




GSA Public Buildings Service

October 4, 2022

MEMORANDUM FOR: REGIONAL COMMISSIONERS, PBS
REGIONAL LEASING DIRECTORS
REGIONAL LEASE ACQUISITION OFFICERS

FROM: CROFTON WHITFIELD 
ASSISTANT COMMISSIONER FOR OFFICE OF LEASING
– PR

SUBJECT: LEASING ALERT (LA-22-09) – Swing Space Guidance and
Considerations

1. **Purpose.** This Leasing Alert issues guidance and considerations for swing space in lease procurements where the incumbent must provide swing space to fulfill long term space requirements in the follow-on lease action. This Leasing Alert and subsequent RLP and Lease updates do not apply to AAAP procurements.
2. **Background.**

Over the years, regions have encountered succeeding lease or new replacing procurements with the incumbent where significant tenant improvement construction is needed in the currently occupied space. These situations may require swing space to minimize disruption of the customer agency's operations. Until now, there was no national guidance on the use or considerations of swing space in a lease procurement, nor was there consistent language for Lease Contracting Officers (LCOs) to include in their Request for Lease Proposal (RLP) packages.

This Leasing Alert provides guidance and considerations on the use of swing space in lease procurements. For instances where the incumbent is required to provide swing space, the corresponding RLP and Lease Swing Space paragraphs shall be used. These were first included in the templates issued with RLP and Lease updates via LA-22-08 and will be reviewed annually as part of the RLP and Lease updates. The most up-to-date versions of these paragraphs will be found in

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the most recently issued version of the RLP and Lease Templates (Global, SLAT, Small, and Warehouse) issued by the Office of Leasing.

3. **Effective Date.** This Leasing Alert and attachments are effective immediately, unless modified, canceled, or reissued.
4. **Applicability.** This Leasing Alert and its attachments are mandatory and apply to all General Services Administration (GSA) real property lease procurements where the incumbent is required to provide swing space.
5. **Cancellation.** None.
6. **Instructions and Procedures.** Additional instructions and procedures on the use of swing space are outlined under Attachment 1, Guidance and Considerations for Use of Swing Space in Lease Procurements.

Attachments:

- **Attachment 1,** Guidance and Considerations for Use of Swing Space in Lease Procurements

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Attachment 1 - Guidance and Considerations for Use of Swing Space in Lease Procurements, excluding AAAP

Swing Space is a temporary space the incumbent provides to house the customer agency while the space undergoes significant renovations. Customer agencies can usually remain operational in their current space during renovations and, therefore, swing space would not be required. However, there may be instances where renovations to the occupied space will significantly disrupt customer agency operations and require the tenant to vacate part, or all, of the space temporarily.

The Lease Contracting Officer (LCO) must consider factors to support their decision to include swing space as a requirement, draft the Request for Lease Proposal (RLP) package appropriately, review swing space offer submittals with the initial release of the RLP/Lease package, and document the lease contract to include the specific swing space details if the incumbent is the awardee.

Considerations & Factors

The LCO must consider various factors before deciding to include swing space as a requirement in the RLP package. Ultimately, the customer agency confirms that their mission can be maintained through the use of swing space, i.e., swing moves in/out, space construction. The decision to require swing space must be documented in the file, e.g., Requirements Package, Market Survey Report, memo to file, and Price Negotiation Memorandum. Considerations include:

- Whether the renovations required at the incumbent's location would unduly disrupt the customer agency's operation to an unacceptable degree.
- Whether there are alternate temporary operational solutions in lieu of swing space, e.g., teleworking, deploying to a nearby office, closing the office, after hours or weekend construction work.
- That the customer agency confirmed the *minimum* swing space requirements to be included in the RLP package.
 - Such requirements must reflect the *temporary* nature of the occupancy and only include restrictions and buildout specifications that are *absolutely necessary* to perform the customer's mission.

RLP Package

Any requirement for swing space must be clearly stated in the RLP package issued and must include, at a minimum, both the RLP and Lease swing space paragraphs, "Swing Space - RLP" and "Swing Space - Lease", along with any agency-specific swing space requirements, e.g., contiguous space on same floor, square footage. The most recent RLP and Lease templates issued by the Office of Leasing must be utilized for the current versions of swing space paragraphs. These should only be altered in consultation with regional counsel.

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If the customer agency determines that swing space can be in a location other than the incumbent building, they need to provide a swing space delineated area. This shall be documented in the lease file and the RLP accordingly.

The RLP language provides the necessary submittal/evaluation information for the incumbent during the offer phase. This language also specifies that the Government will fund the cost of moving each employee (including contractor personnel) one time only, from the swing space(s) to the final space, and that the Lessor must fund all other moves associated with the swing space. Note that since a swing space scenario involves a temporary relocation to alternative space in order to accommodate major renovations to the existing space, move and replication costs will generally be assumed to be the same for all offerors. Therefore, the Present Value Analysis (PVA) price evaluation would rarely include move and replication costs.

Any decision to evaluate move and replication costs as part of the PVA must be supported by contemporaneous file documentation, including cost estimates for the incumbent as well as non-incumbent **spaces**, developed prior to issuing the RLP.

Swing Space Submittals

The LCO shall review and evaluate the swing space offer submittals to confirm that it meets the agency's minimum requirements. Evaluation should take into consideration the following:

- continued access to common areas during renovation, e.g., lobbies, elevators, stairways, restrooms,
- compliance with environmental, health, ABAAS, fire and life safety standards,
- agency's ability to function efficiently during renovations,
- floodplain compliance, if swing space is offered at a location other than the incumbent,
- appropriate level of build out and/or finishes to be provided, and
- schedule aligns with RLP requirements.

Upon evaluation, the LCO determines whether there are any weaknesses or deficiencies with the swing space submittals that must be negotiated with the incumbent lessor (if he/she is included in the competitive range). Negotiations can include components of the plan, the schedule, and any other items for the LCO to determine that the customer agency's mission can be maintained in the swing space proposed to achieve the final space build out.

Only the LCO may approve this plan and schedule. If the LCO determines that the incumbent's swing space plan and schedule will not satisfy the Government's requirement, the LCO shall reject the offer as technically unacceptable and document the file accordingly.

Lease Contract (if incumbent is the awardee)

The final negotiated swing space agreement and customer agency's swing space requirements shall be included in the replacement lease contract in the event the incumbent is the awardee. Lease attachments may also include the swing space schedule, floor plan indicating blocks of swing space, and any other pertinent documentation provided during the offer stage.