PROSPECTUS – LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
ALLENTOWN, PA

Prospectus Number: PPA-11-VA25
Congressional District: 7

Executive Summary

The General Services Administration (GSA) proposes an outpatient clinic lease of approximately 81,719 net usable square feet (NUSF) for the U.S. Department of Veterans Affairs (VA), replacing a separate outpatient facility totaling 31,000 NUSF in the vicinity of Allentown, PA. The original proposed lease was projected to be below the prospectus threshold, however, due to market conditions, this proposed lease is now above the prospectus threshold.

The lease will be delegated to VA to provide continued services for the Allentown veteran community and provide the necessary expansion services to meet current and projected service delivery gaps for healthcare in the local market.

Description

Occupant:	Veterans Affairs
Current NUSF:	31,000
Estimated Maximum NUSF:	81,719
Expansion/Reduction NUSF:	50,719 (expansion)
Estimated Maximum Rentable Square Feet:	110,321
Expiration Dates of Current Lease(s):	3/23/2027
Proposed Maximum Leasing Authority:	20 years
Delineated Area:	North: Intersection Claussville Rd & Kernsville Rd, E on Kernsville Rd, N on Hwy 309, E on Levans Rd, E on Maple St, SE on Mauch Chunk Rd, E on Mechanicsville Rd, N on Hwy 145, E on Lehigh St South: W on Oakhurst Dr, N on Hwy 145, S on Vera Cruz Rd, W on Brunner Rd, W on Main Rd E, W on Main Rd W, W on Shimerville Rd, N & W on Hwy 100, W on Hamilton Blvd East: S on Front St, W on Race St, S on Lehigh St, E on N Irving St, E on Lehigh Valley Thruway, S on Fred B. Rooney Hwy, S on Hill to Hill Bridge, S on Wyandotte St West: N on Hwy 863, N on Ziegels Church Rd, N on Kecks Rd, E on

PROSPECTUS – LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
ALLENTOWN, PA

Prospectus Number: PPA-11-VA25
Congressional District: 7

	Seipstown Rd, N on Claussville Rd
Number of Official Parking Spaces:	600
Scoring:	Operating Lease
Current Total Annual Cost:	$603,594 (lease effective 3/25/2000)
Current Total Unserviced Annual Cost:	$519,742
Estimated Unserviced Rental Rate[1]:	$54.53 per NUSF
Estimated Total Unserviced Annual Cost[2]:	$4,457,000

Justification

A new 81,719 NUSF lease in Allentown will replace the existing Allentown Satellite Outpatient Clinic and allow for decompression of the Wilkes-Barre VA Medical Center.

The primary care, mental health, specialty care, and ancillary spaces at the Allentown Satellite Outpatient Clinic are inadequate and undersized for the current and projected veteran workload demand for services. Specifically, workload for ambulatory services and procedures and mental health services is projected to increase over the next 20 years.

The new facility will enhance VA outpatient services by closing space gaps identified in VA's Strategic Capital Investment Planning process. This new lease will allow VA to provide comprehensive primary care, mental health, specialty care, and ancillary services to the veteran population in the Allentown area in a rightsized and state-of-the-art healthcare facility in a timely manner. Being housed in a right-sized, Patient-Aligned Care Team-designed[3], and more accessible facility will allow better optimized VA care delivery, improved veteran satisfaction, increased team coordination, improved workflows, and improved recruitment and retention for VA staff.

The proposed project aligns with the following VA Departmental Strategic Goals:

1. Easy Access and Greater Choice
   - VA understands veterans' needs throughout their lives to enhance their choices and to improve customer experience
   - VA ensures veterans are informed of, understand, and can get the benefits, care, and services they earned, in a timely manner
2. Excellent Customer Service and Highly Reliable and Integrated Care

[1] This estimate is for fiscal year 2028 and may be escalated by 2.2 percent annually to the effective date of the lease to account for inflation. The proposed rental rate is unserviced (taxes, insurance, management, and maintenance and repair reserves included); however, the lease contract may include operating expenses paid by the lessor.
[2] New leases may contain an escalation clause to provide for annual changes in real estate taxes.
[3] Patient-Aligned Care Team design focuses on open office work environments, separation of patient and staff flows, and modular adaptable design.

- VA has collaborative, high-performing and integrated delivery networks that enhance veteran well-being and independence

3. Improved Trust, Accountability, and Transparency
   - VA is always transparent to enhance veterans' choices, to maintain trust, and to be openly accountable for its actions
4. Transform Business Operations
   - VA's infrastructure improvements, improved decision-making protocols, and streamlined services enable VA to adapt to changing business environments and veteran needs

Summary of Energy Compliance

The Government 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. The Government encourages offerors to exceed minimum requirements set forth in the procurement and to achieve an Energy Star performance rating of 75 or higher[4].

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 net usable area.

Interim Leasing

The Government will execute such interim leasing actions as are necessary to ensure continued housing 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.

[4] Per the legal authority in 42 U.S.C. § 17091 based on the originating legislation EISA 2007 § 435, with only certain exceptions, federal agencies are not to enter into a contract to lease space in a building that has not earned the ENERGY STAR label in the most recent year.

PROSPECTUS – LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
ALLENTOWN, PA

Prospectus Number: PPA-11-VA25
Congressional District: 7

Certification of Need

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

Submitted at Washington, DC, on 3/28/2025

Recommended: _____
Commissioner, Public Buildings Service

Approved: _____
Administrator, General Services Administration