



Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

Sam Graves
Chairman

Rick Larsen
Ranking Member

Jack Ruddy, Staff Director

Katherine W. Dedrick, Democratic Staff Director

LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
BEAUFORT, SC
PSC-14-VA25

Resolved by the Committee on Transportation and Infrastructure of the United States House of Representatives, that pursuant to 40 U.S.C. §3307, appropriations are authorized for a lease of up to 71,663 net usable square feet of space, and 500 parking spaces, for the U.S. Department of Veterans Affairs (VA) for an outpatient clinic in the vicinity of Beaufort, SC to provide continued and expansion services for the Beaufort veteran community at a proposed unserviced annual cost of \$4,680,000 for a lease term of up to 20 years, a prospectus for which is attached to and included in this resolution.

Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided that, to the maximum extent practicable, the Administrator shall include in the lease contract(s) a purchase option that can be exercised at the conclusion of the firm term of the lease.

Provided further, if the General Services Administration delegates to any other agency the authority granted by this resolution, the Administrator of General Services shall oversee and monitor such delegation of authority to ensure such delegation is carried out consistent with the law and authority provided.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, not later than 30 calendar days after the date on which a request from the Chairman or Ranking Member of the Committee on Transportation and Infrastructure of the House of Representatives is received by the Administrator of General Services, the Administrator shall provide such Member a response in writing that provides any information requested regarding the project.

Provided further, prior to entering into this lease or approving a novation agreement involving a change of ownership under this lease, the Administrator of General Services shall require the offeror or the parties requesting the novation, as applicable, to identify and disclose whether the owner of the leased space, including an entity involved in the financing thereof, is a foreign person or a foreign-owned entity; provided further, in such an instance, the Administrator of General Services shall notify the occupant agency(ies) in writing, and consult with such occupant agency(ies) regarding security concerns and necessary mitigation measures (if any) prior to award of the lease or approval of the novation agreement.

Provided further, the Administrator of General Services shall require tenant agency(ies) to agree to reporting actual utilization data on at least an annual basis during occupancy and such reports are transmitted to the Committee.

Adopted: June 11, 2025

A handwritten signature in blue ink, appearing to read "Sam Graves", is written over a horizontal line.

Sam Graves
Chairman

PROSPECTUS – LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
BEAUFORT, SC

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
Current NUSF	8,453
Estimated Maximum NUSF:	71,663
Expansion/Reduction NUSF:	63,210 (expansion)
Estimated Maximum Rentable Square Feet:	96,745
Expiration Dates of Current Lease(s):	1/5/2028
Proposed Maximum Leasing Authority:	20 years
Delineated Area:	<u>North:</u> Intersection of Hwy 21/Broad River Rd <u>East:</u> Hwy 21 intersection of Hwy 280/Ribault Rd <u>South:</u> Ribaut Rd/Parris Island Gateway to intersection of Hwy 128/Hwy 170 <u>West:</u> 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 Rate ¹ :	\$65.30 per NUSF
Estimated Total Unserviced Annual Cost ² :	\$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 rightsized 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.

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.

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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