AMENDED PROSPECTUS –ALTERATION
301 7TH STREET SW
WASHINGTON, DC

Prospectus Number: PDC-0031-WA22

FY 2022 Project Summary

The General Services Administration (GSA) proposes the second of a two-phase repair and alteration project for the Regional Office Building (ROB) located at 301 7th Street SW in downtown Washington, DC. This project will renovate and modernize the building in two phases (with Phase I previously approved and funded) in preparation for a permanent Government-owned location for several Department of Homeland Security (DHS) components, including Science and Technology (S&T), the Office of Biometric Identity Management (OBIM), Undersecretary for Management subgroups, and Immigration and Customs Enforcement Office of Professional Responsibility (ICE-OPR). Major building systems will be upgraded to accommodate a current housing plan of 4,374 personnel, resulting in a maximum, all-in DHS utilization rate (UR) of 159 square feet per person. The completion of both phases reduces the DHS real estate footprint by more than 109,000 usable square feet (USF) and provides an annual lease cost avoidance of approximately $20,800,000 and an annual agency rent savings of approximately $11,700,000.

This prospectus amends Prospectus No. PDC-0031-WA20 to account for the two-phase approach and request for additional funding. GSA is requesting approval of an additional estimated design cost of $4,941,000, additional estimated construction cost of $82,529,000, and additional estimated management and inspection costs of $1,702,000, for a total additional cost of $89,172,000 to account for a more comprehensive building modernization that addresses the long-term housing needs of DHS and a phased construction approach that allows for swing space during the full building modernization.

FY 2022 Committee Approval and Appropriation Requested

(Design, Construction, Management & Inspection) $89,172,000

Major Work Items

Interior alterations; plumbing, HVAC (heating ventilation, and air conditioning), electrical, fire and life safety, and conveyance systems upgrades; exterior construction; hazardous materials abatement; and demolition

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Project Budget

Design	
Phase I and II Design (FY 2020)	$8,000,000
Phase I and II Additional Design (FY 2022 request)	$4,941,000
Total Design	**$12,941,000**
Management and Inspection (M&I)	
Phase I (FY 2020)	$5,334,000
Phase II (FY 2022 request)	$1,702,000
Total M&I	**$7,036,000**
Estimated Construction Cost (ECC)	
Phase I (FY2020)	$82,308,000
Phase II (FY2022 request)	$82,529,000
Total ECC	**$164,837,000**
Estimated Total Project Cost*	**$184,814,000**

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

Schedule	Start	End
Design		
Phase I and II	FY 2020	FY 2023
Construction		
Phase I	FY 2021	FY 2023
Phase II	FY 2022	FY 2025

Building

The ROB is located near the L'Enfant Plaza Metro Station at 301 7th Street SW in Washington, DC. As constructed, it contains approximately 941,463 gross square feet, including approximately 845,169 rentable square feet or 612,593 USF. 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. 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.

Tenant Agencies

DHS - S&T, OBIM, ICE-OPR

Proposed Project

The proposed project will be completed in two phases and will allow DHS to reduce the UR of their current housing from 205 square feet per person to 159 while reducing their real estate footprint by more than 190,000 USF under the current housing plan. Phase I includes the renovation of the major building systems across the eastern half of the building, which includes opening the interior floor plates and replacing the conveyance, plumbing, HVAC, electrical, and fire protection systems. Phase II of the project will include completion of the upgrades of the major systems across the western half of the building. This includes opening the interior floor plates and replacement of the conveyance, plumbing, HVAC, electrical, and fire protection systems. Completing the redesign of the building's circulation pattern will recapture usable office space and increase the space efficiency by utilizing 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 which focuses on the health, safety, and comfort of personnel and to provide flexibility and ease of accommodation for the operators of the building.

Major Work Items (All phases)

HVAC Upgrades	$67,580,000
Electrical Upgrades	22,381,000
Interior Construction	19,983,000
Plumbing Upgrades	16,115,000
Conveyance System Upgrades	15,557,000
Exterior Construction	9,397,000
Fire Protection Upgrades	7,718,000
Demolition	6,106,000
Total Estimated Construction Cost (ECC)	**$164,837,000**

Justification

The ROB, converted from warehouse to office use throughout its life, does not include appropriate lighting, HVAC, interiors, and finishes for modern office space. Yet, the

property resides on a highly valuable location in downtown Washington, DC, adjacent to five Metrorail lines and one block from the National Mall. The proposed accommodation of additional DHS personnel into the ROB 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 and result in poor indoor air quality and pronounced tenant discomfort in the winter and summer months. Approximately one-fifth of the air handling units (AHUs) are more than three decades old, and the steam piping and condensate return lines are greater 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. In accordance with *Facilities Standards for the Public Buildings Service (GSA P-100)*, steam heating systems should be converted to hot water upon entrance to the building. 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 violation of current code 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 replacement parts needed 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 the *Facilities Standards for the Public Buildings Service*. GSA encourages design opportunities to (a) increase energy and water efficiency (including renewable energy and fossil fuel free

measures), (b) adherence to sustainable design principles, and (c) minimize climate risk liabilities above the minimum performance criteria in a manner that is life cycle cost-effective.

Prior Appropriations

Prior Appropriations			
Public Law	**Fiscal Year**	**Amount**	**Purpose**
116-93 Major R&A Spending Plan	2020	$95,642,000	Design, ECC, and M&I
Appropriations to Date		**$95,642,000**	

Prior Committee Approvals

Prior Approvals			
Committee	**Date**	**Amount**	**Purpose**
Senate EPW	7/1/2020	$95,642,000	Design = $8,000,000 ECC = $82,308,000 M&I = $5,334,000
House T&I	9/30/2020	$95,642,000	Design = $8,000,000 ECC = $82,308,000 M&I = $5,334,000

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

Alteration ..... $ 880,284,000
Lease $1,093,554,000

The 30-year, present-value cost of alteration is $213,270,000 less than the cost of leasing, with an equivalent annual cost advantage of $10,054,000.

Recommendation

ALTERATION

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.

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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 9/9/2021

Recommended: _____
Commissioner, Public Buildings Service

Approved: _____
Administrator, General Services Administration