



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

Bill Shuster
Chairman

Washington, DC 20515

Peter A. DeFazio
Ranking Member

COMMITTEE RESOLUTION

Christopher P. Bertram, Staff Director

Katherine W. Dedrick, Democratic Staff Director

LEASE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, DC
PDC-06-WA16

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 473,000 rentable square feet of space for the Federal Communications Commission currently located at 445 12th Street, SW and 1250 Maryland Avenue, SW in Washington, DC at a proposed total annual cost of \$23,650,000 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 180 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 180 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: **July 23, 2015**

Bill Shuster, M.C.
Chairman

**PROSPECTUS – LEASE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, DC**

Prospectus Number: PDC-06-WA16

Executive Summary

The U.S. General Services Administration (GSA) proposes a replacement lease of up to 473,000 rentable square feet (RSF) of space to house the Federal Communications Commission (FCC), currently located at 445 12th Street, SW, and 1250 Maryland Avenue, SW, Washington DC.

The replacement lease will provide continued housing for FCC and will improve FCC office and overall utilization rates (UR) from 178 to 115 usable square feet (USF) per person and 272 to 180 USF per person, respectively, while housing current personnel in 186,030 RSF less than the total of its current occupancies at the 445 12th Street, SW, and 1250 Maryland Avenue, SW, locations. In the absence of this reduction, the status quo cost of continued occupancy at the proposed market rental rate would be \$32,951,500.

Description

Occupant:	Federal Communications Commission
Lease Type	Replacement
Current Rentable Square Feet (RSF)	659,030 (Current RSF/USF = 1.10)
Proposed Maximum RSF ¹ :	473,000 (Proposed RSF/USF = 1.20)
Expansion/Reduction RSF:	186,030 (Reduction)
Current Usable Square Feet/Person:	272
Proposed Usable Square Feet/Person:	180
Proposed Maximum Leasing Authority:	15 years
Expiration Dates of Current Lease(s):	10/16/2017 (445 12th Street, SW) 10/31/2017 (1250 Maryland Ave, SW)
Delineated Area:	Washington, DC CEA
Number of Official Parking Spaces:	None
Scoring:	Operating Lease
Maximum Proposed Rental Rate ² :	\$50.00 / RSF

¹ The RSF/USF at the current location is approximately 1.10; 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 This estimate is for fiscal year 2017 and may be escalated by 1.9 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 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.

**PROSPECTUS – LEASE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, DC**

Prospectus Number: PDC-06-WA16

Proposed Total Annual Cost ³ :	\$23,650,000
Current Total Annual Cost:	\$34,658,703
	(445 12 th St. - Lease Effective 07/01/97)
	(1250 Maryland - Lease Effective 11/17/94)

Background

The FCC is responsible for the regulation of interstate and foreign communications by radio, television, wire, satellite, and cable; the orderly development and operation of broadcast services; and the provision of rapid, efficient nationwide and worldwide telephone and telegraph services at reasonable rates. FCC is also responsible for the use of communications for promoting safety of life and property and strengthening national defense.

Justification

The current leases at 445 12th Street, SW, and 1250 Maryland Avenue, SW, expire October 16, 2017, and October 31, 2017, respectively, and FCC requires continued housing to carry out its mission. In addition, FCC wants to capitalize on the opportunity presented by the expiring leases to reduce its footprint by 186,030 RSF, or 28.2 percent of its current 659,030 RSF and reduce their annual rental costs by approximately \$11 million.

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.

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.

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

**PROSPECTUS – LEASE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, DC**

Prospectus Number: PDC-06-WA16

Interim Leasing

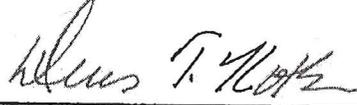
GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency prior to the effective date of the new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.

Certification of Need

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

Submitted at Washington, DC, on May 20, 2015

Recommended: 
Commissioner, Public Buildings Service

Approved: 
Acting Administrator, General Services Administration

Housing Plan
Federal Communications Commission

Leased Locations	CURRENT						PROPOSED						
	Personnel			Usable Square Feet (USF) ¹			Personnel			Usable Square Feet (USF)			
	Office	Total		Office	Storage	Special	Office	Total		Office	Storage	Special	Total
445 12th St SW	1,963	1,963		460,637	21,890	65,617							
1250 Maryland Ave SW	228	228		40,084	8,348	0		548,144					
Proposed Lease								48,432					
Total	2,191	2,191		500,721	30,238	65,617		596,576		2,191	12,474	56,275	393,633

Office Utilization Rate (UR) ²		
Current	178	115
Proposed		

UR = average amount of office space per person
 Current UR excludes 110,159 usf of office support space
 Proposed UR excludes 71,364 usf of office support space

Overall UR ³		
Current	272	180
Proposed		

R/U Factor ⁴			
	Total USF	RSF/USF	Max. RSF
Current	596,576	1.10	659,030
Proposed	393,633	1.20	473,000

Special Space	USF
Conference Training Rooms	19,725
Data Center	5,700
Fitness Center	1,500
Health Ctr Exam Rooms	1,200
Hearing Room	1,800
High Density Storage	111,700
Print Plant	9,000
SCIF	3,450
Security Command Ctr.	1,350
Tech. Experience Center	1,350
Total	56,775

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.

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