PROSPECTUS - LEASE DEPARTMENT OF AGRICULTURE KANSAS CITY, MO

Prospectus Number: PMO-02-KC18

Congressional District:

Executive Summary

The General Services Administration (GSA) proposes a lease of approximately 374,000 rentable square feet (RSF) for six components of the Department of Agriculture (USDA): Farm Service Agency, Risk Management Agency (USDA-RMA), Office of General Counsel, Agricultural Marketing Service, Animal and Plant Health Inspection Service, and components of the Office of Chief Information Officer, currently located at 6501 Beacon Drive in Kansas City, MO. The Government has occupied space in this building since 2000.

The lease will provide continued housing for various USDA agencies and will slightly improve the office and overall space utilization from 128 to 126 and 203 to 200 usable square feet (USF) per person, respectively.

Description

Occupant:

Current Rentable Square Feet (RSF)

Estimated Maximum RSF1:

Expansion/Reduction RSF:

Current Usable Square Feet/Person: Estimated Usable Square Feet/Person:

Expiration Date of Current Lease: Proposed Maximum Leasing Authority:

Delineated Area:

U.S. Department of Agriculture

327,865 (Current RSF/USF = 1.01)

374,000 (Proposed RSF/USF = 1.15) None

200 02/29/2020

20 years

203

The area bounded by I-35/Independence Avenue on the north; I-435 on the east; Gregory Blvd on the south; I-35/MO-KS State Line on the west and includes the entire Central Business Area.

Number of Official Parking Spaces:

Scoring:

Current Total Annual Cost: Estimated Rental Rate²:

Estimated Total Annual Cost³:

Operating

\$6,097,737 (lease effective 03/01/2010)

\$31.42 / RSF \$11,751,080

Acquisition Strategy

1 The RSF/USF at the current location is approximately 1.01; however, to maximize competition a RSF/USF ratio of 1.15 is used for

the estimated proposed maximum RSF as indicated in the housing plan.

This estimate is for fiscal year 2020 and may be escalated by 2 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 for negotiating with offerors to ensure that lease award is made in the best interest of the Government.

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

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In order to maximize the flexibility and competition in acquiring space for the various USDA agencies, GSA may issue a single, multiple-award solicitation that will allow offerors to provide blocks of space able to meet requirements in whole or in part. All offers must provide space consistent with the delineated area defined by this prospectus.

Background

The USDA mission is to provide leadership on food, agriculture, natural resources, rural development, nutrition, and related issues based on public policy, science, and effective management. The missions of the various sub-agencies range from marketing and inspection services, administration of food and assistance programs, information resources management, crop insurance and actuarial services, cybersecurity, and conservation services, to the administrative services provided by the Office of the General Counsel.

Justification

The current lease at 6501 Beacon Drive expires February 29, 2020, and USDA requires continued housing to carry out its mission. This location serves as the regional office of USDA and functions as an emergency site to maintain USDA operations in the event that a catastrophe prevents existing facilities from carrying out the USDA mission. The location of the new lease will be similarly certified.

USDA-RMA will increase personnel by 19 to accomplish program expansions through the approved Farm Bill in 2014-18 and the 2016 reorganization. The continued colocation of the various USDA agencies maximizes operational efficiencies, improves performance of USDA agency missions and programs, and achieves economies for better utilization of common facilities and support space.

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

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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.

Certification of Need

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

Submitted at Was	hington, DC, on November 30, 2017	
Recommended: _	Dal M. Matthe	
	Commissioner, Public Buildings Service	
Approved:(Swotly O. House	
	Acting Administrator, General Services Administration	