



Cornell University

# Leased Space Approval Process

Approved by the Capital Funding & Priorities Committee; January 14, 2016  
Approved by the Space Use Advisory Committee; July 23, 2021

**This process applies** to any contemplation of the lease or use of any type of real property space<sup>1</sup> to meet programmatic needs for office, lab, residential, storage, warehouse, etc. This process applies to all transactional arrangements involving leases for all units of the University, excluding Weill Cornell Medicine.

**As soon as a space need that may require leased space is identified, the Cornell unit should:**

1. Involve the unit's Facility Director (UFD) and/or Administrative/College Officer (CO).
2. The UFD or CO or direct delegate of these positions should contact:
  - a. Jeremy Thomas, Senior Director of Cornell Real Estate
    - Real Estate can assist units to identify space in alignment with University objectives, coordinate with University Counsel and Risk Management, and assist in obtaining necessary approvals.
  - b. Mary-Lynn Cummings, Director of Capital & Space Planning (C&SP)
    - C&SP can assist Cornell units by providing guidance for space use and capital process and approvals required by University policy.

**Important note:** Advanced planning for leased space is essential to the timely development of appropriate space solutions which align with University objectives, to align with timelines for all reviews and approvals, and to secure properly executed documents with University signature authority.

**Transactional approval for all leases** (space and/or land) is prescribed by Policy 4.2, Appendix C which references the Cornell University Real Estate Administrative Plan. *Only three people are authorized to sign leases* – the Senior Director of Real Estate, the Vice President for Finance, or the Executive Vice President. Real Estate will determine the appropriate authority in each instance. Unit representatives at any level cannot sign leases.

To provide consistent and organized information regarding the lease arrangement, all transactions that must be presented to the Capital Funding & Priorities Committee (CF&PC) will complete a [Lease Approval Request](#) (LAR) to provide complete and organized information regarding lease arrangements. A Real Estate representative and a college/division administrator representing the occupying unit will jointly complete and present the LAR to CF&PC.

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<sup>1</sup> Properties not owned by Cornell University

### **Best Practices for Developing Cornell Leases:**

- Academic and administrative units need to coordinate all lease activities through the UFD and/or CO for the college/division before working with other University officials.
- Units should consider the need for leased space to meet programmatic needs as far in advance as possible.
  - The larger or more complex the space need, the more benefit can be derived from longer planning horizons.
  - There are many variables in each phase of the lease process, including space request approval, finding the correct property, negotiating business terms, financial and legal reviews and approvals, and custom fit-out. The length of time is impossible to estimate, as every instance is unique.
- Unit representatives should also avoid engaging existing or possible landlords or property managers in discussions about potential space. How Cornell positions needs is critical to negotiating favorable lease terms and only Real Estate staff should initiate this engagement.
- Within Tompkins County, Cornell-to-Cornell “leases” or agreements are preferred over Cornell leases from third parties.
- In any location, co-location arrangements with other Cornell units are preferred.
- In New York City, new space requests are considered within a framework that prioritizes existing leased or owned space, followed by hub locations in buildings with an existing Cornell presence. Leasing in other locations will only be considered if these locations do not meet a specific programmatic need.

**For expiring leases** with an ongoing programmatic need for space, the unit should consult with Real Estate to evaluate the ongoing need for an appropriate solution. This evaluation should occur with enough lead time to negotiate an extension of the existing lease or the possible exploration of a new lease situation with subsequent negotiations and possible renovations. The complexity, including the size and specificity of the footprint and the term of the lease will be critical in considering the lead time required.

**For all extensions and new leases, the process, roles and responsibilities are outlined in Appendix A.** A step-by-step guideline is provided in Appendix B, and a flow chart in Appendix C.

### **CONTACTS**

Capital & Space Planning: [spaceplanning@cornell.edu](mailto:spaceplanning@cornell.edu)

Real Estate: [curealestate@cornell.edu](mailto:curealestate@cornell.edu)

### **RESOURCES**

Space Request Forms:

<https://dbp.cornell.edu/home/space-planning/space-request-forms/>

Lease Approval Request:

<https://dbp.cornell.edu/home/space-planning/leased-space/lease-approval-request-lar/>

### **Revision Tracking**

July 2024: Update hyperlinks, update title of Vice President of Finance

## Appendix A: Roles and Responsibilities in the Space Leasing Process

	Unit	Real Estate	Capital & Space Planning
<p><b>New lease, Extension of existing lease, Expansion of existing lease footprint</b></p>	<ul style="list-style-type: none"> <li>○ Contact Real Estate and C&amp;SP</li> <li>○ Work with Real Estate to identify the specific process for your unique space needs</li> <li>○ Based on your unique space needs, prepare the Request to Lease Space form and obtain the appropriate Dean or VP signature to support the request</li> </ul>	<ul style="list-style-type: none"> <li>○ Assist the unit in <ul style="list-style-type: none"> <li>▪ identifying the specific process based on their space lease needs</li> <li>▪ identifying options for needed space aligning with University objectives</li> <li>▪ preparing the space request form, if required</li> </ul> </li> <li>○ Assist C&amp;SP in evaluating a unit's space request and any need for Governance attention</li> </ul>	<ul style="list-style-type: none"> <li>○ Provide the leased space request form, answer questions, schedule a review of the request through the proper governance process, and communicate the results of that review (endorsement, endorsement with conditions, or denial)</li> <li>○ Copy Real Estate on relevant communications</li> </ul>
<p><b>Initiating space search, Negotiation, and Finalization of lease terms</b></p>	<ul style="list-style-type: none"> <li>○ Be prepared to provide timely responses and input to Real Estate, Counsel, and Risk Management regarding the terms and conditions of the lease</li> <li>○ Assist in preparation and co-present the lease and lease terms for administrative approval</li> <li>○ Assume responsibility for the space once all legal documents are signed and completed, including adhering to all lease provisions, including payment for the lease and related costs for services</li> <li>○ Coordinate with the Facilities Information Group to add the space to the Facilities Inventory System and maintain the data as long as the space is occupied</li> </ul>	<ul style="list-style-type: none"> <li>○ Assist the unit in locating options aligned with University objectives for the approved space request</li> <li>○ Initiate contact with any potential landlords / owner's representatives, and serve as the point of contact for all ensuing communication with potential landlords</li> <li>○ Negotiate lease terms and conditions with potential landlords</li> <li>○ Coordinate the lease documentation with Counsel's Office and Risk Management</li> <li>○ Communicate lease terms with Division of Financial Affairs and incorporate feedback</li> <li>○ Assist the unit with any additional University governance requirements necessary for the financial review and approval of the lease terms and conditions</li> <li>○ Ensure proper University protocols are followed to secure a University authorized signature on the legal documents</li> <li>○ Notify the unit of document completion and any important details for moving forward with occupation of the space</li> <li>○ Notify Facilities Inventory of new or changing information related to the lease documents, including any floor plans available</li> <li>○ Add lease terms and conditions to the Real Estate database and file copies of all legal documents on behalf of the University</li> </ul>	

## Appendix B: Step-by-Step Detail of the Lease Approval Process

### For most New Leases:

- The unit contacts Cornell Real Estate to discuss the type of space, location of the space, and other details the unit is considering.
  - **For leases less than 1 year, in all locations**, the UFD or CO can coordinate directly with Real Estate to resolve the need.
  - **For leases of 1 year or more, in all locations:**
    - Real Estate will work with the UFD to evaluate the type of space use and opportunities to occupy space owned or currently leased by Cornell. If this is **possible**, and/or the lease is of one of the following types:
      - Lease by Cornell Cooperative Extension, including the NYS IPM Program and other extension programs of the colleges, anywhere in New York State, and involves only one or two people.
      - Office or housing lease for a Cornell program operating abroad; or
      - Housing lease by a Cornell unit to support faculty or staff outside Ithaca or to support visitors to Ithaca, consisting of no more than one or two units under one lease.
      - Then the unit needs to:
        - Complete Parts I – III, VII, and VIII of the [Request to Lease Space](#), obtain the Dean/Vice Provost/Vice President’s signature, and submit it to C&SP.
        - Obtain appropriate financial and other approvals, as advised by Real Estate.
        - Make sure the location is properly recorded in the Facilities Inventory System.

If it is **not possible** to occupy space owned or currently leased by Cornell then the unit will need to complete a [Request to Lease Space](#) (all sections except III), obtain the Dean/Vice Provost/Vice President’s signature, and submit it to C&SP. The Director of C&SP, in coordination with the Senior Director of Real Estate, will evaluate the request for consistency with Cornell leased space strategies. Any request that is not in alignment with stated strategies will be passed to the appropriate committee for review:

- The Space Use Advisory Committee for space needs in Tompkins County.
- The Provost or designee for space needs in New York City and elsewhere.

A lease cannot be executed until such review is complete. Therefore, unit advance planning in lease space arrangements is essential to timely development of appropriate space solutions.

### For leases of 1 year or more, in Tompkins County, for storage:

Real Estate will work with the UFD to identify acceptable options. The first preference is to locate storage in Cornell owned or master-leased space. Other alternatives will be considered, based on the specific needs.

- If Real Estate and the UFD settle on an acceptable solution, no further space approval is required. All pertinent financial approvals are applicable.
- If Real Estate and the UFD *cannot* settle on an acceptable solution, then the unit will complete Parts I – III, VII, and VIII of the [Request to Lease Space](#) that documents the specialized nature of the request and the rationale for the unacceptability of any proposed solution(s). The form will require signature by the Dean/Vice Provost/Vice President, submission to C&SP, and review by the Space Use Advisory Committee.



# Leased Space Approval Process

## Appendix C: Workflow

*This chart describes the process for the identification of need, review, and approval of leased space for the university and should be used in coordination with the full text of the [Process](#). This process applies to all transactional arrangements involving leases for all units of the University, excluding Weill Cornell Medicine. This process was approved by the Capital Funding & Priorities Committee in January 2016, with subsequent modifications by the Space Use Advisory Committee.*

