

**PROSPECTUS – LEASE
ENVIRONMENTAL PROTECTION AGENCY
REGIONAL HEADQUARTERS
DENVER, CO**

Prospectus Number: PCO-08-DE16
Congressional District: 1

Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 176,000 rentable square feet (RSF) for the Environmental Protection Agency (EPA) Region 8 Headquarters, currently located at 1595 Wynkoop Street in Denver, CO, under one lease that was effective in 2006.

The replacement lease will provide continued housing for EPA and will improve its office and overall utilization rates from 150 to 108 usable square feet (USF) per person and 272 to 200 USF per person, respectively. As a result of the improved utilization, the replacement lease will reduce the rentable square footage of the requirement by 29 percent, a 72,849 RSF reduction from the total of its current occupancy. In the absence of this reduction, the status quo cost of continued occupancy at the proposed market rental rate would be \$11,447,054.

Description

Occupant:	Environmental Protection Agency
Lease Type	Replacement
Current Rentable Square Feet (RSF)	248,849 (Current RSF/USF = 1.23)
Proposed Maximum RSF:	176,000 (Proposed RSF/USF = 1.23)
Expansion/Reduction RSF:	72,849 Reduction
Current Usable Square Feet/Person:	272
Proposed Usable Square Feet/Person:	200
Proposed Maximum Lease Term:	15 Years
Expiration Dates of Current Leases:	12/31/16
Delineated Area:	North: Platte River South: Intersection of Broadway Street and Speer Boulevard East: Broadway Street West: Speer Boulevard
Number of Official Parking Spaces:	40
Scoring:	Operating lease
Maximum Proposed Rental Rate ¹ :	\$46.00 / RSF

¹This estimate is for fiscal year 2017 and may be escalated by 1.9 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

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Proposed Total Annual Cost ² :	\$8,096,000
Current Total Annual Cost:	\$7,702,000 (Lease effective 12/15/2006)

Justification

EPA has occupied the seven-story building leased at 1595 Wynkoop Street in Denver, CO, since 2006, under a lease that expires December 31, 2016. EPA has a continued need for housing to carry out its mission. The proposed replacement lease will ensure continuity of operations for the EPA Region 8 Headquarters while reducing the space requirement by 72,849 RSF.

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.

for negotiating with offerors to ensure that lease award is made in the best interest of the government. Lease award shall not exceed the maximum rental rate as specified in this prospectus.

²New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.

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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 October 23, 2015

Recommended: 
Commissioner, Public Buildings Service

Approved: 
Administrator, General Services Administration