



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
U.S. DEPARTMENT OF DEFENSE
ARMY CORPS OF ENGINEERS
SAN FRANCISCO, CA
PCA-03-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 71,728 rentable square feet of space for the Army Corps of Engineers currently located at 1455 Market Street in San Francisco, California at a proposed total annual cost of \$4,662,320 for a lease term of up to 2 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 204 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 204 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**

A handwritten signature in blue ink that reads "Bill Shuster". The signature is written in a cursive style with a horizontal line underneath the name.

Bill Shuster, M.C.
Chairman

**PROSPECTUS – LEASE
U.S. DEPARTMENT OF DEFENSE
ARMY CORPS OF ENGINEERS
SAN FRANCISCO, CA**

Prospectus Number: PCA-03-SF16
Congressional District: 12

Executive Summary

The General Services Administration (GSA) proposes a lease extension of up to 71,728 rentable square feet (RSF) of space for the Department of Defense - Army Corps of Engineers (ACE), currently located at 1455 Market Street, San Francisco, CA.

The proposed lease will continue to house ACE while space is completed and readied for occupancy in the Phillip Burton Federal Building-U.S. Courthouse. ACE will maintain its current office utilization rate of 130 useable square feet (USF) per person and all-in utilization rate of 204 USF per person.

Description

Occupant:	Army Corps of Engineers
Lease Type	Extension
Current Rentable Square Feet (RSF)	71,728 (Current RSF/USF = 1.14)
Proposed Maximum RSF:	71,728 (Proposed RSF/USF = 1.14)
Expansion/Reduction RSF:	None
Current Usable Square Feet/Person:	204
Proposed Usable Square Feet/Person:	204
Proposed Maximum Lease Term:	2 Years
Expiration Dates of Current Leases:	02/19/2017
Delineated Area:	1455 Market Street, San Francisco, CA
Number of Official Parking Spaces:	None
Scoring:	Operating lease
Maximum Proposed Rental Rate ¹ :	\$65.00 / RSF

¹This estimate is for fiscal year 2017 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.

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Prospectus Number: PCA-03-SF16
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Proposed Total Annual Cost ²	\$4,662,320
Current Total Annual Cost:	\$2,610,462 (Lease effective 02/20/2007)

Justification

The Army Corps of Engineers is currently located at 1455 Market Street and will be moving into the Phillip Burton Federal Building-U.S. Courthouse upon completion of its space in 2018. ACE recently reduced its square footage at 1455 Market from 89,995 RSF to 71,728 RSF in an effort to reduce costs and improve utilization. When ACE moves to the Federal Building in 2018, it will occupy approximately the same square footage as the existing lease.

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.

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

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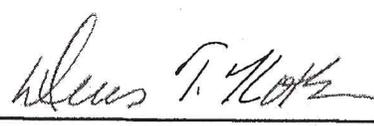
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Certification of Need

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
Army Corps of Engineers

PCA-03-SF16
San Francisco, CA

Locations	CURRENT				PROPOSED			
	Personnel		Usable Square Feet (USF) ¹		Personnel		Usable Square Feet (USF)	
	Office	Total	Storage	Special	Office	Total	Storage	Special
1455 Market Street, San Francisco, CA	310	310	2,272	9,400				
Proposed Lease								
Total	310	310	2,272	9,400	310	310	2,272	9,400

Office Utilization Rate (UR) ²	
Current	130
Proposed	130

UR=average amount of office space per person
Current UR excludes 11,327 usf of office support space
Proposed UR excludes 11,327 usf of office support space

Overall UR ³	
Current	204
Proposed	204

R/U Factor ⁴	
Current	1.14
Proposed	1.14

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
Automated Data Processing	2,365
Copy/File Room	2,180
Conference Room	3,337
Break Room	512
Waiting Room	400
Mail Room	249
Communication Room	357
Total	9,400

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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
U.S. DEPARTMENT OF DEFENSE
ARMY CORPS OF ENGINEERS
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RESOLVED BY THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS OF THE UNITED STATES SENATE

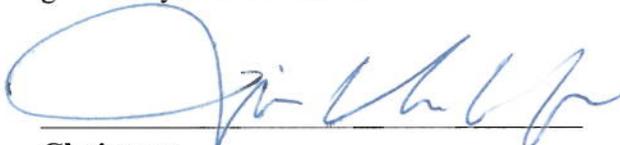
that pursuant to title 40 U.S.C. § 3307, a prospectus providing for a lease extension of up to 71,728 rentable square feet of space, for the Department of Defense- Army Corps of Engineers, currently located at 1455 Market Street, San Francisco, CA, at a maximum proposed rental rate of \$65 per rentable square foot, at a proposed total annual cost of \$4,662,320 for a lease term of up to 2 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