

**PROSPECTUS – ALTERATION
 536 SOUTH CLARK STREET FEDERAL BUILDING
 JOHN C. KLUCZYNSKI FEDERAL BUILDING
 U.S. POST OFFICE LOOP STATION
 CHICAGO, IL**

Prospectus Number: PIL-0054-CH15
 Congressional District: 07

FY2015 Project Summary

The General Services Administration (GSA) proposes a repair and alteration project for the reconfiguration and alteration of currently vacant space at the 536 South Clark Street Federal Building, US Post Office Loop Station (USPO), and John C. Kluczynski Federal Building (JCK) in Chicago, Illinois to consolidate functions and meet the long term housing needs of the Department of Homeland Security, Immigration, Customs Enforcement (DHS-ICE). The proposed consolidation will reduce federally owned vacant space, improve space utilization, and allow the Government to release leased space and eliminate annual lease payments to the private sector by approximately \$2,700,000 annually.

FY2015 Committee Approval and Appropriation Requested

(Design, Construction, M&I)\$17,116,000

Major Work Items

Interior construction; HVAC, fire protection/alarm, and electrical upgrades; selective building demolition.

Project Budget

Design	\$1,230,000
Estimated Construction Cost	14,626,000
Management and Inspection	<u>1,260,000</u>
Estimated Total Project Cost (ETPC)*	\$17,116,000

*Tenant agencies may fund an additional amount for tenant improvements above the standard normally provided by the GSA.

Schedule

Start

End

Design and Construction

FY2015

FY2018

Buildings

The 536 S. Clark Street Federal Building was built in 1912 and is constructed of a steel frame superstructure with exterior masonry walls. The building primarily houses the Department of Homeland Security. The ten story building is 681,862 gross square feet (gsf) and is located on the south side of the Central Loop area. The building's façade,

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designed by Chicago architects Holabird and Roche, is an example of the Chicago School architectural style. The building is listed on the National Register of Historic Places.

The JCK and USPO are part of the Chicago Federal Center (CFC) and are located in the Central Loop. The JCK is adjacent to the USPO on the northwest and is connected below grade. A grade level plaza surrounds the USPO Loop Station and JCK. The Chicago Federal Center was designed by renowned architect Ludwig Mies van der Rohe and is an excellent example of contemporary public architecture in the International Style. The Chicago Federal Center is listed on the National Register of Historic Places.

The 46-story JCK (four stories below grade) built in 1973 is constructed of structural steel framing encased in concrete with the exterior skin consisting of glass and structural steel plate spandrels and is 1,428,620 gsf with 36 inside parking spaces. JCK supports multiple federal agencies, including the Department of Labor, Drug Enforcement Administration, Internal Revenue Service and General Services Administration.

The five-story (four stories below grade) USPO, built in 1973 is constructed of structural steel framing with an exterior skin consisting of glass, steel mullions, and spandrels and is 288,104 gsf with 49 inside parking spaces.

Major Tenant Agencies

Department of Homeland Security, Department of Justice, Department of Labor, Department of State, Environmental Protection Agency, General Services Administration, Internal Revenue Service, US Postal Service

Proposed Project

The project proposes to recapture vacant space at the 536 S. Clark Street Federal Building and the lower levels of the USPO and JCK. The interior space alterations and building systems upgrades will allow ICE to consolidate its operations in Chicago and to release over 100,000 usf of leased space. The ICE housing requirements include approximately 64,000 usf of office space, 15,000 usf of warehouse space, and 214 parking spaces. The project will renovate the majority of the vacant space within the 536 S. Clark Federal building to meet the agency's office space requirement. The warehouse and parking requirements will be fulfilled by renovating and repurposing vacant light industrial space within the lower levels of the USPO and JCK. The HVAC, electrical, and fire system upgrades will be limited to what is required to build out the tenant space.

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Major Work Items

Interior Construction	\$6,163,000
HIVAC Upgrades	3,136,000
Electrical Upgrades	2,562,000
Selective Building Demolition	1,892,000
Fire Protection/Alarm Upgrades	<u>873,000</u>
Total ECC	\$14,626,000

Justification

The 536 S. Clark Street Federal Building is currently nearly 15% vacant. Currently, DHS ICE is housed in leased space with more than \$2.7 million in annual rent costs. This project will satisfy ICE's long term housing requirements and backfill federally owned vacant space. In addition, consistent with the June 2010 Presidential Memorandum, *Disposing of Unneeded Federal Real Estate* and the Office of Management and Budget (OMB) Memorandum M-12-12, *Promoting Efficient Spending to Support Agency Operations*, the project will result in a reduction of the DHS footprint and improved space utilization in federal inventory. It will also repurpose and make usable light industrial vacant space in the lower levels of USPO and JCK that is difficult to backfill in its current condition.

Summary of Energy Compliance

This project will be designed to conform to requirements of the Facilities Standards for the Public Buildings Service and will implement strategies to meet the Guiding Principles for High Performance and Sustainable Buildings. GSA encourages design opportunities to increase energy and water efficiency above the minimum performance criteria.

Prior Appropriations

None

Prior Committee Approvals

None

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Prior Prospectus-Level Projects in Building (past 10 years):

Prospectus	Description	FY	Amount
111-5 ARRA	Fire Alarm/Mechanical Upgrades (LPO & JCK)	2009	\$99,673,000
111-5 ARRA	Plaza Upgrades (Chicago Federal Center)	2009	\$28,131,000
111-5 ARRA	Roof Replacement & Lighting Upgrades (536 S. Clark FB)	2009	\$5,751,000

Alternatives Considered (30-year, present value cost analysis)

Alteration:	\$47,612,000
Lease	\$153,528,000
New Construction:	\$70,027,000

The 30-year, present value cost of alteration is \$22,415,000 less than the cost of new construction with an equivalent annual cost advantage of \$1,144,000.

Recommendation

ALTERATION

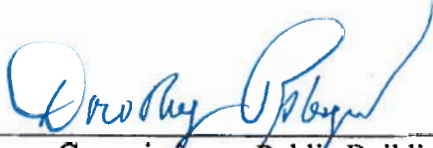
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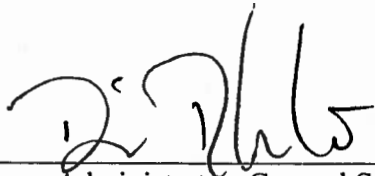
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Certification of Need

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

Submitted at Washington, DC, on March 6, 2014

Recommended: 
Commissioner, Public Buildings Service

Approved: 
Administrator, General Services Administration