

**PROSPECTUS – LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
MCALLEN, TX**

Prospectus Number: PTX-03-VA27

Congressional Districts: TX-15, TX-34

Executive Summary

The General Services Administration (GSA) proposes a replacement outpatient clinic (OPC) lease of approximately 59,507 net usable square feet (NUSF) for the U.S. Department of Veterans Affairs (VA), replacing an outpatient facility totaling 58,601 NUSF in the vicinity of McAllen, TX.

The lease will be delegated to VA, provide continued services for the McAllen Veteran community, and provide the necessary services to meet current and projected service delivery gaps for healthcare in the local market.

Description

Occupant:	Veterans Affairs
Current NUSF:	58,691
Estimated Maximum NUSF:	59,507
Expansion/Reduction NUSF:	816
Estimated Maximum Rentable Square Feet:	80,334
Expiration Dates of Current Lease(s):	08/31/2033
Proposed Maximum Leasing Authority:	20 Years
Delineated Area:	<u>North:</u> East on 7 Mile Line, East on TX-107, East on West University Drive <u>East:</u> South on South Alamo Road <u>South:</u> West on Military Highway, West on East Coma Avenue, North on International Boulevard, West on West Pawlick Road, North on South Bentsen Road, West on County Road 2895, North on Stewart Road, North on Anzalduas Highway, West on I-2 <u>West:</u> North on Goodwin Road, East on 3 Mile Line, North on Doffing Road
Parking Spaces:	450
Scoring:	Operating Lease
Current Total Annual Cost:	\$3,262,543 (lease effective 09/1/2013)
Current Total Unserviced Annual Cost:	\$3,028,134

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Estimated Unserviced Rental Rate: ¹	\$69.06 per NUSF
Estimated Total Unserviced Annual Cost: ²	\$4,110,000

Justification

The proposed lease would allow the Department to continue to provide Veterans access to high-quality, reliable health care in the McAllen area. A new lease would also provide future flexibility to the Department. Based on changes in Veteran demographics, workload patterns, and emergent health care delivery practices, a flexible lease alternative would allow VA to scale real property assets to adapt to changes without committing the Department to long-term obligations.

This project would enhance Veteran health care services in the Valley Coastal Bend market. As workload for Ambulatory Services and Procedures and Mental Health Stops and Services is projected to increase over the next 20 years, this project is essential to ensure that Veterans are able to access these services in a timely manner. Continuing to be housed in a right-sized and accessible facility would allow optimized VA care delivery, improved Veteran satisfaction, increased team coordination, improved workflows, and improved recruitment and retention for VA staff.

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 higher.³

Resolutions of Approval

¹ This estimate is for fiscal year 2030 and may be escalated by 2.0 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.

³ 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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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.


Certification of Need

The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on 5/15/2026

Recommended: 

Commissioner, Public Buildings Service

Approved: 

Administrator, General Services Administration