

2017 Tennessee Code

Title 12 - Public Property, Printing and Contracts

Chapter 2 - Administration and Disposition of State Property

Part 1 - General Provisions

§ 12-2-114. State leases -- Procedure.

Universal Citation: TN Code § 12-2-114 (2017)

- (a) As used in this section, "entity" means any state agency, department, or institution of higher education of the state.
- (b) When it becomes necessary for an entity to enter into a new lease as lessee, the applicable state procurement agency, in accordance with the policy of the state building commission, shall:
 - (1) Prepare a general statement of the entity's space needs; and
 - (2) Advertise, at the cost of the entity requesting the space, the entity's space needs on the web site of the state procurement agency and in a newspaper of general circulation in the city or county where the space is needed on at least one (1) occasion and at least two (2) weeks before proposals are opened, or as required by the policy of the state building commission, unless one (1) of the following exceptions is satisfied:
 - (A) The annual rental will be less than an amount to be specified by the policy of the state building commission, the amount not to exceed fifty thousand dollars (\$50,000);
 - (B) The property to be leased is owned or otherwise controlled by a city, county, or other political subdivision of the state or the federal government;
 - (C) The space required by the entity has special and unique requirements as determined and approved by the state building commission; or
 - (D) The term of the lease will be one (1) year or less.
- (c) When it becomes necessary for an entity to amend a lease where it is the lessee, advertising shall not be required for:
 - (1) Lease renewals where the right to renew the lease and the terms of the rental rate for the renewal term were included in the original lease;

- (2) Extensions to the term of a lease by one (1) year or less beyond the expiration date set forth in the original lease; or
 - (3) Other amendments to a lease, unless required by the policy of the state building commission.
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- (d) Any proposal to lease space to the entity shall contain the name of any persons who are contemplated to become financially interested in the lease and shall be made readily available and accessible for public examination.
 - (e) After receipt of the proposals, the state procurement agency, in accordance with the policy of the state building commission, may then negotiate with the prospective lessors for leasing of the needed space, taking into account not only the rent offered but the type of space, the location, its suitability for the purpose, services offered by the lessor, moving costs, and all other relevant factors. The state shall enter into a lease with the proposer offering the proposal with the lowest total cost, unless a statement of justification supporting award to a different proposer has been submitted to and approved by the state building commission prior to entering into the lease.