



Committee on Transportation and Infrastructure
U.S. House of Representatives

Peter A. DeFazio
Chairman

Washington, DC 20515

Sam Graves, MO
Ranking Member

Katherine W. Dedrick, Staff Director

COMMITTEE RESOLUTION

Paul J. Sass, Republican Staff Director

LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
DAYTONA BEACH, FL
PFL-01-VA19

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that pursuant to 40 U.S.C. §3307, appropriations are authorized for a lease of up to 106,826 net usable square feet of space, and 750 official parking spaces, for the Department of Veterans Affairs to replace and consolidate two existing leases in Daytona Beach, FL, at a proposed unserviced annual cost of \$4,111,733 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, 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.

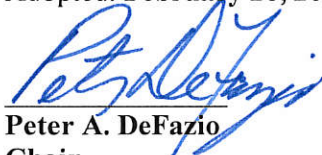
Provided further, not later than 30 calendar days after the date on which a request from the Chairman or Ranking Member of the Committee on Transportation and Infrastructure of the House of Representatives is received by the Administrator of General Services, the Administrator shall provide such Member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

Provided further, the lease shall contain a provision barring any individual holding a Federally-elected office, regardless of whether such individual took office before or after execution of this lease, to directly participate in, or benefit from or under this lease or any part thereof and that such provision provide that if this lease is found to have been made in violation of the foregoing prohibition or it is found that this prohibition has been violated during the term of the lease, the lease shall be void, except that the foregoing limitation shall not apply if the lease is entered into with a publicly-held corporation or publicly-held entity for the general benefit of such corporation or entity.

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 that, to the maximum extent practicable, the Administrator of General Services shall require that the lease procurement consider the availability of public transportation consistent with agency mission requirements and that the space to be leased be renovated for all cost effective improvements, including renewable energy upgrades, water efficiency improvements, and indoor air quality optimization, that reduce greenhouse gas emissions.

Adopted: **February 26, 2020**



Peter A. DeFazio
Chair

**PROSPECTUS – LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
DAYTONA BEACH, FL**

Prospectus Number: PFL-01-VA19
Congressional District: 6

Executive Summary

The General Services Administration (GSA) proposes an outpatient clinic lease of approximately 106,826 net usable square feet (NUSF) for the U.S. Department of Veterans Affairs (VA), currently located in two leases totaling 74,013 NUSF in Daytona Beach, FL.

The lease will be delegated to VA, provide continued services for the Daytona Beach 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:	74,013
Estimated Maximum NUSF:	106,826
Expansion/Reduction NUSF:	32,813 (expansion)
Estimated Maximum Rentable Square Feet:	144,215
Expiration Dates of Current Lease(s):	64,149 NUSF – 10/3/2021 9,864 NUSF – 10/14/2022
Proposed Maximum Leasing Authority:	20 years
Delineated Area:	<u>North:</u> W. Granada Blvd. <u>South:</u> Dunlawton Ave. to Taylor Rd. <u>East:</u> N. Ridgewood Ave. <u>West:</u> S. Tymber Creek Rd., a line connecting to LPGA Blvd., W. International Speedway Blvd., then east on US-4 to Tomoka Farms Rd.
Number of Official Parking Spaces:	750
Scoring:	Operating Lease
Current Total Annual Cost:	\$1,217,653
Current Total Unserviced Annual Cost:	\$791,474
Estimated Unserviced Rental Rate ¹ :	\$38.49 per NUSF
Estimated Total Unserviced Annual Cost ² :	\$4,111,733

¹ This estimate is for fiscal year 2019 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.

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Justification

A new 106,826 NUSF lease in Daytona Beach will replace and consolidate the two existing leases in the Daytona Beach market, including the 64,149 NUSF William V. Chappell Veterans Multi-Specialty Outpatient Clinic and the 9,864 NUSF Westside Pavilion Uniform Mental Health Services Annex.

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. Additionally, the existing locations have safety and security deficiencies.

The new facility will enhance VA outpatient services by closing space and utilization gaps identified in VA's Strategic Capital Investment Planning process and will provide a single location in the Daytona Beach area to serve the outpatient care needs of veterans and their families. The new lease will allow VA to provide primary care, mental health, specialty care, laboratory and pathology, pharmacy, and radiology and imaging services to veterans in a rightsized, state-of-the-art, and energy-efficient healthcare facility. It will also provide increased access to care for veterans living in the Daytona Beach market who are currently seen in the existing two Community-Based Outpatient Clinics or commute more than 1 hour to a facility in Orlando, FL.

Additionally, a new lease also will provide future flexibility by allowing VA to resize, replace, or exit the proposed clinic lease based on changes in veteran demographics, workload patterns, and emergent healthcare delivery practices.

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 net usable area.

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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 November 7, 2019.

Recommended: _____


Commissioner, Public Buildings Service

Approved: _____


Administrator, General Services Administration