Prospectus Number: PSC-14-VA25 Congressional Districts: 1

Executive Summary

The General Services Administration (GSA) proposes an outpatient clinic lease of approximately 71,663 net usable square feet (NUSF) for the U.S. Department of Veterans Affairs (VA) in the vicinity of Beaufort, SC. 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 Beaufort 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
occupant.	r columb i man

Current NUSF	8,453
Estimated Maximum NUSF:	71,663

Expansion/Reduction NUSF:	63,210 (expansion)
Expansion/Reduction NUSF.	05,210 (CXpansion)

Estimated Maximum Rentable Square Feet:	96,745
Expiration Dates of Current Lease(s):	1/5/2028
Proposed Maximum Leasing Authority:	20 years

Delineated Area: North: Intersection of Hwy 21/Broad

River Rd

East: Hwy 21 intersection of Hwy

280/Ribault Rd

South: Ribaut Rd/Parris Island Gateway to

intersection of Hwy 128/Hwy 170 West: Broad River Rd to intersection of

Hwy 170

Parking Spaces: 500

Scoring: Operating Lease

Current Total Annual Cost: \$432,774 (lease effective 9/30/2010)

Current Total Unserviced Annual Cost: \$389,497

Estimated Unserviced Rental Rate¹: \$65.30 per NUSF Estimated Total Unserviced Annual Cost²: \$4,680,000

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.

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Justification

A new 71,663 NUSF lease in Beaufort, SC will allow for the replacement and expansion of the existing Beaufort Primary Care Clinic lease.

The current space at the existing lease is 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 Beaufort 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. Easy Access and Greater Choice
 - Veterans are satisfied with the available choices for care, benefits, and services.
 - Eligible veterans choose VA as their provider of choice for their care.
- 2. Excellent Customer Service and Highly Reliable and Integrated Care
 - Veterans are satisfied with the results of the veteran benefits, care, and services they received.
 - VA's organizational performance matches or exceeds industry standards for excellence in all its lines of business.
- 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 has aligned its strategic footprint and services to ensure it can quickly adapt to changing veteran needs.

³ Patient-Aligned Care Team design focuses on open office work environments, separation of patient and staff flows, and modular adaptable design.

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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.

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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 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: