



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

Washington, DC 20515

Bill Shuster  
Chairman

Nick J. Rahall, III  
Ranking Member

COMMITTEE RESOLUTION

Christopher P. Bertram, Staff Director

James H. Zoia, Democrat Staff Director

LEASE  
DEPARTMENT OF EDUCATION  
WASHINGTON, DC  
PDC-05-WA15

*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 290,000 rentable square feet of space, including 17 official parking spaces, for the Department of Education currently located at 550 12<sup>th</sup> Street SW, 555 New Jersey Avenue NW, and 1990 K Street NW, in Washington, D.C., at a proposed total annual cost of \$14,500,000 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: September 17, 2014

Bill Shuster, M.C.  
Chairman

**PROSPECTUS – LEASE  
DEPARTMENT OF EDUCATION  
WASHINGTON, DC**

Prospectus Number: PDC-05-WA15

**Executive Summary**

The General Services Administration (GSA) proposes a replacement lease of up to 290,000 rentable square feet (RSF) of space for the Department of Education (DoEd) in Washington, DC. This requirement is currently housed at three locations: 550 12<sup>th</sup> Street SW, 555 New Jersey Avenue NW, and 1990 K Street NW, in Washington, DC. Replacement of the leases will enable DoEd to provide continued housing for current personnel while meeting its mission requirements.

DoEd will improve its office utilization rate from 236 usable square feet (USF) per person to 128 USF per person and its overall utilization rate from 335 USF per person to 180 USF per person. In addition to the improved space utilization, the replacement lease will reduce the current requirement by 212,329 RSF.

**Description**

Occupant:	DoEd
Lease Type	Replacement
Current Rentable Square Feet (RSF)	502,329 (Current RSF/USF = 1.12)
Proposed Maximum RSF:	290,000 (Proposed RSF/USF = 1.20)
Expansion Space RSF <sup>1</sup> :	Reduction (212,329) RSF
Current Usable Square Feet/Person:	335
Proposed Usable Square Feet/Person:	180
Proposed Maximum Leasing Authority:	15 years
Expiration Dates of Current Lease(s):	3/31/2014 - 550 12 <sup>th</sup> St. 3/10/2014 - 555 New Jersey Ave. 8/10/2013 - 1990 K St.
Delineated Area:	Washington, DC, CEA
Number of Official Parking Spaces:	17
Scoring:	Operating Lease
Maximum Proposed Rental Rate <sup>2</sup> :	\$50.00

<sup>1</sup> The RSF/USF at the current location is approximately 1.12; however, to maximize competition, a RSF/USF ratio of 1.2 is used for the proposed maximum RSF as indicated in the housing plan.

<sup>2</sup> This estimate is for fiscal year 2017 and may be escalated by 2.0 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  
DEPARTMENT OF EDUCATION  
WASHINGTON, DC**

Prospectus Number: PDC-05-WA15

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Proposed Total Annual Cost <sup>3</sup> :	\$14,500,000
Current Total Annual Cost:	\$19,752,901 (leases effective 4/1/04, 3/11/01, 8/12/99)

**Acquisition Strategy**

In order to maximize the flexibility in acquiring space to house DoEd, GSA may issue a single, multiple award solicitation that will allow offerors to provide blocks of space able to meet the requirements in whole or in part. All offers must provide space consistent with the delineated area defined by this prospectus.

**Justification**

The three leases housing this requirement expired as follows and are in holdover: 550 12<sup>th</sup> St. SW on March 31, 2014; 1990 K St. NW on August 10, 2013; and 555 New Jersey Ave. NW on March 10, 2014; and DoEd requires continued housing to carry out its mission. The personnel housed in the leases at 1990 K St. and 555 New Jersey Ave were originally planning to move to the federally owned Mary Switzer Building. However, the Department of Health and Human Services now plans to fully occupy this building. The current leases will require interim extensions until FY 2017 when the long-term requirement can be executed. The proposed 290,000 RSF will house all DoEd functions and personnel in 212,329 RSF less than the total at the three current leases.

**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.

**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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<sup>3</sup> Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

**PROSPECTUS – LEASE  
DEPARTMENT OF EDUCATION  
WASHINGTON, DC**

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**Certification of Need**

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

Submitted at Washington, DC, on July 24, 2014

Recommended:  \_\_\_\_\_

Commissioner, Public Buildings Service

Approved:  \_\_\_\_\_

Administrator, General Services Administration

April 2014

Housing Plan  
Department of Education

PDC-05-WA15  
Washington, DC

Locations	CURRENT						PROPOSED					
	Personnel		Usable Square Feet (USF) <sup>1</sup>			Total	Personnel		Usable Square Feet (USF)			Total
	Office	Total	Office	Storage	Special		Office	Total	Office	Storage	Special	
Potomac Center, 550 12th St. SW	951	951	265,776	-	20,152	286,928						
Capital Place, 552 NJ Ave NW	88	88	50,667		8,261	58,928						
1990 K Street NW	301	301	88,823		14,060	102,883						
Proposed Lease							1,340	1,340			20,810	241,200
<b>Total</b>	<b>1,340</b>	<b>1,340</b>	<b>406,266</b>	<b>-</b>	<b>42,473</b>	<b>448,739</b>	<b>1,340</b>	<b>1,340</b>	<b>-</b>	<b>-</b>	<b>20,810</b>	<b>241,200</b>

Office Utilization Rate (UR) <sup>2</sup>		
Rate	Current	Proposed
	236	128

UR = average amount of office space per person  
Current UR excludes 89,379 usf of office support space  
Proposed UR excludes 48,486 usf of office support space

Overall UR <sup>3</sup>		
Rate	Current	Proposed
	335	180

R/U Factor <sup>4</sup>			
	Total USF	RSF/USF	Max RSF
Current	448,739	1.12	502,329
Proposed	241,200	1.20	290,000

NOTES:

- <sup>1</sup> 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.
- <sup>2</sup> Calculation excludes Judiciary, Congress and agencies with less than 10 people
- <sup>3</sup> USF/Person = housing plan total USF divided by total personnel.
- <sup>4</sup> R/U Factor = Max RSF divided by total USF

Special Space	USF
Event/MultiMedia	8,648
Health Unit	1,683
Snack Bar	1,151
Breakroom	5,417
Lan Room	1,584
Video Telecon Center	1,745
Locker Room	580
<b>Total</b>	<b>20,810</b>

**United States Senate**  
**COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS**

**COMMITTEE RESOLUTION**

REPLACEMENT LEASE  
DEPARTMENT OF EDUCATION  
WASHINGTON, DC  
PDC-05-WA15

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

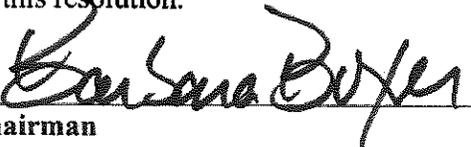
that pursuant to title 40 U.S.C. § 3307, a prospectus providing for a replacement lease of up to a maximum 290,000 rentable square feet of space, and 17 parking spaces, for the Department of Education, currently located at 550 12<sup>th</sup> Street SW, 555 New Jersey Avenue NW, and 1990 K Street NW, in Washington, D.C., at a maximum proposed rental rate of \$50.00 per rentable square foot, at a proposed total annual cost of \$14,500,000 for a lease term of up to 15 years, a description of which is attached hereto and by reference made part of this resolution, is approved.

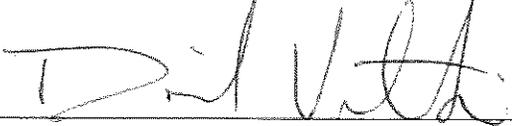
Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to execution of the new lease.

*Provided*, that to the maximum extent practicable, the Administrator of General Services shall require that the procurement include requirements requiring energy efficiency 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: September 18, 2014