



# USGS Facilities in Flagstaff

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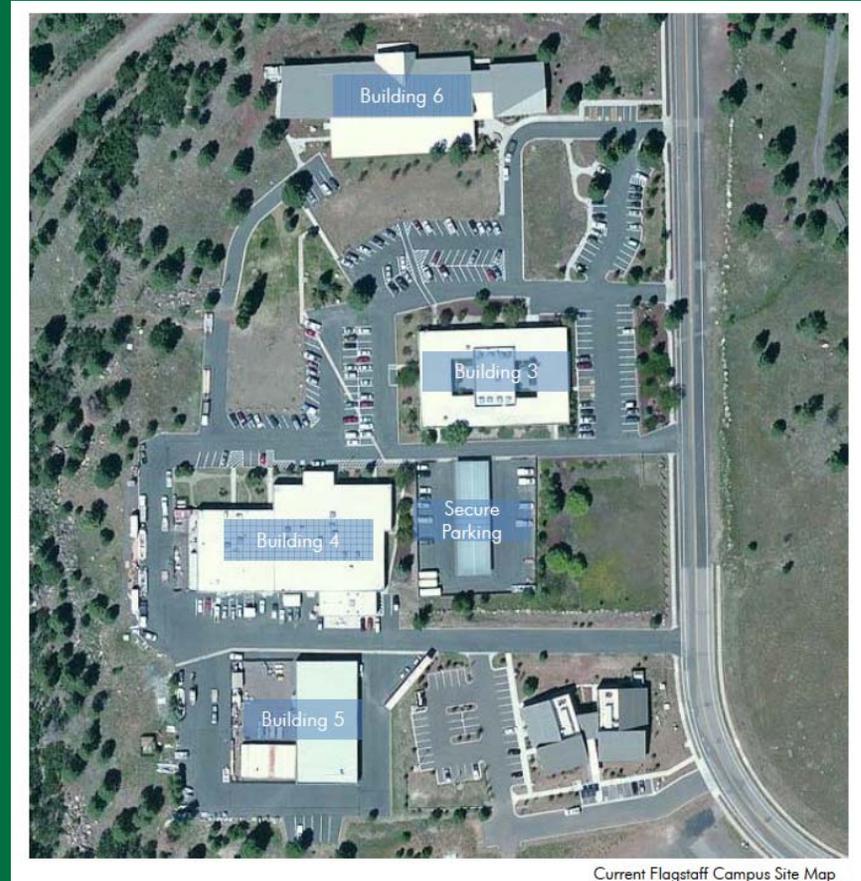
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U.S. Department of the Interior  
U.S. Geological Survey

# Current Southwest Biological Science Center Facilities in Flagstaff

- SBSC leases space from the City of Flagstaff
  - ~35,000 sf at the USGS headquarters
  - ~5,000 sf in additional storage in shipping containers
- ~3,000 sf at Northern Arizona University



# Staying in current facilities is not an option

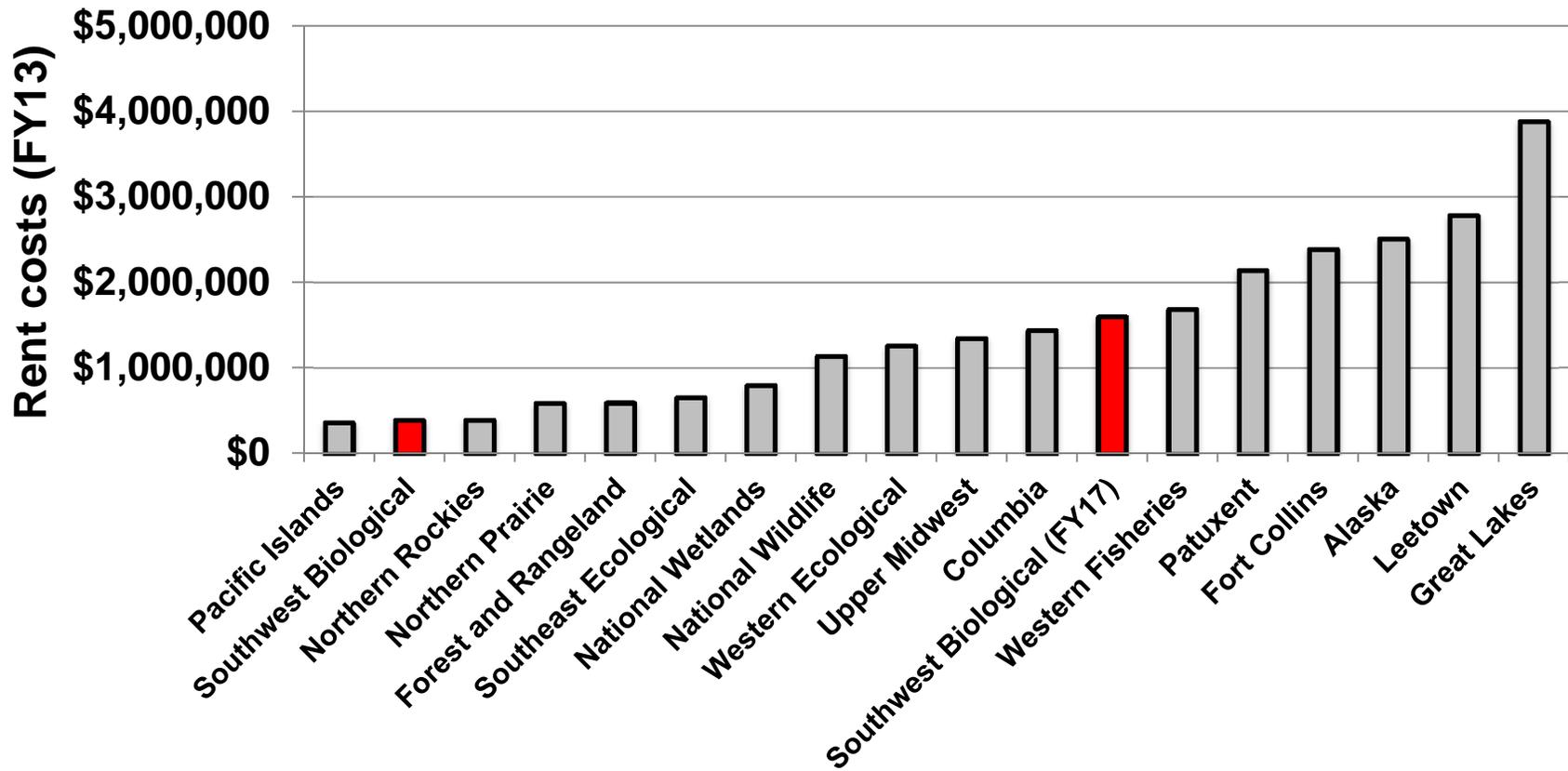
- Current facilities are beyond design life
- City of Flagstaff will not enter into a new long-term lease
- Short-term lease extension needed in FY14
  - Rates will increase by 60%, from \$11/sf to \$18/sf

# New SBSC Facilities in Flagstaff

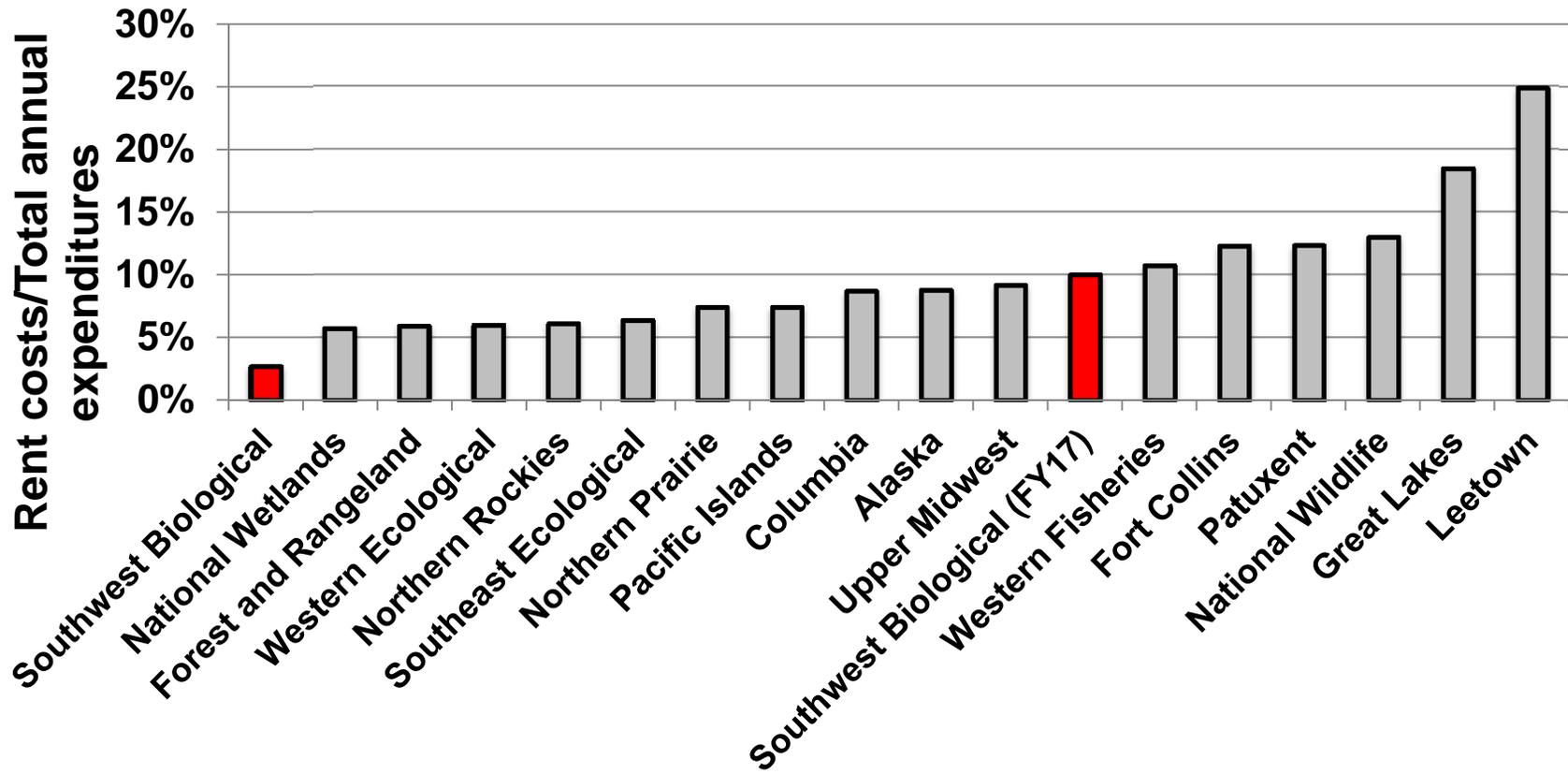
- Through the General Services Administration (GSA), SBSC leases space from the City of Flagstaff
- Other options explored – none are viable
- FY17 – occupy new facility
  - ~38,000 sf in new office, lab, and warehouse space at USGS headquarters
  - 11% decrease in total space
  - >25% decrease in office space
  - Increase in warehouse, logistics, and lab space
- Plan approved by USGS leadership in August, 2014

# The new facility will have higher rent costs

USGS Biology Science Center Rent Costs



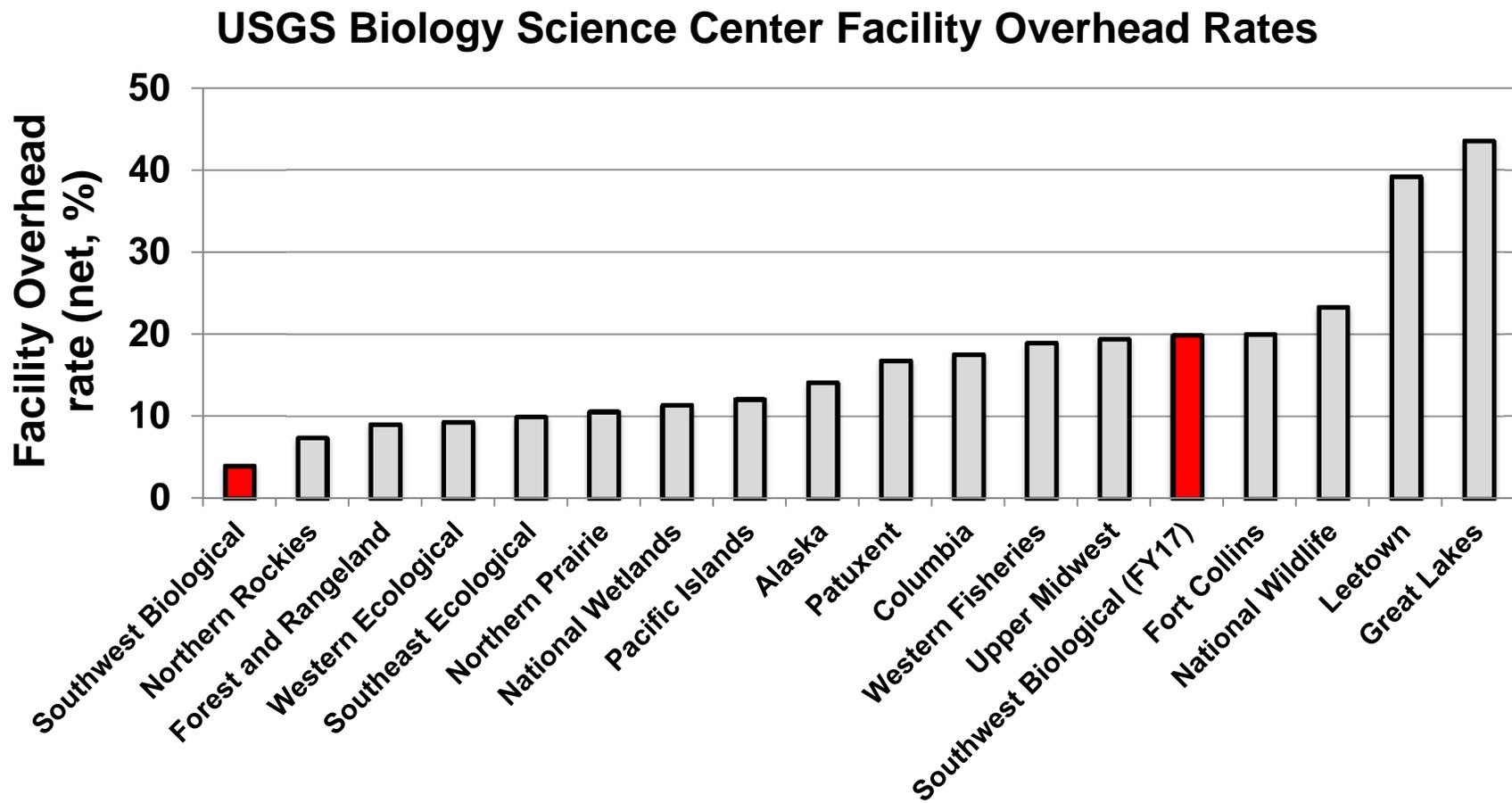
## USGS Biology Center Rent as % of Annual Revenues



# USGS facility costs paid with appropriated and reimbursable funds

- Center facility funding based on the ratio of appropriated and reimbursable funds
  - SBSC (30% appropriated:70% reimbursable)
    - 70% of SBSC facility costs paid with reimbursable funds
- Current rent costs: \$343,000 (\$11/sf)
  - USGS contribution: \$125,000
  - Reimbursable sources: \$218,000
- FY 17 estimated rent - \$1,600,000 (\$38/sf)
  - USGS contribution : \$542,000
  - Reimbursable sources : \$1,057,000

# Facility overhead rates will increase



# Only facility overhead is increasing

- **Bureau-level overhead (12%)**
  - By policy, this charge is waived for AMP funds
- **Center-level overhead (26%)**
  - By policy, this overhead rate is set at 7.5% for AMP funds
- **Facilities overhead**
  - currently 3.8% (net)
  - Will increase to ~20%

# Facilities Process

- USGS has approved the new Flagstaff facility. GSA and the City of Flagstaff negotiating a lease extension and a lease agreement for the new facility.
- Upfront costs – \$2.5-\$3 million in FY15. This money has already been set aside in a working capital fund.
- Design Intent Drawings - After GSA awards the Lease, the parties will coordinate the Design and Intent Drawings (DIDs)
- Construction Drawings - Upon USGS approval of the DID's, work will begin on the construction drawings.
- Tenant Improvement Pricing - If prices are acceptable, construction will begin. Otherwise, undertake Value Engineering to reduce the cost or scope of the project.
- Construction - ~ 1 year.
- Occupancy - ~ December, 2016.



# Sources of Funding (%)

