

Justification for Other Than Full and Open Competition, Renewal

U.S. General Services Administration

GSA Region 3

Public Buildings Service – Real Estate Acquisition Division

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

PROJECT NUMBER: 2VA0910

Agency Name: [REDACTED]

1. NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED.

The General Services Administration currently leases 46,312 ANSI/BOMA Office Area Square Feet (ABOA SF)/50,200 Rentable Square Feet (RSF) of office space at 2529 Celebrate Virginia Parkway, Fredericksburg, VA 22406 under lease number GS-03B-LVA09397 for the [REDACTED]. The current lease expires January 31, 2026. Approval is requested to exercise the existing renewal option without full and open competition for continued occupancy at this leased location. The procedures for pursuing a renewal option are detailed in GSAR 570.401: Renewal Options.

2. DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEEDS (INCLUDING ESTIMATED VALUE).

The [REDACTED] submitted a signed Client Planning Agreement (CPA) Part 2, on February 1, 2023 indicating a continuing need for 50,200 RSF of office and related space.

This requirement is for 46,312 ABOA SF/50,200 RSF of space for a 5-year renewal term to commence on February 1, 2026. The estimated cost of this lease is \$ [REDACTED] per RSF per year for an annual cost of \$ [REDACTED] and a total contract value of \$ [REDACTED]. The delineated area is defined by the following boundaries:

North: Truslow Road
East: Route 3
South: Route 656/Greenbank Road
West: Route 212

3. IDENTIFICATION OF STATUTORY AUTHORITY PERMITTING OTHER THAN FULL AND OPEN COMPETITION.

41 U.S.C. 3304(a)(1): Only one responsible source and no other supplies or services will satisfy agency requirements. This statutory authority is implemented through GSAR 570.401. In accordance with GSAR 570.401, use of the sole source authority is appropriate where it is determined that award to any other offeror would result in substantial duplication of costs to the Government that are not expected to be recovered through competition.

Revised 12-06-2022

4. **DEMONSTRATION THAT THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS OR NATURE OF THE ACQUISITION REQUIRES THE USE OF THE AUTHORITY CITED.**

It is in the best interest of the Government to remain at the current location. Award to other than the current Lessor would require relocation of the entire requirement and would cause the [REDACTED] to incur move and replication costs that would not be recovered through competition. Relocation and replication costs are estimated to be \$ [REDACTED]. The [REDACTED] uses this space as [REDACTED]. Additionally, several [REDACTED] to the space, including [REDACTED], and a variety of [REDACTED], have been completed to meet the [REDACTED] requirements. The [REDACTED] would need to be replicated if they were to move. No acceptable alternatives to the current location were identified during market research and no location within the delineated area, aside from the incumbent location, expressed an interest in response to the presolicitation notice. As such, and pursuant to GSAR 50-402.4, it is in the best interest of the Government to pursue the available renewal option.

5. **DESCRIPTION OF EFFORTS MADE TO ENSURE THAT OFFERS ARE SOLICITED FROM AS MANY POTENTIAL SOURCES AS IS PRACTICABLE.**

Per the requirements of GSAR 570.402, the GSA Lease Contracting Officer placed an advertisement on the Contracting Opportunities domain of SAM.gov on February 15, 2023 for fourteen (14) days. In addition, PBS conducted market research using the CoStar database.

6. **DEMONSTRATION BY THE CONTRACTING OFFICER THAT THE ANTICIPATED COST TO THE GOVERNMENT WILL BE FAIR AND REASONABLE.**

Recent market surveys conducted by PBS in Fredericksburg, VA showed the rental rate within the delineated area for similar space ranges from \$ [REDACTED] to \$ [REDACTED] per RSF, according to the CoStar database.

Therefore, the proposed rental rates for this succeeding lease of \$ [REDACTED]/RSF, are within the current market range for this submarket and are deemed fair and reasonable by the GSA Lease Contracting Officer.

7. **DESCRIPTION OF MARKET RESEARCH CONDUCTED AND THE RESULTS.**

On December 30, 2022 and March 8, 2023, PBS conducted market research using the CoStar database and identified [REDACTED] potentially acceptable location ([REDACTED] plus the incumbent) that might meet the agency's needs within the delineated area. In addition, PBS posted an advertisement conforming to GSAR 570.402-2 on the Contract Opportunities domain of SAM.gov website on February 15, 2023. The fully-serviced rental rate for the renewal option is \$ [REDACTED] per RSF.

See Figure 1 below for the results of the market research and SAM.gov advertisement, including the incumbent.

Address	Source [EOI/CoStar, etc.]	Asking Full Service Rental Rate
2529 Celebrate Virginia Parkway, Fredericksburg, VA 22406	Renewal Option in Lease	[REDACTED]

Figure 1: Market Research Comparables

8. **OTHER FACTS SUPPORTING USE OF OTHER THAN FULL AND OPEN COMPETITION.**

Long-term, the [REDACTED] intends [REDACTED]. Exercising this renewal option affords the [REDACTED].

9. **LIST OF SOURCES, IF ANY, THAT EXPRESSED AN INTEREST IN THE ACQUISITION.**

2529 Celebrate Virginia Parkway, Fredericksburg, VA 22406

10. **STATEMENT OF ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS TO COMPETITION BEFORE ANY SUBSEQUENT ACQUISITION.**

There are no systemic barriers to competition. If the agency has a continuing need for space upon lease expiration, GSA will follow all authorities, regulations and policies applicable to lease acquisition. Should there be remaining useful life in the Government's tenant improvements, the Government will consider the cost of moving from the existing location, and the cost to build out new space when deciding whether to undergo a competitive action.

Additionally, objective scrutiny will be given to the customer agency's mission and security requirements (if applicable) to eliminate unnecessary agency space requirements that may be deemed unduly restrictive.

11. **CONTRACTING OFFICER CERTIFICATION.**

By signature on this Justification for Other than Full and Open Competition, the GSA Lease Contracting Officer certifies that the award of a succeeding lease of 50,200 RSF is in the Government's best interest and that this Justification is accurate and complete to the best of the GSA Lease Contracting Officer's knowledge and belief.

Date 4/6/2023

, Lease Contracting Officer/Broker Team Supervisor

12. **PREPARER'S TECHNICAL CERTIFICATION.**

I certify that the supporting data used to form the basis of this Justification is complete and accurate to the best of my knowledge and belief.

Date 4/6/2023

, Leasing Specialist

13. **FAR 6.304 REQUIRED SIGNATURES**

Concurred:

Date 4/6/2023

, Real Estate Acquisition Division Director

Reviewed for Legal Sufficiency:

Date 4/7/2023

, Assistant Regional Counsel

Approved:

[Redacted Signature]

Date 4/7/2023

[Redacted Name], Regional Competition Advocate