

PROSPECTUS – LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
SOUTHERN NEW JERSEY, NJ

Prospectus Number: PNJ-09-VA24
Congressional Districts: 01, 02

Executive Summary

The General Services Administration (GSA) proposes a hospital lease of approximately 157,671 net usable square feet (NUSF) for the Department of Veterans Affairs (VA) in the vicinity of Southern New Jersey.

The lease will be delegated to VA, provide continued services for the Southern New Jersey veteran community, and provide the necessary expansion services to meet current and projected service delivery gaps for healthcare in the local market.

Description

Occupant:	VA
Current NUSF	21,999
Estimated Maximum NUSF:	157,671
Expansion/Reduction NUSF:	135,672 (expansion)
Estimated Maximum Rentable Square Feet:	228,623
Expiration Dates of Current Lease(s):	8/31/2024 11/20/2026
Proposed Maximum Lease Term:	20 years
Delineated Area:	<u>North:</u> E on I-295, E on Crown Point Rd, E on New Broadway, E on Crescent Blvd, E on W Kings Hwy, E on I-295 <u>East:</u> S on Haddonfield-Berlin Rd, S on Lakeview Dr, S on Berlin Rd, S on Walker Ave, S on Route 73 <u>South:</u> W on Taunton Rd, Williamstown Rd, W on Sicklerville Rd, W on Clayton Rd, W on Clayton Williamston Rd, W on E Academy St, W on Whig Ln <u>West:</u> N on NJ-55, W on Mullica Hill Rd, N on Cedar Rd, N on Harmony Rd
Parking Spaces:	1,100
Scoring:	Operating Lease
Current Total Annual Cost:	\$446,755 (leases effective 10/1/2015, 11/21/2016)
Current Total Unserviced Annual Cost:	\$446,755

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Estimated Unserviced Rental Rate: ¹	\$51.99 per NUSF
Estimated Total Unserviced Annual Cost: ²	\$8,198,000

Justification

A new 157,671 NUSF lease in Southern New Jersey will allow for the replacement of the existing Gloucester and Cumberland County Community-Based Outpatient Clinics (CBOCs) and the decompression of the Wilmington VA Medical Center (VAMC) in Wilmington, DE.

The current mental health, primary care, specialty care, inpatient medicine, and ancillary spaces at the Gloucester CBOC, Cumberland County CBOC, and Wilmington VAMC are inadequate and undersized for the current and projected veteran workload demand for services.

This project addresses space gaps and enhances veteran health care services in the Southern New Jersey market. As workload for ambulatory services and procedures and mental health services are projected to increase over the next 20 years, this project is essential to ensuring that Veterans can access necessary services in a timely manner. Being housed in a right-sized, Patient-Aligned Care Team-designed,³ and more accessible facility would allow for better optimized VA care delivery, improved veteran satisfaction, increased team coordination, improved workflows, and improved recruitment and retention for VA staff. Additionally, VA plans to continue providing clinical services post-decompression at the Wilmington VAMC in less crowded and constrained conditions.

The proposed project aligns with the following VA Departmental Strategic Goals:

1. Build Long-term Relationships and Trust with Customers and Partners
 - VA consistently communicates with its customers and partners to assess and maximize performance, evaluate needs and build long-term relationships and trust.
2. Deliver Timely, Accessible, High-Quality Benefits, Care and Services

¹ This estimate is for fiscal year 2024 and may be escalated by 2.2 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 Patient-Aligned Care Team design focuses on open office work environments, separation of patient and staff flows, and modular adaptable design.

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- VA delivers timely, accessible, high-quality benefits, care and services to meet the unique needs of veterans and all eligible beneficiaries.
- 3. Improve Experiences, Satisfaction, Accountability and Security
 - VA ensures governance, systems, data and management best practices improve experiences, satisfaction, accountability and security.

Summary of Energy Compliance

The Government will incorporate energy efficiency and sustainability requirements into the Request for Lease Proposal 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 the maximum extent practicable requires offerors to comply with the Energy Star requirement and other statutory and regulatory requirements.

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.

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.


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Certification of Need

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

Submitted at Washington, DC, on 10/5/2023

Recommended: 
Commissioner, Public Buildings Service

Approved: 
Administrator, General Services Administration