



What is a Real Property Exchange?

- ❑ Allows for acquisition of real estate through disposal action
- ❑ Can involve property or other consideration
- ❑ Federal agency mission needs satisfied through acquisition of more suitable property
- ❑ Unlike traditional prospectus project:
 - No prospectus to congressional oversight committees
 - No appropriated funds for contractual expenses
 - Project oversight through contractual relationship
 - Not subject to Federal Acquisition Regulations



GSA Exchange Authority

- ❑ 40 U.S.C. § 543

Any executive agency designated or authorized by the Administrator to dispose of surplus property may do so by sale, exchange, lease for cash, credit or other property

- ❑ 40 USC § 581 (c)

The Administrator may acquire, by purchase, condemnation, or otherwise, real estate and interests in real estate

- ❑ Real property must be within GSA inventory to use authority

- ❑ Funds realized deposited in Federal Buildings Fund



Roles of LHA and GSA

- ❑ GSA
 - Agency with exchange authority
 - Guides solicitation process
 - Executes exchange agreement and other transactional documents

- ❑ LHA
 - Identifies exchange candidate
 - Determine mission need
 - Define programmatic requirements for acquired property

- ❑ GSA and LHA work together to ensure exchange structure satisfies LHA programmatic requirements



USDOT Volpe Exchange Project Kendall Square, Cambridge, MA



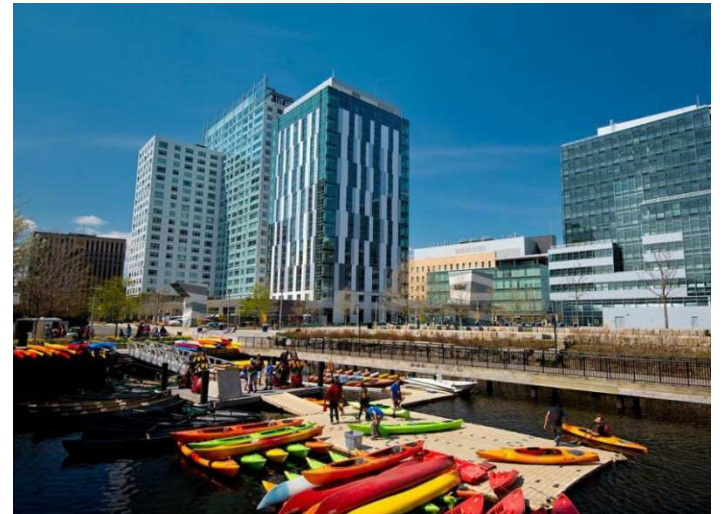
Kendall Square History

- ❑ Industrial area until 1960s
- ❑ Major urban renewal with Kendall Square Urban Renewal Plan
- ❑ Federal government construction in 1960s



Kendall Square Today

- ❑ Dense development; Heavy office and laboratory use
- ❑ In-demand real estate market (High value; High occupancy)
- ❑ Active construction



Innovation Hub





Project Objectives

- ☐ Leverage value of property to fund construction of new facility
- ☐ Replace obsolete facility on a retained parcel
- ☐ Unlock development potential on balance of property
- ☐ Enhance ability to support transportation-related projects
- ☐ Minimize impacts on ongoing operations
- ☐ Reduce life-cycle costs of ownership and operation
- ☐ Maximize financial return to government



Exchange Project Milestones

- ☐ DOT/GSA Interagency Agreement
- ☐ OMB Approved Housing Plan
- ☐ Request for Qualifications
- ☐ Program of Requirements and Statement of Work
- ☐ Request for Proposals
- ☐ Contract Award to MIT (Exchange Agreement)
- ☐ Design Phase



Gross Offer

- ❑ Gross offer is total value to be received by government
- ❑ Portion of gross offer provided in the form of design, construction and delivery of new facility and any remaining amount constitutes the value equalization amount
- ❑ Costs for design phase services and delivery of new facility will not exceed gross offer
- ❑ Target costs for new facility refined at 75% and 100% construction documents

Current and New Facility



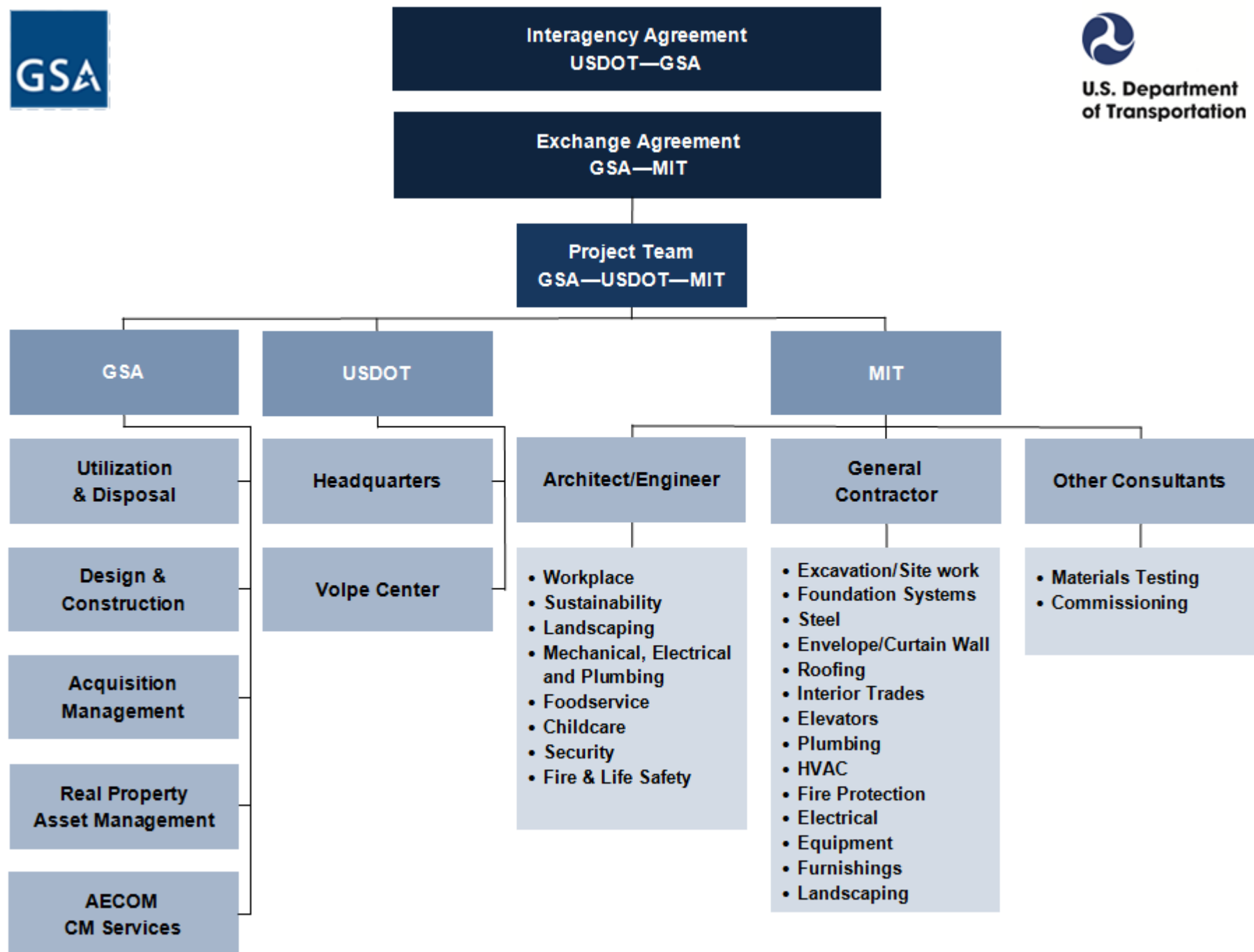


Progression of Property Ownership

- ❑ Agreements between DOT and GSA
- ❑ Report of Excess submitted by DOT for current facility
- ❑ Acceptance of Report of Excess
- ❑ Transfer of property from DOT to GSA
- ❑ Delegation of current facility to DOT
- ❑ Conveyance of exchange parcel
- ❑ Retransfer of new facility



U.S. Department
of Transportation





Success Factors

- ❑ Dedicated Project Team
- ❑ Favorable Market Conditions
- ❑ Phased and Informed Transaction Structure
- ❑ Confidential Competitive Process
- ❑ Incentive Contract (interim access, shared savings)
- ❑ Parallel Planning Opportunities

Who do I Contact at My Nearest Regional Office?



Zone 1– New England

Boston, MA (617)565-5700

Chicago Field Office

Chicago, IL (312)353-6045

Zone 4- Southeast Sunbelt

Atlanta, GA (404)331-5133

Zone 7- Greater Southwest

Fort Worth, TX (817)978-2331

Zone 9- Pacific Rim

San Francisco, CA (888)GSA-LAND

Auburn Field Office

Auburn, WA (253)931-7547

Zone 11- National Capital Region

Washington, DC (202)205-2127



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Presentation slides will be posted to the GSA website at
<http://propertydisposal.gsa.gov/Training>