Executive Summary

The U.S. General Services Administration (GSA) proposes a lease of approximately 115,000 rentable square feet (RSF) for the Department of Defense—U.S. Army Corps of Engineers (USACE), currently located at 915 Wilshire Boulevard in Los Angeles, California. The lease will provide continued housing for USACE, and will improve the office utilization and overall utilization rates from 140 to 116 and 218 to 184 usable square feet (USF) per person, respectively.

Description

Occupant: U.S. Army Corps of Engineers
Current RSF: 115,644 (Current RSF/USF = 1.12)
Estimated/Proposed Maximum RSF: 115,000 (Proposed RSF/USF = 1.15)
Expansion/Reduction RSF: 644 (Reduction)
Current USF/Person: 218 Overall UR
Estimated/Proposed USF/Person: 184 Overall UR
Expiration Dates of Current Lease(s): 05/02/2020
Proposed Maximum Leasing Authority: 20 years
Delineated Area: Greater Los Angeles Area: bounded by Los Angeles CBA to Pasadena CBA to Monterey Park CBA, California (North: I-210 between I-710 and San Gabriel Blvd.; South I-10 and SR 60; East: San Gabriel Blvd. between I-210 and SR 60; West: I-710 to South Pasadena Ave. to West California to Fair Oaks Blvd. to SR 110)

Number of Official Parking Spaces: 32
Scoring: Operating
Current Total Annual Cost: $3,893,496 (lease effective 05/03/2006)
Estimated Rental Rate: $46.00 / RSF
Estimated Total Annual Cost: $5,290,000

1 The RSF/USF at the current location is approximately 1.12; however, to maximize competition a RSF/USF ratio of 1.15 is used for the estimated proposed maximum RSF as indicated in the housing plan.
2 This estimate is for fiscal year 2020 and may be escalated by 2 percent annually to the effective date of the lease to account for inflation. The proposed rental rate is fully serviced including all operating expenses, whether paid by the lessor or directly by the Government. GSA will conduct the procurement using prevailing market rental rates as a benchmark for the evaluation of competitive offers and as the basis for negotiating with offerors to ensure that lease award is made in the best interest of the Government.
3 New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.
Background

The USACE Los Angeles District provides civil works and military engineering support to southern California, southern Nevada, Arizona, and parts of Utah, encompassing 226,000 square miles and 420 miles of coastline. The area includes 14 harbors, 16 dams, and 54 miles of flood control channels. Among the 14 navigation projects and 13 miles of breakwaters maintained by the District are the Ports of Los Angeles and Long Beach, which account for a majority of trade and shipping on America’s west coast. The scope of the mission in the District includes navigation and flood control projects, military construction installations, ecosystem restoration projects, and Interagency and International Support program projects. The dams and recreation areas host more than seven million visitors a year.

Justification

The current lease at 915 Wilshire Boulevard in Los Angeles expires on May 2, 2020. USACE requires continued housing to ensure continuity in meeting its mission requirements. The Los Angeles District, which covers much of America’s Southwest, supports engineering and environmental projects, designs and manages military construction, and provides design and construction management for other Federal agencies.

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Request for Lease Proposals and other documents related to the procurement of space based on the approved prospectus. GSA encourages offerors to exceed minimum requirements set forth in the procurement and to achieve an Energy Star performance rating of 75 or higher.

Resolutions of Approval

Resolutions adopted by the House Committee on Transportation and Infrastructure, and the Senate Committee on Environment and Public Works approving this prospectus will constitute approval to make appropriations to lease space in a facility that will yield the required rentable area.
Interim Leasing

GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency prior to the effective date of the new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.

Certification of Need

The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on November 20, 2018.

Recommended: [Signature]
Commissioner, Public Buildings Service

Approved: [Signature]
Administrator, General Services Administration