to specify that the Department of Administration (DOA) may not enter into, extend, or renew an executive branch agency lease with an annual rent of more than \$500,000 unless the Secretary of DOA signs the lease, a copy of the proposed lease is submitted electronically to the Chief Clerk of each house of the Legislature for distribution, and DOA notifies the Joint Committee on Finance of the proposed lease and provides the following information and a summary report of the information (including the terms of the lease, the lease rate per square foot, and the comparable options) to the Committee: (a) a cost-benefit analysis comparing the lease with purchasing the space or another suitable space; (b) an evaluation of comparable lease options within a 10-mile radius of the property proposed in the lease or, if there are not sufficient comparable properties within a 10-mile radius to perform a meaningful comparison, a wider radius as needed to ensure the lease rate per square foot does not exceed the lease rate per square foot on comparable properties or the market rate by more than 5%.

Further, move to specify that if the Co-Chairpersons of the Committee do not notify the Secretary within 14 working dates after the date of notification that the Committee has scheduled a meeting for the purpose of reviewing the proposed lease, the lease may be entered into, extended or renewed. Specify that, if the Co-Chairpersons of the Committee notify the Secretary within 14 working dates after the date of notification that the Committee has scheduled a meeting for the purpose of reviewing the proposed lease, the lease may be entered into, extended, or renewed only upon approval of the Committee.

**Posted By:**  
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