

**PROSPECTUS – LEASE
U.S. DEPARTMENT OF VETERANS AFFAIRS
SAN DIEGO, CA**

Prospectus Number: PCA-01-VA19

Executive Summary

The General Services Administration (GSA) proposes an outpatient clinic lease of approximately 99,986 net usable square feet (NUSF) for the U.S. Department of Veterans Affairs (VA), currently located in a separate outpatient facility in San Diego, California.

The lease will provide continued services for the San Diego veterans 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:	43,473
Estimated Maximum NUSF:	99,986
Expansion/Reduction NUSF:	56,513 (expansion)
Estimated Maximum Rentable Square Feet:	134,981
Expiration Dates of Current Lease(s):	10/1/2023
Proposed Maximum Leasing Authority:	20 years
Delineated Area:	<p><u>North:</u> Proceed west on Navajo Road to Lake Murray Boulevard; proceed south to Beaver Lake Drive; proceed west to Cowles Mountain Boulevard; proceed south to Lake Adlon Drive; proceed west to Coral Lake Avenue; proceed south to Lake Andrita Avenue; proceed west to Twin Lake Drive; proceed south to Jackson Drive; proceed west to Golfcrest Drive; proceed north to Tuxedo Road; proceed east to Volclay; proceed north to Santar Avenue; proceed northeast to Jennite Drive; proceed north to Ruane Street; proceed west to Golfcrest Drive; proceed north to Mission Gorge Road; proceed west to Jackson Drive; proceed south to Doreen Road; proceed south to Hillandale Drive; proceed south to Deep Valley Road; proceed west to Deerfield Street; proceed north to Mission Gorge Road; proceed west to Friars Road; proceed west to I-15; proceed north to Aero Drive; proceed west to Highway 163.</p> <p><u>East:</u> Proceed north on Highway 125 to Navajo Road;</p>

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	<u>South</u> : Proceed east on I-8 to I-805; proceed south to El Cajon Boulevard; proceed east to merger with I-8, proceed east on I-8 to Highway 125;
	<u>West</u> : Starting from the intersection of I-805 and Highway 163, proceed south on Highway 163 to I-8.
Parking Spaces:	550
Scoring:	Operating Lease
Current Total Annual Cost:	\$1,714,749 (lease effective 10/1/2013)
Estimated Unserviced Rental Rate ¹ :	\$58.45 per NUSF
Estimated Total Unserviced Annual Cost ² :	\$5,844,182

Justification

A new 99,986 NUSF lease in San Diego will replace the existing 43,473 NUSF Mission Valley Clinic.

The current space in this facility is insufficient to meet VA's needs. The new lease will allow VA to expand its current primary care, mental health, specialty care, and ancillary services to veterans in a right-sized, state-of-the-art, energy-efficient healthcare facility.

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.

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, real estate taxes, insurance, and management and maintenance reserve costs, 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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Certification of Need

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

Submitted at Washington, DC, on December 4, 2018.

Recommended: 

Commissioner, Public Buildings Service

Approved: 

Administrator, General Services Administration