

**PROSPECTUS – LEASE
INTERNAL REVENUE SERVICE
AUSTIN, TX**

Prospectus Number: PTX-01-AU17
Congressional District: 35

Executive Summary

The General Services Administration (GSA) proposes a lease of approximately 219,000 rentable square feet (RSF) of space for the Department of the Treasury - Internal Revenue Service (IRS) National Office, currently located in leased space at 1821 Director's Boulevard in Austin, TX.

The lease will provide continued housing for IRS and will improve office and overall space utilization rates (UR) from 129 to 125 usable square feet (USF) per person and from 197 to 190 USF per person, respectively.

Description

Occupant:	Internal Revenue Service
Current Rentable Square Feet (RSF)	206,000 (Current RSF/USF = 1.08)
Estimated Maximum RSF:	219,000 (Proposed RSF/USF = 1.15)
Expansion/Reduction RSF:	None
Current Usable Square Feet/Person:	197
Estimated Usable Square Feet/Person:	190
Proposed Maximum Lease Term:	15 Years
Expiration Dates of Current Leases:	4/30/18
Delineated Area:	Delineated area bounded by: North - E. Ben White Blvd South - E. William Cannon Dr. to McKinney Falls Pkwy to State Hwy 183 East - Hwy 183 West - I-35
Number of Official Parking Spaces:	0
Scoring:	Operating lease
Estimated Rental Rate ¹ :	\$37.00/RSF
Estimated Total Annual Cost ² :	\$8,103,000

¹This estimate is for fiscal year 2017 and may be escalated by 1.95 percent annually to the effective date of the lease to account for inflation. The proposed rental rate is fully serviced including all operating expenses whether paid by the lessor or directly by the Government. GSA will conduct the procurement using prevailing market rental rates as a benchmark for the evaluation of competitive offers and as a basis for negotiating with offerors to ensure that lease award is made in the best interest of the Government.

²New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.

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Current Total Annual Cost: \$4,422,000 (Lease effective
5/01/2008)

Acquisition Strategy

In order to maximize the flexibility in acquiring space to house IRS, GSA may issue a single, multiple-award solicitation that will allow offerors to provide blocks of space able to meet requirements in whole or in part. All offers must provide space consistent with the delineated area defined by this prospectus.

Justification

The IRS has a long-term need for space in southeast Austin to meet the agency mission of providing toll-free tax assistance, collection services, and post-processing compliance examinations of individual tax returns, and has a need to remain near the main IRS Submission Processing Campus and other nearby IRS facilities located in Austin.

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 rentable area.

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Interim Leasing

GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency 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 lease is the best solution to meet a validated Government need.

Submitted at Washington, DC, on August 25, 2016

Recommended: 

Commissioner, Public Buildings Service

Approved: 

Administrator, General Services Administration