



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

COMMITTEE RESOLUTION

Katherine W. Dedrick, Democratic Staff Director

LEASE
DEPARTMENT OF HOMELAND SECURITY
FEDERAL EMERGENCY MANAGEMENT AGENCY
WASHINGTON, DC
PDC-02-WA17

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 extension of up to 303,546 rentable square feet of space, including 17 official parking spaces, for the Department of Homeland Security, Federal Emergency Management Agency headquarters currently located in Federal Center Plaza I at 500 C Street SW in Washington, D.C. at a proposed total annual cost of \$14,266,662 for a lease term of up to 1 year, 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 134 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 134 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", with a long horizontal stroke extending to the right.

Bill Shuster, M.C.
Chairman

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
FEDERAL EMERGENCY MANAGEMENT AGENCY
WASHINGTON, DC**

Prospectus Number: PDC-02-WA17

Executive Summary

The General Services Administration (GSA) proposes a lease for approximately 303,546 rentable square feet (RSF) for the Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA) headquarters currently located in Federal Center Plaza I at 500 C Street SW in Washington, DC. The lease will provide housing for the agency prior to its planned move to the St. Elizabeths campus in accordance with the Enhanced Plan for the DHS headquarters consolidation.

Description

Occupant:	Federal Emergency Management Agency
Lease Type	Extension
Current Rentable Square Feet (RSF)	303,546 (Current RSF/USF = 1.10)
Estimated Maximum RSF:	303,546 (Proposed RSF/USF = 1.10)
Expansion/Reduction RSF:	None
Current Usable Square Feet/Person:	134
Estimated Usable Square Feet/Person:	134
Proposed Maximum Leasing Authority:	Up to 1 year from date of expiration
Expiration Dates of Current Leases:	08/16/2019
Delineated Area:	Washington, DC, Central Employment Area
Number of Official Parking Spaces ¹ :	17
Scoring:	Operating Lease
Estimated Rental Rate ² :	\$47.00/RSF
Estimated Total Annual Cost ³ :	\$14,266,662
Current Total Annual Cost:	\$11,894,682

¹ FEMA security requirements necessitate control of the parking at a leased location. This control is accomplished as a separate operating agreement with the lessor.

² This estimate is for fiscal year 2019 and may be escalated by 2.1 percent annually to the effective date of the lease to account for inflation. 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. The proposed rental rate is fully serviced including all operating expenses whether paid by the lessor or directly by the Government.

³ New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.

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Background

FEMA's mission is to support Americans and first responders to ensure that as a Nation we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards. The Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 100-707, signed into law November 23, 1988, amended the Disaster Relief Act of 1974, Public Law 93-288. It created the system in place today by which a Presidential Disaster Declaration of an emergency triggers financial and physical assistance through FEMA. The Act gives FEMA the responsibility for coordinating government-wide relief efforts.

Justification

The lease at Federal Center Plaza I at 500 C Street SW in Washington, DC, expires prior to FEMA's planned move to St. Elizabeths campus under the Enhanced Plan. GSA currently pays approximately \$11.9 million in annual rent for the leases that are proposed to be housed in this extension, a cost to the Government and taxpayer that will no longer be incurred once the Enhanced Plan is fully executed. Therefore, authorization is needed to extend the lease for a short term to align with the move to St. Elizabeths. FEMA will realize a smaller footprint and an improved utilization rate once the agency moves to St. Elizabeths.

The President's Fiscal Year (FY) 2017 budget proposed the funding necessary to complete the design and construction of a new facility to house FEMA at the St. Elizabeths campus. As presented in the FY 2017 capital program prospectus in support of the DHS consolidation at St. Elizabeths, GSA anticipates that construction completion of the new FEMA facility will occur in FY 2019.

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 August 19, 2016

Recommended: _____



Commissioner, Public Buildings Service

Approved: _____



Administrator, General Services Administration

Housing Plan
Department of Homeland Security
Federal Emergency Management Agency

Leased Locations	CURRENT						ESTIMATED/PROPOSED					
	Personnel			Usable Square Feet (USF) ¹			Personnel			Usable Square Feet (USF)		
	Office	Total		Office	Storage	Special	Total	Office	Storage	Special	Total	
500 C Street, SW, Washington, DC	2,047	2,047		196,290	1,248	77,689	275,227	2,047	196,290	1,248	77,689	275,227
Estimated/Proposed Lease												
Total	2,047	2,047		196,290	1,248	77,689	275,227	2,047	196,290	1,248	77,689	275,227

Office Utilization Rate (UR) ²		
Rate	Current	Proposed
	75	75

UR = average amount of office space per person
Current UR excludes 43,184 usf of office support space
Proposed UR excludes 43,184 usf of office support space

Overall UR ³		
Rate	Current	Proposed
	134	134

R/U Factor ⁴			
	Total USF	RSF/USF	Max RSF
Current	275,227	1.10	303,546
Estimated/Proposed	275,227	1.10	303,546

NOTES:

- ¹ USF 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.
- ² Calculation excludes Judiciary, Congress and agencies with less than 10 people
- ³ USF/Person = housing plan total USF divided by total personnel. 1.20 RSF/USF is GSA standard for new leases to expand competitive market.
- ⁴ R/U Factor = Max RSF divided by total USF

Special Space	USF
Conference / Training	18,440
Pantry / Break	5,291
Health Unit	857
SCIF	15,732
Command Center (NRCC)	10,626
Lactation Rooms	255
Private Toilet	141
Accountable Property Storage	3,167
Print / Graphic / Copy / Mail	5,734
TV Studio	670
Press Room	1,697
Lab	4,026
AV Room	155
Inter. Dist. Frame	4,831
Security Command Center	2,107
Security Lab	1,096
Ant / Gen / UPS / Quick Con	1,534
Mechanical Rooms	1,330
Total	77,689