

VA REQUEST FOR  
LEASE PROPOSAL  
NO. VA69D-13-R-1117  
CRRC Milwaukee,  
Wisconsin

**Offers due by  
08/12/2013**

In order to be considered for award, offers conforming to the requirements of the RLP shall be received no later than 5:00 pm Central Time on the date above. See "Receipt Of Lease Proposals" herein for additional information.

This Request for Lease Proposals ("RLP") sets forth instructions and requirements for proposals for a Lease described in the RLP documents. Proposals conforming to the RLP requirements will be evaluated in accordance with the Method of Award set forth herein to select an Offeror for award. The Government will award the Lease to the selected Offeror, subject to the conditions herein.

*The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.*

**STANDARD RLP  
GSA FORM R101C (6/12)**

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**REQUEST FOR LEASE PROPOSALS  
NO. VA69D-12-R-0389**

July 12, 2013  
STANDARD RLP GSA FORM R101C (June 2012)

**SECTION 1 STATEMENT OF REQUIREMENTS**

**1.01 GENERAL INFORMATION (JUN 2012)**

A. This Request for Lease Proposals (RLP) sets forth instructions and requirements for proposals for a Lease described in the RLP documents. The Government will evaluate proposals conforming to the RLP requirements in accordance with the Method of Award set forth below to select an Offeror for award. The Government will award the Lease to the selected Offeror, subject to the conditions below.

B. Included in the RLP documents is a lease form (GSA Form L201C) setting forth the lease term and other terms and conditions of the Lease contemplated by this RLP and a Proposal to Lease Space (GSA Form 1364C-STANDARD) on which Offeror shall submit its offered rent and other price data, together with required information and submissions. The Lease paragraph titled "Definitions and General Terms" shall apply to the terms of this RLP.

C. Do not attempt to complete the lease form (GSA Form L201C). Upon selection for award, VA will transcribe the successful Offeror's final offered rent and other price data included on the GSA Form 1364C into the lease form, and transmit the completed Lease, including any appropriate attachments, to the successful Offeror for execution. Neither the RLP nor any other part of an Offeror's proposal shall be part of the Lease except to the extent expressly incorporated therein. The Offeror should review the completed Lease for accuracy and consistency with his or her proposal, sign and date the first page, initial each subsequent page of the Lease, and return it to the Lease Contracting Officer (LCO).

D. The Offeror's executed Lease shall constitute a firm offer. No Lease shall be formed until the LCO executes the Lease and delivers a signed copy to the Offeror.

**1.02 AMOUNT AND TYPE OF SPACE, LEASE TERM AND OCCUPANCY DATE (JUN 2012)**

A. The Government is seeking a minimum of **6,500** to a maximum of **8,000** of American National Standards Institute/Building Owners and Managers Association (ANSI/BOMA) Office Area (ABOA) square feet (SF) of contiguous space within the Area of Consideration set forth below. See Section 2 of the Lease for applicable ANSI/BOMA standards.

B. The Space shall be located in a modern quality Building of sound and substantial construction with a facade of stone, marble, brick, stainless steel, aluminum or other permanent materials in good condition and acceptable to the LCO. If not a new Building, the Space offered shall be in a Building that has undergone, or will complete by occupancy, modernization or adaptive reuse for the Space with modern conveniences;

C. The Government requires a minimum **5** reserved and marked parking spaces and **20** general parking spaces. These spaces must be secured and lit in accordance with the Security Requirements set forth in the Lease. Offeror shall include the cost of this parking as part of the rental consideration.

D. As part of the rental consideration, the Government may require use of part of the Building roof for the installation of antenna(s). If antenna space is required, specifications regarding the type of antenna(s) and mounting requirements are included in the agency requirements information provided with this RLP.

E. **10 Years, 5 year base (Firm Term) with 5 one-year options** with Government termination rights, in whole or in part, effective at any time after the Firm Term of the Lease by providing not less than **90** days' prior written notice.

G. Occupancy is required in accordance with the schedule outlined in the Schedule for Completion of Space paragraph under the Lease.

**1.03 AREA OF CONSIDERATION (JUN 2012)**

The Government requests Space in an area bounded as follows:

North Boundary: North Street  
East Boundary: Lake Michigan  
South Boundary: Oklahoma Street  
West Boundary: 36<sup>th</sup> Street

#### 1.04 LIST OF RLP DOCUMENTS (JUN 2012)

The following documents are attached to and included as part of this RLP package:

DOCUMENT NAME	NO. OF PAGES
Lease No. VA69D-13-L-**** (Form L201C)	52
GSA Form 1364C, Proposal to Lease Space	4
GSA Form 1217, Lessor's Annual Cost Statement	2
GSA Form 3517B, General Clauses	33
GSA Form 3516, Solicitation Provisions	1
GSA Form 3518 Representations and Certifications	10
GSA Form 12000 for Pre-lease Fire Protection and Life Safety Evaluation for an Office Building (Part A or Part B) (See Section 3 for applicable requirements)	6

#### 1.05 AMENDMENTS TO THE RLP (JUN 2012)

This RLP may be amended by notice from the LCO. Amendments may modify the terms of this RLP, or the terms, conditions, and requirements of the Lease contemplated by the RLP.

#### 1.06 LEASE DESCRIPTION (JUN 2012)

Offerors shall examine the Lease form included in the RLP documents to understand the Government's and the Lessor's respective rights and responsibilities under the contemplated Lease.

The Lease contemplated by this RLP includes:

- A. The term of the Lease, and renewal option, if any.
- B. Terms and Conditions of the Lease, including Definitions, Standards, and Formulas applicable to the Lease and this RLP.
- C. Building Shell standards and requirements.
- D. Information concerning the VA's build-out requirements.
- E. A description of all services to be provided by the Lessor.

Should the Offeror be awarded the Lease, the terms of the Lease will be binding upon the Lessor without regard to any statements contained in this RLP.

The Lease contemplated by this RLP is a fully serviced Lease. Rent will be based upon a proposed rental rate per Rentable Square Foot (RSF), limited by the offered rate and the maximum ABOA SF solicited under this RLP. The Lessor shall design and build the TIs and will be compensated for TI costs, together with design and project management fees to be set under the Lease. Offerors are encouraged to consider the use of existing fit-out and other improvements to minimize waste. However, any existing improvements must be deemed equivalent to Lease requirements for new construction, and Offerors are cautioned to consider those requirements before assuming efficiencies in its TI costs resulting from use of existing improvements.

The Government will have the opportunity to review the Lessor's design intent drawings submitted with proposal to determine that the Lessor's design meets the requirements of the Lease. The Lease also provides that the Government may modify the TI requirements, subject to the Lessor's right to receive compensation for such changes.

Upon completion and acceptance of the leased Space, the Space will be measured for establishing the actual annual rent, and the Lease Term shall commence. During the term of the Lease, rent will be adjusted for changes to the Lessor's operating costs and real estate taxes, pursuant to paragraphs set forth in Section 2 of the Lease.

Finally, Offerors are advised that doing business with the Government carries special responsibilities with respect to sustainability, fire protection and life safety, and security, as well as other requirements not typically found in private commercial leases. These are set forth both in the lease form and in the GSA Form 3517B, which will be part of the Lease.

#### 1.07 RELATIONSHIP OF RLP BUILDING MINIMUM REQUIREMENTS AND LEASE OBLIGATIONS (JUN 2012)

The Lease establishes various requirements relating to the Building shell. Such requirements are not deemed TIs. Certain of these Building requirements are established as minimum requirements in this RLP. If the Lessor's Building does not meet the requirements at the time of award, the Lessor may still be awarded the Lease. However, as a condition of award, the Government will require Lessor to identify those Building improvements that will bring the Building into compliance with RLP requirements. Upon award of the Lease, completion of those Building improvements will become Lease obligations.

## **1.08 SECURITY LEVEL DETERMINATION FOR FACILITY HOUSING OTHER FEDERAL TENANTS (APR 2011)**

If an Offeror is offering Space in a facility currently housing a Federal agency, the security requirements of the facility may be increased and the Offeror may be required to adhere to a higher security standard than other Offerors competing for the same space requirement. If two or more Federal space requirements are being competed at the same time, an Offeror submitting on both or more space requirements may be subject to a higher security standard if the Offeror is determined to be the successful Offeror on more than one space requirement. It is incumbent upon the Offeror to prepare the Offeror's proposal accordingly.

## **1.09 INSPECTION—RIGHT OF ENTRY (JUN 2012)**

A. At any time and from time to time after receipt of an Offer (until the same has been duly withdrawn or rejected) the agents, employees and contractors of the Government may, upon reasonable prior notice to Offeror, enter upon the offered Space or the Premises, and all other areas of the Building access to which is necessary to accomplish the purposes of entry, to determine the potential or actual compliance by the Offeror with the requirements of the RLP and its attachments, which purposes shall include, but not be limited to:

1. Inspecting, sampling, and analyzing of suspected asbestos-containing materials and air monitoring for asbestos fibers.
2. Inspecting the heating, ventilation and air conditioning system, maintenance records, and mechanical rooms for the offered Space or the Premises.
3. Inspecting for any leaks, spills, or other potentially hazardous conditions which may involve tenant exposure to hazardous or toxic substances.
4. Inspecting for any current or past hazardous waste operations, to ensure that appropriate actions were taken to alleviate any environmentally unsound activities in accordance with Federal, state, and local law.

B. Nothing in this paragraph shall be construed to create a Government duty to inspect for toxic materials or to impose a higher standard of care on the Government than on other lessees. The purpose of this paragraph is to promote the ease with which the Government may inspect the Building. Nothing in this paragraph shall act to relieve the Offeror of any duty to inspect or liability which might arise because of Offeror's failure to inspect for or correct a hazardous condition.

## **1.10 AUTHORIZED REPRESENTATIVES (JUN 2012)**

With respect to all matters relating to this RLP, only the Government's LCO designated below shall have the authority to amend the RLP. The Government shall have the right to substitute its LCO by notice, without an express delegation by the prior LCO.

### **Lease LCO:**

James R. Hedman  
115 South 84th Street, Suite 101  
Milwaukee, WI 53214  
414-844-4821  
[JAMES.HEDMAN@VA.GOV](mailto:JAMES.HEDMAN@VA.GOV)

As to all other matters, Offerors may contact the Alternate Government Contact designated below.

### **Alternate Government Contact:**

Mike Gove  
115 South 84th Street, Suite 101  
Milwaukee, WI 53214  
414-844-4814  
[MICHAEL.GOVE@VA.GOV](mailto:MICHAEL.GOVE@VA.GOV)

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## **SECTION 2 ELIGIBILITY AND PREFERENCES FOR AWARD**

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### **2.01 EFFICIENCY OF LAYOUT (AUG 2011)**

- A. In order to be acceptable for award, the offered Space must provide for an efficient layout as determined by the LCO.
- B. To demonstrate potential for efficient layout, the Offeror shall provide design intent drawings with the proposal.

**2.02 FLOOD PLAINS (JUN 2012)**

A Lease will not be awarded for any offered Property located within a 100-year floodplain unless the Government has determined that there is no practicable alternative. An Offeror may offer less than its entire site in order to exclude a portion of the site that falls within a floodplain, so long as the portion offered meets all the requirements of this RLP. If an Offeror intends that the offered Property that will become the Premises for purposes of this Lease will be something other than the entire site as recorded in tax or other property records the Offeror shall clearly demarcate the offered Property on its site plan/map submissions and shall propose an adjustment to property taxes on an appropriate pro rata basis. For such an offer, the LCO may, in his or her sole discretion, determine that the offered Property does not adequately avoid development in a 100-year floodplain.

**2.03 SEISMIC SAFETY (AUG 2011)**

A. All offers received in response to this RLP will be evaluated to determine whether the offers fully meet National Institute of Standards and Technology (NIST) NISTIR 5382, Interagency Committee on Seismic Safety in Construction (ICSSC) RP 4, Standards of Seismic Safety for Existing Federally Owned or Leased Buildings, as modified below. If any offers are received that fully meet seismic safety requirements, other offers that do not fully meet these requirements will not be considered. If no offers are received that fully meet seismic safety requirements, only offers that substantially meet seismic safety requirements will be considered. If no offers are received that fully or substantially meet seismic safety requirements, LCO may elect to make no Lease award.

B. "Fully meet" as used herein with regard to the seismic safety requirements means that the Offeror has provided a written certification (example available from the LCO) with the initial offer, from a licensed structural engineer certifying that both the Building design and construction are in full compliance with the life-safety performance level of NISTIR 5382, ICSSC RP 4, Standards of Seismic Safety for Existing Federally Owned or Leased Buildings, AS MODIFIED HEREIN:

1. FEMA-178, NEHRP Handbook for the Seismic Evaluation of Existing Buildings, will be replaced with FEMA-310, Handbook for the Seismic Evaluation of Buildings: A Prestandard.
2. Section 1.3.1, Post-Benchmark Buildings (Table 1: Advisory Benchmark Years) will be replaced with the table below.

FEMA 178 <sup>1</sup>	Building Type	BOCA	SBCC	UBC	ANSI	NEHRP
1, 2	Wood Frame, Wood Shear Panels	**	**	1949	**	**
3	Steel Moment Resisting Frame (MRF)	1987	1991	1976	1982	1985
4	Steel Braced Frame	1990	1991	1988	*	1991
5	Light Metal Frame	*	*	*	*	*
6	Steel Frame w/Concrete Shear Walls	1987	1991	1976	1982	1985
8	Reinforced Concrete Moment Resisting Frame	1987	1991	1976	1982	1985
9	Reinforced Concrete Shear Walls w/o MRF	1987	1991	1976	1982	1985
10,7	Steel or Concrete Frame w/URM Infill	*	*	*	*	*
11	Tilt-up Concrete	1987	1991	1973	1982	1985
12	Precast Concrete Frame	*	*	*	*	*
13, 14	Reinforced Masonry	1987	1991	1976	1982	1985
15	Unreinforced Masonry (URM)	*	*	*	*	*

\* Indicates no benchmark year (no comprehensive seismic requirements for these buildings exist).  
 \*\* Local provisions for wood construction need to be compared to 1949 UBC to determine benchmark year.

BOCA—Building Officials and Code Administrators, National Building Code.  
 SBCC—Southern Building Code Congress International, Standard Building Code.  
 UBC—International Conference of Building Officials, Uniform Building Code.  
 ANSI—American National Standards Institute, A58.1, Minimum Design Loads for Buildings and Other Structures.  
 NEHRP—Recommended Provisions for the Development of Seismic Regulations for New Buildings and Other Structures, Federal Emergency Management Agency

3. Section 1.3.2, Leased Buildings, shall be revised as follows:
  - a. **Buildings leased by the Federal Government are exempt from these standards if both of the following apply:**
    - i. **The leased Space is 10,000 rentable square feet or less AND**
    - ii. **The Federal Government leases less than 50 percent (%) of the total building square footage.**

<sup>1</sup> The 15 common building types as they are defined in FEMA-178.

4. FEMA-310, Handbook for the Seismic Evaluation of Buildings: A Prestandard, can be obtained at [www.degenkolb.com/0\\_0\\_Misc/0\\_1\\_FEMADocuments/fema310/prestnd.html](http://www.degenkolb.com/0_0_Misc/0_1_FEMADocuments/fema310/prestnd.html).

5. NISTIR 5382, ICSSC RP 4, Standards of Seismic Safety for Existing Federally Owned or Leased Buildings, can be obtained from the Building and Fire Research Laboratory, National Institute of Standards and Technology, Gaithersburg, MD 20899, or at <http://fire.nist.gov/bfrlpubs/build94/PDF/b94037.pdf>

C. "Substantially meets" as used herein with regard to the seismic safety requirements will be determined by the Government based upon the Offeror's evaluation by a licensed structural engineer that specifically describes all exceptions to full compliance with the Model Building Seismic Design Provisions as shown in the Benchmark Buildings table above. The Offeror shall evaluate the Building by using FEMA-310 and shall identify all deficiencies. Documentation of this evaluation shall be made available to the Government.

## **2.04 HISTORIC PREFERENCE (JUN 2012)**

A. The Government will give preference to offers of Space in Historic Properties following this hierarchy of consideration:

1. Historic Properties within Historic Districts.
2. Non-historic developed sites and non-historic undeveloped sites within Historic Districts.
3. Historic Properties outside of Historic Districts.

B. Definitions:

1. Determination of eligibility means a decision by the Department of the Interior that a district, site, Building, structure or object meets the National Register criteria for evaluation although the Property is not formally listed in the National Register (36 CFR 60.3(c)).

2. Historic District means a geographically definable area, urban or rural, possessing a significant concentration, linkage, or continuity of sites, Buildings, structures, or objects united by past events or aesthetically by plan or physical development. A district may also comprise individual elements separated geographically but linked by association or history (36 CFR 60.3(d)). The Historic District must be included in or be determined eligible for inclusion in the National Register of Historic Places (NRHP).

3. Historic Property means any prehistoric or Historic District, site, Building, structure, or object included in or been determined eligible for inclusion in the NRHP maintained by the Secretary of the Interior (36 CFR 800.16(l)).

4. National Register of Historic Places means the National Register of districts, sites, buildings, structures and objects significant in American history, architecture, archeology, engineering and culture that the Secretary of the Interior is authorized to expand and maintain under the National Historic Preservation Act (36 CFR 60.1).

C. The offer of Space must meet the terms and conditions of this RLP package and its attachments. The LCO has discretion to accept alternatives to certain architectural characteristics and safety features defined elsewhere in this RLP package to maintain the historical integrity of an Historic Building, such as high ceilings and wooden floors, or to maintain the integrity of an Historic District, such as setbacks, floor-to-ceiling heights, and location and appearance of parking.

D. When award will be based on the lowest price technically acceptable source selection process, the Government will give a price evaluation preference, based on the total annual ABOA SF present value cost to the Government, to Historic Properties as follows:

1. First to suitable Historic Properties within Historic Districts, a 10 percent price preference.
2. If no suitable Historic Property within an Historic District is offered, or the 10 percent preference does not result in such property being the lowest price technically acceptable offer, the Government will give a 2.5 percent price preference to suitable non-historic developed or undeveloped sites within Historic Districts.
3. If no suitable, non-historic, developed, or undeveloped site within a Historic District is offered, or the 2.5 percent preference does not result in such property being the lowest price technically acceptable offer, the Government will give a 10 percent price preference to suitable Historic Properties outside of Historic Districts.
4. Finally, if no suitable Historic Property outside of Historic Districts is offered, no historic price preference will be given to any property offered.

E. When award will be based on the best value tradeoff source selection process, which permits tradeoffs among price and non-price factors, the Government will give a price evaluation preference, based on the total annual ABOA SF present value cost to the Government, to Historic Properties as follows:

1. First, to suitable Historic Properties within Historic Districts, a 10 percent price preference.

2. If no suitable Historic Property within a Historic District is offered or remains in the competition, the Government will give a 2.5 percent price preference to suitable non-historic developed or undeveloped sites within Historic Districts.

3. If no suitable, non-historic developed or undeveloped site within an Historic District is offered or remains in the competition, the Government will give a 10 percent price preference to suitable Historic Properties outside of Historic Districts.

4. Finally, if no suitable Historic Property outside of Historic Districts is offered, no historic price preference will be given to any property offered.

F. The Government will compute price evaluation preferences by reducing the price(s) of the Offerors qualifying for a price evaluation preference by the applicable percentage provided in this provision. The price evaluation preference will be used for price evaluation purposes only. The Government will award a Lease for the actual prices proposed by the successful Offeror and accepted by the Government.

G. To qualify for a price evaluation preference, Offeror must provide satisfactory documentation in their offer that their property qualifies as one of the following:

1. A Historic Property within a Historic District.
2. A non-historic developed or undeveloped site within a Historic District.
3. A Historic Property outside of a Historic District.

## **2.05 ASBESTOS (JUN 2012)**

A. Government requests space with no asbestos-containing materials (ACM), or with ACM in a stable, solid matrix (e.g., asbestos flooring or asbestos cement panels), which is not damaged or subject to damage by routine operations. For purposes of this paragraph, "space" includes the 1) space offered for lease; 2) common building area; 3) ventilation systems and zones serving the space offered; and 4) the area above suspended ceilings and engineering space in the same ventilation zone as the space offered. If no offers are received for such space, the Government may consider space with thermal system insulation ACM (e.g., wrapped pipe or boiler lagging), which is not damaged or subject to damage by routine operations.

B. ACM is defined as any materials with a concentration of greater than 1 percent by dry weight of asbestos.

C. Space with ACM of any type or condition may be upgraded by the Offeror to meet conditions described in sub-paragraph A by abatement (removal, enclosure, encapsulation, or repair) of ACM not meeting those conditions. If any offer involving abatement of ACM is accepted by the Government, the successful Offeror will be required to successfully complete the abatement in accordance with OSHA, EPA, Department of Transportation (DOT), state, and local regulations and guidance prior to occupancy.

D. Management Plan. If space is offered which contains ACM, the Offeror shall submit an asbestos-related management plan for acceptance by the Government prior to Lease award. This plan shall conform to EPA guidance.

## **2.06 ACCESSIBILITY (JUN 2012)**

The Lease contemplated by this RLP contains Building requirements for Accessibility. In order to be eligible for award, Offeror must either:

- A. Verify in the Lease proposal that the Building in which Space is offered meets the Lease accessibility requirements, or
- B. Include as a specific obligation in its Lease proposal that improvements to bring the Building into compliance with Lease accessibility requirements will be completed prior to acceptance of the Space.

## **2.07 FIRE PROTECTION AND LIFE SAFETY (JUN 2012)**

The Lease contemplated by this RLP contains Building requirements for Means of Egress, Automatic Fire Sprinkler System, and Fire Alarm System. In order to be eligible for award, Offeror must either:

- A. Verify in the Lease proposal that the Building in which Space is offered meets the Means of Egress, Automatic Fire Sprinkler System, and Fire Alarm System requirements of the Lease.
- B. Include as a specific obligation in its Lease proposal that improvements to bring the Building into compliance with Lease requirements will be completed prior to acceptance of the Space.

## **2.08 ENERGY INDEPENDENCE AND SECURITY ACT (SEP 2011)**

A. The Energy Independence and Security Act (EISA) establishes requirements for Government leases relating to energy efficiency standards and potential cost effective energy efficiency and conservation improvements.

B. Unless one of the statutory exceptions listed in sub-paragraph C below applies, GSA may award a Lease for a Building only if the Building has earned the ENERGY STAR® label conferred by the U.S. Environmental Protection Agency (EPA) within the most recent year prior to the due date for final proposal revisions. The term "most recent year" means that the date of award of the ENERGY STAR® label by EPA must not be more than 1 year prior to the due date of final proposal revisions. For example, an ENERGY STAR® label awarded by EPA on October 1, 2010, is valid for all lease procurements where final proposal revisions are due on or before September 30, 2011. In lieu of the above, all new Buildings being specifically constructed for the Government must achieve an ENERGY STAR® label within 18 months after occupancy by the Government. In addition, Offerors of the following Buildings shall also have up to 18 months after occupancy by the Government, or as soon thereafter as the Building is eligible for Energy Star consideration, to achieve an Energy Star label: 1) All existing Buildings that have had an Energy Star label but are unable to obtain a label in the most recent year (i.e., within 12 months prior to the due date for final proposal revisions) because of insufficient occupancy; 2) Newly built Buildings that have used Energy Star's Target Finder tool and either achieved a "Designed to Earn the Energy Star" certification or received an unofficial score (in strict adherence to Target Finder's usage instructions, including the use of required energy modeling) of 75 or higher prior to the due date for final proposal revisions and who are unable to obtain a label in the most recent year because of insufficient occupancy; 3) An existing Building that is unable to obtain a label because of insufficient occupancy but that can produce an indication, through the use of energy modeling or past utility and occupancy data input into Energy Star's Portfolio Manager tool or Target Finder, that it can receive an unofficial score of 75 or higher using all other requirements of Target Finder or Portfolio Manager, except for actual data from the most recent year. ENERGY STAR tools and resources can be found at [WWW.ENERGYSTAR.GOV](http://WWW.ENERGYSTAR.GOV).

C. EISA allows a Federal agency to lease Space in a Building that does not have an ENERGY STAR® Label if:

1. No Space is offered in a Building with an ENERGY STAR® Label that meets RLP requirements, including locational needs;
2. The agency will remain in a Building it currently occupies;
3. The Lease will be in a Building of historical, architectural, or cultural significance listed or eligible to be listed on the National Register of Historic Places; or
4. The Lease is for 10,000 RSF or less.

D. If one or more of the statutory exceptions applies, and the offered Space is not in a Building that has earned the ENERGY STAR® Label within one year prior to the due date for final proposal revisions, Offerors are required to include in their lease proposal an agreement to renovate the Building for all energy efficiency and conservation improvements that it has determined would be cost effective over the Firm Term of the Lease, if any, prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease). Such improvements may consist of, but are not limited to, the following:

1. Heating, ventilating, and air conditioning (HVAC) upgrades, including boilers, chillers, and Building Automation System (BAS)/Monitoring/Control System (EMCS).
2. Lighting Improvements.
3. Building Envelope Modifications.

**NOTE:** Additional information can be found on <http://www.gsa.gov/leasing> under "Green Leasing."

E. The term "cost effective" means an improvement that will result in substantial operational cost savings to the landlord by reducing electricity or fossil fuel consumption, water, or other utility costs. The term "operational cost savings" means a reduction in operational costs to the landlord through the application of Building improvements that achieve cost savings over the Firm Term of the Lease sufficient to pay the incremental additional costs of making the Building improvements.

F. Instructions for obtaining an ENERGY STAR® Label are provided at <http://www.energystar.gov/eslabel> (use "Portfolio Manager" to apply). ENERGY STAR® tools and resources can be found at [www.energystar.gov](http://www.energystar.gov). The ENERGY STAR® Building Upgrade Manual (<http://www.energystar.gov>) and Building Upgrade Value Calculator (<http://www.energystar.gov/financialevaulation>) are tools which can be useful in considering energy efficiency and conservation improvements to Buildings.

G. If one or more of the statutory exceptions applies, and the offered Space is not in a Building that has earned the ENERGY STAR® Label within one year prior to the due date for final proposal revisions, the successful Offeror will be excused from performing any agreed-to energy efficiency and conservation renovations if it obtains the Energy Star Label prior to the Government's acceptance of the Space (or not later than one year after the Lease Award Date for succeeding and superseding leases).

H. If no improvements are proposed, the Offeror must demonstrate to the Government using the ENERGY STAR® Online Tools why no energy efficiency and conservation improvements are cost effective. If such explanation is unreasonable, the offer may be rejected.

I. All new Buildings being specifically constructed for the Government must achieve the ENERGY STAR® Label within 18 months after occupancy by the Government.

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## SECTION 3 HOW TO OFFER

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### 3.01 GENERAL INSTRUCTIONS (JUN 2012)

Offeror shall prepare a complete offer, using the forms provided with this RLP, and submit the completed lease proposal package to the Government as indicated below.

### 3.02 RECEIPT OF LEASE PROPOSALS (SEPT 2011)

A. Offeror is authorized to transmit its Lease proposal as an attachment to an email. Offeror's email shall include the name, address and telephone number of the Offeror, and identify the name and title of the individual signing on behalf of the Offeror. Offeror's signed Lease proposal must be saved in a generally accessible format (such as portable document format (pdf)), which displays a visible image of all original document signatures, and must be transmitted as an attachment to the email. Only emails transmitted to, and received at, the VA email address identified in the request for Lease proposals will be accepted. Offeror submitting a Lease proposal by email shall retain in its possession, and make available upon VA's request, its original signed proposal. Offeror choosing not to submit its proposal via email may still submit its Lease proposal by United States mail or other express delivery service of Offeror's choosing.

B. In order to be considered for award, offers conforming to the requirements of the RLP shall be received in one of the following ways:

1. No later than 5:00 pm Central time on the following date at the following designated office and address:

Date: 08-12-2013  
Office: Great Lake Acquisition Center  
Address: 115 South 84<sup>th</sup> Street Suite 101 Milwaukee, Wisconsin 53214

2. No later than 5:00 pm Central time on the following date at the following email address:

Date: 08-12-2013  
Email: JAMES.HEDMAN@va.gov

C. Offers sent by United States mail or hand delivered (including delivery by commercial carrier) shall be deemed late if delivered to the address of the office designated for receipt of offers after the date and time established for receipt of offers.

D. Offers transmitted through email shall be deemed late if received at the designated email address after the date and time established for receipt of offers unless it was received at the initial point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of proposals.

E. Offers delivered through any means authorized by the RLP may be also deemed timely if there is acceptable evidence to establish that it was received at the Government installation designated for receipt of proposals and was under the Government's control prior to the time set for receipt of proposals; or if it was the only proposal received.

F. There will be no public opening of offers, and all offers will be confidential until the Lease has been awarded. However, the Government may release proposals outside the Government such as to support contractors to assist in the evaluation of offers. Such Government contractors shall be required to protect the data from unauthorized disclosure.

### 3.03 PRICING TERMS (JUN 2012)

Offeror shall provide the following pricing information with its offer:

A. GSA Form 1217, Lessor's Annual Cost of Services. Complete all sections of the 1217.

B. GSA Form 1364C-STANDARD, Proposal to Lease Space. Complete all sections of the 1364C, including, but not limited to:

1. A fully serviced Lease rate per ABOA and RSF, clearly itemizing both the total Building shell rental, and TI rate, operating costs, and parking (itemizing all costs of parking above base local code requirements, or otherwise already included in shell rent).
2. Improvements. All improvements in the base Building, lobbies, common areas, and core areas shall be provided by the Lessor, at the Lessor's expense. This Building shell rental rate shall include, but is not limited to, property financing (exclusive of TIs), insurance, taxes, management, profit, etc., for the Building. The Building shell rental rate shall also include all basic Building systems and common area buildout, including base Building lobbies, common areas, core areas, etc., exclusive of the ABOA Space offered as required in this RLP.
3. The annual cost per ABOA and rentable square foot (RSF) for the cost of services and utilities. This equals line 27 of GSA Form 1217, Lessor's Annual Cost Statement, divided by the Building size (shown on the top of both GSA Form 1364C, Proposal to Lease Space, and Form 1217) for ABOA and RSF, respectively.
4. The annual rent to amortize the Tenant Improvement (if not paid in lump sum). Such amortization shall be expressed as a cost per ABOA and RSF per year. This shall be all alterations for the Space above the Building shell buildout. Such alterations shall be described and identified in the drawings used to construct the Space. The TI, which is to be provided by the Lessor to the Government for TIs, shall be made available at lease execution. If the Offeror chooses to amortize the TI for a period exceeding the Firm Term of the lease, the Offeror shall indicate the extended time in the offer. If the Government terminates the lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any unamortized tenant improvement costs resulting from an extended amortization period.
5. A fully serviced Lease rate per ABOA and RSF for that portion of the lease term extending beyond the Firm Term. The rate proposed for this portion of the term shall not reflect any TIs as they will have been fully amortized over the Firm Term.
6. An hourly overtime rate for overtime use of heating and cooling, and annual rate for areas requiring 24/7 HVAC. **NOTE:** Refer to the Lease document for additional guidance.
7. Adjustment for Vacant Leased Premises. **NOTE:** Refer to the Lease document for additional guidance.
8. Lessor's Fees to complete Tenant Improvements. Provide a listing of proposed (i) Lessor's Project Management fee and (ii) Lessor's A/E design costs to prepare construction documents, to complete the Tenant Improvements. State the basis for determining each component, (e.g. flat fee, cost per RSF, etc.). State any assumptions used to compute the dollar costs for each fee component. Provide a detailed construction schedule.

Tenant Improvement and Shell Cost Break Down

Offeror shall provide a detailed construction cost breakdown using the following Divisions:

Div 1	General Requirements
Div 2	Site work & Demolition
Div 3	Concrete
Div 4	Foundations / Masonry
Div 5	Metals
Div 6	Woods & Plastics
Div 7	Thermal & Moisture
Div 8	Doors & Windows
Div 9	Finishes
Div 10	Specialties
Div 11	Equipment
Div 12	Furnishings
Div 13	Special Construction
Div 15	General Construction
Div 21	Fire Suppression
Div 22	Plumbing
Div 23	HVAC
Div 26.1	Electrical
Div 26.2	Lighting
Div 27	Communications, Security & Other Elec. Systems
Div 28.1	Electrical safety & Security
Div 28.2	Security
Div 32	Exterior

9. Rent concessions being offered. Indicate either on the GSA Form 1364C Proposal to Lease Space or in separate correspondence.

### 3.04 BUDGET SCOREKEEPING; OPERATING LEASE TREATMENT (APR 2011)

The Government will award a Lease pursuant to this RLP only if the Lease will score as an operating lease under Office of Management and Budget Circular A-11, Appendix B. Only offers that are compliant with operating lease limitations will be eligible for award. Offerors are obligated to provide supporting documentation at the request of the LCO to facilitate the Government's determination in this regard.

### 3.05 ~~PROSPECTUS LEASE (APR 2011)~~ INTENTIONALLY DELETED

### 3.06 ADDITIONAL SUBMITTALS (JUN 2012)

Offeror shall also submit with its offer the information concerning and documentation of the following:

A. GSA Form 3518, Representations and Certifications. Note: This information applies to the status of the Ownership entity and not the authorized representative completing the form.

B. Satisfactory evidence of at least a conditional commitment of funds in an amount necessary to prepare the Space. Such commitments shall be signed by an authorized bank officer, or other legally authorized financing official, and at a minimum shall state: amount of loan, term in years, annual percentage rate, and length of loan commitment.

C. Evidence that the Property is zoned in compliance with local zoning laws, including evidence of variances, if any, approved by the proper local authority, or the Offeror's plan and schedule to obtain all necessary zoning approvals prior to performance if the same have not been received at the time of submission of offers

D. Evidence of ownership or control of Building or site and evidence of signatory's authority. If the Offeror owns the Property being offered or has a long-term leasehold interest, documentation satisfactory to the LCO evidencing the Offeror's stated interest in the Property and any encumbrances on the Property, shall be submitted.

E. If the Offeror does not yet have a vested interest in the Property, but rather has a written agreement to acquire an interest, then the Offeror shall submit a fully executed copy of the written agreement with its offer, together with a statement from the current owner that the agreement is in full force and effect and that the Offeror has performed all conditions precedent to closing, or other form of documentation satisfactory to the LCO. These submittals must remain current. The Offeror is required to submit updated documents as required.

F. If claiming an historic preference in accordance with the Historic Preference paragraph in RLP Section 2, Eligibility and Preferences for Award, Offeror must submit one of the following as documentation that the Property is historic or the site of the offered Property is within a Historic District: a letter from the National Park Service stating that the Property is listed in the National Register of Historic Places or eligible for listing, with a date of the listing/decision; a letter from the State Historic Preservation Office stating that the Property is listed in the National Register of Historic Places, or on a statewide register, or eligible for inclusion, with a date of the listing/decision; or, the National Register of Historic Places Identification Number and date of listing available from the National Register of Historic Places Database found at [www.nps.gov/nr](http://www.nps.gov/nr).

G. If there is a potential for conflict of interest because of a single agent representing multiple owners, present evidence that the agent disclosed the multiple representation to each entity and has authorization from each ownership entity offering in response to this RLP package. Owners and agents in conflicting interest situations are advised to exercise due diligence with regard to ethics, independent pricing, and Government procurement integrity requirements. In such cases, the Government reserves the right to negotiate with the owner directly.

H. The Offeror must have an active registration in the Central Contractor Registration (CCR) System (via the Internet at [HTTP://WWW.ACQUISITION.GOV](http://WWW.ACQUISITION.GOV)) prior to final proposal revisions.

I. The Offeror must submit the Fire Protection and Life Safety (FPLS) Information in sub-paragraph a through d unless the Building meets either exemption 2 or 3 below.

#### 1. FPLS Submittal Information

- a. Completed GSA Form 12000, Pre-Lease Fire Protection and Life Safety Evaluation for an Office Building (Part A or PART B, as applicable).
- b. A copy of the previous year's fire alarm system maintenance record showing compliance with the requirements in NFPA 72 (if a system is installed in the Building).
- c. A copy of the previous year's automatic fire sprinkler system maintenance record showing compliance with the requirements in NFPA 25 (if a system is installed in the Building).
- d. A valid Building Certificate of Occupancy (C of O) issued by the local jurisdiction. If the Building C of O is not available or the local jurisdiction does not issue a Building C of O, a report prepared by a licensed fire protection engineer with their assessment of the offered Space regarding compliance with all applicable local Fire Protection and Life Safety -related codes and ordinances.

2. If the Offeror provides a Building Certificate of Occupancy obtained under any edition of the IBC, and the offered Space meets or will meet all the requirements of the Lease with regard to Means of Egress, Automatic Fire Sprinkler System,

and Fire Alarm System prior to occupancy, then the Offeror is not required to submit to GSA the FPLS Submittal Information listed in sub-paragraph 1 above.

- J. The legal description of the Property and tax ID number associated with the Property, copies of prior year tax notices and prior year tax bills, as well as any other information (such as a fact sheet, 5" wide x 3" high or larger color photograph, site plan, location map, and tax parcel map) in case of multiple tax parcels for an offered Building, and any other information that may affect the assessed value, in order for the Government to perform a complete and adequate analysis of the offered Property. The Offeror is to provide a detailed overview and documentation of any Tax Abatements on the Property as outlined in Real Estate Tax Adjustment" paragraph of the Lease.
- K. A plan and short narrative as necessary to explain how the Offeror will meet the parking requirements
- L. The architectural plans for modernization, if the offered Building is not a modern office Building.
- M. An asbestos management plan, if the offered Building contains asbestos-containing materials.
- N. First generation plans, scaled at 1/8" = 1'-0" (preferred) of the entire floor or floors for which Space is being offered and a plan of the floor of exit discharge.
1. All plans submitted for consideration shall include the locations of all exit stairs, elevators, and the Space(s) being offered to the Government. In addition, where Building exit stairs are interrupted or discontinued before the level of exit discharge, additional floor plans for the level(s) where exit stairs are interrupted or discontinued must also be provided.
  2. All plans submitted for consideration shall have been generated by a Computer Aided Design (CAD) program which is compatible with the latest release of AutoCAD. The required file extension is .DWG. Clean and purged files shall be submitted on CD-ROM. Plans shall include a proposed corridor pattern for typical floors and/or partial floors. The CAD file showing the offered Space should show the Poly-Line utilized to determine the square footage on a separate and unique layer. All submissions shall be accompanied with a written matrix indicating the layering standard to verify that all information is recoverable. All architectural features of the Space shall be accurately shown.
  3. Photostatic copies are not acceptable. All architectural features of the Space shall be accurately shown. If conversion or renovation of the Building is planned, alterations to meet this RLP shall be indicated.
  4. Plans shall reflect corridors in place or the proposed corridor pattern for both a typical full (single-tenant) floor and/or partial (multi-tenant) floor. The corridors in place or proposed corridors shall meet local code requirements for issuance of occupancy permits. If the offered Space is above the first floor (or floor exiting at grade), provide plans for the first floor (or floor at grade) also.
  5. VA will review all plans submitted to determine if an acceptable level of safety is provided. In addition, VA will review the common corridors in place and/or proposed corridor pattern to determine whether these achieve an acceptable level of safety as well as to verify that the corridors provide public access to all essential Building elements. The Offeror will be advised of any adjustments that are required to the corridors for determining the ABOA Space. The required corridors may or may not be defined by ceiling-high partitions. Actual corridors in the approved layout for the successful Offeror's Space may differ from the corridors used in determining the ABOA square footage for the lease award. Additional egress corridors required by the tenant agency's design intent drawings will not be deducted from the ABOA square footage that the most efficient corridor pattern would have yielded.
- O. As provided in the "Amount and Type of Space and Lease Term" paragraph in the RLP, advise whether there are existing vending facilities in the offered Building which have exclusive rights in the Building.
- P. Provide evidence demonstrating amenities do or will exist by the Government's required occupancy date. Such evidence shall include copies of signed leases, construction contracts, or other documentation as deemed acceptable by the LCO.
- Q. No later than the due date for final proposal revisions, the Offeror must submit to the LCO:
1. Evidence of an Energy Star® label obtained within the 12 months prior to the due date of final proposal revisions,
  2. Offerors falling under a statutory exception must also indicate by the due date for final proposal revisions what cost effective energy efficiency and conservation improvements they are proposing to make.
  3. If no cost-effective improvements can be made, the Offeror must demonstrate to the Government using the ENERGY STAR® Online Tools referenced in the RLP paragraph, entitled "ENERGY INDEPENDENCE AND SECURITY ACT," why no energy efficiency and conservation improvements are cost effective. This explanation will be subject to review by the LCO. If the explanation is considered unreasonable, the offer may be considered technically unacceptable,
  4. If the offeror is claiming eligibility for additional time to obtain the Energy Star® label per sub-paragraph B of the RLP paragraph entitled "Energy Independence and Security Act," then the offeror shall provide such indication with its initial offer and also must provide by the due date for final proposal revisions evidence substantiating their claim for additional time to obtain the Energy Star® label and substantiating their capability of earning the Energy Star®.

5. For new construction, the offeror need not submit anything regarding compliance with EISA by the date of final proposal revisions, but shall be required to produce prior to the issuance of a permit for building construction a Statement of Energy Design Intent (SEDI) using Energy Star's® Target Finder online tool reflecting an Energy Star® benchmark score of 75 or higher and a certification from EPA of being Designed to Earn the Energy Star®.

R. LEED®-CI scorecard documenting the proposed credits to meet Certified level. Along with the proposed scorecard, the Offeror shall submit a brief statement outlining how each of the Credits proposed on the scorecard will be achieved.

S. From the entirety of available LEED Credits, the Lessor must achieve the following Credits on the project:

Water Efficiency	Credit 1.2	Water Use Reduction 30%
Energy and Atmosphere	Credit 1.1	Optimize Performance – Lighting Power
Energy and Atmosphere	Credit 1.3	Optimize Energy Performance- HVAC
Energy and Atmosphere	Credit 2	Enhanced Commissioning
Materials and Resources	Credit 5.1	Regional Materials 20% Manufactured Regionally
Indoor Environmental Quality	Credit 2	Increased Ventilation
Indoor Environmental Quality	Credit 3.2	Construction IAQ Management Plan, Before Occupancy
Innovation and Design	Credit 2	LEED® Accredited Professional

The Offeror must identify the USGBC LEED® accredited professionals (APs) as team members, including their roles throughout the project.

X. If the Offeror requests any deviations, all deviations must be documented on Form 1364C in block labeled "Additional Remarks or Conditions with Respect to this Offer". GSA at its sole discretion will make the decision whether or not to accept the deviation. Any deviations must be requested prior to the request for final proposal revisions. If the Offeror requests any deviations, GSA at its sole discretion will make the decision whether to accept the deviation.

Y. Evidence of seismic safety compliance as required in Section 2 of this RLP

**3.07 TENANT IMPROVEMENTS INCLUDED IN OFFER (APR 2011)**

A. TIs are the finishes and fixtures that typically take Space from the shell condition to a finished, usable condition. All TIs required by the Government for occupancy shall be performed by the successful Offeror as part of the rental consideration and or lump sum, and all improvements shall meet the quality standards and requirements of this RLP package and its attachments.

B. The TI shall include all the Offeror's administrative costs, general contractor fees, subcontractor's profit and overhead costs, Offeror's Project Management fee, design costs, and other associated project fees necessary to prepare construction documents and to complete the TIs. It is the successful Offeror's responsibility to prepare all documentation (working/construction drawings, etc.) required to receive construction permits. NO COSTS ASSOCIATED WITH THE BUILDING SHELL SHALL BE INCLUDED IN THE TI PRICING.

**3.08 LEED® FOR COMMERCIAL INTERIORS (JUN 2012)**

The project TIs shall incorporate any necessary design parameters for the Space to meet Leadership in Energy and Environmental Design for Commercial Interiors (LEED®-CI) requirements into the Working Construction Drawings. The Lessor must coordinate the requirements to meet LEED®-CI Certified level for the TIs with the Building shell requirements.

**3.09 UTILITIES SEPARATE FROM RENTAL / BUILDING OPERATING PLAN (JUN 2012)**

The Offeror shall specify which utilities, if any, are excluded from the rental consideration. If any such utilities are excluded, the Offeror shall obtain a statement from a registered professional engineer stating that all HVAC, plumbing, and other energy intensive Building systems can operate under the control conditions stated in the Lease. The statement shall also identify all Building systems that do not conform to the system performance values, including the "recommended" or "suggested" values of ANSI/ASHRAE Standard 90.1, "Energy Efficient Design of New Buildings Except Low Rise Residential Buildings," or more restrictive state and local codes.

The Offeror shall submit a Building operating plan with the offer. Such plan shall include a schedule of startup and shutdown times for operation of each Building system, such as lighting, HVAC, and plumbing. Such plan shall be in effect on the Lease Term Commencement Date.

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## SECTION 4 METHOD OF AWARD

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### 4.01 NEGOTIATIONS (JUN 2012)

Negotiations may be conducted on behalf of the Government by the VA LCO or designated representative. When negotiations are conducted, VA will negotiate the rental price for the initial term, any renewal periods, and any other aspect of the offer as deemed necessary. The Offeror shall not enter into negotiations concerning the Space leased or to be leased with representatives of Federal agencies other than the LCO or their designee. The LCO or their designated representative will conduct oral or written negotiations with all Offerors that are within the competitive range. The competitive range will be established by the LCO based on cost or price and other factors (if any) that are stated in this RLP and will include all of the most highly rated proposals, unless the range is further reduced for purposes of efficiency. Prior to eliminating an Offeror that is a HUBZone small business concern (SBC) and which has not waived its entitlement to a price evaluation preference from the competitive range, the LCO shall adjust the evaluated prices of all non-small business Offerors proposed for inclusion in the competitive range by increasing the prices by ten (10) percent, solely for the purpose of determining whether the HUBZone SBC Offeror should be included or excluded from the competitive range. Offerors who are not included in the competitive range will be notified in writing.

All Offerors within the competitive range will be provided a reasonable opportunity to submit revisions to their initial offer including any cost or price, technical, or other revisions that may result from the negotiations. Negotiations will be closed with submission of final proposal revisions.

### 4.02 HUBZONE SMALL BUSINESS CONCERN ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)

A HUBZone small business concern (SBC) Offeror may elect to waive the price evaluation preference provided in the "Award Based On Price" paragraph or the "Other Award Factors" paragraph of the RLP by so indicating on the GSA Form 1364C - STANDARD, Proposal to Lease Space. In such a case, no price evaluation preference shall apply to the evaluation of the HUBZone SBC, and the performance of work requirements set forth in Section 1 of the Lease shall not be applicable should the HUBZone SBC be awarded the Lease. A HUBZone SBC Offeror acknowledges that a prospective HUBZone SBC awardee must be a qualified HUBZone SBC at the time of award of this contract in order to be eligible for the price evaluation preference. The HUBZone SBC Offeror shall provide the LCO a copy of the notice required by 13 CFR 126.501 if material changes occur before contract award that could affect its HUBZone eligibility. If it is determined, prior to award, that the apparently successful HUBZone SBC Offeror is not an eligible HUBZone SBC, the LCO will reevaluate proposals without regard to any price preference provided for the previously identified HUBZone SBC Offeror, and make an award consistent with the solicitation and the evaluation factors set forth herein.

If a HUBZone SBC that has not waived the price preference is awarded the Lease, the certification required by the "Financial and Technical Capability" paragraph of the Lease must be provided within 10 days of award. If it is determined within 20 days of award that a HUBZone SBC Offeror that has been awarded the Lease was not an eligible HUBZone SBC at the time of award, and the HUBZone SBC Lessor failed to provide the LCO with information regarding a change to its HUBZone eligibility prior to award, then the Lease shall be subject, at the LCO's discretion, to termination, and the Government will be relieved of all obligations to the Lessor in such an event and not be liable to the Lessor for any costs, claims or damages of any nature whatsoever.

### 4.03 OTHER AWARD FACTORS (JUN 2012)

A. The lease will be awarded to the responsible Offeror whose offer will be most advantageous to the Government.

B. The combination of factors below one thru three is **significantly more important than price**.

C. The following award factor(s) will be considered:

1. **Location**
2. **Design**
3. **Past Performance**

A. If after completion of the Price Evaluation, award is proposed to a non-small business Offeror, and there exists as part of the procurement another technically acceptable proposal submitted by a responsible Offeror that is a qualified HUBZone small business concern (SBC) which has not waived its entitlement to a price evaluation preference, the evaluated price of the non-small business Offeror's proposal shall be increased by ten (10) percent, solely for the purpose of determining whether award should be made to the HUBZone SBC Offeror. In such a case, the proposals of the apparently successful non-small business Offeror and the HUBZone SBC Offeror shall be considered in accordance with the evaluation factors and the applied price preference, and award made to the offer determined to be most advantageous to the Government. The LCO shall document his/her application of the price preference and further consideration of the offers under this sub-paragraph.

B. If an offer contains terms taking exception to or modifying any Lease provision, the Government will not be under any obligation to award a Lease in response to that offer.

#### **4.04 PRESENT VALUE PRICE EVALUATION (JUN 2012)**

A. If annual CPI adjustments in operating expenses are included, the Offeror shall be required to submit the offer with the total "gross" annual price per RSF and per ABOA SF and a breakout of the "base" price per RSF and ABOA SF for services and utilities (operating expenses) to be provided by the Lessor. The "gross" price shall include the "base" price. The base price per ABOA SF from which adjustments are made will be the base price for the term of the Lease, including any option periods.

B. The Offeror must submit plans and any other information to demonstrate that the Rentable Space yields ABOA space within the required ABOA range. The Government will verify the amount of ABOA square footage and will convert the rentable prices offered to ABOA prices, which will subsequently be used in the price evaluation.

C. Evaluation of offered prices will be based on the annual price per ABOA SF, including all required option periods. The Government will perform present value price evaluation by reducing the prices to a composite annual price per ABOA SF price, as follows:

1. Parking and ware yard areas will be excluded from the total square footage but not from the price. For different types of space, the gross annual per ABOA SF price will be determined by dividing the total annual rental by the total ABOA square footage excluding these areas.

2. Free rent will be evaluated in the year in which it is offered. The gross annual price is adjusted to reflect free rent.

3. Prior to the discounting procedure below, the total dollar amount of the Commission Credit (if applicable) will be subtracted from the first year's gross annual rent, unless the provision of free rent causes the credit to apply against rent beyond the first year's term, in which case the Commission Credit will be allocated proportionately against the appropriate year's gross rent.

4. If annual adjustments in operating expenses will not be made, the gross annual price, will be discounted annually at 5 percent to yield a gross present value cost (PVC).

5. If annual adjustments in operating expenses will be made, the annual price, minus the base cost of operating expenses, will be discounted annually at 5 percent to yield net PVC. The operating expenses will be both escalated at 2.5 percent compounded annually and discounted annually at 5 percent, then added to the net PVC to yield the gross PVC.

6. To the gross PVC will be added:

a. The cost of Government-provided services not included in the rental escalated at 2.5 percent compounded annually and discounted annually at 5 percent.

b. The annualized (over the full term) cost of any items, which are to be reimbursed in a lump sum payment. (The cost of these items is present value; therefore, it will not be discounted.)

c. The annual price for parking to accommodate the minimum number of spaces required for government vehicles, if not included in the shell rent and charged separately. The price will be discounted annually at 5 percent.

7. The sum of either sub-paragraphs 4 and 6 or sub-paragraphs 5 and 6, divided by the ABOA SF will be the present value cost per ABOA SF of the offer for price evaluation purposes.

#### **4.05 AWARD (JUN 2012)**

A. To document the agreement between the parties, the successful Offeror and the VA LCO will execute a Lease prepared by VA, which incorporates the agreement of the parties. The Lease shall consist of the documents listed in GSA FORM L201C Section 1.06 DOCUMENTS INCORPORATED BY REFERENCE (SEPT 2011).

B. The acceptance of the offer and award of the Lease by the Government occurs upon execution of the Lease by the LCO and mailing or otherwise furnishing written notification of the executed Lease to the successful Offeror.

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**SECTION 5    ADDITIONAL TERMS AND CONDITIONS**

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5.01    INTENTIONALLY LEFT BLANK