



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

Bill Shuster
Chairman

Washington, DC 20515

Peter A. DeFazio
Ranking Member

Christopher P. Bertram, Staff Director

Katherine W. Dedrick, Democratic Staff Director

COMMITTEE RESOLUTION

LEASE
DEPARTMENT OF DEFENSE
OFFICE OF THE SECRETARY OF DEFENSE JOINT STAFF
SUFFOLK, VA
PVA-01-SU17

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 lease of up to 403,737 rentable square feet of space for the Department of Defense, Office of the Secretary of Defense, Joint Staff currently located at 116-116B Lake View Parkway in Suffolk, Virginia at a proposed total annual cost of \$8,882,214 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 264 square feet or less per person, except that, if the Administrator determines that the overall utilization rate cannot be achieved, 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 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 264 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.

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: **September 14, 2016**

A handwritten signature in blue ink, appearing to read "Bill Shuster". The signature is stylized and written in a cursive-like font.

Bill Shuster, M.C.
Chairman

**PROSPECTUS – LEASE
DEPARTMENT OF DEFENSE
OFFICE OF THE SECRETARY OF DEFENSE JOINT STAFF
SUFFOLK, VA**

Prospectus Number: PVA-01-SU17
Congressional District: 4

Executive Summary

The General Services Administration (GSA) proposes a lease for approximately 403,737 rentable square feet (RSF) for the Department of Defense, Office of the Secretary of Defense, Joint Staff (DOD-JS). DOD-JS is currently housed at 116-116B Lake View Parkway, Suffolk, VA under a lease that expires May 9, 2018.

The proposed lease will enable DOD-JS to provide continued housing for its mission in Suffolk, VA. DOD-JS is uniquely responsible for ensuring the coordination between all branches of the U.S. military and foreign entities. The proposed lease will provide continued housing for the primary training facility for this mission. 116-116B Lake View Parkway is one of five buildings within a secure campus leased for DOD's exclusive use.

Description

Occupant:	DOD Office of the Secretary of Defense Joint Staff
Current Rentable Square Feet (RSF)	403,737 (RSF/USF = 1.08)
Estimated Maximum RSF:	403,737 (RSF/USF = 1.08)
Expansion/Reduction RSF:	None
Current Usable Square Feet/Person:	240
Estimated Usable Square Feet/Person:	264
Proposed Maximum Lease Term:	15 Years
Expiration Dates of Current Leases:	05/09/2018
Delineated Area:	North: James River South: Kings Hwy (Rt. 125) to Nansemond Pkwy (Rt. 337) East: City limit of Suffolk West: Nansemond River
Number of Official Parking Spaces:	0
Scoring:	Operating lease
Estimated Proposed Rental Rate ¹ :	\$22.00/ RSF
Estimated Total Annual Cost ² :	\$8,882,214

¹This estimate is for fiscal year 2018 and may be escalated by 1.95 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. GSA will conduct the procurement using prevailing market rental rates as a benchmark for negotiating this lease to ensure that lease award is made in the best interest of the Government.

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Current Total Annual Cost:	\$6,791,189 (Leases effective 05/10/1993 and 06/15/2004)
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Background

The original 320,825 RSF building, 116 Lake View, was constructed in 1993 to meet the space requirements of the Department of the Navy, and it was used as a warehouse and torpedo testing facility. In 2004, the United States Joint Forces Command (USJFCOM) was the sole tenant when it expanded the facility by 82,912 RSF with the construction of 116B Lake View, which is connected to 116 Lake View as one structure. Upon the disestablishment of USJFCOM in August 2011, DOD-JS became the sole occupant and has a continuing need for housing to carry out its mission.

GSA will consider whether DOD-JS's continued housing needs should be satisfied in the existing location based on an analysis of other potential locations within the delineated area. If other potential locations are identified, a cost-benefit analysis will be conducted to determine whether the Government can expect to recover the relocation and duplication costs of real and personal property needed for DOD-JS to accomplish its mission.

Justification

The Joint Staff is currently housed at 116 & 116B Lake View Parkway. GSA executed the original lease in 1993 and a five-year renewal option effective on May 9, 2013. There are no remaining lease renewal or purchase options. A purchase option will be solicited in the proposed lease procurement. The existing building functions as a training center and DOD-JS has a continuing need for space to carry out its mission.

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 exceed minimum requirements set forth in the procurement and to achieve an energy Star performance rating of 75 or higher.

²New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.

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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.

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 extension. 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

JUN 06 2015

Recommended:



Commissioner, Public Buildings Service

Approved:



Administrator, General Services Administration

Leased Locations	CURRENT						ESTIMATED/PROPOSED					
	Personnel			Usable Square Feet (USF) ¹			Personnel			Usable Square Feet (USF)		
	Office	Total	Rate	Office	Storage ⁵	Special	Total	Office	Storage ⁵	Special	Total	
116 Lake View Parkway (Incl. 114)	1,045	1,236	1.236	136,530	725	160,665	297,920				-	
116B Lake View Parkway	306	325	325	46,793	135	29,301	76,229				-	
Estimated/Proposed Lease								1,238	2,730	193,191	374,149	
Total	1,351	1,561	1.561	183,322	860	189,967	374,149	1,415	2,730	193,191	374,149	

Office Utilization Rate (UR) ²		
Rate	Current	Proposed
	106	112

UR=average amount of office space per person
 Current UR excludes 40,331 usf of office support space
 Proposed UR excludes 39,210 usf of office support space

Overall UR ³		
Rate	Current	Proposed
	240	264

R/U Factor ⁴		
Rate	Current	Proposed
	374,149	403,737
	374,149	403,737

NOTES:

¹USF means the portion of the building available for use by a tenant's personnel and furnishings and space available jointly to the occupants of the building

²Office UR = office total * .78 divided by total office personnel

³Overall UR = housing plan total USF divided by total personnel

⁴R/U Factor = Max RSF divided by total USF

⁵Storage excludes warehouse, which is part of Special

Special Space	USF
Security	1,365
SCIF	15,989
Lactation Room	155
Restroom	1,545
Physical Fitness	3,150
Locker/Shower Room/Barber	1,475
Food Service	10,245
IT / Telecom	17,970
Mechanical	625
Laboratory	26,286
Test Bay	30,585
Conference/Training	31,365
TV Studio	1,165
Library	1,175
Warehouse	28,645
Circulation/Lobby	21,451
Total	193,191