

**PROSPECTUS – LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
TULSA, OK**

Prospectus Number: POK-01-VA17
Congressional District: 1

Executive Summary

The U.S. General Services Administration (GSA) proposes a consolidated outpatient clinic lease of approximately 140,000 net usable square feet (NUSF) for the U.S. Department of Veterans Affairs (VA) merging two separate outpatient facilities in Tulsa, Oklahoma.

The lease will provide continued services for the Tulsa 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	63,908
Estimated Maximum NUSF:	140,000
Expansion/Reduction NUSF:	72,332 (expansion)
Estimated Maximum RSF:	189,000
Expiration Dates of Current Lease(s):	11/26/2020,12/31/2020
Proposed Maximum Leasing Authority:	Up to 20 years
Delineated Area:	<u>North:</u> I-244 (starting at Hwy 412 junction and extending east to N 129th Ave)
	<u>South:</u> E 91st St (starting at S Lewis Ave and extending east to S Garnett Rd)
	<u>East:</u> N 129th Ave (starting at I-244 junction and extending south to W Albany St / E 61st St), then W Albany St / E 61st St (extending west to S Garnett Rd), then S Garnett Rd (extending south to E 91st St)
	<u>West:</u> E 91 st St (starting at S Lewis Ave and extending west to Riverside Pkwy), then Riverside Pkwy / Riverside Dr (extending north to I-44), then I-44 (extending west to Hwy 75), then Hwy 75 (extending north to I-244), then I-244 (extending north to Hwy 412)
Parking Spaces:	945
Scoring:	Operating Lease

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Current Total Annual Cost:	\$911,182 (leases effective 11/27/2000, 1/1/2006)
Current Total Unserviced Annual Cost:	\$742,486
Estimated Unserviced Rental Rate ¹ :	\$33.10 per NUSF
Estimated Total Unserviced Annual Cost ² :	\$4,634,000

Justification

A new 140,000 NUSF lease would replace and consolidate two existing leases in the Tulsa market including the existing Tulsa Outpatient Clinic and Tulsa Behavioral Medicine Clinic that currently occupy approximately 63,908 NUSF of space.

The increase in workload in recent years and the implementation of the Uniform Services Package for Mental Health Services has rendered the existing space too small to provide adequate services. Additional space is not available at either location and both have existing deficiencies. This lack of space and functional obsolescence, along with the projected workload increases, exacerbates patient wait times, and decreases overall Veteran satisfaction.

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.

The new facility will enhance VA outpatient services by closing wait time, utilization, and space gaps, specifically for Mental Health and Medical and Surgical Specialties, as identified in the Strategic Capital Investment Planning (SCIP) process. This project will allow VA to provide timely access to Primary Care (including women's health), Imaging, Specialty Clinical Services (including Cardiology, Neurology, Gastroenterology, Pulmonology, Urology), General Mental Health, as well as Specialty Mental Health (including Substance Abuse, Smoking Cessation, and PTSD).

Resolutions of Approval

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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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 December 21, 2016



Recommended: _____
Commissioner, Public Buildings Service



Approved: _____
Administrator, General Services Administration