

*executive committee of  
the directing council*



PAN AMERICAN  
HEALTH  
ORGANIZATION

*working party of  
the regional committee*

WORLD  
HEALTH  
ORGANIZATION



107th Meeting  
Washington, D.C.  
June 1991

Provisional Agenda Item 5.6

CE107/17 (Eng.)  
4 April 1991  
ORIGINAL: ENGLISH

PAHO HEADQUARTERS BUILDING

Report of the Three-Country Working Party  
on the New Headquarters Building

Introduction

Pursuant to Resolution XXII of the XXIII Pan American Sanitary Conference, the Executive Committee, during its 106th Meeting, adopted Resolution II appointing representatives of Barbados, Chile and the United States of America to constitute a Working Party to assist the Secretariat in preparing specific detailed proposals for a new Headquarters Building. Resolution II requested the Director to convene the Working Party as soon as practical in order to make recommendations to the 107th Meeting of the Executive Committee. Mr. Easton Douglas, Minister of Health of Jamaica, was appointed Special Advisor to the Working Party.

The Director convened the Working Party to a meeting in Washington, D.C., on 11-13 February. Barbados was represented by Mr. B. R. Collymore, C.M.G., Permanent Secretary, Ministry of Civil Service, Bridgetown; Chile was represented by Mrs. Isabel Rosés P., Ministry of Public Health, Santiago; the United States of America was represented by Mr. Thomas G. Martin, Director, Office of Technical Specialized Agencies, Bureau of International Organization Affairs, Department of State, Mrs. Marlyn Kefauver, Associate Director for Bilateral Programs, Office of International Health, Department of Health and Human Services, and by Mr. John W. Helm, Office of Operations, Bureau of Administration, Department of State. Mr. Easton Douglas participated as Special Advisor. Representing the Secretariat were Mr. Thomas M. Tracy, Chief of Administration; Mr. César A. Portocarrero, Chief, Department of Conference and General Services; and Mrs. Diana S. LaVertu, Legal Officer, Office of Legal Affairs.

In view of its small numbers, the Working Party decided to dispense with the formality of naming a Chairman and a Rapporteur and requested the Secretariat to guide it in its deliberations and prepare a draft report for its consideration and adoption. Following the agenda set for the meeting, the Secretariat reviewed for the Working Party the pertinent resolutions of the Pan American Sanitary Conference and of the Executive Committee containing the mandate of the Working Party. The Secretariat also provided the Working Party with a brief background of the acquisition and construction of the two properties currently owned by the Pan American Health Organization, namely 525-23rd Street, N.W., and 2121 Virginia Avenue, N.W.; the need to maintain the Organization's investment in the Headquarters Building; and the critical need for additional space. Finally, the Secretariat reviewed for the Working Party the guiding principles in selecting an appropriate site: that it be priced appropriately so that the entire project, including construction, would not have a financial impact on the regular budget; that it be suitably located with easy accessibility for personnel and visitors to hotels, restaurants and other commercial services; and that it be located in an institutional setting near institutions with which PAHO works most closely.

#### Lease vs. Purchase

The first item discussed by the Working Party was the issue raised by the United States of America during the 106th Meeting of the Executive Committee, of whether the Secretariat should rent or purchase additional space. After detailed analysis of the financial data on both options, as well as the need for additional space, the Working Party reached a consensus that leasing was not an economically viable option.

#### Site Selection

The second item discussed was the selection of an appropriate building site. Although numerous potential sites were reviewed, the Working Party concentrated its efforts on assessing the suitability and viability of three main sites, located in Rosslyn, Virginia ("Palisades Site"), Bethesda, Maryland ("Bethesda Site") and Northeast Washington, D.C. ("Old Soldiers' Home Site"). In conducting its review, the Working Party made visits to each of the three sites and examined in detail all financial issues, as well as those aspects related to the site selection guidelines and to the feasibility of acquisition.

The Palisades Site: Consists of 5-6 acres in an attractive suburban location behind the Key Bridge Marriott overlooking the Potomac River. The price is approximately \$20 million. Although attractive, the site does have several disadvantages, in particular high price, lack of easy access to the Metro, and the fact that it is located in a residential and commercial setting which is likely to be further developed in the future.

The Bethesda Site: Consists of approximately five acres in an extremely good area located on the corner of Wisconsin Avenue and Jones Bridge Road. This parcel of land is located in an institutional setting directly in front of the National Institutes of Health and near a major United States medical facility. Although the setting is institutional,

commercial services (hotels and restaurants) are available within two blocks. Additionally, the Metro is located within one-and-a-half blocks. The price is approximately \$10 million. The main disadvantage posed by this site is that the zoning category currently assigned to that specific parcel creates significant, though surmountable, legal problems which will have to be addressed prior to acquisition.

The Old Soldiers' Home Site: Consists of 5-6 acres in a totally institutional setting located near Catholic University in Northeast Washington, D.C. The entire site consists of approximately 40 acres and is owned by the Government of the United States. The Department of State has proposed this site for possible future development as a new International Chancery Center and would be willing to provide PAHO with 5-6 acres at a price to be determined. Although the site is in an institutional setting (near Catholic University and other religious institutions), access to the Metro is at least 10 city blocks away. Commercial services (hotels and restaurants) are not available anywhere within reasonable distance, making the accommodation of out-of-town visitors extremely difficult. Some concern was also expressed about security problems with this site.

After considerable discussion and review of all factors, the consensus of the Working Party was that the Bethesda site most closely met the needs of the Organization and that, if the legal problems could be surmounted, it is the preferred site. The Working Party concluded that the other two sites did not meet the Organization's needs and therefore decided not to give them further consideration. If the Bethesda site is unavailable, the Working Party suggested that the Secretariat continue its search for alternative sites.

#### Budget and Space Projections for a Proposed New Site

The Working Party also examined in detail the proposed budget for the project and the space projections for the new building. The Working Party made several recommendations which the Secretariat will incorporate in a revised version of both documents.

In Document CSP23/26, the Secretariat, based upon preliminary estimates, projected the cost of a new Headquarters Building, excluding land, at \$48,000,000 in 1992 dollars. The Working Party reviewed substantially more detailed space and cost estimates. These indicated that the total cost might be approximately \$53,900,000 in 1992 dollars. It was noted, however, that these estimates were based on space projections which might be generous, especially the large increase in conference space. The total space requirements may be reduced with further review of program space needs, including individual offices. Based upon the information available to the Working Party, it seemed probable that the final cost of the new Headquarters Building, excluding land, would range between \$48 million and \$54 million depending upon the final detailed design.

#### Conclusion

In concluding its deliberations, the Working Party authorized the Secretariat, at its discretion, to enter into an option contract for the Bethesda site. The option contract would give the Secretariat time to

conduct all the studies necessary to make a definitive determination regarding the engineering and development suitability of the site prior to final purchase. Finally, the Working Party requested the Secretariat to inform the Governing Bodies during the 107th Meeting of the Executive Committee of the progress achieved in this regard.