

Justification for Other Than Full and Open Competition, Unevaluated Renewal

U.S. General Services Administration

GSA Region 4

Leasing Division - 4P1L1AA

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

LEASE NUMBER: GS-04B-LGA61138

PROJECT NUMBER: 9GA2264

Agency Name: Internal Revenue Service (IRS)

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

The General Services Administration currently leases 15,492 Rentable Square Feet (RSF) with Common Area Factor (CAF) of 1.15002598, yielding 13,471 ANSI BOMA Office Area square feet (ABOA) in Savannah, Georgia under lease number GS-04B-LGA61138 for the Internal Revenue Services. The current lease expires August 31, 2022.

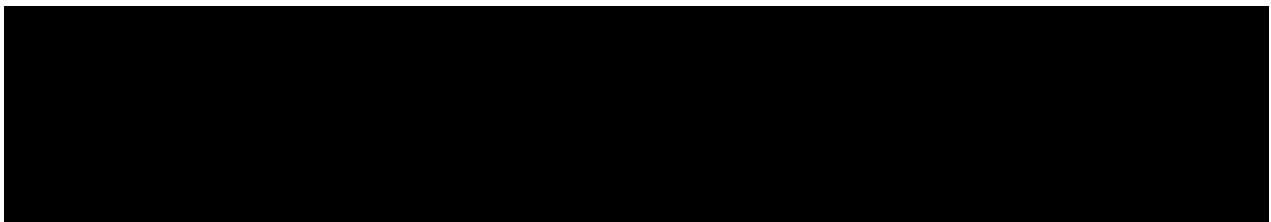
Approval is requested to add a one-time 5 year/ 2 year firm unevaluated renewal option with the incumbent lessor. The renewal option will avert the Government from placing itself in a high-risk holdover situation and occupying space without the proper lease contract in place.

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

The IRS submitted a continuing need letter on June 3, 2020 for 15,492 rentable square feet of office and related space. To satisfy IRS mission requirements, the facility must have at minimum 13,471 usf with 59 surface parking spaces.

IRS National policy does not allow for long term leases in the foreseeable future. The agency is in the process of analyzing their inventory to determine what offices will be closed, or a candidate for consolidation with other offices. There is currently no long-term project for IRS due to their inability to plan for the future of their various office locations. Once the agency identifies the path forward for the Savannah location, the Lease Contracting Officer will work with the agency to develop a procurement strategy that meets their needs accordingly.

The short-term requirement is to exercise a 5 year/2 year firm unevaluated renewal option to commence on September 1, 2022. The estimated cost for such is:



The delineated area for the requirement is the Savannah City Limits.

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.

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. This one source is uniquely qualified as the space is immediately available and is already constructed to meet both Agency requirements for the short term and with no disruption or associated moving costs. The economic benefit to remain in the space is to save relocation costs, disruption, and initial build out cost, which is not expected to be recovered through a Full and Open Competition, specifically during the short run. GSAM 570.402-4 allows that if the contracting officer does not identify any potential acceptable locations through advertisement or via the market survey, to prepare a written justification to negotiate directly with the present Lessor. No potentially acceptable alternatives were identified in response to the advertisement posted on August 31, 2021

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

Per the requirements of GSAR 570.401, the GSA Lease Contracting Officer placed an advertisement on the Contracting Opportunities domain of SAM.gov on August 31, 2021 for 11 days. In addition, Market research was performed on August 13, 2021 using CoStar and the research did not identify any acceptable locations that met or could meet the space requirements of 13,471 ABOA contiguous sq. feet of space

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

Recent market research conducted by the Contracting Officer in Savannah, GA for comparable properties showed that the rental rate within the delineated area for those properties has an average rate of \$28.50.

The cost quoted to the Government by the current Lessor, at the existing location, is \$28.00 per RSF.

Therefore, as the rate quoted by the incumbent Lessor falls within market range, the Contracting Officer determines that the unevaluated renewal option is in the best interest of the Government and the above quoted rate is fair and reasonable.

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

As outlined above, market research was conducted by searching CoStar and no potentially acceptable locations were identified.

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

IRS has occupied the above referenced space under Lease No. LGA61138 since September 1, 2012. A short-term renewal is required to allow time for the IRS to give further direction to the GSA.

There are no outstanding issues and the current space has no fire or life safety deficiencies and the option does not include an increase in square footage. The incumbent lessor [REDACTED] is responsive and is meeting the requirements of the lease.

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

INCUMBENT – [REDACTED]

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

In advance of an existing lease contract's expiration, considerations will be given to allow for sufficient time to conduct a full and open procurement. The Government will consider the time and cost of moving from the existing location, and the time and cost to build out new space when deciding whether it is economically advantageous to stay at the existing building or undergo a competitive action.

Additionally, consideration will be given to the customer agency's mission and security requirements to include limiting any agency space requirements that may be deemed unduly restrictive and thus favor the incumbent. The Government will remain conscious of the effort to continuously encourage competition when practicable.

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 an unevaluated renewal of 15,492 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.

4/5/2022

X candace willis

Candace Willis

Leasing Contracting Officer

Signed by: CANDACE WILLIS

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.

4/5/2022

X Candace Willis

Candace Willis

LCO

Signed by: CANDACE WILLIS

Concurred By:

Revised 05-20-2021

4/5/2022

X Darnell Chavis

Darnell Chavis

Branch Chief

Signed by: DARNELL CHAVIS

Concurred By:

4/11/2022

X Heather Driskell

LAO

Signed by: HEATHER DRISKELL

4/12/2022

X LaSonya A Glover

LaSonya Glover

Director, Leasing Division

Signed by: LASONYA GLOVER

Legal Review:

4/12/2022

X Ben Lorber

Legal

Signed by: BENJAMIN LORBER

Approved By:

4/12/2022

X Pamela Mitschke

Pamela Mitschke

Competition Advocate

Signed by: PAMELA MITSCHKE