| Prospectus Number:      | PIL-0303-FY25 |
|-------------------------|---------------|
| Congressional District: | 7             |

### FY 2025 Project Summary

The General Services Administration (GSA) proposes a repair and alteration project to optimize the utilization of space and correct major building deficiencies in the Ralph H. Metcalfe Federal Building (Metcalfe FB) located at 77 W. Jackson Boulevard, Chicago, IL. The project will reduce space assigned to the Department of Housing and Urban Development (HUD) and will relocate the Railroad Retirement Board (RRB) to the Metcalfe FB from the Lipinski Federal Building.

The project will also upgrade the Metcalfe FB's heating, ventilation, and air conditioning (HVAC), electrical, conveyance, plumbing and fire protection systems, and improve building common services including the conference center.

### FY 2025 Committee Approval Requested

(Design, Construction, and Management & Inspection)......\$37,760,0001

This prospectus amends Prospectus No. PIL-0303-FY21. GSA is requesting approval of an additional estimated design cost of \$2,831,000, an additional estimated construction cost of \$32,897,000, and an additional management and inspection cost of \$2,032,000, for a total additional cost of \$37,760,000, to account for cost escalations of the consolidation of space and infrastructure improvements due to time and market conditions.

#### FY 2025 Appropriation Requested

(Design, Construction, and Management & Inspection)......\$162,207,000

## Major Work Items

HVAC, electrical, conveyance, plumbing and fire protection systems upgrades; interior construction; and demolition

#### **Project Budget**

| Design                               | \$12,734,000 |
|--------------------------------------|--------------|
| Estimated Construction Cost (ECC)    |              |
| Management and Inspection (M&I)      |              |
| Estimated Total Project Cost (ETPC)* |              |

<sup>&</sup>lt;sup>1</sup> Prospectus No. PIL-0303-FY21 was approved by the Committee on Environment and Public Works of the Senate on July 1, 2020, and by the Committee on Transportation and Infrastructure of the House of Representatives on September 30, 2020, for a total estimated project cost of \$124,447,000.

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\*Tenant agencies may fund an additional amount for tenant improvements above the standard normally provided by the GSA.

| Schedule                | Start   | End     |
|-------------------------|---------|---------|
| Design and Construction | FY 2025 | FY 2032 |

## Building

The Metcalfe FB is a 28-story high-rise office building, with one below-grade level, that contains approximately 828,000 gross square feet and is situated in the Chicago Central Business District across the street from the Chicago Federal Center. The building was built as a leased facility in 1991 and was immediately purchased by the Government with a loan from the Federal Financing Bank, which was paid in full in 2014. The building is constructed of structural steel framing with a facade of glass and structural steel plate spandrels.

## **Tenant Agencies**

U.S. Department of Agriculture-Food and Nutrition Services; U.S. Department of Commerce-International Trade Administration; Health and Human Services-Office of the Secretary, Center for Disease Control; U.S. Department of Housing and Urban Development; Environmental Protection Agency; Commodity Futures Trading Commission; Railroad Retirement Board and GSA

## **Proposed Project**

The project will allow HUD to reduce the amount of space it occupies in the building and improve its utilization rate. HUD will reduce its footprint from approximately 118,000 usable square feet (usf) to approximately 65,000 usf. RRB, currently housed at the William O. Lipinski Federal Building, will backfill the vacant space created. They will consolidate from approximately 217,000 usf to approximately 65,000 usf.

The project will also modernize the building's 17 passenger elevators and one freight elevator, replace the building's chiller plant, and upgrade other HVAC components including the Building Automation System, controls, and air handling units.

Building common services, including restrooms, the conference center, former cafeteria space, and childcare facility, will also be improved. The existing conference center will be expanded to meet the conference space needs of federal agencies housed in a number of federal assets. An egress stair will be added to meet National Fire Protection Association requirements.

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|---|---|--------------------|
| <u>Major Work Items</u>                 |   |                    |
| HVAC Upgrades                           |   | \$43,609,000       |
| Interior Construction                   |   | 34,474,000         |
| Conveyance Upgrades                     |   | 21,172,000         |
| Electrical Upgrades                     |   | 20,258,000         |
| Demolition/Hazardous Material Abatement |   | 7,759,000          |
| Plumbing Upgrades                       |   | 5,738,000          |
| Exterior Construction                   |   | 3,545,000          |
| Fire Protection Upgrades                |   | 2,856,000          |
| Structural Upgrades                     |   | 436,000            |
| Total ECC                               |   | \$139,847,000      |

### **Justification**

The Metcalfe Federal Building is over 30 years old, and it has never received major modernization funding. The systems and equipment are failing. The building requires investment to prevent failures which would prohibit the building tenants' ability to fulfill their missions.

The elevators are well beyond their useful lives and do not comply with code. Elevator entrapments and prolonged shutdowns due to emergency repairs have led to disruptions of mission-critical tenant operations and frequent complaints from building tenants. From January 2023 through May 2023, one or more elevators have been out of service for a total of 57 days. Replacement parts, particularly the controllers and motor generators are antiquated technology and are not readily available. The building has only one freight elevator and disruption is problematic. The elevators do not meet the latest fire and life safety standards and do not have energy-efficient features.

The chiller plant is at the end of its useful life and inefficient. The chiller plant must be replaced to avoid a failure that would cause severe disruption to the building's operations and the tenants' ability to carry out their missions. In addition, the building's HVAC equipment, including the Building Automation System, controls, and air handling units, are obsolete, inefficient, and beyond their useful lives.

The existing restroom fixtures and plumbing are original to the construction of the building and do not comply with Architectural Barriers Act Accessibility Standards and are not efficient. The building's conference center serves the entire Chicago Federal Center and is undersized to meet the needs of both building tenants and the Federal community.

The space occupied by HUD at the Metcalfe Federal Building is original to the building, outdated and underutilized. The proposed space reduction and reconfiguration will provide

#### PBS

## AMENDED PROSPECTUS – ALTERATION RALPH H. METCALFE FEDERAL BUILDING CHICAGO, IL

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efficient, functional modern space to better support the agency in carrying out its mission and result in significant rental savings to the agency. The reduction will result in an all-in utilization improvement for HUD from 349 sf per person down to 175 sf per person. The space HUD releases will provide the space needed to relocate RRB to the building from the Lipinski Federal Building allowing GSA to dispose of the Lipinski Federal Building. RRB's space at the Lipinski Federal Building is outdated and significantly underutilized. The relocation and consolidation of RRB will result in an all-in utilization improvement from 310 sf per person down to 97 sf per person and provide RRB with modernized space in Metcalfe.

## Summary of Energy, Water, Sustainability, and Climate Risk Compliance

This project will be designed to conform to requirements of *PBS-P100*, *Facilities* Standards for the Public Buildings Service. GSA will focus on design and construction opportunities to increase energy and water efficiencies that minimize operating costs and greenhouse gas emissions, incorporate sustainable design principles into projects, reduce the environmental impact of materials, and address climate risk liabilities in a manner that is life cycle cost effective.

### **Prior Appropriations**

None

#### **Prior Committee Approvals**

|            | Prior Com | nittee Approvals |  |
|------------|-----------|------------------|--|
| Committee  | Date      | Amount           | Purpose  |
| Senate EPW | 7/1/2020  | \$124,447,000    | Design = \$9,903,000<br>ECC = \$106,950,000<br>M&I = \$7,594,000 |
| House T&I  | 9/30/2020 | \$124,447,000    | Design = \$9,903,000<br>ECC = \$106,950,000<br>M&I = \$7,594,000 |
| Approvals  | to Date   | \$ 124,447,000   |  |

## Prior Prospectus-Level Projects in Building (past 10 years)

None

GSA

#### GSA

# AMENDED PROSPECTUS – ALTERATION RALPH H. METCALFE FEDERAL BUILDING CHICAGO, IL

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

| Alteration | \$457,089,000 |
|------------|---------------|
| New        | \$638,625,000 |
| Lease      | \$519,543,000 |

The 30-year, present value cost of alteration is \$62,454,000 less than the cost of leasing, with an equivalent annual cost advantage of \$3,700,000.

## 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 4/1/2024

Recommended: Elliot Doomes

Commissioner, Public Buildings Service

Approved: <u>AdmiCamahn</u> Administrator, General Services Administration