# AUTOMATED ADVANCED ACQUISITION PROGRAM (AAAP) AWARD DETERMINATION MEMORANDUM (ADM)

PROJECT NO. XXXXXXX

LEASE NO. GS-XXP-LXXXXXXX

Agency Name(s)

City, State

# **BACKGROUND AND REQUIREMENT**

The U.S. General Services Administration (GSA) currently leases XXXXX rentable square feet (RSF) (XXXX ANSI/BOMA office area square feet (ABOA SF)) of office and related space for AGENCY at ADDRESS in CITY, STATE under Lease No. GS-XXX-XXXXX that expires DATE.

On DATE, AGENCY sent GSA requirements for a new long-term lease for XXXXXX ABOA SF of office and related space, along with XXX reserved, onsite parking spaces for Government owned vehicles.

The delineated area for this procurement is as follows:

Specialized requirements listed in the project specific advertisement included: LIST GO/NO-GO AND SPECIAL REQUIREMENTS OR REFERENCE THEIR LOCATION IN THE LEASE FILE CHECKLIST.

There was no suitable, federally controlled space to house this requirement.

GSA's objective was to acquire suitable space from a responsible source to house the AGENCY in accordance with all federal procurement regulations and GSA policies.

Based on the requirement and other considerations, GSA determined the	nat the lease term should
be XX years, XX years firm and the range of ABOA SF would be	ABOA SF to
ABOA SF.	

# **METHOD**

Full and Open Competition, Lowest Price Technically Acceptable utilizing GSA's Automated Advanced Acquisition Platform to facilitate the collection of offers.

REQUEST FOR LEASE PROPOSALS PACKAGE, AMENDMENTS, AND PROJECT-SPECIFIC ADVERTISEMENT

The AAAP process begins with the posting of a region-specific request for lease proposals (RLP) on the AAAP website (<a href="https://lop.gsa.gov/AAAP">https://lop.gsa.gov/AAAP</a>) at the beginning of the fiscal year. Any subsequent amendments to the AAAP RLP package are also posted to the AAAP website.

The RLP is advertised on the System for Award Management (SAM) website at the beginning of the fiscal year and routinely every month. SAM is the official mechanism for notifying the public of GSA leased space requirements. Project specific advertisements are also posted for each project and incorporated into the RLP by reference. Project specific advertisements contain additional information, such as delineated area, range of ABOA, SF, term, parking, go/no-go criteria, and TI/BSAC evaluation criteria and requirements.

Following the annual posting of the AAAP RLP package, offerors have the opportunity to enter their offers for space every month on AAAP during the open period, which will typically be the 1st through the 7th of the month, unless otherwise stated by the Government or unless the 7th falls on a weekend or Federal Holiday. If the 7th falls on a weekend or Federal Holiday, the Open Period will end at 7:30 PM (ET) on the next business day. All offers submitted and maintained on AAAP remain eligible for consideration for future federal space requirements.

In addition to the posting of a region-specific RLP on the AAAP website at the beginning of the fiscal year, GSA also places a project-specific advertisement after a customer agency submits a space request to GSA. The project-specific advertisement is incorporated by reference into the RLP and its purpose is to communicate the agency's unique minimum requirements to the market and to generate additional offers in the application. The posting date of the project-specific advertisement for this procurement is noted below in the Market Outreach section.

# MARKET RESEARCH, PRICE OBJECTIVES, AND EVALUATION CRITERIA

CITY mar	ket cond	litions show	

For this procurement, comparable rates from [NUMBER] locations in the [MARKET/SUBMARKET] were reviewed, reflecting ample competition from which to derive a reliable market range. [MARKET RESEARCH TOOL], provided market rates ranging from a low of [LOWEST MARKET RESEARCH #] per rentable square foot to a high of [HIGHEST MARKET RESEARCH #] per rentable square foot. Reference the acquisition plan or Price Objectives and Evaluation Criteria document for more detail.

The evaluation criteria defined in the Project Specific Ad were used to inform the market about TI & BSAC requirements in the Project Specific Advertisement and ultimately used in the automated Present Value Analysis.

## MARKET OUTREACH

The region-specific RLP notice was posted on SAM at the beginning of the fiscal year. The project-specific advertisement for this procurement was posted on SAM on [date]. The project specific advertisement serves as both a notice and an RLP amendment, which is incorporated by reference.

The Office of Leasing conducted project-specific market outreach by email on [date of email] using a broad list of contacts collected from CoStar.

To further increase competition, targeted market outreach was conducted by [insert name] with the following potential offerors:

Contact	Company	Source	Outreach Method	Outreach Date

## **NEGOTIATIONS**

This procurement was conducted through the AAAP system. There are no negotiations with offerors because offers submitted into AAAP are final proposals.

# **EVALUATION OF OFFERS**

Using the delineated area, lease term, and parking requirements, the AAAP Manager produced an automated list of offers responding to AAAP RLP [RLP NAME] by [PSA RESPONSE DATE]. Further refinement was made to this list by the AAAP Manager to limit to those offerors meeting the minimum square foot requirement as well as considerations for Historic Preference, HubZone, and Energy Star.

The results identified [NUMBER (#)] offers that met the agency's requirements in terms of square footage, delineated area, and lease term.

Building Name	Address	Space Type	Lease Term	NPV	Historic Preference	HubZone	Energy Star Label
Building Name	Address	New/Cont .	10/8, 15/13, 17/15	\$/ABOA SF	HP in HD, NHP in HD, HP in NHD, or N/A	Y/N	Y/N

For the net present value analysis, the incumbent offer was calculated using a [(\$)TIA] per ABOA SF tenant improvement allowance (TIA) and [(\$)BSAC] per ABOA SF building specific amortized capital (BSAC). This figure was based on [DOCUMENTATION]. For all other offers, [(\$)TIA] per ABOA square feet TIA and [(\$)BSAC] per ABOA SF BSAC, representing [AGENCY NAME'S] full TI Allowance and BSAC, in addition to [(\$)MOVE COSTS] per ABOA square foot move costs, [(\$)TELECOMMUNICATION COSTS] per ABOA square foot telecommunication costs, and [(\$)REPLICATION COSTS] per ABOA square feet replication costs, were used for the analysis.

For the net present value analysis, [(\$)TIA] per ABOA square feet TIA and [(\$)BSAC] per ABOA square feet BSAC, representing [AGENCY NAME'S] full TI Allowance and BSAC, was used for all offers.

[LOWEST EVALUATED PV BUILDING] ranked as the lowest-priced building based on present value analysis that could meet the agency's minimum requirements.

## **DUE DILIGENCE**

# **Pre-Screening and Preliminary Due Diligence Checks**

During the Pre-Screening and Preliminary Due Diligence process, (conducted on XX/XX/XXXX), the AAAP Manager/Realty Specialist clarified whether or not the lowest price offer met the go/no-go criteria and RLP requirements.

GSA determined that the offer submitted by OFFEROR NAME is technically acceptable, based on the following:

- GSA determined that the offered building, which is located at ADDRESS, is located within the delineated area of consideration and therefore meets the RLP requirements related to the delineated area. GSA made this determination using . Refer to the following document(s) in G-REX for additional information supporting this determination: .
- 2. Refer to the following document(s) in G-REX for additional information supporting this determination:
- 3. GSA determined the offered building meets the RLP requirements pertaining to the neighborhood, parking, location amenities, and public transportation as follows:

#### Neighborhood

Inside City Center: Space is located in a prime commercial office district with attractive, prestigious, and professional surroundings with a prevalence of modern design and/or tasteful rehabilitation in modern use. Streets and public sidewalks are well maintained.

Outside City Center: Space is located in an office, research, technology, or business park that is modern in design with a campus-like atmosphere.

Outside City Center: Space is located on an attractively landscaped site containing one or more modern office Buildings that are professional and prestigious in appearance with the surrounding development well maintained and in consonance with a professional image.

# **Parking**

Inside or Outside City Center: The parking-to-square-foot ratio available on site meets current local code requirements.

Inside City Center: There is no local code requirement for parking; however, the on-site parking is available at a ratio of at least one (1) space for every 3,000 RSF of space.

Outside City Center: There is no local code requirement for parking; however, the onsite parking is available at a ratio of at least 3.5 spaces for every 1,000 RSF of space.

Parking was confirmed via

#### **Amenities**

Inside City Center: The offeror has provided documentation of the availability of a variety of employee services/amenities within the immediate vicinity of the building. GSA confirmed the follow through

A variety of inexpensive or moderately priced fast-food and/or eat-in restaurants are located within the immediate vicinity of the building, but generally not exceeding a walkable 2,640 feet of the employee entrance of the offered building, as determined by the LCO. Other employee services, such as retail shops, cleaners, and banks, are also located within the immediate vicinity of the building, but generally not exceeding a walkable 2,640 feet of the employee entrance of the offered Building, as determined by the LCO.

GSA confirmed the number of existing amenities as follows:
Inexpensive or moderately priced fast-food and eat-in restaurants
Other employee services. Some examples include:
Outside City Center: Adequate eating facilities are located within the immediate vicinity of the Building, but generally not exceeding a walkable 2,640 feet, as determined by the LCO. Other employee services, such as retail shops, cleaners, and banks, are also located within the immediate vicinity of the Building, but generally not exceeding 5 drivable miles, as determined by the LCO.
GSA confirmed the number of existing amenities as follows: Adequate eating facilities
Other employee services. Some examples include:
Offeror has demonstrated to the Government's reasonable satisfaction that such amenities will exist by the Government's required occupancy date.

#### **Public Transportation**

Inside City Center: A commuter rail, light rail, or subway station is located within the immediate vicinity of the Building, but generally not exceeding a walkable 2,640 feet, as determined by the LCO.

Inside City Center: Two or more public or campus bus lines usable by tenant occupants and their customers are located within the immediate vicinity of the Building, but generally not exceeding a walkable 1,320 feet, as determined by the LCO.

Outside City Center: Not applicable.

Inside City Center: Amenities are existing.

Inside City Center: The offeror has demonstrated to the Government's reasonable satisfaction that such amenities will exist by the Government's required occupancy date.

Outside City Center: Not applicable.

GSA has confirmed through [specify method] the following public transportation service to the building: Address types of transportation options, route numbers, proximity to building, frequency, etc. [for example, three bus stops for bus routes 101 and 102, running at least every 30 minutes, both directions, stopping within 1,200 linear feet of the employee entrance of the building.] Include documentation (Google Maps, schedules, etc.) in the lease file.

Outside City Center: Not applicable.

- 4. Floodplain review: The RLP identified the base floodplain restriction as FLOODPLAIN LEVEL
  - **a.** The GSA Regional NEPA Program Manager confirmed that no portion of the offered property is located within, or is adjacent to, the 100-year floodplain.
  - **b.** The GSA Regional NEPA Program Manager confirmed that a portion of the offered property is located within the 100 year floodplain. However, this does not impact the Government's full use and enjoyment of the Premises based on the following RATIONALE.
  - **c.** The GSA Regional NEPA Program Manager confirmed that the property is adjacent to the 100 year floodplain. However, such adjacency does not restrict ingress or egress to the Premises in the event of a flood.
  - **d.** The GSA Regional NEPA Program Manager confirmed that the property is located either within or is adjacent to the 100 year floodplain and the Government has determined that there is no practicable alternative. This determination is included in the lease file.

Refer to the following document(s) in G-REX for additional information supporting this determination:

5. GSA determined that the offered building's square footage (NUMBER ABOA SF on floor(s) NUMBER(s)) and parking (NUMBER surface and NUMBER structured parking spaces) meets the RLP requirements, as stated in the project-specific advertisement.

GSA made this determination using . Refer to the following document(s) in G-REX for additional information supporting this determination: GSA determined that the offered building meets the RLP requirements related to efficiency of layout. GSA made this determination using . Refer to the following document(s) in G-REX for additional information supporting this determination: .

- 7. GSA Regional Fire Protection Engineer conducted a review of the Fire and Life Safety and documentation and confirmed that that the proposed site meets RLP fire and life safety requirements. Refer to the following document(s) in G-REX for additional information supporting this determination:
- 8. The offeror has provided the following seismic documentation SEISMIC FORM NUMBER; the GSA seismic engineer has reviewed this documentation and confirmed that the building meets the seismic requirements of the RLP. Refer to the following document(s) in G-REX for additional information supporting this determination: .
- 9. Following receipt of the due diligence letter, the offeror did not represent that their building contained Asbestos Containing Materials.
- 10. GSA determined that the offered lease term of NUMBER years, NUMBER years firm, with termination rights on NUMBER days notice, meets the RLP and project-specific advertisement requirements related to lease term. The offer incorporates the GSA defined Tenant Improvement Allowance of \$NUMBER per ABOA SF and Building Specific Amortized Capital of \$NUMBER per ABOA SF, as required under the project-specific advertisement. Refer to the following document(s) in G-REX for additional information supporting this determination: [If you have not done so already, upload documentation supporting your determination then insert the name of the file(s), e.g. GSA Form 1364].
- 11. GSA determined that the proposed lease will score as an operating lease under Office of Management and Budget Circular A-11, Appendix B. Refer to the following document(s) in G-REX for additional information supporting this determination: [If you have not done so already, upload documentation supporting your determination then insert the name of the file(s)].
- 12. [Include if the project is subject to an approved prospectus] GSA determined that the offered rate is within the rental limitations set forth in the approved Prospectus. Refer to the following document(s) in G-REX for additional information supporting this determination: [If you have not done so already, upload documentation supporting your determination then insert the name of the file(s)].
- 13. GSA determined that the Offeror has a conditional commitment of funds in the amount necessary to prepare shell, TI and BSAC improvements, and any amount estimated to exceed the allowance Refer to the following document(s) in G-REX for additional information supporting this determination:
- 14. GSA verified evidence of ownership and/or control of the site by reviewing the **DOCUMENTS**

- 15. GSA determined that the offered building meets the RLP requirements related to the Energy Independence and Security Act as follows:
  - Refer to the following document(s) in G-REX for additional information supporting this determination:
- 16. The offeror has provided all of the documentation required as part of the Government's NEPA review. The NEPA review has confirmed that the offer does not entail an unacceptable adverse impact on the human environment which cannot be readily mitigated. The extent of NEPA analysis required for this offer is within the Government's acceptable limits. Refer to the following document(s) in G-REX for additional information supporting this determination:
- 17. The offeror has provided all of the documentation and site access required as part of its National Historic Preservation Act (NHPA) evaluation. The NHPA review has confirmed that the offer does not indicate preservation concerns or adverse effects to historic properties that cannot be reasonably mitigated. Refer to the following document(s) in G-REX for additional information supporting this determination:
- 18. The Offeror has represented, either under FAR 52.204-24 or FAR 52.204-26, that it [will][will not] provide covered telecommunications equipment or services to the Government in the performance of any contract, subcontract, or other contractual instrument resulting from this RLP. The Offeror has also represented that it [does][does not] use covered telecommunications equipment or services, or use any equipment, system, or service that uses covered telecommunications equipment or services. A waiver dated [date] issued by [GSA][the Office of the Director of the National Intelligence] is included in the lease file.
- 19. GSA determined that the offered building meets the following agency go/no-go criteria:
  - UNIQUE REQUIREMENT:
  - UNIQUE REQUIREMENT:
- 20. The lease contains numerous technical standards and obligations which are not evaluation criteria, but instead are requirements that the offeror has agreed to meet as part of its offer, without deviation. These include, but are not limited to, requirements addressing accessibility, fire protection and life safety, architectural, structural, security, mechanical, electrical and plumbing standards. To the extent that the offeror's property is not currently in conformance with these lease standards, the offeror will be required, under the lease, to bring the property into compliance.

## System for Award Management (SAM) Registration

- Offeror is registered in the SAM database
- Offeror has no active exclusions
- Offeror's registration purpose is listed as "All Awards"
- Offeror has completed all required online Representations and Certifications; LCO has reviewed these and placed them in lease file. Based on this review:

- O Offeror is a small business and does not need to complete a small business subcontracting plan
- O Offeror is not a small business; contract value falls below threshold for a small business subcontracting plan
- O Offeror is not a small business; a small business subcontracting plan was submitted, reviewed and approved.

## **Secure Federal LEASEs Act**

The agency does not require high-security leased space (FSL III, IV, or V).

The agency requires high-security leased space (FSL III, IV, or V) and the offeror has completed GSAR 552.270-33, Foreign Ownership and Financing Representation for Leased Space and represented that the immediate owner, highest-level owner, or any entity involved in the financing of the lease [is] [is not] foreign-owned. The Offeror indicated foreign ownership of the [immediate owner] [highest-level owner] [financing entity]. The agency has been informed in writing of this foreign ownership so that they can take the necessary security mitigation measures.

# **Building Tour**

Action Required: Choose one of the following.

·Scenario 1 (MOVING FORWARD WITH LOWEST EVALUATED PV BUILDING)

On [DATE], GSA and [AGENCY] toured the space located at the [LOWEST EVALUATED PV BUILDING]. On [DATE], GSA determined the space met or could meet the minimum requirements of [AGENCY]. On [DATE], [AAAP MANAGER/REALTY SPECIALIST] sent [OWNER OF RECORD] the due diligence letter via [Email or letter] and requested additional submittals in accordance with the RLP. All required submittals were received by [DATE].

Occupancy is anticipated for [DATE], with a lease term of [FULL TERM] years, [FIRM TERM] firm.

On [DATE], GSA and [AGENCY] toured the space located at the [LOWEST EVALUATED PV BUILDING]. GSA determined the space did not meet the minimum requirements of [AGENCY] and the offeror is unwilling or unable to meet the minimum requirements due to [VALID REASON/DEFICIENCIES].

Since the [LOWEST EVALUATED PV BUILDING] did not meet the minimum requirements of [AGENCY] and the offeror is unwilling or unable to meet the minimum requirements, [AAAP MANAGER] moved on to the next lowest price offer which is [2<sup>nd</sup> LOWEST EVALUATED PV BUILDING].

On [DATE], GSA and [AGENCY] toured the space located at [2<sup>nd</sup> LOWEST EVALUATED PV BUILDING]. On [DATE], GSA determined the space met or could meet the minimum requirements of [AGENCY]. On [DATE], [AAAP MANAGER] sent [OWNER OF RECORD] the due

diligence letter via [Email or letter] and requested additional submittals in accordance with the RLP. All required submittals were received by [DATE].

Occupancy is anticipated for [DATE], with a lease term of [FULL TERM] years, [FIRM TERM] firm.

Despite the Government's best effort to solicit the market and provide adequate public notice, only one offer was submitted through the AAAP platform within the delineated area. On [DATE], GSA and [AGENCY] toured the space located at the [LOWEST EVALUATED PV BUILDING]. On [DATE], GSA determined the space met or could meet the minimum requirements of [AGENCY]. On [DATE], [AAAP MANAGER] sent [OWNER OF RECORD] the due diligence letter via [Email or letter] and requested additional submittals in accordance with the RLP. All required submittals were received by [DATE].

Occupancy is anticipated for [DATE], with a lease term of [FULL TERM] years, [FIRM TERM] firm.

## AWARD DETERMINATION

The table below reflects the rates offered for [LPTA BUILDING], located at [ADDRESS]:

The [LPTA BUILDING] offered a fully serviced ABOA rate of [RATE PER ABOA], including tenant improvements and building specific amortized capital. When converted to a rentable rate of [RATE PER RSF], this rate is [within market range, at the lower end of market range, near the market range average, at the higher end of the market range, etc.] (Reference GSA Form 1364 or the AAAP Award Information page and the Price Objectives and Evaluation Criteria document, in the electronic lease file for more detail).

A pre-award assessment obtained on DATE determined the rental rates to be XX [% OR \$] [ABOVE][BELOW] the market, as defined by the lease costs relative to the market.

In conclusion, as demonstrated by the information listed above, the pricing of this AAAP lease is fair and reasonable. AAAP procurement [RLP] solicits offers for a warm, lit, office shell and offers were received for [NUMBER] buildings in [AGENCY] delineated area. Of these buildings, [LPTA BUILDING] located at [LPTA BUILDING ADDRESS] is the lowest priced offer in the delineated area in terms of net present value that could meet the minimum requirements provided.

For the foregoing reasons, it is in the best interest of the Government to award a lease to [OWNER OF RECORD] for [#ABOA] ABOA SF ([#RENTABLE]) rentable SF at the above mentioned building, for a lease term of [LEASE TERM] years, [FIRM TERM] firm.

Prepared By:	Approved By:

	Lease Contracting Officer
Date	Date