

**PROSPECTUS – ALTERATION
301 7th STREET SW
REGIONAL OFFICE BUILDING
WASHINGTON, DC**

Prospectus Number: PDC-0031-WA20

FY 2020 Project Summary

The General Services Administration (GSA) proposes a 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 preparation for the Department of Homeland Security's (DHS) occupancy. Major building systems will be upgraded to accommodate up to 4,074 personnel, resulting in a maximum, all-in utilization rate (UR) of 150 usable square feet (USF) per person. The proposed DHS consolidation provides an annual lease cost avoidance of approximately \$13,000,000 and an annual agency rent savings of approximately \$525,000.

FY 2020 Committee Approval and Appropriation Requested

(Design, Construction, Management & Inspection) \$95,642,000

Major Work Items

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

Project Budget

Design	\$8,000,000
Estimated Construction Cost (ECC)	82,308,000
Management and Inspection (M&I)	<u>5,334,000</u>
Estimated Total Project Cost (ETPC)*	\$95,642,000

*Tenant agencies may fund an additional amount for tenant improvements above the standard normally provided by GSA. GSA will also consider utilizing an Energy Savings Performance Contract (ESPC) to acquire energy efficiency improvements for this project.

Schedule

	Start	End
Design and Construction	FY 2020	FY 2023

Building

ROB is located near the L'Enfant Plaza Metro Station at 301 7th Street SW, in Washington, DC. It contains approximately 941,463 gross square feet, of which there are approximately 845,169 rentable square feet or 612,593 USF. The building was originally built as a warehouse between 1929 and 1932; it was later adapted for office use in a

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haphazard fashion resulting in poor circulation and office layout. The building contains seven floors above grade and a basement. Its electrical system has both capacity and distribution issues that make even minor space alterations difficult and costly. Building elevators are far beyond their useful life, resulting in frequent outages of one or more elevators, and often require custom or rebuilt parts for repair. The building's HVAC system is also well past its useful life; air distribution issues create hot and cold areas throughout the building, regardless of the external temperature. The building also has ongoing plumbing issues, and occasionally pipes burst, damaging interior walls and carpet.

Tenant Agencies

Department of Homeland Security—Offices of the Under Secretary of Management and Science and Technology and Office of Biometric Identity Management; U.S. Interagency Council on Homelessness; GSA

Proposed Project

The project will provide for upgrades of most of the major systems in the building, including the conveyance, plumbing, HVAC, electrical, and fire protection systems. A redesign of the building's circulation pattern will recapture rentable 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 that focuses on the health, safety, and comfort of personnel, and to provide flexibility and ease of accommodation for the operators of the building.

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Major Work Items

Interior Construction	\$21,205,000
HVAC Upgrades	16,403,000
Electrical Upgrades	16,015,000
Conveying System Upgrades	10,043,000
Exterior Construction	6,148,000
Demolition	3,675,000
Plumbing Upgrades	3,888,000
Fire Protection Upgrades	3,707,000
Hazardous Materials Abatement	<u>1,224,000</u>
Total ECC	\$82,308,000

Justification

ROB currently includes outdated HVAC and lighting equipment, insufficient illumination in several mechanical spaces, and outdated interior office finishes. The proposed accommodation of additional DHS personnel into the ROB requires an open office environment to maximize the building capacity. 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 and have reached or surpassed the end of their useful lives, resulting in poor indoor air quality and pronounced tenant discomfort in the winter and summer months. Approximately one-fifth of the air handling units are more than 30 years 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)*, the existing steam station will be upgraded along with a steam-to-hot water converter to supply heating and hot water to the building's mechanical systems. Six cooling towers located on the roof are in fair to poor condition and require replacement.

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

The building's vertical transportation systems include 10 passenger elevators and 3 freight elevators, 1 of which has not been operational for several years. Periodic passenger entrapments occur. Such incidents result from high use of aging elevators that run on pulley systems rather than hydraulic systems. Many of the necessary replacement parts are obsolete and can be difficult to obtain. All elevators will be replaced.

The existing fire protection system is outdated and will be upgraded/replaced in renovated space. The entire system will be expanded to provide protection in approximately 40 percent of the building, which is currently without sprinklers.

Summary of Energy Compliance

This project will be designed to conform to requirements of the *Facilities Standards for the Public Buildings Service (GSA P-100)*. GSA encourages design opportunities to increase energy and water efficiency above the minimum performance criteria.

Prior Appropriations

None

Prior Committee Approvals

None

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

Alteration.....	\$384,297,000
Lease.....	\$600,788,000

The 30-year, present-value cost of alteration is \$216,491,000 less than the cost of leasing, with an equivalent annual cost advantage of \$10,482,000.

Recommendation

ALTERATION

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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 September 6, 2019

Recommended:



Commissioner, Public Buildings Service

Approved:



Administrator, General Services Administration