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

Bill Shuster
Chairman

Washington, DC 20515

Peter A. DeFazio
Ranking Member

Christopher P. Bertram, Staff Director

Katherine W. Dedrick, Democratic Staff Director

COMMITTEE RESOLUTION

LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
SAN ANTONIO, TEXAS
PTX-01-VA17

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that pursuant to 40 U.S.C. §3307, a lease of up to 190,800 net usable square feet of space, and 1,526 parking spaces, for the Department of Veterans Affairs for a Community Based Outpatient Clinic in San Antonio, Texas to replace and consolidate seven separate outpatient facilities in San Antonio at a proposed unserviced annual cost of $5,519,844 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 lease contract(s) shall include a purchase option that can be exercised at the conclusion of the firm term of the lease.

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

Provided further, that the design of the outpatient clinic shall be consistent with the U.S. Department of Veterans Affairs' Community Based Outpatient Clinic Prototype Proposed Layouts.

Adopted: **February 28, 2017**

Bill Shuster, M.C.
Chairman

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United States Senate
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
WASHINGTON, DC 20510-6175

115th Congress
1st Session

United States Senate
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

COMMITTEE RESOLUTION

LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
SAN ANTONIO, TEXAS
PTX-01-VA17

RESOLVED BY THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS OF THE UNITED STATES SENATE

that pursuant to title 40 U.S.C. § 3307, a prospectus providing for a lease of approximately 190,800 net usable square feet of space, and approximately 1,526 parking spaces, for the Department of Veterans Affairs for a Community Based Outpatient Clinic in San Antonio, Texas to replace and consolidate seven separate outpatient facilities at a proposed unserviced annual cost of $5,519,844 for a lease term of up to 20 years, a description of which is attached hereto and by reference made part of this resolution, is approved.

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

Provided that, to the maximum extent practicable, the lease contract(s) shall include 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 Environment and Public Works of the United States Senate prior to exercising any lease authority provided in this resolution.

Provided further, that the Administrator shall provide to the Chairman or Ranking Member of the Committee on Environment and Public Works of the Senate, in a timely manner, requested documents and information regarding this prospectus and resulting contractual materials, without redaction other than redactions to exclude business confidential, proprietary, and/or procurement sensitive information.

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Provided further, that the design of the outpatient clinic shall be consistent with the U.S. Department of Veterans Affairs' Community Based Outpatient Clinic Prototype Proposed Layouts.

Chairman

Ranking Member

Adopted: November 29, 2017

PROSPECTUS – LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
SAN ANTONIO, TX

Prospectus Number: PTX-01-VA17
Congressional District: 20, 23

Executive Summary

The U.S. General Services Administration (GSA) proposes a consolidated outpatient clinic lease of approximately 190,800 net usable square feet (NUSF) for the U.S. Department of Veterans Affairs (VA). This action will consolidate VA operations that are currently located in seven separate outpatient facilities in San Antonio, TX.

The lease will provide continued services for the San Antonio veteran community and provide the necessary expansion services to meet current and projected health care service delivery gaps in the market.

Description

Occupant:	Veterans Affairs
Current NUSF	110,203
Estimated Maximum NUSF:	190,800
Expansion/Reduction NUSF:	80,597 (expansion)
Estimated Maximum RSF:	257,580
Expiration Dates of Current Lease(s):	5/2/2021, 6/21/2021, 6/21/2021, 8/4/2019, 12/31/2018, 12/31/2016, 12/31/2016
Proposed Maximum Leasing Authority:	Up to 20 years
Delineated Area:	North: Starting at North Loop 1604 W at the intersection with FM 1560 (East) and Bandera (16), proceed eastbound on 1604 to McDermott Hwy (I-10)). South: Take McDermott Hwy southbound to Huebner Rd. Continue southwest on Huebner Rd to Bandera Rd. Proceed south on Bandera (16) to NW I-410. East: Take NW I-410 westbound to TX-151. Take TX-151 north and continue to the intersection with W Loop 1604 N (North). West: Follow 1604 N northbound to the intersection with FM 1560 and Bandera Rd.
Parking Spaces:	1,526
Scoring:	Operating Lease
Current Total Annual Cost:	$2,151,854 (leases effective 5/3/2011, 6/22/2011, 6/22/2011, 12/27/1999, 5/29/2009, 5/17/2011, 2/7/2006)
Current Total Unserviced Annual Cost:	$1,551,501

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Estimated Unserviced Rental Rate[1]:	$28.93 per NUSF
Estimated Total Unserviced Annual Cost[2]:	$5,519,844

Justification

A new 190,800 NUSF lease would replace and consolidate seven existing leases in the San Antonio market including the Frank Tejeda Outpatient Clinic (FTOPC), three annex leases, and three specialty care clinic leases, as well as one contract clinic, which currently occupy approximately 110,203 NUSF of space.

The current space in these facilities is insufficient to meet the projected needs of the veteran community. The existing clinics are operating at full capacity, cannot accommodate the projected workload increase of 20,000 primary care clinic stops by 2019, and cannot be expanded. Several of the leased facilities contain environmental issues including air quality concerns, which have been reported to the U.S. Department of Labor - Occupational Safety and Hazard Administration by VA employees. Due to the term structure of the leases, VA is responsible for maintenance costs and has spent a significant amount to remediate existing mold. These conditions are expected to worsen and will require additional investment to prevent impacts to veteran and employee health.

The new facility will establish a centralized location for delivery of coordinated health care and reduce utilization and space gaps in primary care, mental health, and specialty care as well as consolidate medical-surgical specialties, diagnostics services, dental, eye, women's health, radiology, and pharmacy. Overall operating efficiencies generated from the proposed consolidation would produce significant cost savings as well as the ability to meet the increases in projected workload.

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.

[1] This estimate is for fiscal year 2018 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 and excludes all operating expenses, whether paid by the lessor or directly by the Government.
[2] New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.

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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 December 21, 2016

Recommended: _____
Commissioner, Public Buildings Service

Approved: _____
Administrator, General Services Administration