

**AMENDED PROSPECTUS – LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
KANSAS CITY, MO**

Prospectus Number: PMO-21-VA25
Congressional Districts: 5, 6

Executive Summary

The General Services Administration (GSA) proposes to amend prospectus PMO-27-VA23 an outpatient clinic lease of approximately 102,736 net usable square feet (NUSF) for the U.S. Department of Veterans Affairs (VA) in the vicinity of Kansas City, MO. The Senate Committee on Environmental and Public Works and the House Committee on Transportation and Infrastructure approved the original prospectus on July 26, 2023, and July 27, 2023, respectively. This amended prospectus seeks authority to increase the rental rate as, the previously approved rental rate proved to be insufficient for medical space in the current market.

The lease will be delegated to VA, provide continued services for the Kansas City 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	N/A
Estimated Maximum NUSF:	102,736
Expansion/Reduction NUSF:	102,736 (expansion)
Estimated Maximum Rentable Square Feet:	138,694
Expiration Dates of Current Lease(s):	N/A
Proposed Maximum Leasing Authority:	20 years
Delineated Area:	<u>North:</u> E on I-435 <u>East:</u> S on I-435, E on MO-152, S on I-35 <u>South:</u> W on I-35, W on I-29 <u>West:</u> Clay County/Platte County Border
Parking Spaces:	700
Scoring:	Operating Lease
Current Total Annual Cost:	N/A
Current Total Unserviced Annual Cost:	N/A
Estimated Unserviced Rental Rate ¹ :	\$60.47 per NUSF
Estimated Total Unserviced Annual Cost ² :	\$6,213,000

¹ This estimate is for fiscal year 2029 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 102,736 NUSF lease in Kansas City will allow for expanded capacity of the Kansas City VA Medical Center.

The current space in these facilities is insufficient to meet the projected needs of the veteran community. Space limitations and an increase in workload limit veterans' access to services in a timely manner.

The new facility will enhance VA outpatient services by closing space and utilization gaps identified in VA's Strategic Capital Investment Planning process. The new lease will allow VA to provide comprehensive primary care, mental health, specialty care, and outpatient surgical services to the veteran population in the Kansas City area in a rightsized and state-of-the-art healthcare facility.

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 higher³.

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.

³ ³Per 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.

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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: 

Administrator, General Services Administration