
PRICE NEGOTIATION MEMORANDUM AND RECORD OF AWARD DECISION

PROJECT NO. XXXXXXXX
LEASE NO. GS-XXP-LXXXXXXX
Agency Name(s)
City, State

BACKGROUND AND REQUIREMENT

GSA currently leases XXXXX rentable square feet (“RSF”) (XXXX ANSI/BOMA office area square feet (“ABOA SF”)) of office and related space for AGENCY at ADDRESS in CITY, STATE under Lease No. GS-XXX-XXXXX that expires DATE.

On DATE, AGENCY sent GSA requirements for a new long term lease for XXXXXX ABOA SF of office and related space, along with XXX reserved, onsite parking spaces for Government owned vehicles.

Specialized requirements include LIST SPECIAL REQUIREMENTS. There is no suitable, federally controlled space to house this requirement.

The Government’s objective is to acquire suitable space from a responsible source to house the AGENCY in accordance with all federal procurement regulations and GSA policies. The lease terms will be negotiated at a rental rate consistent with current market conditions at a fair and reasonable price.

METHOD

STATE APPLICABLE METHOD

ADVERTISEMENT AND MARKET SURVEY INFORMATION

GSA posted an advertisement/pre-solicitation notice on the Contract Opportunities domain of SAM.gov from DATE through DATE. The delineated area was defined within with the following boundaries: BOUNDARIES. GSA also sent a copy of the advertisement via METHOD on DATE to the existing Lessor of GSA Lease No. GS-XXX-XXXX, NAME. The current Lessor [DID][DID NOT] wish to receive a copy of the Request for Lease Proposals (RLP). There were NUMBER expressions of interest received following the SAM.gov advertisement.

In addition to posting the advertisement, the GSA Leasing Specialist, NAME, did a thorough search for available space by ACTION TAKEN.

Market Survey

GSA conducted a market survey on DATE. The Government representatives surveyed NUMBER buildings, of which NUMBER were determined to meet, or were capable of meeting, the Government's requirements. It should be noted that while the Government performed preliminary technical assessments as part of the market survey process, these assessments do not serve as definitive technical reviews of the property's level of compliance with the Government's technical requirements. For some of these technical requirements (for example, fire protection and life safety, seismic safety), the Government's lease acquisition process includes a technical review of the offeror's submittals, as required by the RLP. For other technical requirements (for example, ABAAS, MEP performance specifications), the Government's lease acquisition process relies upon the offeror's response, as documented on GSA Form 1364, agreeing to lease space in full compliance with the requirements of the RLP package, without deviations.

The full market survey report is in the project file.

REQUEST FOR LEASE PROPOSALS

The Request for Lease Proposals (RLP) No. XXXXXX was sent to the AGENCY representative for concurrence on DATE. The agency concurred with the RLP package on DATE. GSA sent the final RLP package via METHOD to LIST ALL PARTIES WHO WERE ISSUED RLPS on DATE with a due date for initial offers on DATE at TIME, TIME ZONE.

RLP AMENDMENTS

No. 1 – issued DATE to OFFEROR NAMES for REASONING

NEGOTIATION OBJECTIVES

CITY market conditions show _____.

Item	Objective Range		Data Source
	Low	High	
Shell Rental Rate/RSF			
Base Cost of Services/RSF			
TI Amortization Interest Rate (%)			
BSAC Amortization Interest Rate (%)			
Tenant Improvement Rate/RSF			
BSAC Rate/RSF			
Fully Serviced Rental Rate – Firm Term/RSF			
Fully Serviced Rental Rate – Soft Term/RSF			
Market Midpoint/RSF			
Other Objectives			
TI Overhead Fees - Lessor PM			
TI Overhead Fees – A/E			
Hourly Overtime Rate/Hr			
Adjustment for Vacant Premises/ABOA SF			
Free Rent (# of months)			
Parking/Space/Month			

The requirement is located in a REIS market and received a Bullseye report, which is in the lease file.

OFFERS RECEIVED

GSA received timely initial offers from the following:

- Offeror One OFFEROR NAME, DATE
- Offeror Two OFFEROR NAME, DATE
- Offeror Three OFFEROR NAME, DATE

RECORD OF NEGOTIATIONS:

Offeror One

Negotiations were conducted by Government Representative **NAME**, **ROLE** under the advisement of **NAME**, GSA Lease Contracting Officer:

Offeror	NAME
Offeror Representative	
Company	
Phone Number	
Email	
Building Name	
Building Address	

NAME				
Item	Initial Offer (Date)	Revised Offer (Date)	Final Proposal Revisions (Date)	Negotiation Objective Range
Shell Rental Rate/RSF				
Base Cost of Services/RSF				
Building Specific Amortized Capital Rate/RSF				
TI Amortization Interest Rate (%)				
BSAC Amortization Interest Rate (%)				
Tenant Improvement Rate/RSF				
BSAC Rate/RSF				
Fully Serviced Rental Rate – Firm Term/RSF				
Fully Serviced Rental Rate – Soft Term/RSF				
Market Midpoint/RSF				
Other Objectives				
TI Overhead Fees - Lessor PM				
TI Overhead Fees – A/E				
Hourly Overtime Rate/Hr				
Adjustment for Vacant Premises/ABOA SF				
Free Rent (# of months)				
Parking Rate/Space/Month				

Renewal Options				
Present Value/ABOA SF				N/A

NAME reviewed the initial offer from OFFEROR NAME on DATE. OFFEROR NAME offered NUMBER ABOA SF (with the Common Area Factor of PERCENTAGE, NUMBER RSF) on the NUMBER floor(s) of the building with NUMBER reserved parking spaces. The initial offer [WAS][WAS NOT] technically acceptable:

1. **Completed documents:** Unless noted below, all documents are complete.
2. **Missing or incomplete documents:**
3. **Rates, and how they compare to negotiation objectives, are listed in table above.**
4. **Other deficiencies:**
5. **Other unique aspects of offer:**

On DATE, GSA began discussions with NAME via METHOD.

NAME sent a request for revision letter to NAME on DATE documenting the items discussed above and asked for a revised offer by DATE.

On DATE, NAME received OFFEROR NAME'S revised offer via METHOD:

Upon review of the offer, LEASE CONTRACTING OFFICER OR DESIGNEE confirmed the following changes to the offer _____

On DATE, GSA conducted an additional discussion phone call with NAME, POSITION, ORGANIZATION.

NAME sent OFFEROR NAME the Request for Final Proposal Revisions letter on DATE. Attached to the letter was a copy of the Price Evaluation worksheet based on OFFEROR NAME'S revised offer, showing a Present Value of \$NUMBER. The letter included a due date for FPR of DATE by TIME AND TIME ZONE.

LEASE CONTRACTING OFFICER OR DESIGNEE received OFFEROR NAME'S FPR timely on DATE. Changes in the FPR include CHANGES. The FPR [WAS] [WAS NOT] technically acceptable and the Present Value rate was \$NUMBER per ABOA SF.

EVALUATION/CONCLUSION

PRICE EVALUATION

OFFEROR ONE NAME	OFFEROR TWO NAME	OFFEROR THREE NAME
FINAL PV RATE \$XX.XX	FINAL PV RATE \$XX.XX	FINAL PV RATE \$XX.XX

As can be seen in the table above, the offer from **OFFEROR NAME** located at **ADDRESS** in **CITY, STATE** is the lowest-priced, technically-acceptable offer to the RLP, with a present value of **\$NUMBER** per ABOA SF. **OFFEROR NAME** offered a full-service rate of **\$NUMBER** per RSF for years **[X through X]** and **\$NUMBER** per RSF for years **[X through X]** for a total contract value of **\$NUMBER**. The offered rental rates, all components, and other pricing items fell within acceptable ranges and compare favorably with current market conditions, as supported by the Negotiation Objectives prepared for this procurement, (**WITH X EXCEPTION(S)**):

For offers other than the incumbent, the present value rates per ABOA SF include estimated relocation costs. Applicable move-related expenses include **[LIST FURNITURE, TELECOMMUNICATIONS, REPLICATION, AND OTHER MOVE RELATED EXPENSES]**, which in total were estimated to be a lump sum of **\$NUMBER**. These estimated relocation costs were calculated based on supporting research referenced in **DOCUMENTATION**.

[All offers][All offers other than the incumbent] were evaluated using a Tenant Improvement Allowance of **\$(NUMBER)** per ABOA SF. For the incumbent offeror offering the same location where the Government was already located, the Agency required a significantly lower level of buildout than what would have been required at a new location. The agency elected to apply a TI amount less than their full entitlement for the existing leased space. The reduced TI Allowance was agreed to and confirmed with the agency in an Occupancy Agreement dated **[DATE]**. The incumbent offeror was evaluated using a Tenant Improvement Allowance of **\$(NUMBER)** per ABOA SF.

A pre-award assessment obtained on **DATE** determined the rental rates to be **XX [% OR \$] [ABOVE][BELOW]** the market, as defined by the LCRM measure.

Other award considerations:

TECHNICAL EVALUATION: This section is intended to address technical compliance for lowest price technically acceptable procurements. Technical evaluations under best value tradeoff procurements should be addressed in separate documents such as source selection evaluation reports.

GSA verified the final offer submitted by **OFFEROR NAME** is technically acceptable:

1. The square footage of **NUMBER** ABOA SF on the **NUMBER** floor of the building located **ADDRESS**, along with **NUMBER** onsite, reserved parking spaces meets RLP requirements. The ABOA square footage was verified by **METHOD**.
2. The building located at **ADDRESS** is located within the delineated Area of Consideration.
3. The offered space provides for an efficient layout, based on the following **RATIONALE**.
4. The offered lease term of **NUMBER** years, **NUMBER** years firm, with termination rights on **NUMBER** days' notice, meets the RLP requirements. The offer also included the **NUMBER**, **NUMBER**-year renewal options required by the RLP.
5. The offer includes a Tenant Improvement Allowance of \$**NUMBER** per ABOA SF and a BSAC Placeholder Estimate of \$**NUMBER** per ABOA SF, as required under the RLP.
6. The Government has agreed to allow non-fully-serviced offers for this RLP. Offeror has indicated the **UTILITY(S)** are separate and has provided the following documentation:
 - a. 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 has identified that the following 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: .
 - b. A building operating plan that includes a schedule of startup and shutdown times for operation of each building system, such as lighting, HVAC, and plumbing.
 - c. The offeror's engineer's statement and the building operating plan have been reviewed by **NAME**, **ROLE** on **DATE** and have been confirmed to be acceptable.
7. The offered building meets the following requirements under the RLP paragraph "Neighborhood, Parking, Location Amenities and Public Transportation" as follows:
 - a. Neighborhood (confirmed through the market survey building tour):
 - i. Space is located in a prime commercial office district with attractive, prestigious, and professional surroundings with a prevalence of modern design and/or tasteful rehabilitation in modern use. Streets and public sidewalks are well maintained.
 - ii. Space is located
 1. in an office, research, technology, or business park that is modern in design with a campus-like atmosphere, or

2. on an attractively landscaped site containing one or more modern office Buildings that are professional and prestigious in appearance with the surrounding development well maintained and in consonance with a professional image.
 - b. Parking: GSA has confirmed that the building meets the following parking requirements through **METHOD**
 - i. The parking-to-square-foot ratio available on site meets current local code requirements.
 - ii. There is no local code requirement for parking; on-site parking is available at a ratio of one (1) space for every **NUMBER** RSF of Space.
 - c. Location Amenities
 - i. The offeror has provided documentation of the availability of a variety of employee services/amenities within the immediate vicinity of the building. There are **NUMBER** Food Retail, **NUMBER** Community-Serving Retail, **NUMBER** Services, and **NUMBER** Civic and Community Facilities within **NUMBER** walkable feet distance from the employee entrance of the offeror's proposed building. GSA has confirmed this through **METHOD**.
 - d. Public Transportation :
 - i. GSA has confirmed through **METHOD** the following public transportation service to the building:
8. Floodplain review: The RLP identified the base floodplain restriction as **FLOODPLAIN LEVEL**.
- a. The GSA Regional NEPA Program Manager confirmed that no portion of the offered property is located within, or is adjacent to, the 100-year floodplain.
 - b. The GSA Regional NEPA Program Manager confirmed that a portion of the offered property is located within the 100-year floodplain. However, this does not impact the Government's full use and enjoyment of the Premises based on the following **RATIONALE**.
 - c. The GSA Regional NEPA Program Manager confirmed that the property is adjacent to the 100-year floodplain. However, such adjacency does not restrict ingress or egress to the Premises in the event of a flood.
 - d. The GSA Regional NEPA Program Manager confirmed that the property is located either within or is adjacent to the 100-year floodplain and the Government has

determined that there is no practicable alternative. This determination is included in the lease file.

9. GSA Regional Fire Protection Engineer conducted a review of the Fire and Life Safety and documentation and confirmed that that the proposed site meets RLP fire and life safety requirements.
10. The offeror has provided the following seismic documentation **SEISMIC FORM NUMBER**; the GSA seismic engineer has reviewed this documentation and confirmed that the building meets the seismic requirements of the RLP.
11. The offered space, including the common building area, ventilation systems and zones serving the space, and the area above suspended ceilings and engineering space in the same ventilation zone as the space,
 - a. does not contain asbestos-containing materials (ACM)
 - b. contains asbestos-containing material (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. The offeror has provided an asbestos-related management plan, which conforms to EPA guidance; the plan has been reviewed by **NAME, ROLE** on **DATE** and has been confirmed to be acceptable.
 - c. contains thermal system insulation asbestos-containing material ACM (e.g., wrapped pipe or boiler lagging) which is not damaged or subject to damage by routine operations. There are no other offers received without ACM or ACM in a stable, solid matrix which is not damaged or subject to damage by routine operations. The offeror has provided an asbestos-related management plan, which conforms to EPA guidance; the plan has been reviewed by **NAME, ROLE** on **DATE** and has been confirmed to be acceptable.
 - d. contains asbestos-containing material (ACM) that is either not in a stable, solid matrix or part of a thermal system insulation and the ACM is damaged or may be subject to damage by routine operations. The offeror has agreed to abate the ACM by the following **METHOD** and has provided an abatement plan. The abatement plan has been reviewed by **NAME, ROLE** on **DATE** and has been confirmed to be acceptable.
12. GSA has confirmed that the proposed lease will score as an operating lease under Office of Management and Budget Circular A-11, Appendix B.
13. The offered rate is within the rental limitations set forth in the approved Prospectus.
14. GSA verified the Offeror has a conditional commitment of funds letter in the amount necessary to prepare shell, TI and BSAC improvements to the space.

15. The Offeror has provided documentation confirming that the building is zoned **ZONE** per the **CITY** website and this zoning designation permits the proposed use as a **FUNCTION**.
16. GSA verified evidence of ownership and/or control of site by reviewing the **DOCUMENTS**.
17. The offered building meets the requirements under the RLP Paragraph "Energy Independence and Security Act" as follows:
18. The offeror provided a statement regarding its awareness of and compliance with the lease requirement concerning maintenance and restoration of the property's hydrology.
19. Offeror has provided the following documentation of the proposed LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN FOR NEW CONSTRUCTION (LEED-NC) credits for Silver level certification or GREEN GLOBES FOR NEW CONSTRUCTION (GG-NC) credits for Two Green Globes level certification:
20. The offeror has provided all of the documentation required as part of the Government's NEPA review. The NEPA review has confirmed that the offer does not entail an unacceptable adverse impact on the human environment which cannot be readily mitigated. The extent of NEPA analysis required for this offer is within the Government's acceptable limits.
21. The offeror has provided all of the documentation and site access required as part of its NHPA evaluation. The NHPA review has confirmed that the offer does not indicate preservation concerns or adverse effects to historic properties that cannot be reasonably mitigated.
22. The Offeror has represented, either under FAR 52.204-24 or FAR 52.204-26, that it **[will][will not]** provide covered telecommunications equipment or services to the Government in the performance of any contract, subcontract, or other contractual instrument resulting from this RLP. The Offeror has also represented that it **[does][does not]** use covered telecommunications equipment or services, or use any equipment, system, or service that uses covered telecommunications equipment or services. A waiver dated **[date]** issued by **[GSA][the Office of the Director of the National Intelligence]** is included in the lease file.
23. The offered building meets the following agency go/no-go criteria:
 - **UNIQUE REQUIREMENT:**
 - **UNIQUE REQUIREMENT:**
24. The lease contains numerous technical standards and obligations which are not evaluation criteria, but instead are requirements that the offeror has agreed to meet as part of its offer, without deviation. These include, but are not limited to, requirements

addressing accessibility, fire protection and life safety, architectural, structural, security, mechanical, electrical and plumbing standards. To the extent that the offeror's property is not currently in conformance with these lease standards, the offeror will be required, under the lease, to bring the property into compliance.

SYSTEMS FOR AWARD MANAGEMENT (SAM) REGISTRATION

- Offeror is registered in the SAM database
- Offeror has no active exclusions
- Offeror's registration purpose is listed as "All Awards"
- Offeror has completed all required online Representations and Certifications; LCO has reviewed these and placed in lease file. Based on this review:
 - Offeror is a small business and does not need to complete a small business subcontracting plan
 - Offeror is not a small business; contract value falls below threshold for a small business subcontracting plan
 - Offeror is not a small business; a small business subcontracting plan was submitted, reviewed and approved.

SECURE FEDERAL LEASES ACT

The agency does not require high-security leased space (FSL III, IV, or V).

The agency requires high-security leased space (FSL III, IV, or V) and the offeror has completed GSAR 552.270-33, Foreign Ownership and Financing Representation for Leased Space and represented that the immediate owner, highest-level owner, or any entity involved in the financing of the lease [is] [is not] foreign-owned. The Offeror indicated foreign ownership of the [immediate owner] [highest-level owner] [financing entity]. The agency has been informed in writing of this foreign ownership so that they can take the necessary security mitigation measures.

Based on the above, the Government has determined that the offer by **OFFEROR NAME** for **NUMBER ABOA SF (NUMBER RSF)** at **BUILDING NAME, BUILDING ADDRESS** is fair and reasonable and that it is in the best interest of the Government to award this lease to **OFFEROR NAME** to meet the requirements identified in RLP No. **XXXXXX**.

Prepared by:

NAME

Date

Leasing Specialist [OR BROKER CONTRACTOR]

Approved by:

NAME

Date

Lease Contracting Officer

Reviewed by:

NAME

Date

Regional Counsel