



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

Washington, DC 20515

Bill Shuster
Chairman

Peter A. DeFazio
Ranking Member

COMMITTEE RESOLUTION

Christopher P. Bertram, Staff Director

Katherine W. Dedrick, Democratic Staff Director

LEASE
DEPARTMENT OF EDUCATION
SAN FRANCISCO, CA
PCA-02-SF16

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 75,269 rentable square feet of space, including 2 official parking spaces, for the Department of Education currently located at 50 Beale Street in San Francisco, California at a proposed total annual cost of \$5,494,637 for a lease term of up to 3 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 468 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 468 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: **March 2, 2016**



Bill Shuster, M.C.
Chairman

**PROSPECTUS – LEASE
DEPARTMENT OF EDUCATION
SAN FRANCISCO, CA**

Prospectus Number: PCA-02-SF16
Congressional District: 12

Executive Summary

The General Services Administration (GSA) proposes a lease extension of up to 75,269 rentable square feet (RSF) of space for the Department of Education (ED), currently located at 50 Beale Street, San Francisco, CA, under one lease that was effective in 2006.

The proposed lease will continue to house ED while space is completed and readied for occupancy in the Phillip Burton Federal Building and U.S. Courthouse. ED will maintain its current office utilization rate of 253 useable square feet (USF) per person and overall utilization rate of 468 USF per person.

Description

Occupant:	Department of Education
Lease Type	Extension
Current Rentable Square Feet (RSF)	75,269 (Current RSF/USF = 1.25)
Proposed Maximum RSF:	75,269 (Proposed RSF/USF = 1.25)
Expansion/Reduction RSF:	None
Current Usable Square Feet/Person:	468
Proposed Usable Square Feet/Person:	468
Proposed Maximum Lease Term:	3 Years
Expiration Dates of Current Leases:	09/18/2016
Delineated Area:	50 Beale Street, San Francisco, CA
Number of Official Parking Spaces:	2
Scoring:	Operating lease
Maximum Proposed Rental Rate ¹ :	\$73.00 / RSF
Proposed Total Annual Cost ² :	\$5,494,637
Current Total Annual Cost:	\$3,427,095 (Lease effective 09/19/2006)

¹This estimate is for fiscal year 2016 and may be escalated by 1.6 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 extension 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.

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

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DEPARTMENT OF EDUCATION
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Justification

The Department of Education, currently located at 50 Beale Street, requires continued housing while space within the Phillip Burton Federal Building and U.S. Courthouse is completed for occupancy. Once work is completed in 2018, ED will move into the Federal Building and U.S. Courthouse and improve its office utilization and overall utilization rates from 253 to approximately 100 usable square feet (USF) per person and 468 to approximately 209 USF per person, respectively.

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 new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.

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SAN FRANCISCO, CA**

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Certification of Need

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

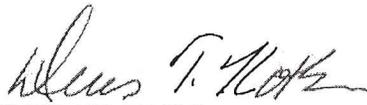
Submitted at Washington, DC, on July 27, 2015

Recommended:



Commissioner, Public Buildings Service

Approved:



Acting Administrator, General Services Administration

December 2014

Housing Plan
Department of Education

PCA-02-SF16
San Francisco, CA

Locations	Personnel			CURRENT			PROPOSED		
	Office	Total		Office	Total		Office	Total	
	Usable Square Feet (USF) ¹			Usable Square Feet (USF)			Usable Square Feet (USF)		
50 Beale Street, San Francisco, CA	129	129		41,796	60,377	18,581			
Proposed Lease									
Total	129	129	-	41,796	60,377	18,581	129	129	18,581
							41,796	41,796	18,581
									60,377
									60,377

Office Utilization Rate (UR) ²	
Current	253
Proposed	253

UR=average amount of office space per person
Current UR excludes 9,195 usf of office support space
Proposed UR excludes 9,195 usf of office support space

Overall UR ³	
Current	468
Proposed	468

R/U Factor ⁴	
Current	60,377
Proposed	60,377
	75,269
	75,269

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.

²Calculation excludes Judiciary, Congress and agencies with less than 10 people

³USF/Person = housing plan total USF divided by total personnel.

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

Special Space	USF
Regional Training Facility	4,189
Training	2,639
Lactation Room	865
Mailroom	768
Pantry	845
Union	991
VTC	614
Conference Room	3,415
OCTO(LAN)	1,001
Library	1,381
Team Rooms	763
Workroom	1,110
Total	18,581

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United States Senate

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

WASHINGTON, DC 20510-6175

RYAN JACKSON, MAJORITY STAFF DIRECTOR
BETTINA POIRIER, DEMOCRATIC STAFF DIRECTOR

COMMITTEE RESOLUTION

LEASE
DEPARTMENT OF EDUCATION
SAN FRANCISCO, CALIFORNIA
PCA-02-SF16

RESOLVED BY THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS OF THE UNITED STATES SENATE

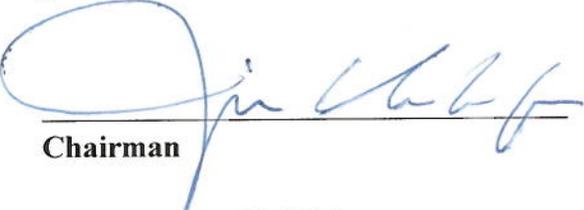
that pursuant to title 40 U.S.C. § 3307, a prospectus providing for a lease extension of up to 75,269 rentable square feet of space, for the Department of Education, currently located at 50 Beale Street, San Francisco, California, at a maximum proposed rental rate of \$73 per rentable square foot, at a proposed total annual cost of \$5,494,637 for a lease term of up to 3 years, a description of which is attached hereto and by reference made part of this resolution, is approved.

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

Provided, that to the maximum extent practicable, the Administrator of General Services shall require that the procurement include energy efficiency requirements as would be required for the construction of a federal building.

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 Environment and Public Works of the United States Senate prior to exercising any lease authority provided in this resolution.

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


Chairman


Ranking Member

Adopted: January 20, 2016