



State of Idaho – State Leasing Program

Department of Administration, Division of Public Works

“Provide responsive, cost effective, and timely support services to Idaho’s policy makers, public agencies, and state employees as they serve Idaho citizens.”

BRAD LITTLE
Governor

KEITH REYNOLDS
Director

PAT DONALDSON
Administrator

REQUEST FOR PROPOSALS

TO: Commercial Real Estate Agents, Owners & Managers
FROM: Richard Brien, Statewide Leasing Manager, State of Idaho, Division of Public Works
DATE: November 16, 2020

The State of Idaho is seeking to lease approximately 3,500 to 5,000 net rentable square feet of new or existing retail space for occupancy by the **Idaho State Liquor Division** in Caldwell, Idaho.

DUE DATES

Proposals are due by **midnight on December 16, 2020** at the Division of Public Works and may be:

- Mailed to 502 N. 4th Street 83702, PO Box 83720 Boise, ID 83720-0072;
- Hand-delivered to 502 N. 4th Street, Boise (office closes @ 5:00 PM - there is no mail slot);
- Emailed to Richard.Brien@adm.idaho.gov; or
- Faxed to (208) 334-4031.

For further information on the **RFP process**, contact Richard Brien, Statewide Leasing Manager, Department of Administration, Division of Public Works at (208) 332-1929. The Liquor Division is seeking an executed Lease Agreement by the end of January 2021, and occupancy by May 2021. These dates are dependent on the current premise condition and occupancy availability. Responder shall note when the premise would be available for the Division.

LOCATION – Caldwell, ID

All proposed sites must be appropriately zoned and should offer convenient access to the public. By statute, liquor stores must be at least 300 feet from a school (Title 23-303). This RFP is for a potential replacement of Liquor Store #106 located at 918 Blaine Street, Caldwell, Idaho. The Liquor Division has indicated a **preference for a store in the city of Caldwell north of Linden Street**.

COST OF LEASE

The estimated annual cost of the lease should reflect a competitive market rate per square foot per year. A turn-key finish will be required; however, the division shall specify its own flooring, shelving and specialized LED accent lighting. The division prefers to contract directly with the Lessor’s contractors to install the flooring and accent lighting. The proposal should detail the amount of the tenant improvement allowance included in the rental rate. A triple net lease would be acceptable if NNN expenses can be quantified. The Liquor Division will be responsible for its own electricity, gas and interior cleaning. The State may require a background check of personnel such as the maintenance staff who would have access to the interior of the store. The proposal should detail the amount of the tenant improvement allowance included in the rental rate as well as any incentives offered by building owner.

THE LEASE

The State’s standard lease form, attached as Exhibit A, will be used. **STANDARD LANGUAGE (EXCLUDING BUSINESS TERMS) WITHIN THE LEASE FORM IS NOT NEGOTIABLE**. The initial term of the lease will be for five years. The lease will contain an annual funding appropriation clause.

The State may consider a twenty (20) year lease term. In such case, the Lessor would have to agree that after the twenty (20) year term, if the Idaho Legislature authorized a time purchase pursuant to Idaho Code § 67-5708, title to the facility

and real property would go to the State. All responses should provide the yearly lease price for all twenty (20) years under this scenario and any other relevant information.

The exercise of either option described above must be done in accordance with applicable provisions of the Idaho Code, including Idaho Code § 67-5708. Idaho Code § 67-5708 allows for lease purchase or other time purchase agreements when a facility is authorized by concurrent resolution and a maximum cost is set by concurrent resolution.

PROPOSAL ASSISTANCE

The division is able to answer questions related to client and staff usage of the proposed space and the relationship between the programs occupying the space. More detailed information on facility requirements and use may be obtained by contacting Sally Ray at (208) 947-9424 or sally.ray@liquor.idaho.gov.

CONFIDENTIALITY

All proposals will remain confidential until a lease has been executed. Submitted proposals will become the property of the State of Idaho and will not be returned.

PROCESS OF SELECTION

INITIAL EVALUATION. A committee composed of the Leasing Manager of the Department of Administration, Division of Public Works, or a designee, and staff of the division and which may also include other non-state personnel will evaluate each proposal. Each proposal will be evaluated based upon an established set of criteria and a weighted evaluation. The rating factors, with the Department of Administration's recommended range of evaluation weights, can be found on page 7.

INTERMEDIATE EVALUATION. The committee may request additional information or clarification regarding any of the ranked factors during the initial or intermediate evaluation from one or more of the respondents. Additional information or clarification requested may include a credit report, financial statements or an affidavit indicating that Offeror is not in default in payment of any taxes, excises or license fees due. If Lessor is a partnership or a corporation, Lessor may be required to submit evidence that the entity is authorized to do business in the state of Idaho. The committee may elect to visit one or more of the proposed sites to evaluate location and facility issues.

FINAL EVALUATION. Proposals will be ranked, and negotiations will begin with the representatives of the top-ranked proposal. If negotiations are successful, a lease will be completed. The State's standard lease form, attached as Exhibit A, will be used. **STANDARD LANGUAGE WITHIN THE LEASE FORM IS NOT NEGOTIABLE.**

Should negotiations with the top-ranked response be unsuccessful, negotiations will be opened with the second ranking response and so forth until a suitable lease is obtained. The State reserves the right to disqualify all proposals as unacceptable and to take any necessary action to obtain suitable space.

All final plans and specifications must be prepared by an architect licensed in the State of Idaho. Plans and specifications may also be subject to review by the Permanent Building Fund Advisory Council pursuant to Idaho Code § 67-5710A. Detailed General Outline Specifications and Communication Specifications shall be provided during the negotiation process.

ON-GOING REVIEW

At the State's option, the State may require the Lessor to provide insurance certificates prior to the commencement of any construction naming the State as an additional insured and may require the Lessor to indemnify and defend the State against any claims and to warrant and guarantee material, equipment and workmanship. If the facility shall be new construction, Lessor shall furnish to the Division of Public Works a copy of the Lender's commitment on the permanent loan, together with a copy of the title policy for the facility as soon as they can be made available.

ACCEPTANCE OF THE FACILITY

A copy of the certificate of occupancy as issued by the local governing authority, together with a copy of the as-builts and warranties for the facility, shall be furnished to the division prior to occupancy of the facility. At its discretion, the division may have the Division of Building Safety inspect the premises prior to executing the Lease or prior to taking occupancy of the Premises.

HOW TO MAKE A PROPOSAL

All proposal information must be summarized on the Lease Proposal Form attached to this Request for Proposals. A pdf version of the form can be obtained by accessing the Division of Public Works web page at <http://leasing.idaho.gov/rfp.html>. A copy can also be sent to you upon request by contacting Melissa Broome at (208) 332-1933. **PLEASE PROVIDE ELECTRONIC COPY. ONE NON-BOUND HARDCOPY IS ALSO PREFERRED. Incomplete items may cause the proposal to be disqualified.**

GENERAL PROPERTY REQUIREMENTS-PLEASE NOTE THAT A TURN-KEY FINISH IS REQUESTED.

PLEASE NOTE: Lessor shall be responsible for obtaining a Certificate of Occupancy prior to the division's acceptance of the Premises. Additional Lessor requirements shall include:

SITE:

- Exterior Lighting. Adequate outdoor lights, fitted with photocells and timers, shall be placed directly above each outside entryway and around the perimeter of the building.
- Parking. The division seeks 10 to 15 parking spaces, depending on the size of space leased. Parking on the property shall be required to accommodate deliveries.
- Site Improvements. Accessible spaces will be in close proximity to the building entrance. All improvements to the site, whether existing or new, must meet or exceed the accessibility requirements by ADA.
- Signage. Professionally manufactured signs must be installed and prominently located so as to be visible from the street. The Lessor shall be required to provide either a sign allowance of \$8,000 or provide the sign at his cost. Professionally manufactured sign must be installed and prominently located so as to be visible from the street, with 42" minimum illuminated channel letters in red that read "Liquor Store", subject to city code requirements. Lessor further agrees to allow Lessee to place signage in storefront windows.
- Building Exterior. The building's exterior shall be compatible with the surrounding community. In areas with severe weather conditions, the building design shall be appropriate and functional, especially with regard to specific site requirements including, drainage, heavy snow situations, and solar orientation.

GENERAL BUILDING REQUIREMENTS:

- ADA. The Premises and all areas serving the Premises, including common areas, the parking lot and sidewalk, must conform to ADA requirements.
- Energy. An Energy Star building, a LEED building certification or a building that has environmental considerations implemented into the construction/remodel, as well as its day-to-day operations, is an important consideration for the state. The Portfolio Manager program through the U.S. Environmental Protection Agency's website at www.energystar.gov/istar/pmpam/ provides an interactive energy management tool that allows buildings owners to assess energy and water consumption, as well as rate energy performance on a scale of 1 to 100.
- Space Plan. Upon execution of the Lease, a qualified, professional space planner shall prepare a detailed space plan acceptable to the Lessor and Lessee. The building must be designed by an architect or engineer licensed in Idaho.
- Store Dimensions. The ideal store has a wider store front with more linear feet of store front window area than depth is preferred. A squarer store layout with a minimum store front width of 70 feet and a maximum depth of 80 feet could be acceptable.
- Crawl Space. Any crawl space beneath the building should be easily accessible from within the building.
- Air Standards. Mechanically operated ventilation systems shall comply with minimum outside air and circulation standards established by the Idaho General Safety and Health Standards in all portions of the building and shall be kept continuously operating when building is occupied. The system should be designed to accommodate any unique needs associated with severe weather conditions, solar gain, or unusual temperature fluctuations.
- Environmental Hazards. Lessor must provide a safe work environment, certified to be free of airborne asbestos. Any costs related to abatement will be borne by the Lessor.
- Grounds Maintenance. Outside ground maintenance shall be provided on an "as needed" basis.
- Snow Removal. Snow removal shall include removal of snow from parking lots and walkways. Removal shall be performed seven days per week prior to 8:00 a.m. Priority shall first be given to keeping accessible spaces clear and to ingress, egress, and fire lanes, secondly to customer and employee parking areas, and lastly to overflow parking areas.

An area shall be designated for snow storage. Areas subject to ice accumulation shall be treated with de-icing agents as necessary.

BUILDING ENCLOSURE:

- Structural Frame. The building shall be of steel or wood frame, reinforced concrete, or bearing wall construction designed in accordance with governing building codes.
- Exterior Walls. The exterior wall assembly shall be of masonry or such other materials as selected by Lessor. Exterior walls at front of suite, if masonry, shall be furred out with 5/8" gypsum wallboard on 1-1/2" z-studs and 1-1/2" rigid insulation, if frame, shall be insulated and clad with gypsum wallboard. Exterior walls at the rear of the Premises, if masonry, shall not be furred out, if frame, shall be insulated and clad with gypsum wallboard. All demising walls (both sides of space) shall be finished out as described below in Interior finishes.
- Roof Membrane. The typical roof assembly shall be built-up composition type, as selected by Lessor.
- Floor. Ground floor level within the interior of the Premises shall be concrete with smooth finish. Floor to be flat and on a single plane without blockouts depressions or raised areas.
- Exterior Service Door Assembly. Door frame and door shall be hollow metal construction, appropriately sized to accommodate pallets. Must be equipped with panic hardware.
- Store Front Assembly. Standard aluminum storefront shall include two sets of double 3' wide front doors.

INTERIOR FINISHES:

- The Liquor Division Manager's Office. The division anticipates contractor to supply and install 48" pony walls and plastic laminate desk surface, to include four (4) duplex convenience outlets, as well as phone and data outlets.
- Entire space must be brought up to code – exit lighting, doors, storefront vestibules (only if required by code-vestibules not preferred), drinking fountains, sprinkler systems, etc. Any code issues relating to the space and proposed use of the space to be borne by Lessor.
- Ceiling. Clear height between floor slab and acoustical ceiling shall preferably be a minimum of ten feet (10'), as governed by structural design. Open ceiling, spray painted black is preferred but dropped ceiling would be acceptable, provided ceiling height is a minimum of 10'. Ceiling grid lines to be consistent throughout unit, especially in areas where walls have been removed.
- Walls. Demising partitions between areas shall be of wood frame, metal stud (sized as required per Lessor's plans), or masonry as selected by Lessor and shall be gypsum wallboard clad, taped, sanded, textured and painted off-white matte finish. Height above ceiling to be determined by Lessor. Demising wall assembly shall include sound insulation if wood frame or metal stud.
- Door Assemblies. Solid core wood, paint-grade veneer.
- Flooring: New commercial IVC LVT vinyl planking is preferred (Shaw Uncommon Ground luxury Vinyl plank or similar). Lessee to select color and to pay for flooring materials.
- Insulation. Minimum insulation of R36 in the ceiling and R19 in the walls.
- Check-Out Counter: The Liquor Division shall install a prefab check-out counter. Location to be designated by ISLD, to include two (4) quad-plex convenience outlets, as well as phone and data outlets.

SANITARY FACILITIES:

- Toilet Room. Number of toilet rooms (ADA compliant) as required by code. Each toilet room shall include one (1) lavatory and one (1) water closet. Floors in toilet room(s) shall be sealed concrete. Flooring and/or base material provided if required by local code. Ceiling shall be approximately 8' height and be painted gypsum wallboard. Toilet accessories include a 2' x 3' mirror, grab bars and toilet paper dispenser. Drinking fountain as required by code.
- Janitorial Closet. Janitorial closet to include mop sink, with 4' tall frp to protect walls from splashing and minimum 10-gallon hot water heater, hooked up to serve restroom and mop sink.

HVAC / PLUMBING / ELECTRICAL / FIRE PROTECTION / LIFE SAFETY:

- HVAC. Lessor shall install air conditioning unit(s), located on the roof, complete with air distribution system, condensate and programmable thermostat to meet a standard of one (1) ton per three hundred fifty (350) square feet of

space. Lessor shall install a roof mounted exhaust fan and distribution for toilet room. If using an existing HVAC unit (or units), these units must be serviced prior to occupancy by Lessee. Lessor agrees to warrant the condition of the units for a period of 5 years.

- Water and Sewer. Lessor shall furnish and install water and sewer utilities for toilet facilities, janitorial closet and drinking fountains.
- Electricity. Lessor shall furnish one (1) 200 amp service and panel which shall be separately metered. Lessor shall furnish electrical convenience outlets in demising partitions per Lessee's specifications, to include several drop-downs for Lessee-provided free-standing shelving units. Typically, electric outlets should be placed 20 feet apart and 9 feet high for shelving units, 3 duplex outlets in rear of building approximately 9' off the floor plus 4, 4-gang outlets close to the check-out stand and 2,4-gang outlets to the manager's office.
- Lessor shall install "J" boxes with conduit to Lessee's electrical panel for Lessee's sign. Dedicated circuits shall be provided one for the office computer, one for the security system, and two for the checkout counter computers. Additionally, one convenience circuit will be installed in the center of the register counter for additional equipment, such as lottery and an additional circuit installed at the backer board for equipment.
- Lighting. Lessor shall provide fluorescent light fixtures, and flood spotlights A sample lighting specification can be located on pages 8 and 9. Light switches shall independently control lighting to: retail area (1); rear stock area (1); and Toilet Room(s). Lessor shall provide exit lights as required by code for a retail space. All lighting shall be upgraded to the new energy standards. All existing light lenses to be cleaned, broken ones to be replaced as needed. Lessee to install adjustable LED accent lighting at its sole expense.
- Telephone and Data Cabling. Phone and data junction box to be installed by Lessor. Lessor shall install a conduit with pull string from the Premises Demarcation to the Lessor-provided Telephone Mounting Board (approximately 4 x 4 feet), and an additional conduit from the telephone mounting board to the office area and from the office area to the center of the checkout stand(s). Conduits must be 3/4 or larger and may not have excessive 90-degree bends.
- Life Safety. A separate 2" conduit must be installed on the office area from above drop ceilings/top of wall to below counter based on the plans. Conduits must not be plastic or metal "smurf" tubing.

MISCELLANEOUS:

- Code Requirements. Provide any other code-required improvements to accommodate Lessee's use and occupancy of the space, which shall include but not be limited to, emergency lighting, smoke or fire alarms, and/or ADA requirements for occupancy.
- Permits. Prepare and submit plans approved by Lessee for the above improvements to appropriate city agencies and obtain building permits; pay all fees as may be required by such agencies, including sewer hook-up fees, if any; and obtain an occupancy permit as may be required by such agencies following the completion of improvements.
- Division of Building Safety. All buildings renovated specifically for use or occupancy by any state government agency or entity shall conform to all existing state and local codes. If any conflict arises between applicable codes, the more stringent code shall take precedence.
- Final Inspection. All improvements made to the Premises shall require final inspection, acceptance and written approval by the state's Division of Building Safety and by Lessee. Any deficiencies of work shall immediately be remedied.
- Warrantees. Lessor shall warrant and guaranty all materials, equipment and workmanship for a minimum period of one (1) year or such period which is standard in the real estate industry (aside from HVAC). Upon completion of the Improvements, Lessor shall furnish to the Lessee a listing of products, subcontractors, supplier and/or manufacturers and maintenance manuals relative to the Premises. All warrantees shall be extended to the Lessee.
- Online Terminal Systems. Lessor shall permit Lessee to install, at its sole cost and expense, communications equipment both inside and outside of the Premises to facilitate Idaho State Lottery Online gaming. This may include the installation of a satellite dish on the building's roof and cabling to connect the outdoor equipment to an indoor receiver unit.

DATA & PHONE:

- At a minimum, the building must have entrance facilities with accessibility for voice and data communications wiring, meeting any applicable Building Industry Consulting Services International (BICSI). The cost shall be borne by Lessor, in compliance with Division's explicit specifications and as identified on agreed-upon interior design layout completed before construction.

OTHER INFORMATION:

The efficient use of energy is of prime importance to the well-being of the State of Idaho and energy conservation is to be a major consideration in the construction of all state buildings and the execution of lease agreements.

State-owned or state-lease buildings, facilities or area occupied by state employees shall be designated as “non-smoking” except for custodial care and full-time residential facilities. The policy governing custodial care and full-time residential facilities may be determined by the directors of such facilities.

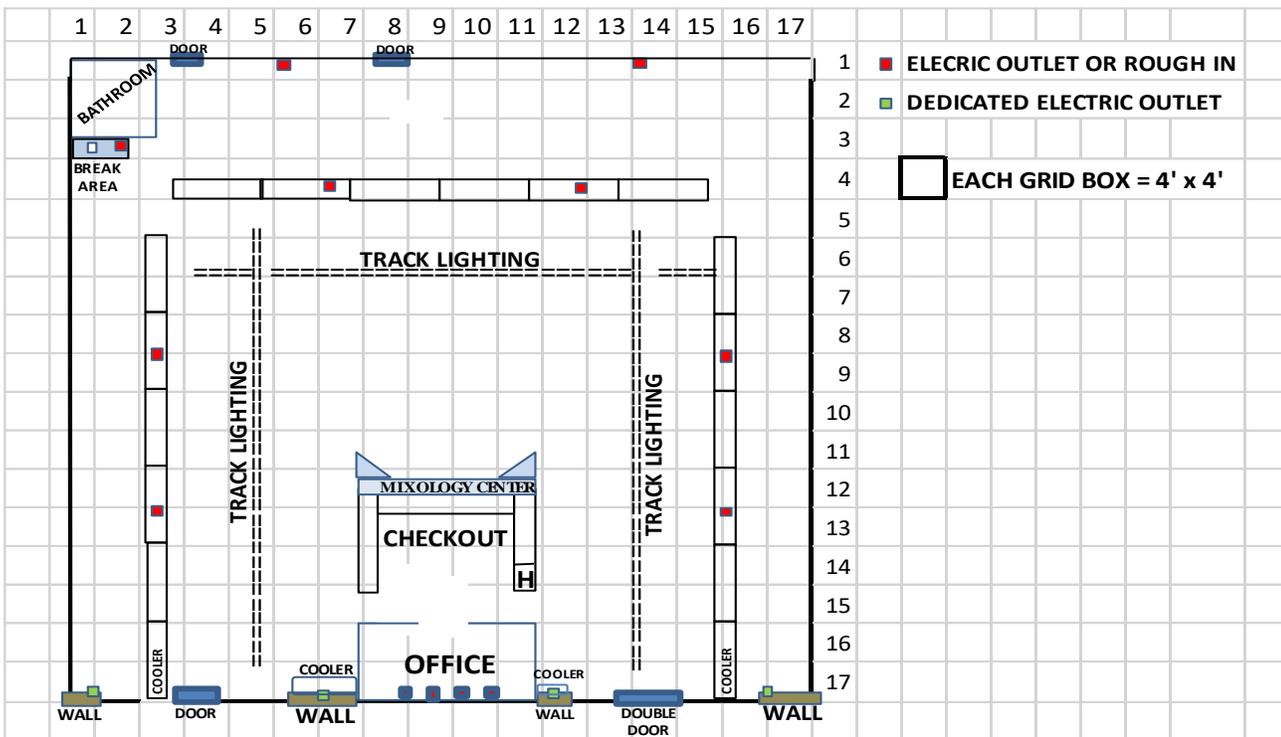
All buildings owned or maintained by any State government agency or entity, or constructed or renovated specifically for use or occupancy by any such agency or entity shall conform to all existing state codes, including but not restricted to, the IDAPA 07.03.01.004, the Idaho General Safety and Health Standards Code, the International Building Code, the International Mechanical Code and the International Fire Code. If any conflict arises between applicable codes, the more stringent code shall take precedence. Lessors leasing space to the State must procure building permits, secure necessary inspections, and obtain a Certificate of Occupancy for the intended use prior to the lease taking effect.

Local governments have jurisdiction over privately owned buildings in the target area. The minimum building and safety codes adopted by the state of Idaho and the federal government may be amended by the Division of Building Safety. An accurate listing of their codes can be located at <https://dbs.idaho.gov/>.

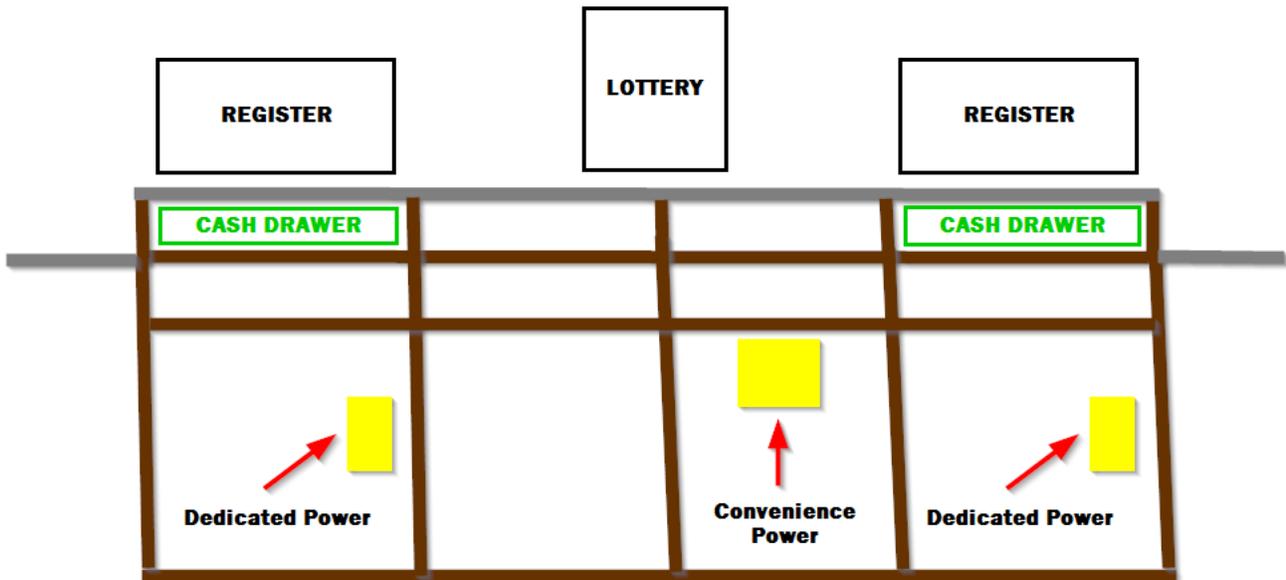
FACILITY STANDARDS SHEET AND SAMPLE FLOOR PLAN: Idaho State Liquor Division-Retail

| Area/Room | Total Sq. Ft | Remarks |
|----------------------|------------------------------|---|
| RETAIL AREA: | | |
| Display Area | 2,500 to 4,000 Sq. Ft | |
| Cooler Area | 10 Sq. Ft | |
| Check-out Counter | 90 Sq. Ft | Division will build counter. Lessee will have special phone and data needs. Connectivity to manager's office for data is required |
| Manager's office | 64 to 80 Sq. Ft | Floor safe. Connectivity to check-out counter in display area. |
| OTHER AREAS: | | |
| Stockroom | 200 to 700 Sq. Ft | Delivery doors to accommodate pallets. |
| Restrooms | 0 to 128 Sq. ft | ADA compliant |
| Janitorial Closet | | Mop sink & hot water required. |
| Computer Demarcation | 0 to 100 Sq. Ft | Dedicated outlets. |
| Add 15% | 556 | |
| TOTAL | 3,500 to 4,500 sq. ft | |

Sample Floor Plan



Standard Register Power Example



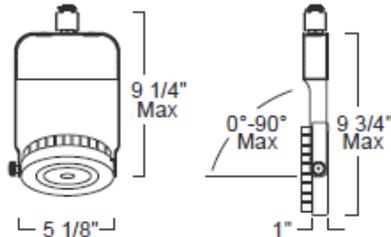
| RATING FACTORS - RETAIL FACILITIES Idaho State Liquor Division | | | |
|---|-----------------------------|---|--------------|
| Accessible Access (Yes or No) | | "No" may disqualify property | |
| | FACTOR | EXPLANATION OF FACTOR - | TARGET RANGE |
| Cost – 20% | Rent & Escalations | Rate increases, if any, should be capped. Pass-thrus on building exp (taxes, insurance, CAM) | 10% to 20% |
| Cost – 5% | Incentives & Allowances | Renewal options, free rent, reimbursement of moving costs, TI allowance, etc. | 5% to 15% |
| Const – 10% | Site and Parking | Is zoning appropriate? Environmental or construction issues? Site drainage issues? Adequate parking? Delivery area available? | 0% to 10% |
| Const – 10% | Building Condition | Interior, exterior, energy usage and security. Maintenance and condition of building. Free-standing versus end cap. | 0% to 10% |
| Const – 5% | SF Size and Expansion | Size and usability of space. Configuration. Storefront area. First right of refusal on adjacent space? | 0% to 10% |
| Location – 25% | Visibility and Access | Is visibility critical to this operation? Property easy to find? Close to a major thoroughfare? Is traffic in the area a problem? | 15% to 25% |
| Location – 20% | Demographics and Trade Area | Population and Household Income (1 mile, 3 miles, 5 miles) Miles to current Liquor store, Drive-time to store. | 15% to 25% |
| Other – 5% | Qualifications | Building owner's experience & financial ability to construct or remodel, property management experience | 0% to 10% |
| TOTALS 100% | | | 100% |

Track Lighting



TYPE CATALOG#

LTD5016 - 16W 1200 LUMEN ECOTRACK LED LED TRACK HEAD



SPECIFICATION

120V 16W LED

Application: The EcoTrack LED track lighting collection features a sleek low-profile design enabling energy efficient lighting designs in retail stores, boutiques and other areas where adjustable illumination is required.

Aiming: Fully adjustable (358/90 degrees) mounting yoke constructed of solid steel. Provides full lateral and vertical aiming. Knurled tightening knobs rigidly maintain vertical aiming angle.

Driver: Electronic Direct Current U.L. Listed driver mounted away from LED Array for cool operation and end-of-life modularity. Comes standard with 120VAC input, available with optional 120V/277V universal voltage input. Replaceable at End-of-Life.

Dimming: -DIN- dimming option smoothly dims down to 5% of initial light output with flicker-free performance. Works with standard incandescent dimmers. Factory qualified for use with Lutron brand dimmers: S600PR, DVSCCL-153P & DV600PR as well as Leviton IP106-600W. Works with standard electronic low voltage (ELV) dimmers. Factory qualified for use with Lutron brand dimmers: SELV300P, DVELV-300P, MAELV-600 and NELV-450.

Color Temperature: LED Diodes comes standard in warm white 3,000K +/- 100K. Also available in 4,000K as special order. Consult factory, extended lead times and minimum order quantities may apply.

Warranty: Covered by a 3 Year Warranty to be free of defects in materials and craftsmanship.

Lumen Maintenance: Minimum 50,000 hours L70 life based on ANSI TM-21 calculations from LM80 standardized test results.

Finish: Available in Natural, White and Black.

Beam Spread: Available in Narrow Flood, Flood and Wide Flood.

Color Temperature: Available in 3000K (90CRI), 3500K (90CRI) and 4000K (80CRI)*.

Label: cETL Listed

Assembled in USA

COMPATIBILITY

| | | |
|---|--|---|
| LP 1 CCT TRACK CHANNEL | LP20 RECESSED TRACK | LP71 LINE VOLTAGE SQUARE CANOPY |
| PES6 LINE VOLTAGE CLAMP ADAPTER | PES7 PLUG-IN CLAMP ADAPTER | LP13 LINE VOLTAGE ROUND CANOPY |
| LPC 2 CCT TRACK CHANNEL | | |

Note: Wattage limitations on compatible items must be met.

LED Details:

16W 1200+ Lumens Delivered
Color Rendering Index (CRI): 90
Color Temperature: 3,000K
Lamp Equivalents: 90W, PAR30, PAR38, 100W A19

Benefit:

- For use with standard H-Style single circuit and 2 circuit track.
- Incandescent Dimming option
- Highly adjustable, 358° Rotation/0°-90° Gimbal
- Knurled locking knobs insure firm positioning

2017.8.25

FEATURE:



ORDERING EXAMPLE : LTD5016W-B25

| LTD5016 | FINISH | BEAM SPREAD | DIMMING | COLOR TEMPERATURE |
|---------|-------------------|---------------------------|----------------------|-----------------------------|
| LTD5016 | B :Black | -B25 :Narrow Flood | Blank :None | Blank :3000K (90CRI) |
| | N :Natural | -B45 :Flood | -DIN :Dimming | -T35 :3500K (90CRI) |
| | W :White | -B60 :Wide Flood | | |



Tel: 323.904.0200

Product specifications subject to change without notice.

www.liton.com



Lease Proposal Form

STATE OF IDAHO
REQUEST FOR LEASE PROPOSAL RESPONSE FORM

Proposed Location

Location: _____
Street Address: _____
City, State, ZIP: _____
Proposed Occupancy Date: _____

The Offeror

Entity Offering Proposal:

Company: _____
Contact Person: _____
Street Address: _____
City, State, ZIP: _____
Phone: _____
E-mail: _____

Proposal Completed By (if other than Entity):

Company: _____
Contact Person: _____
Street Address: _____
City, State, ZIP: _____
Phone: _____
E-mail: _____

Bank Reference:

Company: _____
Contact Person: _____
Street Address: _____
City, State, ZIP: _____
Phone: _____
E-mail: _____

Trade Reference:

Company: _____
Contact Person: _____
Street Address: _____
City, State, ZIP: _____
Phone: _____
E-mail: _____

Tenant Reference:

Company: _____
Contact Person: _____
Street Address: _____
City, State, ZIP: _____
Phone: _____
E-mail: _____

Qualifications

Please provide a brief narrative detailing size and nature of items noted below. A copy of your company’s professional brochure may be attached to this proposal as additional information.

Commercial Development Reference:

Commercial Property Management Experience:

Cost of the Facility

Rent and Costs per square foot are to be based on Net Rentable Area as establish by BOMA.

Rent Schedule: Please fill in the blanks below with each year’s rent. If any expenses are not included in the rent, please note these expenses in the following section. Proposed term of Lease? _____

| Lease Year | Annual Rent Amount | Rent /Sq. Ft. per Year |
|------------|--------------------|------------------------|
| 1 | \$ | \$ |
| 2 | \$ | \$ |
| 3 | \$ | \$ |
| 4 | \$ | \$ |
| 5 | \$ | \$ |
| Total 1-5 | \$ | \$ |

| Lease Year | Annual Rent Amount | Rent /Sq. Ft. per Year |
|------------|--------------------|------------------------|
| 6 | \$ | \$ |
| 7 | \$ | \$ |
| 8 | \$ | \$ |
| 9 | \$ | \$ |
| 10 | \$ | \$ |
| Total 6-10 | \$ | \$ |

Is rent proposed escalation based on Consumer Price Index (CPI)? _____ If yes cap (in %)? _____

Items not included in rent: _____

Operating Expense and Escalations: Proposals without escalations will be given the highest points. All others will be prorated according to the perceived degree of cost exposure. If no increases, expense stops or pass-throughs are to be charged to the state, write “None” in each table. Due to budget approval processes, it is beneficial for the State to have caps on increases.

Estimated Pass Thru Expenses per Square Foot

| Taxes | Insurance | Electric | Gas | Water | Sewer/trash | Other | Common |
|-------|-----------|----------|-----|-------|-------------|-------|--------|
| | | | | | | | |

Is proposal a base year expense stop? _____ (If yes enter information per square foot.)

Base Year (Base Cost) Expense Stop

| Taxes | Insurance | Electric | Gas | Water | Sewer/trash | Other | Common |
|-------|-----------|----------|-----|-------|-------------|-------|--------|
| | | | | | | | |

Provide any further detail needed to clarify this section:

Tenant Finish Allowance (TFA)

A turnkey finish will be given higher points. All others will be rated according to the perceived degree of cost exposure. To control costs, any changes to plans after they are approved must be in writing and include a cost estimate.

Is this a Turnkey proposal? _____ If yes, are there exclusions? _____

If not Turnkey, what is the proposed TFA? _____

If not lump sum, please explain square foot amount based on Net Rentable, Usable, or other. _____

Does the TFA include space planning and architectural fees? _____ If yes, estimate per sq. ft.: _____

Do you anticipate the agency’s stated needs will exceed the finish allowance noted above? _____

Please provide any recommendations to reduce the tenant finish cost, which would ultimately result in cost savings to both Lessor and the State: _____

Phone and Data Wiring Allowance:

The state prefers the data and telephone wiring be performed by Lessor to minimize disruptions and damages to the facility. Since it could be difficult to accurately determine the cost of these items until specific plans and specifications are completed, please provide an allowance towards this anticipated Lessor expense.

Allowance for Data/Phone Installation: _____ If not lump sum, please explain sq. ft. amount based on Net Rentable, Usable, or other: _____

Are DS3 fiber optics available to the building? _____

If no, please explain data connectivity. _____

Lessor Incentives and other Allowances:

The State can provide long-term tenancy and the security of a viable tenant. Please detail incentives you would offer to offset the agency’s moving expenses. _____

Rent Discount for Annual Prepayment of the Lease: _____ %

Moving Expense Reimbursement: \$_____ The agency anticipates its moving expense will be \$20,000.

Additional Services or Other Incentives (e.g., enhanced building maintenance, security, additional services or amenities, free rent, no escalations for a certain period, allowance toward shelving, additional tenant finish allowance, first right of refusal on adjacent space, etc.): _____

The Facility

Sq. Ft.: Usable: _____ Net Rentable: _____ Gross: _____ Load Factor: _____

Please attach a rough floor plan to proposal. The State does not wish to have the Offeror expend a large amount of funds on initial floor plans and renderings since agency review will generally cause revisions. We are seeking a rough floor plan to provide the committee with a concept of the facility.

The Location:

Street Address: _____

City, State, ZIP: _____

Nearest Cross Street: _____

Adjacent Property Uses:

To the East: _____

To the West: _____

To the North: _____

To the South: _____

Proximity to bus routes (# of blocks) _____

Proximity to other retail stores (within 1-mile radius): _____

Demographics:

Population within: 1 Mile: _____ 3 Miles: _____ 5 Miles: _____

Household Income:

Income within: 1 Mile: _____ 3 Miles: _____ 5 Miles: _____

Description of the Facility:

New? _____ Or if existing: Age of Building: _____

To be renovated? _____ Or as is? _____

Single-tenant? _____ Or Multi-tenanted? _____

Single story? _____ Or Multi-storied? _____ If yes, number of floors? _____

Future expansions available? _____ If yes, Size: _____

Quality of Leased Space:

Carpet Weight: _____ Exterior Walls: _____ Window Coverings: _____

Exterior Windows: _____ Interior Windows: _____

Type of HVAC System: _____

Class of Building (Overall quality of facility, i.e. "Class A", "Class B", "Class C," as commonly used in the real estate industry. Attach photos and property brochure as supplemental information.) _____

ADA Accessibility:

Offeror agrees to meet or exceed the ADA requirements, including interior of the facility and all site improvements, yes or no? _____ If no, explain why. _____

Energy and Environmental:

The Portfolio Manager program through the US EPA’s website at <https://energystar.gov/istar/pmpam/> provides an energy performance rating on a scale of 1 to 100. Please note your calculated Energy Star rating: _____ (If this is new construction, note the design rating.)

Site and Exterior:

Current Zoning? _____

Proposed Zoning? _____

Will current zoning designation present any timing issues, Yes or No? _____ If yes, explain why. _____

Are public utilities available to the site, Yes or No? _____ If no, detail potential issues and proposed resolution: _____

Has a Phase One report been completed, Yes or No? _____ If no, explain. _____

Are there any known environmental issues, Yes or No? _____ If yes, detail known issues and proposed resolution: _____

Are there any known land development issues, Yes or No? _____ If yes, detail known issues and proposed resolution: _____

Is there exterior lighting in the parking/loading areas, Yes or No? _____ If no, detail known issues and proposed resolution: _____

Benefits of this Location:

Please provide a brief narrative detailing amenities available and other benefits of this location. Attach a copy of the property brochure as additional information if available. _____

Professional Staff (must be licensed in Idaho)

Architect:

Company: _____
Contact Person: _____
Street Address: _____
City, State, ZIP: _____
Phone: _____
E-mail: _____

Engineer:

Company: _____
Contact Person: _____
Street Address: _____
City, State, ZIP: _____
Phone: _____
E-mail: _____

Space Planner:

Company: _____
Contact Person: _____
Street Address: _____
City, State, ZIP: _____
Phone: _____
E-mail: _____

Property Management:

Company: _____
Contact Person: _____
Street Address: _____
City, State, ZIP: _____
Phone: _____
E-mail: _____

Services Included in Lease

Utilities and Services (yes or no):

Electricity _____ Gas _____ Water _____ Sewer _____ Geothermal _____
Other: _____ Snow Removal _____ Landscape Maintenance _____
Security Patrol/Service: _____ Facility Maintenance/Repair _____

Parking:

Number of spaces for the following:

Employee: _____ Client: _____ ADA: _____ Fenced (state vehicles): _____
Parking is: Off-Street _____ On-Street _____ Paved _____ Gravel _____
Other: _____

Is there a cost for parking? _____ If yes, cost per stall per month? _____

Purchase Option

Purchase Option (yes or no):

The State may seek to acquire facilities to meet its long-term facility needs. Would Offeror provide a purchase option for this facility _____ Yes or No?

Twenty Year Lease:

The State may seek to acquire facilities to meet its long-term facility needs through a Twenty-Year lease/purchase program. Would Offeror agree to a twenty (20) year lease with title going to the State at the end of the 20-year term upon authorization by the Legislature pursuant to Idaho Code 67-5708 _____ Yes or No?

Certifications

1. I hereby certify that I am authorized to act on behalf of the firm, individual, partnership, corporation or association making this proposal and that all statements made in this document are true and correct to the best of my knowledge. I agree to hold this offer open for a period of ninety (90) days from the deadline for receipt of proposals unless the property is leased to another party; or, if I am selected as the Top-Ranked Offeror, for such further period as is necessary for obtaining Lease signature and approval. If the proposed property is leased to another party, I agree to immediately notify the Division of Public Works in writing so the property may be removed from consideration.
2. It is the objective of the Division of Public Works to obtain the highest quality space at a competitive market rate. Unless otherwise noted, all terms listed in the proposal shall be subject to negotiation between the Offeror and the committee. No understanding, whether oral or written, whether made prior to or contemporaneously with the lease negotiations, shall serve to enlarge, modify, limit or otherwise affect the terms and conditions as ultimately detailed in the executed Lease Agreement.
3. I understand and agree to be bound by the conditions contained in the Request for Proposals and shall conform with all requirements of the Request for Proposals.

Offeror Name: _____

Title: _____

Date: _____

Offeror Signature: _____

SAMPLE LEASE AGREEMENT

AND

LESSOR INFORMATION SHEET

EXHIBIT A – SAMPLE LEASE
LEASE AGREEMENT FOR SPACE

THIS LEASE AGREEMENT FOR SPACE (“Lease Agreement”) is entered effective upon the date of the last required signature (the “Effective Date”), by and between Lessor's Name, Lessor's Address (the "Lessor"), and the STATE OF IDAHO, by and through the Agency Name, Agency Address (the "Lessee"), for the leasing of that real property described below and referred to as the "Premises." The Lessor and the Lessee may be referred to collectively as the “Parties.” The Parties specifically agree and acknowledge that the approval signature of the Leasing Manager, Division of Public Works, Department of Administration, is a required signature.

WITNESSETH

WHEREFORE, in consideration of the mutual covenants, agreements, and conditions contained in this Lease Agreement, the Parties agree as follows.

1. LEASE OF PREMISES. The Lessor does hereby demise and lease to the Lessee the Premises situated in the City of Premises City, County of Premises County , State of Idaho, known and described as follows: Premises Street Address, Premises City, Idaho Zip Code of Premises . The lease of the Premises includes the right, together with other tenants of the Building and their employees and business invitees, to use the common public areas of the Building for their intended use and subject to the other provisions of this Lease Agreement but includes no other rights not specifically set forth herein.

2. TERM. The term of this Lease Agreement is Total Months. As time is of the essence, the term of this Lease Agreement shall begin on Beginning Date Of Lease Term and shall end at midnight on Expiration Date. The Parties agree that this Lease Agreement is subject to the termination, expiration and renewal rights set forth in this Lease Agreement. The Lessee may, at the expiration of the term of this Lease Agreement and without the necessity of renewing said Lease Agreement, continue in its occupancy of the Premises on a month to month basis upon the terms and conditions set forth in this Lease Agreement for a period not to exceed one (1) year. The Lessor may terminate the Lessee’s month to month occupancy upon ninety (90) days’ prior written notice to the Lessee.

3. PAYMENT. The Lessee shall pay to Lessor a fixed payment for the term of this Lease Agreement in monthly installments of \$Lease Cost Per Month each. The lease payment shall be computed at a rate of \$Lease Cost Per Square Foot per square foot, per year. The total square footage of the Premises is Sq Ft of Premises, subject to measurement using BOMA standard. The total yearly lease payment is \$Lease Cost Per Year. Upon election by the Lessee to pay in advance quarterly, semi-annually, or annually, the Lessor shall allow Lessee a discount of Percent of Discount Percent. The lease payments shall be paid pursuant to the Lessor's timely submission of invoices for payment. Upon receipt, Lessee shall forward Lessor’s invoice to the State Controller for payment. Lessor specifically acknowledges that State vouchers are processed by the State Controller, not Lessee. Therefore, any payment that is made no later than sixty (60) days after it is actually due shall not be considered an event of default. Lessee shall use its best efforts to expedite payment. It is expressly covenanted and agreed that any prepayment of rent made by the Lessee under the terms of this Lease Agreement shall be considered as an advance payment of rent only and no part thereof shall be considered as a security or cash deposit.

4. ACCEPTANCE OF PREMISES. Lessor shall deliver the Premises to Lessee in accordance with floor plans and specifications attached to this Lease Agreement as Exhibit A and incorporated herein by reference. Prior to or at occupancy, Lessee shall provide Lessor with a written statement acknowledging inspection and acceptance of the Premises. Lessee’s obligations under this Lease Agreement shall not commence until Lessee’s acceptance of the Premises. Lessee’s inspection and acceptance of the Premises are based upon what may be reasonably observed by one untrained or unfamiliar with building inspections. At Lessee's discretion, Lessee may have particular conditions or parts of the Premises inspected by one trained or familiar with building inspections. In no event shall Lessee's inspection, or inspection by any agent of Lessee, be deemed a waiver of any defects in the Premises.

5. NO WASTE; REPAIRS. Lessee will not commit waste on the Premises, nor will it disfigure or deface any part of the building, grounds, or any other part of the Premises, including fixtures. Lessee further covenants that upon return, the Premises will be in the same condition as originally received, reasonable wear and tear excepted. Repairs, except those

actually necessitated by Lessee's waste, disfigurement or defacement, and except for repairs required by the removal of Trade Fixtures as provided for in Paragraph 13 of this Lease Agreement, shall be made solely at the Lessor's expense. Any repairs shall be made in a workmanlike manner and in compliance with all applicable codes, ordinances, rules and regulations.

6. SERVICES AND PARKING. The Lessor covenants that it will provide, perform, and pay for the services, maintenance and parking as follows:

A. Utilities:

- 1) Domestic water and sewer; and
- 2) Irrigation.

B. Facility Repair and Maintenance:

- 1) General building structure and related equipment (interior and exterior);
- 2) Heating system and related equipment;
- 3) Cooling and air handling system and related equipment;
- 4) Electrical system and related equipment;
- 5) Sewer and plumbing systems and related equipment;
- 6) Exterior lighting, including landscaped areas, parking area and walkway;
- 7) Cleaning ground and parking area of debris: weekly, monthly, or other;
- 8) A low environmental impact janitorial service for the common areas of the building: daily (excluding weekends and holidays) or other;
- 9) Trash removal from property: weekly or other;
- 10) Furnishing of all washroom materials, including paper products, soap, cleaning supplies and equipment;
- 11) Light bulb and fluorescent tube replacement;
- 12) Outside ground maintenance shall be provided on an "as needed" basis. Snow removal shall include removal of snow from parking lots and walkways. Removal shall be performed weekdays prior to 8:00 a.m. and on an "as needed" basis throughout the day. Priority shall first be given to keeping accessible spaces clear and to ingress, egress, and fire lanes, secondly to customer and employee parking areas, and lastly to overflow parking areas. An area shall be designated for snow storage. Areas subject to ice accumulation shall be treated with de-icing agents as necessary;
- 13) Directory sign with Lessee name;
- 14) Door sign with Lessee name; and
- 15) Lawn and shrubbery care weekly during season.

C. Parking. A total of Number of Parking Spaces lighted and paved automotive parking spaces (including Number of Secured Parking Spaces of which will be secured) will be maintained with adequate ingress and egress available. Accessible spaces will be provided equal to the requirements of the Americans With Disabilities Act (ADA).

7. SPECIAL PROVISIONS.

A. Taxes. Lessor shall pay and discharge all taxes and assessments whatsoever charged against the Premises whether charged by federal, state, county, city or other public authority.

B. Online Terminal Systems. Lessor shall permit Lessee to install, at its sole cost and expense, communications equipment both inside and outside of the Premises to facilitate Idaho State Lottery Online gaming. This may include the installation of a satellite dish on the building's roof and cabling to connect the outdoor equipment to an indoor receiver unit.

C. Signage. Lessor shall allow Lessee to install professionally manufactured signs along front fascia, subject to current city and local codes. Lessor further agrees to allow Lessee to place signage in storefront windows.

D. Other Special Provisions. No other special provisions exist.

8. FAILURE TO REPAIR, MAINTAIN OR SERVICE. In the event that the Lessor shall fail or refuse to make such repairs, perform such maintenance, provide such services, or to take any other action required of the Lessor pursuant to this Lease Agreement, Lessee shall give Lessor reasonable notice and time to cure and, failing such cure, Lessee may, at its option, make such repairs, perform such maintenance, provide such services, or take any such action, and deduct such sums expended doing so from the lease payments due to the Lessor. In the event that such failure or refusal prevents Lessee from occupying any or all of the Premises, Lessee may deduct a pro rata sum from its lease payments equal to the greater of the monthly cost per square foot of those Premises not acceptable for occupancy or the actual cost incurred by the Lessee to secure and occupy alternate premises. Lessee's decision to exercise this remedy shall not be deemed to limit its exercise of any other remedy available under this Lease Agreement, at law or in equity.

9. INDEMNIFICATION. Lessor hereby agrees to defend, indemnify and save Lessee harmless from and against any and all liability, loss, damage, cost, and expense, including court costs and attorneys' fees of whatever nature or type, whether or not litigation is commenced, that the Lessee may incur, by reason of any act or omission of the Lessor, its employees or agents or any breach or default of the Lessor in the performance of its obligations under this Lease Agreement. The foregoing indemnity shall not apply to any injury, damage or other claim resulting solely from the act or omission of the Lessee. Nothing contained herein shall be deemed a waiver of Lessee's sovereign immunity, which is hereby expressly retained.

10. USE OF PREMISES. Lessee shall use the Premises for the following purposes: the use of the premises. Lessor warrants that, upon delivery, the Premises will be in good, clean condition and will comply with all laws, regulations or ordinances of any applicable municipal, county, state, federal or other public authority respecting such use as specified above, including but not limited to health, safety and building codes specified in Paragraph 28 of this Lease Agreement. Lack of compliance shall be an event of default and shall be grounds for termination of this Lease Agreement.

11. FIRE OR DAMAGE.

A. Damage or Destruction Renders Premises Unfit for Occupancy. If, during the term of this Lease Agreement, the Premises, or any portion thereof, shall be destroyed or damaged by fire, water, wind or any other cause not the fault of Lessee so as to render the Premises unfit for occupancy by Lessee, this Lease Agreement shall be automatically terminated and at an end. Lessee shall immediately surrender the Premises to Lessor and shall pay rent only to the time of such surrender. If comparable and acceptable office space can be provided by the Lessor within thirty (30) days of the date of destruction or damage, the Lessee may elect, at its sole option, to relocate to such substitute office space and all relocation costs shall be at the sole expense of the Lessor. Rents will be continued upon occupancy at the lesser of: (i) the current lease rate; or (ii) the market rate for the substitute space. Such relocation shall be for the remainder of this Lease Agreement or any extension.

B. Some Portion Fit for Occupancy.

- 1) Notwithstanding any other provision of this Lease Agreement, if less than fifty percent (50%) of the Premises are destroyed or damaged, and if that portion of the Premises may be restored within ninety (90) days to as good a condition as originally received, the Lessee may elect to continue this Lease Agreement and Lessor shall have the option to restore the Premises. Lessee shall give written notice of its intention to continue this Lease Agreement within thirty (30) days after such damage or destruction occurs. If Lessor does not elect to restore the Premises, the Lessor shall provide the Lessee with written notice of that fact and this Lease Agreement shall automatically terminate effective as of the date of destruction or damage.
- 2) If the Lessor elects to restore or rebuild pursuant to the option provided in paragraph 11.B.1), the rents otherwise due Lessor by Lessee shall be abated equal to the monthly cost per square foot of the unoccupied Premises for that period of time during which restoration or rebuilding of the Premises occurs. If the Lessee is unable to occupy all or part of the Premises during the restoration, then, at the option of the Lessee, the Lessee may be relocated to comparable and acceptable office space and all relocation costs shall be at the sole expense of the Lessor. If such restoration or rebuilding exceeds ninety (90) days beyond the date of the destruction or damage to the Premises, Lessee may terminate this Lease Agreement without liability of any kind save payment for actual occupancy of the Premises prior to termination.

C. Prepaid Rent. In the event that this Lease Agreement is terminated as the result of damage or destruction to the Premises during any period of its term for which the Lessee has prepaid rent, the Lessor shall, within ten (10) days from the date of notification of termination by the Lessee, refund the full amount of any prepaid rent not then applied to a period of the Lessee's actual occupancy of the Premises. In the event that the Lessor does not timely remit the full amount of any prepaid rent to the Lessee, the Lessee shall be entitled to collect the full amount of its prepaid rent from insurance proceeds in the manner set forth in this Lease Agreement.

12. ALTERATIONS. Except as otherwise agreed, subsequent to the Effective Date and during the term of this Lease Agreement and any extension, neither Lessor nor Lessee shall make any alterations, additions or improvements to the Premises without the prior written consent of the other. Any and all alterations and improvements made by Lessee shall be made at Lessee's sole expense and, subject to the exception for Trade Fixtures provided below, shall, upon termination of this Lease Agreement, and without disturbance or injury, become the property of the Lessor, and shall remain in and be surrendered with the Premises. Any such alterations, whether performed by Lessor or Lessee, must be made in a

workmanlike manner and must comply with all applicable codes, ordinances, rules and regulations. Notwithstanding any other provision of this Lease Agreement, Trade Fixtures, as defined in this Lease Agreement, installed by Lessee shall, at the option of the Lessee, not become the property of the Lessor and, upon the termination of this Lease Agreement, the Lessee may remove such Trade Fixtures and return the Premises in as close to original condition as possible, reasonable wear and tear excepted. For purposes of this Lease Agreement, a Trade Fixture is defined as personal property used by the Lessee in the conduct of its business and includes items such as, but not limited to, shelves and reception counters.

13. DEFAULT. In the event that either party shall default in the performance of any material term, covenant, or condition of this Lease Agreement, the party not in default may at its option terminate this Lease Agreement. The party alleging default must provide written notice of said default, specifying the alleged default, and the receiving party shall have fifteen (15) business days to cure or shall immediately provide written documentation that it is proceeding to cure the default in an expedited manner (e.g., working overtime, express delivery, etc.). Should Lessee be in default by surrendering occupancy of the Premises in some manner violative of the terms of the Lease Agreement, Lessor may reenter the Premises without affecting its right of recovery of accrued rent therefore; provided, however, the Lessor shall exercise due diligence to mitigate any and all future losses of rent or damages that may result due to the failure of the Lessee to occupy the Premises.

14. SUFFICIENT APPROPRIATION BY LEGISLATURE REQUIRED. It is understood and agreed that the Lessee is a governmental entity, and this Lease Agreement shall in no way or manner be construed so as to bind or obligate the State of Idaho beyond the term of any particular appropriation of funds by the State legislature as may exist from time to time. The Lessee reserves the right to terminate this Lease Agreement in whole or in part if, in its judgment, the legislature of the State of Idaho fails, neglects or refuses to appropriate sufficient funds as may be required for Lessee to continue such lease payments, or requires any return or "give-back" of funds required for the Lessee to continue payments, or if the Executive Branch mandates any cuts or holdbacks in spending. All affected future rights and liabilities of the Parties shall thereupon cease within ten (10) days after the notice to the Lessor. It is understood and agreed that the lease payments provided for in this Lease Agreement shall be paid from State legislative appropriations.

15. RIGHT TO TERMINATE LEASE AGREEMENT AT DIRECTION OF IDAHO DEPARTMENT OF ADMINISTRATION. The parties to this Lease Agreement recognize and agree that Lessee, as an agency of the State of Idaho, is subject to the direction of the Idaho Department of Administration pursuant to Title 67, Chapter 57, Idaho Code, and, specifically, the right of that Department to direct and require Lessee to remove its operations from the Premises and relocate to other facilities owned or leased by the State of Idaho. Accordingly, it is agreed that, upon the occurrence of such event, Lessee may terminate this Lease Agreement at any time after a one (1) year period from the date of the commencement of the Lease Agreement as determined under Paragraph 2, provided that Lessor is notified in writing ninety (90) days prior to the date such termination is to be effective. Such action on the part of the Lessee will relieve the Lessee and the State of Idaho of liability for any rental payments for periods after the specified date of termination or the actual date of surrender of the Premises, if later.

16. OFFICIALS, AGENTS AND EMPLOYEES OF LESSEE NOT PERSONALLY LIABLE. It is agreed by and between the Parties that in no event shall any official, officer, employee or agent of the State of Idaho be in any way liable or responsible for any covenant or agreement contained in this Lease Agreement, express or implied, nor for any statement, representation or warranty made in or in any way connected with this Lease Agreement or the Premises. In particular, and without limitation of the foregoing, no full-time or part-time agent or employee of the State of Idaho shall have any personal liability or responsibility under this Lease Agreement, and the sole responsibility and liability for the performance of this Lease Agreement and all of the provisions and covenants contained in this Lease Agreement shall rest in and be vested with the State of Idaho.

17. RELATION OF PARTIES. The Parties agree and acknowledge that neither shall be considered the employer, agent, representative, or contractor of the other by reason of this Lease Agreement.

18. NOTICES. Any notice required to be served in accordance with the terms of this Lease Agreement shall be sent by registered or certified mail. Any notice required to be sent by the Lessee shall be sent to the Lessor's last known address at Lessor's Address and any notice required to be sent by the Lessor shall be sent to the address of the Premises and to the Lessee's address in Lessee's City Only, i.e., Agency Address. A copy of any such notice shall also be sent to the Department of Administration, Division of Public Works, Attn: State Leasing Manager, Post Office Box 83720, Boise, ID 83720-0072.

In the event of a change of address by either Lessor or Lessee, the Parties agree to notify each other in writing within ten (10) days of the date of any such change.

19. INSURANCE. The Lessor shall maintain an insurance policy (or policies) for the purpose of insuring any property and liability risks regarding the Premises. Any such policy obtained by the Lessor shall be at its sole and absolute expense, and Lessee shall have no obligation to obtain or pay for such insurance. The Lessor shall provide the Lessee with a copy of its insurance policy on or before the term this Lease Agreement commences and shall provide annual confirmation of coverage prior to the renewal date of the policy (or policies). Should any of Lessor's policy (or policies) be cancelled before its expiration date, the Lessor shall immediately notify the Lessee and provide evidence of a replacement policy.

In the event that the Lessee shall prepay rent in the manner set forth in this Lease Agreement, the insurance policy (or policies) obtained and maintained by the Lessor shall include Business Income Coverage (loss of rental income). The policy (or policies) shall identify the Lessee as an additional loss payee and shall furthermore require the issuing insurer to notify the Lessee of any policy cancellation. The Lessee shall be entitled to receive insurance proceeds in the full amount of any prepaid rent prior to any distribution of insurance proceeds to the Lessor or any other third party not having an insurable interest in the Premises.

The Lessee acknowledges that its personal property is subject to coverage in accordance with state law.

20. ASSIGNMENTS. Lessor shall not assign this Lease Agreement without the written consent of the Lessee. If approved, the assignment is not effective unless it is also approved by the State Board of Examiners in accordance with Idaho Code § 67-1027. An assignment shall not in any way act as a release of any claim by Lessee as against the original Lessor nor shall it act as a waiver of any default under this Lease Agreement existing at the time of such sale or conveyance and assignment to the extent that any such default continues and remains uncured after such sale and assignment. The provisions of the Lease Agreement will continue in full force and effect upon such assignment by Lessee.

21. NON-WAIVER. The failure of the Lessor or Lessee to insist upon strict performance of any of the covenants and agreements of this Lease Agreement or to exercise any option contained in this Lease Agreement shall not be construed as a waiver or relinquishment of any such covenant or agreement, but the same shall be and will remain in full force and effect unless such waiver is evidenced by the prior written consent of authorized representatives of the Lessor and Lessee.

22. MODIFICATION. This Lease Agreement may be modified in any particular only by the prior written consent of authorized representatives of the Lessor and Lessee. **Anything else contained herein notwithstanding, modifications to this Lease Agreement shall be of no force and effect until approved in writing by the Department of Administration, Division of Public Works.**

23. RENEWAL. This Lease Agreement may be renewed by the written consent of the Lessor and Lessee provided such consent is rendered sixty (60) days in advance of the expiration of the term of this Lease Agreement. Notice of Lessor's offer to renew shall be given by the Lessor one hundred twenty (120) days prior to the expiration of this Lease Agreement, including any extension. Lessee will have thirty (30) days to respond to Lessor's offer. If agreement is not reached by sixty (60) days prior to the expiration of the Lease Agreement, Lessor may lease the Premises to another party, but not on more favorable terms than offered to Lessee, without first giving Lessee ninety (90) days to accept or reject those new terms.

24. ASBESTOS AND HEALTH HAZARDS. Lessor agrees to comply promptly with all requirements of any legally constituted public authority made necessary by any unknown or existing health hazard including, but not limited to, such hazards which may exist due to the use or suspected use of asbestos or asbestos products in the Premises. The Lessor warrants that it has inspected the Premises for health hazards, specifically for the presence of asbestos, and the inspection has not detected asbestos, or if Lessor's inspection has revealed asbestos, then Lessor warrants that it has been removed or been encapsulated in accordance with current law and regulations. In the event that asbestos or another health hazard is discovered on the Premises, the Lessor agrees to protect the Lessee and its employees and to take immediate corrective action to cure the problem. It is agreed that, in the event the Lessee is unable to continue occupancy of the Premises due to the presence of asbestos or any other health hazard, or because of any governmental, legislative, judicial or administrative act, rule, decision or regulation, the Lease Agreement may be terminated by the Lessee upon ten (10) days' written notice to the Lessor. Any asbestos abatement costs, and any other repair or renovation costs associated with asbestos or other health hazard, as well as moving costs and consequential damages, will be at the sole expense of the Lessor.

25. NON-DISCRIMINATION. The Lessor hereby agrees to provide all services funded through or affected by this Lease Agreement without discrimination on the basis of race, color, national origin, religion, sex, age, physical/mental impairment, and to comply with all relevant sections of: Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; and The Age Discrimination Act of 1975; and to comply with pertinent amendments to these acts made during the term of this Lease Agreement. The Lessor further agrees to comply with all pertinent parts of federal rules and regulations implementing these acts. The Lessor hereby agrees to provide equal employment opportunity and take affirmative action in employment on the basis of race, color, national origin, religion, sex, age, physical/mental impairment, and covered veteran status to the extent required by: Executive Order 11246; Section 503 of the Rehabilitation Act of 1973, as amended; and Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974; and to comply with all amendments to these acts and pertinent federal rules and regulation regarding these acts during the term of the Lease Agreement.

26. ACCESSIBILITY. Space leased by the State of Idaho will meet or exceed standards for accessibility as set out in the American National Standards Institute (ANSI A117-1); Americans With Disabilities Act, Americans with Disabilities Accessibility Guidelines (ADAAG) and applicable regulations; the International Building Code; all state-adopted codes and standards; and such federal regulations as may be applicable to the occupying agency.

27. CONSTRUCTION OR RENOVATION OF BUILDINGS. All buildings owned or maintained by any State government agency or entity, or which are constructed or renovated specifically for use or occupancy by any such agency or entity shall conform to all existing state codes, including but not restricted to, the Idaho General Safety and Health Standards, the International Building Code, the International Mechanical Code and the International Fire Code. If any conflict arises between applicable codes, the more stringent code shall take precedence. Prior to construction or remodeling of such buildings, where appropriate, construction plans shall be reviewed and approved by the Division of Building Safety, the State Fire Marshal's Office and the Permanent Building Fund Advisory Council.

28. LONG TERM ENERGY COSTS. Long-term energy costs, including seasonal and peaking demands upon the suppliers of energy, are to be a major consideration in the construction of all State buildings and the execution of lease agreements. Special attention shall include energy conservation considerations including: (i) Chapter 13 of the International Building Code; (ii) use of alternative energy sources; (iii) energy management systems and controls to include effective means to monitor and maintain systems at optimal operations; and (iv) "state-of-the-art" systems and equipment to conserve energy economically.

29. NON-SMOKING BUILDINGS. All State-owned or State-leased buildings, facilities or area occupied by State employees shall be designated as "non-smoking" except for custodial care and full-time residential facilities. The policy governing custodial care and full-time residential facilities may be determined by the directors of such facilities.

30. UTILITY INFORMATION. State agencies are required to develop an inventory of greenhouse gas emissions and to implement strategies to reduce greenhouse gases. The Lessor agrees to provide Lessee with ongoing permission to access the utility information of the building to determine the amount of electricity and heating fuel consumed within the Premises. If Lessee is not able to access this information directly from the utility companies, Lessor agrees to furnish said information to Lessee on a calendar year basis.

31. INDOOR AIR QUALITY. Lessor agrees to develop and maintain an indoor air quality management program and to maintain it in conjunction with all construction projects in the Building as well as on all ongoing maintenance and repairs of the Building and the Premises. Said program shall optimize and document the use of air quality compliant materials inside the Building to reduce the emissions from materials used in the Building. Ongoing indoor air quality requires the use of low or no VOC paints, solvents, adhesives, furniture and fabrics. VOC and chemical component limits shall not exceed Green Seal's Standard GS-11 requirements. Paints used on site shall be low VOC and are to be brush-applied only, spray painting is not allowed on the interior of the Building. Carpet must meet the requirements of the CRI Green Label Plus Carpet Testing Program. Carpet cushion must meet the requirements of the CRI Green Label Testing Program. Composite panels and agrifiber products must not contain added urea-formaldehyde resins. Laminate adhesives used to fabricate on-site and shop applied assemblies containing these laminate adhesives must contain no urea-formaldehyde.

32. MATERIAL REPRESENTATIONS. The Parties agree and acknowledge that the representations and

acknowledgments made in this Lease Agreement are material and the Parties have relied upon them in entering this Lease Agreement.

33. SEVERABILITY. If any term or provision of this Lease Agreement is held by the courts to be illegal or in conflict with any existing law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be continued and enforced as if the invalid term or provision were not contained in this Lease Agreement.

34. LESSOR'S RIGHT TO LEASE. The Lessor warrants that it is lawfully possessed of the Premises and has good, right and lawful authority to enter into this Lease Agreement and that the Lessor shall put the Lessee into actual possession of the Premises at the commencement of the term of this Lease Agreement and shall ensure to the Lessee the sole, peaceable, and uninterrupted use and occupancy of the Premises during the full term of this Lease Agreement and any extension.

35. MORTGAGES BY LESSOR. Lessee recognizes that Lessor may encumber the Premises by a mortgage(s) or other instrument securing Lessor's obligations to a lender. In such event, the following provisions apply as to the holder of any such mortgage or security instrument and to any person or entity acquiring an interest in the Premises through such mortgage or security interest:

A. In the event of a foreclosure or acquisition by the holder of such mortgage or security instrument (or by a third party at a foreclosure sale), this Lease Agreement shall continue in full force and effect and the holder or other acquiring party shall be entitled to the benefits of the Lessee's performance under this Lease Agreement and shall have such remedies as are available to the Lessor under this Lease Agreement with respect to any default by the Lessee then existing or thereafter occurring.

B. Upon written notification to Lessee of a completed foreclosure or other acquisition by the holder or third party purchaser at a foreclosure sale, Lessee will attorn to the acquiring party and shall thereafter perform.

C. In the event of a foreclosure or acquisition by the holder of such mortgage or other security instrument (or by a third party purchaser at a foreclosure sale), claims by Lessee against the Lessor arising prior to acquisition by the holder or third party purchaser shall not apply to such holder or third party purchaser; provided, however, that this shall not act as a waiver of any rights of Lessee by reason of default under this Lease Agreement existing at the time of such foreclosure sale or other acquisition or thereafter arising, to the extent that such default is not cured under the provisions of this Lease Agreement.

36. ESTOPPEL CERTIFICATE. Lessee agrees, upon reasonable written request, and from time to time, to provide to Lessor an Estoppel Certificate in the form attached hereto as Exhibit B.

37. COMPLETE STATEMENT OF TERMS. No other understanding, whether oral or written, whether made prior to or contemporaneously with this Lease Agreement, shall be deemed to enlarge, limit or otherwise affect the operation of this Lease Agreement.

IN WITNESS WHEREOF, the Parties have executed this Lease Agreement as set forth above.

LESSOR: Lessor's Name

STATE OF _____)
)ss.
COUNTY OF _____)

On this _____ day of _____, 20__, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, known or identified to me to be the person whose name is subscribed to the foregoing instrument on behalf of Lessor's Name, as Lessor, and acknowledged to me that he/she executed the same on behalf of the Lessor.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public

Commission expires on _____ Residing at _____

STATE OF _____)
)ss.
COUNTY OF _____)

On this _____ day of _____, 20____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, known or identified to me to be the person whose name is subscribed to the foregoing instrument on behalf of Agency Name, as Lessee, and acknowledged to me that he/she executed the same on behalf of the Lessee.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public

Commission expires on _____ Residing at _____

APPROVED BY:

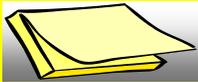
Richard Brien, State Leasing Manager
Division of Public Works, Department of Administration

Date

**EXHIBIT A TO THE LEASE AGREEMENT
THE PREMISES**

Premises Street Address, Premises City, Idaho

SAMPLE



Please Note! We have enclosed an executed copy of your new lease document. Please complete the following, then return this form and all requested items as noted below.

LESSOR INFORMATION SHEET

Agency Name @: Premises Street Address, Premises City

| LESSOR INFORMATION: Please fill out all four sections. If all are the same, please check "Same". | | | |
|--|-------------------------------|-------------------------------|-----------------|
| Lessor or Company Name: Lessor's Name | Property Management: | Accounts Receivable: | Legal Notices: |
| Contact Person: | Contact Person: | Contact Person: | Contact Person: |
| Address: | <input type="checkbox"/> Same | <input type="checkbox"/> Same | |
| Telephone Number: | <input type="checkbox"/> Same | <input type="checkbox"/> Same | |
| Fax Number: | <input type="checkbox"/> Same | <input type="checkbox"/> Same | |
| Email Address: | <input type="checkbox"/> Same | <input type="checkbox"/> Same | |
| Which address should we use to send you information on state Request for Proposals, notifying you of new space th seeking? <input type="checkbox"/> Mailing Address: _____ <input type="checkbox"/> Email Address: _____ | | | |
| CHECKLIST: A W-9 is required prior to processing invoices. Invoices are required on all rent payments. The lease r Lessor to provide a copy of its insurance policy prior to the commencement date of the lease. A Certificate of Occup required on all new construction or remodeling projects. Please send the following items immediately: | | | |
| <input type="checkbox"/> W-9 to ACCOUNTS PAYABLE at: Agency Name, | | | |
| <input type="checkbox"/> Copy of insurance policy to: Agency Name, Agency Address, T. F. | | | |
| <input type="checkbox"/> Rent invoices to ACCOUNTS PAYABLE at: Agency Name, Agency Address, T. | | | |
| <input type="checkbox"/> Copy of Certificate of Occupancy to Division of Public Works, 502 N. 4 th St, PO Box 83720, Boise, ID 83720-0072, (208)334-4031 and to Agency Address Fax # (if occupying this particular space for the first time). | | | |
| INSPECTION/ACCEPTANCE OF PREMISES: The attached form or its equivalent to be completed jointly by both ten landlord (if occupying this particular space for the first time). Due no later than 15 days after occupancy. | | | |
| <input type="checkbox"/> Upon completion of the Inspection/Acceptance of Premises, a copy should be sent to the Division of Public Work 4 th Street, PO Box 83720, Boise, ID 83720-0072, Fax (208)334-4031 and to Agency Name, Required only if state is occu particular space for the first time). | | | |
| NOTICES | | | |
| • Notice of an adjustment to the rental payment should go to: Agency Name, Agency Address, | | | |
| • Any legal notices should go to: Agency Name, Agency Address and to | | | |
| • A copy of any legal notice should also be sent to: Division of Public Works, PO Box 83720, Boise, ID 83720-0072, (208)332-1929, Fax (208)334-4031 | | | |
| ADDITIONAL INFORMATION: State web site may provide additional information, found at http://leasing.idaho.gov/ | | | |
| PLEASE SEND COPIES OF THIS COMPLETED FORM TO: | | | |
| <input type="checkbox"/> Agency Name, Agency Address | | | |
| <input type="checkbox"/> Agency Name, Agency Address (with insurance information) | | | |
| <input type="checkbox"/> Division of Public Works, 502 N. 4 th Street, PO Box 83720, Boise, ID 83720-0072, Fax (208)334-4031 | | | |
| <input type="checkbox"/> Accounts Payable @ Agency Name, Agency Address. (with W-9 and rent invoices) | | | |

INSPECTION/ACCEPTANCE OF PREMISES PRIOR TO OCCUPANCY

PROPERTY: Suite-Multi-Tenanted Office Single Tenant Office Bldg Classrm Retail Store Warehouse

This Inspection/Acceptance of Premises is intended to:

- Establish the Commencement Date of the Lease Agreement;
- To prevent disputes on property condition at the time of occupancy; and,
- To prevent disputes on property condition at the time the property is vacated.

In no event shall Lessee's inspection be deemed a waiver of any defects in the Premises.

Copies of this completed form should be sent to:

- Division of Public Works, 502 N. 4th Street, PO Box 83720, Boise, ID 83720-0072, Fax (208)334-4031
- Agency Name, Agency Address,

| ITEM | CONDITION @ TIME OF ACCEPTANCE* | |
|---|---------------------------------|--|
| Exterior Walls | | |
| Exterior Doors | | |
| Lighting (Exterior) | | <input type="checkbox"/> Lessee to replace bulbs/tubes after initial occupancy** |
| Stairs (Interior and Exterior) | | |
| HVAC | | <input type="checkbox"/> Lessee to service after initial occupancy** |
| Electrical | | |
| Ceilings | | |
| Walls | | |
| Window Coverings | | |
| Interior Doors | | |
| Floor Coverings | | <input type="checkbox"/> Lessee responsible for carpet cleaning** |
| Fire Protection (Exit Lighting, Emergency Lighting) | | |
| Fire Extinguishers | | <input type="checkbox"/> Lessee to supply & maintain after initial occupancy** |
| Restrooms | | <input type="checkbox"/> Lessee to provide janitorial and paper products** |
| Lighting (Interior) | | <input type="checkbox"/> Lessee to replace bulbs/tubes after initial occupancy** |

*E=Excellent(or new) G=Good F=Fair P=Poor(Must document conditions that are fair or poor – photos are helpful)
 ** Maintenance responsibilities are defined in the lease. In any event of a conflict, the lease agreement will prevail.

Lessor agrees to remedy the following items:

| ITEM | Before Acceptance & Occupancy of Premises | After Occupancy But Before _____ (Date) |
|------|---|---|
| | | |

The Premises were inspected on _____ (Date) by _____, representing _____ (State Agency) and _____, representing _____ (Lessor).

Lessor

Lessee

Lessee shall return the Premises at the end of its occupancy in the same condition as originally received, less reasonable wear and tear. Reasonable wear and tear shall take into account:

- Original condition at time of occupancy
- Length of tenancy
- Quality and life expectancy of the building product
- Maintenance and repair responsibilities as detailed in the Lease Agreement
- Number of occupants and amount of public traffic in and out of Premises
- Amount of public traffic in and out of Premises
- Type of use

As an example, the following are some estimates of the estimated lifetime of building products:

| | | | |
|------------------------------|------------------------------------|--|------------------------------|
| Interior Paint: 5 to 10 yrs | Laminate Countertops: 10 to 15 yrs | Solid Core Interior Doors: 30 to 100 yrs | Carpet: 7 to 10 yrs |
| Vinyl Flooring: 10 to 20 yrs | Drywall: 65 to 70 yrs | Faucets: 13 to 20 yrs | Overhead Doors: 20 to 30 yrs |