

**AMENDED PROSPECTUS –ALTERATION
FEDERAL OFFICE BUILDING – 7TH & D
WASHINGTON, DC**

Prospectus Number: PDC-0031-WA25
Congressional District: 98

FY 2025 Project Summary

The General Services Administration (GSA) proposes the second of a two-phase repair and alteration project for the Federal Office Building - 7th & D located at 301 7th Street, S.W., in downtown Washington, DC. This project will renovate and modernize the building in preparation for a permanent Government-owned location for several U.S. Department of Homeland Security (DHS) components, including the Office of Biometric Identity Management (OBIM), the Undersecretary for Management subgroups, the Immigration and Customs Enforcement Office of Professional Responsibility (ICE-OPR), and the Federal Emergency Management Agency (FEMA). This proposed second phase is for the modernization of the fifth through seventh floors to house the DHS – Under Secretary of Management components.

Upon completion of the two-phase project, major building systems will be upgraded to accommodate a current housing plan of 7,735 personnel, resulting in a maximum, all-in DHS utilization rate (UR) of 93 square feet per person. The completion of both phases reduces the DHS real estate footprint by more than 460,000 usable square feet (USF) and provides an annual lease cost avoidance of approximately \$32,000,000.

FY 2025 Committee Approval

(Design, Construction, Management & Inspection) \$4,069,000¹

This prospectus amends Prospectus No. PDC-0031-WA20 and PDC-0031-WA22. GSA is requesting approval of additional estimated design cost of \$5,868,000, less estimated construction cost of \$4,750,000, and additional estimated management and inspection costs of \$2,951,000, for a total additional cost of \$4,069,000 to account for a more comprehensive building modernization that addresses the long-term housing needs of DHS and a phased construction approach.

¹ Prospectus No. PDC-0031-WA20 was approved by the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate on September 30, 2020 and July 1, 2020, respectively, for a total design cost of \$8,000,000, estimated construction cost of \$82,308,000, and management and inspection costs of \$5,334,000, for a total cost of \$95,642,000. Prospectus No. PDC-0031-WA22 was approved by the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate on October 27, 2021 and January 12, 2022, respectively, for a total design cost of \$12,941,000, estimated construction cost of \$164,837,000, and management and inspection costs of \$7,036,000, for a total cost of \$184,814,000; however, only appropriations of \$4,941,000 were received.

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FY 2025 Appropriation Requested

(Design, Construction, Management & Inspection)\$88,300,000

Major Work Items

Heating, ventilation, and air conditioning (HVAC); electrical; plumbing; conveyance; fire and life-safety upgrades; interior alterations; demolition; and exterior construction

Project Budget

Design

Phase I and II Design (FY 2020).....\$8,000,000
Phase I and II Additional Design (FY 2022)4,941,000
Phase II Additional Design (FY 2025).....5,868,000
Total Design\$18,809,000

Management and Inspection (M&I)

Phase I (FY 2020).....\$5,334,000
Phase II (FY 2025)4,653,000
Total M&I\$9,987,000

Estimated Construction Cost (ECC)

Phase I (FY 2020).....\$82,308,000
Phase II (FY 2025)77,779,000
Total ECC\$160,087,000

Estimated Total Project Cost*.....\$188,883,000

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

Schedule

Design and Construction

	Start	End
Phase I	FY 2020	FY 2028
Phase II	FY 2025	FY 2028

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Building

The Federal Office Building - 7th & D is located near the L'Enfant Plaza Metro Station at 301 7th Street, S.W. in Washington, DC. As constructed, it contains approximately 941,463 gross square feet. The building was originally built as a warehouse in two phases between 1929 and 1932; it was later adapted for office use in a haphazard fashion, resulting in poor circulation and office layout. The building contains seven above-grade floors and a basement.

Tenant Agencies

U.S. Department of Homeland Security - Undersecretary for Management, Office of Biometric Identity Management, Immigration & Customs Enforcement-Office of Professional Responsibility, and Federal Emergency Management Agency

Proposed Project

The proposed project will be completed in two phases and will enable DHS to reduce the all-in UR of its current housing from 179 square feet per person to 93, while reducing its real estate footprint by more than 460,000 USF under the current housing plan.

Phase I includes the renovation of the major building systems which includes opening the interior floor plates and replacing portions of the conveyance, plumbing, HVAC, electrical, and fire protection systems. With the addition of FEMA to the building, construction to house FEMA into Phase I will include the basement to the fourth floor. The Federal Office Building - 7th & D has approximately 100,000 USF floor plates that suit FEMA's mission. The large floor plates readily accommodate the installation of FEMA's National Response Coordination Center on the ground floor. Phase II DHS components will occupy floors five through seven. When the modernization is complete, the DHS occupants will share collaborative space on the fifth floor, providing FEMA personnel with surge capacity during disaster response operations.

Phase II of the project will include the modernization of the fifth through seventh floors. This second phase will provide open interior workspaces and replace the remaining conveyance, plumbing, HVAC, electrical, and fire protection systems for the fifth through seventh floors. Completing the redesign of the building's circulation pattern will recapture usable office space and increase the space efficiency by using an open plan office concept to the greatest extent possible.

Furthermore, the project will aim to provide an open architecture systems approach to the infrastructure to allow for a high-performance workspace that focuses on the health, safety, and comfort of personnel and to provide flexibility and ease of accommodation for the

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operators of the building. Additionally, in the event of a disaster declaration, this supports FEMA's surge operations by using shared spaces.

Major Work Items (Phase I)

Interior Construction	\$21,205,000
HVAC Upgrades	16,403,000
Electrical Upgrades	16,015,000
Conveyance System Upgrades	10,043,000
Exterior Construction	6,148,000
Demolition	4,899,000
Plumbing Upgrades	3,888,000
Fire Protection Upgrades	<u>3,707,000</u>
Total Estimated Construction Cost (ECC)	\$82,308,000

Major Work Items (Phase II)

HVAC Upgrades	\$23,573,000
Electrical Upgrades	17,894,000
Interior Construction	10,885,000
Fire Protection Upgrades	7,276,000
Demolition	7,088,000
Plumbing Upgrades	6,365,000
Conveyance System Upgrades	3,694,000
Exterior Construction	<u>1,004,000</u>
Total Estimated Construction Cost (ECC)	\$77,779,000

Justification

The Federal Office Building - 7th & D, converted from warehouse to office use throughout its life, does not include appropriate lighting, HVAC, interiors, fire protection and finishes for modern office space. The property is situated on a highly valuable location in downtown Washington, DC, adjacent to five Metrorail lines and one block from the National Mall. Its electrical system has both capacity and distribution issues that make it difficult and costly to perform even minor space alterations. Building elevators are far beyond their useful life, resulting in frequent outages of one or more elevators, and often only custom or rebuilt parts can be used to repair them. The building's HVAC system is also well past its useful life. There are distribution issues that create hot and cold areas throughout the building, regardless of the external temperature. The building also has ongoing plumbing issues, and occasionally pipes burst and damage interior walls and carpet. The proposed accommodation of additional DHS personnel into the Federal Office Building - 7th & D

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requires an open office environment to maximize the building space, yet currently, only a small portion of the building, primarily on the second and seventh floors, is built out as open office space. Additionally, the location of mechanical rooms, electrical and telecommunication closets, and restrooms varies from floor to floor, resulting in inefficient distribution of electrical and plumbing systems and consequent energy waste.

A majority of the building's major systems are outdated, have reached the end of their useful lives resulting in poor indoor air quality and pronounced occupant discomfort in the winter and summer months. Approximately one-fifth of the air handling units (AHU) are more than three decades old, and the steam piping and condensate return lines are more than 50 years old. The HVAC system consists of a central chilled water plant in the basement and rooftop cooling towers, with heating provided by steam supplied by GSA's central heating plant. Six cooling towers located on the roof are in fair to poor condition and require replacement. Several AHUs on each floor distribute tempered air by low pressure ductwork to constant volume devices in the occupied spaces. Corridors typically provide the path for return air, a deficiency that requires correction.

The existing sub power and lighting distribution panels throughout the building are in fair to poor condition. Multiple electrical panels are more than 40 years old, and the associated feeders are well beyond the end of their expected useful life.

The building's vertical transportation systems include 10 passenger elevators and 2 freight elevators, 1 of which has not been operational for several years. Periodic entrapments occur that have lasted up to 20 minutes per incident. Such incidents are the result of high use of aging elevators that run on pulley systems rather than hydraulic systems. Many needed replacement parts are obsolete and can be difficult to obtain.

The existing fire protection system is outdated and will be replaced. The sprinkler system will be expanded to provide protection across the whole building since the current sprinkler system only covers approximately 60 percent of the building.

Summary of Energy, Water, Sustainability, and Climate Risk Compliance

This project will be designed to conform to requirements of *PBS-P100, Facilities Standards for the Public Buildings Service*. GSA will focus on design and construction opportunities to increase energy and water efficiencies that minimize operating costs and greenhouse gas emissions, incorporate sustainable design principles into projects, reduce the environmental impact of materials, and address climate risk liabilities in a manner that is life cycle cost effective.

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Prior Appropriations

Prior Appropriations			
Public Law	Fiscal Year	Amount	Purpose
116-93 Major Repairs & Alterations Spending Plan	2020	\$95,642,000	Design, Construction, and M&I
107-113	2022	\$4,941,000	Design
Appropriations to Date		\$100,583,000	

Prior Committee Approvals

Prior Approvals			
Committee	Date	Amount	Purpose
Senate EPW	7/1/2020	\$95,642,000	Design = \$8,000,000 Construction = \$82,308,000 M&I = \$5,334,000
House T&I	9/30/2020	\$95,642,000	Design = \$8,000,000 Construction = \$82,308,000 M&I = \$5,334,000
Senate EPW	1/12/2022	Phase II: \$89,172,000	Design = \$4,941,000 Construction = \$82,529,000 M&I = \$1,702,000
House T&I	10/27/2021	Phase II: \$89,172,000	Design = \$4,941,000 Construction = \$82,529,000 M&I = \$1,702,000

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

Alteration	\$758,487,000
Lease	\$962,347,000
New Construction	\$880,108,000

The 30-year, present value cost of alteration is \$121,621,000 less than the cost of new construction and \$203,860,000 less than the cost of a lease, with an equivalent annual cost advantage of \$5,888,000 and \$9,870,000 respectively.

Recommendation

ALTERATION

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Interim Leasing

GSA will execute such interim leasing actions as are necessary to ensure continued housing of the occupant agency prior to the relocation to the Federal Office Building at 301 7th Street, S.W. in Washington, DC. 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 4/1/2024

Recommended: Elliot Doomes
Commissioner, Public Buildings Service

Approved: Rahmi Carnahan
Administrator, General Services Administration