



Committee on Transportation and Infrastructure
U.S. House of Representatives

Bill Shuster
Chairman

Washington, DC 20515
COMMITTEE RESOLUTION

Nick J. Rahall, III
Ranking Member

Christopher P. Bertram, Staff Director

James H. Zoia, Democrat Staff Director

LEASE
DEPARTMENT OF DEFENSE
HOFFMAN II
NORTHERN VIRGINIA
PVA-06-WA13

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that pursuant to 40 U.S.C. §3307, appropriations are authorized for a replacement lease of up to 448,000 rentable square feet of space, including 11 parking spaces, for the Department of Defense, Department of the Army, currently located at 200 Stovall Street, Alexandria, Virginia, at a proposed total annual cost of \$17,472,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided that, the Administrator of General Services and tenant agencies agree to apply an overall utilization rate of 176 square feet or less per person.

Provided that, except for interim leases as described above, the Administrator may not enter into any leases that are below prospectus level for the purposes of meeting any of the requirements, or portions thereof, included in the prospectus that would result in an overall utilization rate of 176 square feet or higher per person.

Provided that, to the maximum extent practicable, the Administrator shall include in the lease contract(s) a purchase option that can be exercised at the conclusion of the firm term of the lease.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: **February 28, 2013**

Bill Shuster, M.C.
Chairman

**PROSPECTUS – LEASE
DEPARTMENT OF DEFENSE
HOFFMAN II
NORTHERN VIRGINIA**

Prospectus Number: PVA-06-WA13
Congressional District: 8,10,11

Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 448,000 rentable square feet (RSF) of space for the Department of Defense (DoD) Department of the Army, located at Hoffman II, 200 Stovall St, Alexandria, VA. The two leases for DoD, effective in 2000 and 2004 expire April 19, 2014.

DoD will improve its utilization of space, resulting in the improvement of its office utilization rate from 178 usable square feet (USF) to 111 USF per person and its overall utilization rate from 261 USF to 176 USF per person. As a result, this prospectus proposes to house DoD personnel in approximately 158,000 RSF less space than their current occupancy of 606,575 RSF.

Description

Occupants:	DoD
Lease Type:	Replacement
Current RSF:	606,575 (Current RSF/USF = 1.09)
Proposed Maximum (RSF):	448,000 (Proposed RSF/USF = 1.20)
Expansion Space: ¹ :	Reduction of 158,575 RSF
Current USF/Person:	261
Proposed USF/Person:	176
Proposed Maximum Leasing Authority:	15 years
Expiration Dates of Current Leases	4/19/14
Delineated Area:	Northern Virginia
Number of Official Parking Spaces ² :	11
Scoring:	Operating lease
Maximum Proposed Rental Rate ³ :	\$39.00
Proposed Total Annual Cost ⁴ :	\$17,472,000

¹ The RSF/USF at the current location is approximately 1.09, however to maximize competition a RSF/USF ratio of 1.2 is used for the proposed maximum RSF as indicated in the housing plan.

² The Department of Defense security requirements may necessitate control of the parking at the leased location. This may be accomplished as a lessor-furnished service, as a separate operating agreement with the lessor, or as part of the Government's leasehold interest in the building.

³ This estimate is for fiscal year 2014 and may be escalated by 1.75 percent annually to the effective date of the lease to account for inflation. The proposed rental rate is fully serviced including all operating expenses whether paid by the lessor or directly by the Government.

⁴ Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

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Current Total Annual Cost: \$17,660,326 (leases effective 3/3/00
and 4/20/04)

Justification

The current leases at Hoffman II, 200 Stovall St in Alexandria, VA, expire on April 19, 2014, and DoD requires continued housing to carry out its mission. The proposed replacement lease(s) will significantly improve the utilization of space to house this DoD requirement.

The maximum proposed rental rate in this prospectus is a projected rate for lease transactions with a future effective (rent start) date consistent with the expiration of the current leases on April 19, 2014. GSA will conduct the procurement using prevailing market rental rates as a benchmark for the evaluation of competitive offers and as a basis for negotiating with offerors to ensure that lease award is made in the best interest of the Government. Lease award shall not exceed the maximum rental rate as specified in this prospectus.

Acquisition Strategy

In order to maximize the flexibility in acquiring space to house the DoD, GSA may issue a single, multiple award solicitation that will allow offerors to provide blocks of space able to meet the requirements in whole or in part. All offers must provide space consistent with the delineated area defined by this prospectus in the description that follows.

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Request for Lease Proposals and other documents related to the procurement of space based on the approved prospectus. GSA encourages offerors to work with energy service providers to exceed minimum requirements set forth in the procurement and to achieve an Energy Star performance rating of 75 or higher.

Resolutions of Approval

Resolutions adopted by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works approving this prospectus will constitute approval to make appropriations to lease space in a facility that will yield the required rentable area.

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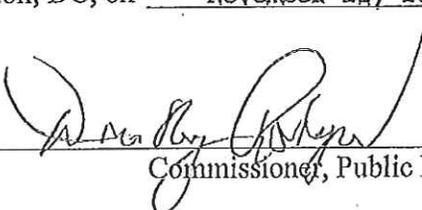
Interim Leasing

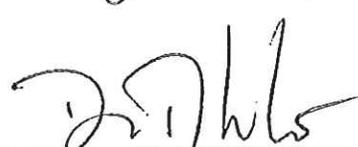
GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency prior to the effective date of the new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.

Certification of Need

The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on November 21, 2012

Recommended: 
Commissioner, Public Buildings Service

Approved: 
Acting Administrator, General Services Administration

