



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Canal Claiborne Limited

File: B-244211

Date: September 23, 1991

H. Bruce Shreves, Esq., Simon, Peragine, Smith & Redfearn, for the protester.
Barry D. Segal, Esq., General Services Administration, and Charles A. Walden, Esq., Drug Enforcement Administration, for the agency.
Charles W. Morrow, Esq., and James A. Spangenberg, Esq., Office of the General Counsel, GAO, participated in the preparation of the decision.

DIGEST

Protest against geographical restriction in proposed procurement for leased office space for the Drug Enforcement Administration, which eliminated the protester's building, is denied where the protester's building was properly excluded from the zone of consideration for security reasons.

DECISION

Canal Claiborne Limited (CCL) protests the geographical restriction in a solicitation proposed by the General Services Administration (GSA) for leased office space to house the Drug Enforcement Administration (DEA) in New Orleans, Louisiana. CCL contends that the delineated area unduly restricts competition.

We deny the protest.

On May 2, 1991, GSA publicly advertised in the New Orleans Times Picayune its interest in leasing approximately 45,730 net usable square feet of fully serviced, first class, office space for DEA. GSA delineated the acceptable geographical area for the leased space as follows:

"The space must be located within an area bounded by Lake Pontchartrain on the north. Canal Blvd. to Canal St. proceeding to Broad St. and turning to Tulane Ave. until it changes over to Common St. and proceed to river. Pontchartrain Expressway to Airline Hwy (US 61) on the south to Severn St. on the west."

Interested offerors were instructed to submit a written notice of space availability by May 9, 1991. CCL, which currently leases space to DEA and whose office space is not within the scope of the restriction, filed an agency-level protest against the restriction on May 6. GSA denied the protest and, on May 23, CCL filed this protest.

CCL contends that the area GSA delineated, which did not include the central business district on Canal Street from Tulane Avenue to the Mississippi River, arbitrarily eliminated several buildings, including its own, which could meet DEA's minimum needs. CCL maintains that no reasonable basis exists for eliminating this area, since its building located at Canal and Claiborne Streets has served DEA's needs for the past 7 years, allegedly without complaint about location.

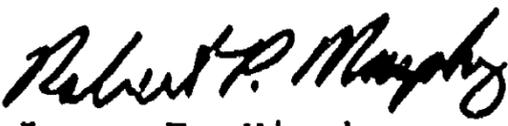
GSA responds that the Canal Street area was not excluded arbitrarily, but at the specific request of DEA, which determined that the excluded area posed unacceptable security risks to DEA personnel and otherwise compromised the fundamental integrity of the agency's operations.

An agency may restrict a procurement to offerors within a specified area if the restriction is reasonably necessary for the agency to meet its needs. Wescott Cent., B-241570, Feb. 5, 1991, 91-1 CPD ¶ 120. The determination of the proper scope of a geographical restriction is a matter of the agency's judgment which we will review in order to assure that it has a reasonable basis. Id. Based upon our examination of the record, we find that the geographical restriction was reasonably based upon the minimum needs asserted by DEA.

Here, DEA reports that the area encompassing CCL's building was eliminated because of its close proximity to a housing project, which is a major target of DEA's drug enforcement operations. DEA indicates that the project, which is located directly behind CCL's building, poses security and operational difficulties because some project residents are routinely under investigation. DEA states that in its current location it has difficulty maintaining the anonymity and confidentiality of agents and individuals seeking to cooperate with DEA, and providing adequate security to protect agents, agency personnel, prisoners, and seized drug related assets. Thus, DEA reports that the close proximity of this project adversely impacts upon its ability to perform its drug enforcement mission.

While CCL disputes DEA's contentions, we find that DEA's geographical restriction is reasonably related to its minimum needs. An agency may properly impose a geographical restriction that is related to security and operational considerations. See Westcott Cent., supra. Although CCL points out that DEA has been located in its building for the past 7 years, DEA indicates that the area has deteriorated, agents and employees have been assaulted, agency property has been stolen and vandalized, and investigations have been undermined due to countersurveillance activities associated with the building's proximity to the project. DEA reports that its expanded mission to fight the war against drugs and drug related crimes will be seriously impaired if it continues to be located next to the project. Consequently, we find that the geographical restriction had a reasonable basis insofar as it excluded the protester's building from consideration.^{1/}

The protest is denied.


for James F. Hinchman
General Counsel

^{1/} GSA and DEA have advanced numerous other reasons why the area was excluded and the protester's building was not included. We need not address these reasons, since we find DEA's security-related reasons are sufficient to exclude the protester's building.