



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
U.S. DEPARTMENT OF DEFENSE
ARMY CORPS OF ENGINEERS
BALTIMORE, MD
PMD-01-BA16

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 143,000 rentable square feet of space, including 44 official parking spaces, for the Department of Defense, Army Corps of Engineers currently located at 10 South Howard Street in Baltimore, Maryland at a proposed total annual cost of \$4,842,200, including an annual parking cost of \$123,200, for a lease term of up to 20 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 183 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 183 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 prominent "B" and "S".

Bill Shuster, M.C.
Chairman

**PROSPECTUS – LEASE
U.S. DEPARTMENT OF DEFENSE
ARMY CORPS OF ENGINEERS
BALTIMORE, MD**

Prospectus Number: PMD-01-BA16
Congressional District: 3,7

Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 143,000 rentable square feet (RSF) for the Department of Defense - Army Corps of Engineers (ACE), currently located at 10 South Howard Street, Baltimore, MD, under one lease that was effective in 1993.

The replacement lease will provide continued housing for ACE and will improve ACE office and overall utilization rates from 133 to 108 usable square feet (USF) per person and 227 to 183 USF per person, respectively. As a result of the improved utilization, the replacement lease will reduce the rentable square footage of the requirement by 19 percent, a 33,332 RSF reduction from the total of its current occupancy. In the absence of this reduction, the status quo cost of continued occupancy at the proposed market rental rate would be \$5,818,956.

Description

Occupant:	Army Corps of Engineers
Lease Type	Replacement
Current Rentable Square Feet (RSF)	176,332 (Current RSF/USF = 1.15)
Proposed Maximum RSF:	143,000 (Proposed RSF/USF = 1.15)
Reduction RSF:	33,332
Current Usable Square Feet/Person:	227
Proposed Usable Square Feet/Person:	183
Proposed Maximum Lease Term:	20 Years
Expiration Dates of Current Leases:	3/30/2018
Delineated Area:	Baltimore Central Business District
Number of Official Parking Spaces ¹ :	44
Scoring:	Operating lease

¹ ACE security requirements may necessitate control of the parking at the leased location. This control may be accomplished as a lessor-furnished service, as a separate operating agreement with the lessor, or as part of the Government's leasehold interest in the building.

**PROSPECTUS – LEASE
U.S. DEPARTMENT OF DEFENSE
ARMY CORPS OF ENGINEERS
BALTIMORE, MD**

Prospectus Number: PMD-01-BA16
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Maximum Proposed Rental Rate ² :	\$33.00 / RSF
Proposed Total Parking Cost ³ :	\$123,200
Proposed Total Lease Cost ⁴ :	\$4,719,000
Proposed Total Annual Cost	\$4,842,200
Current Total Annual Cost:	\$4,562,710 (Lease effective 3/31/1993)

Justification

The City Crescent Building, at 10 South Howard Street, houses the ACE headquarters office for the Baltimore District, which supports infrastructure projects in five states; the District of Columbia; the watersheds of the Susquehanna and Potomac Rivers, and the Chesapeake Bay; and overseas and provides emergency response during disasters. The City Crescent Building houses ACE and several other agencies under one lease agreement.

A number of the other tenant agencies in the building plan to backfill vacancies in nearby Federal Buildings; ACE will continue to be housed in leased space because there is no federally owned space large enough to accommodate the requirement.

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.

²This estimate is for fiscal year 2018 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.

³This estimate is for fiscal year 2018 and may be escalated by 1.9% percent annually to the effective date of the lease to account for inflation.

⁴New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.

**PROSPECTUS – LEASE
U.S. DEPARTMENT OF DEFENSE
ARMY CORPS OF ENGINEERS
BALTIMORE, MD**

Prospectus Number: PMD-01-BA16
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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 new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.

Certification of Need

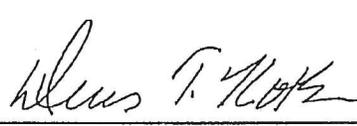
The proposed lease is the best solution to meet a validated Government need.

Submitted at Washington, DC, on September 8, 2015

Recommended: _____


Commissioner, Public Buildings Service

Approved: _____


Administrator, General Services Administration

November 2014

Housing Plan
Army Corps of Engineers

PMD-01-BA16
Baltimore, MD

Locations	CURRENT				PROPOSED			
	Personnel		Usable Square Feet (USF) ¹		Personnel		Usable Square Feet (USF)	
	Office	Total	Storage	Special	Office	Total	Storage	Special
City Crescent Building	675	675	20,400	17,722	675	675	13,120	16,830
Proposed lease	675	675	20,400	17,722	675	675	13,120	16,830
Total								

Office Utilization Rate (UR) ²		
Rate	Current	Proposed
	133	108

UR=average amount of office space per person

Current UR excludes 25,346 usf of office support space

Proposed UR excludes 20,643 usf of office support space

Overall UR ³		
Rate	Current	Proposed
	227	183

R/U Factor ⁴			
	Total USF	RSF/USF	Max RSF
Current	153,332	1.15	176,332
Proposed	123,780	1.15	143,000

Special Space	USF
Health Unit	2,150
Physical Fitness	2,250
Conference/Classroom	3,176
Wet Lab	174
Library	725
Mail Room	2,448
Food Service	2,313
Emergency Response Center	1,418
Multimedia Studio	1,233
Security Center	508
ADP	438
Total	16,833

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

DAVID VITTER, LOUISIANA
JOHN BARRASSO, WYOMING
SHELLEY MOORE CAPITO, WEST VIRGINIA
MIKE CRAPO, IDAHO
JOHN BOOZMAN, ARKANSAS
JEFF SESSIONS, ALABAMA
ROGER WICKER, MISSISSIPPI
DEB FISCHER, NEBRASKA
MIKE ROUNDS, SOUTH DAKOTA
DAN SULLIVAN, ALASKA

BARBARA BOXER, CALIFORNIA
THOMAS R. CARPER, DELAWARE
BENJAMIN L. CARDIN, MARYLAND
BERNARD SANDERS, VERMONT
SHELDON WHITEHOUSE, RHODE ISLAND
JEFF MERKLEY, OREGON
KIRSTEN GILLIBRAND, NEW YORK
CORY A. BOOKER, NEW JERSEY
EDWARD J. MARKEY, MASSACHUSETTS

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

**REPLACEMENT LEASE
U.S. DEPARTMENT OF DEFENSE
ARMY CORPS OF ENGINEERS
BALTIMORE, MARYLAND
PMD-01-BA16**

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

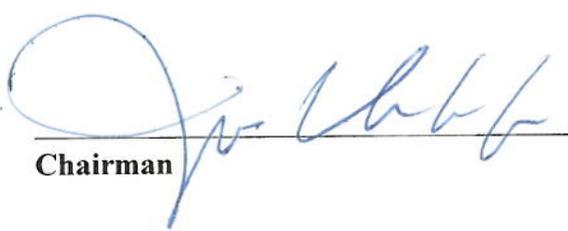
that pursuant to title 40 U.S.C. § 3307, a prospectus providing for a replacement lease of up to 143,000 rentable square feet of space, for the Department of Defense- Army Corps of Engineers, currently located at 10 South Howard street, Baltimore, Maryland, at a maximum proposed rental rate of \$33 per rentable square foot, at a proposed total annual cost of \$4,842,200 for a lease term of up to 20 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