PBS

PROSPECTUS – LEASE U.S. DEPARTMENT OF VETERANS AFFAIRS BATON ROUGE, LA

Prospectus Number: PLA-13-VA25 Congressional Districts: 2, 6

Executive Summary

The General Services Administration (GSA) proposes an outpatient clinic lease of approximately 87,878 net usable square feet (NUSF) for the U.S. Department of Veterans Affairs (VA) in the vicinity of Baton Rouge, LA. 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, provide continued services for the Baton Rouge 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 58,295
Estimated Maximum NUSF: 87,878

Expansion/Reduction NUSF: 29,583 (expansion)

Estimated Maximum Rentable Square Feet: 118,635

Expiration Dates of Current Lease(s): 29,995 NUSF – 6/3/2024 28,300 NUSF – 7/1/2026

Proposed Maximum Leasing Authority: 20 years

Delineated Area: North: Route 190 at I-110 to Route 190 at

Plank Road to Plank Road at Hooper Road to Hooper Road at Lovett Road to Lovett

Road at Joor Road to Lovett Road to Lovett Road at Joor Road at Greenwell Springs Road to Greenwell Springs Road at Frenchtown Road to Frenchtown Road at Central Throughway East: Burbank Drive at East Highway 30 to Burbank Drive at Highland Road to

Highland Road at Route 61

South: Central Throughway at Frenchtown Road to Central Throughway at Florida Boulevard to O'Neal Lane at Florida Boulevard to O'Neal Lane at South Harrells Ferry Road to South Harrells Ferry Road at Jones Creek Road to Jones Creek Road at Coursey Boulevard to Coursey Boulevard at Stumberg Lane to

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Stumberg Lane at Route 61 to Route 61 at

Highland Road

West: I-110 at Route 190 to I-110 at I-10

to I-10 at East Highway 30 to East Highway 30 at Burbank Drive

Parking Spaces:

600

Scoring:

Operating Lease

Current Total Annual Cost:

\$1,726,087 (leases effective 11/30/2003,

10/1/2010)

Current Total Unserviced Annual Cost:

\$1,558,446

Estimated Unserviced Rental Rate¹:

\$64.09 per NUSF

Estimated Total Unserviced Annual Cost²: \$5,633,000

Justification

and modular adaptable design.

A new 87,878 NUSF lease in Baton Rouge, LA will allow for the replacement and expansion of the existing Baton Rouge North CBOC and Baton Rouge South CBOC leases.

The primary care, mental health, and specialty care spaces at the existing leases 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. Additionally, the consolidation of services from multiple existing leases would create operational efficiencies.

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 Baton Rouge area in a right-sized and state-of-the-art healthcare facility in a timely manner. Being housed in a right-sized, Patient-Aligned Care Team-designed³, 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 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.

New leases may contain an escalation clause to provide for annual changes in real estate taxes.
 Patient-Aligned Care Team design focuses on open office work environments, separation of patient and staff flows,

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- 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
 - 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 higher⁴.

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 <u>42 U.S.C. § 17091</u> based on the originating legislation <u>EISA 2007 § 435</u>, 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.

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Certification of Nee	<u>d</u>
The proposed project	is the best solution to meet a validated Government need.
Submitted at Washing	gton, DC, on
Recommended:	Commissioner, Public Buildings Service
Approved:	Administrator, General Services Administration