



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
ENVIRONMENTAL PROTECTION AGENCY
NORTHERN VIRGINIA
PVA-02-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 lease extension of up to 326,057 rentable square feet of space, including 15 official parking spaces, for the Environmental Protection Agency currently located at 2777 Crystal Drive (One Potomac Yard) and 2733 Crystal Drive in Arlington, Virginia at a proposed total annual cost of \$12,716,223 for a lease term of up to 5 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 196 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 196 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 under the word "Bill".

Bill Shuster, M.C.
Chairman

**PROSPECTUS – LEASE
ENVIRONMENTAL PROTECTION AGENCY
NORTHERN VIRGINIA**

Prospectus Number: PVA-02-WA16
Congressional District: VA-8, 10, 11

Executive Summary

The General Services Administration (GSA) proposes a lease extension of 326,057 rentable square feet (RSF) for the Environmental Protection Agency (EPA), currently located at 2777 Crystal Drive (One Potomac Yard) and 2733 Crystal Drive in Arlington, Virginia. The 5 year lease extension will consolidate the EPA functions housed in 2733 Crystal Drive into One Potomac Yard while EPA and GSA develop and budget for EPA's long-term consolidation into federally owned space.

Description

Occupant:	Environmental Protection Agency
Lease Type	Extension
Current Rentable Square Feet (RSF)	453,651 (Current RSF/USF = 1.14)
Proposed Maximum RSF:	326,057 (Proposed RSF/USF = 1.20)
Expansion/Reduction RSF:	127,594 Reduction
Current Usable Square Feet/Person:	275
Proposed Usable Square Feet/Person:	196
Proposed Maximum Leasing Authority:	5 years
Expiration Dates of Current Lease(s):	03/01/2016 (2777 Crystal Drive) 04/05/2016 (2733 Crystal Drive)
Delineated Area:	2777 Crystal Drive, Arlington, Virginia
Number of Official Parking Spaces:	15 spaces
Scoring:	Operating Lease
Maximum Proposed Rental Rate ¹ :	\$39.00 / RSF

¹ This estimate is for fiscal year 2016 and may be escalated by 1.8 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 the 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.

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ENVIRONMENTAL PROTECTION AGENCY
NORTHERN VIRGINIA**

Prospectus Number: PVA-02-WA16
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Proposed Total Annual Cost ² :	\$12,716,223
Current Total Annual Cost:	\$16,674,749 (leases effective 03/02/2006 and 04/06/2006)

Justification

In the short term, the consolidation of functions at One Potomac Yard will eliminate the need for 127,594 rentable square feet of leased space at 2733 Crystal Drive with an annual lease cost avoidance of approximately \$5.6 million. Long term, EPA is continuing to reduce its footprint in the national capital region and will continue to consolidate functions within federally owned space. GSA and EPA will be requesting funding for the consolidation in a future fiscal year. The lease extension will allow EPA and GSA to budget for move and relocation costs, conduct assessment studies, and any necessary renovation costs to implement the best overall long term strategy for EPA in the Washington Metropolitan market area. The current leases expire on March 1, 2016, and April 5, 2016, respectively. In the absence of this reduction, the status quo cost of continued occupancy at the proposed market rental rate would be \$17,692,389.

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.

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

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ENVIRONMENTAL PROTECTION AGENCY
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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

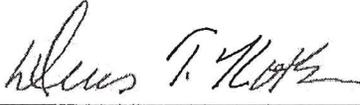
The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on September 8, 2015

Recommended: _____


Commissioner, Public Buildings Service

Approved: _____


Administrator, General Services Administration

June 2015

Housing Plan
Environmental Protection Agency

PVA-02-WA16
Northern, VA

Locations	CURRENT						PROPOSED						
	Personnel			Usable Square Feet (USF) ¹			Personnel			Usable Square Feet (USF)			
	Office	Total	Rate	Office	Storage	Special	Office	Total	Rate	Office	Storage	Special	Total
2777-2733 Crystal Dr, Arlington, VA	1,420	1,442	1,420	323,618	3,137	69,536	1,390	1,390	1,390	224,936	1,768	46,085	272,789
One Potomac Yard	1,420	1,442	1,420	323,618	3,137	69,536	1,390	1,390	1,390	224,936	1,768	46,085	272,789
Total													

Office Utilization Rate (UR) ²			
Rate	Current	Proposed	Rate
	178	126	

UR = average amount of office space per person

Current UR excludes 71,196 usf of office support space

Proposed UR excludes 49,486 usf of office support space

Overall UR ³			
Rate	Current	Proposed	Rate
	275	196	

R/U Factor ⁴			
	Total USF	RSF/USF	Max RSF
Current	396,291	1.14	453,651
Proposed	272,789	1.20	326,057

Special Space	USF
Badging	150
Bike Facilities/Showers	1,707
Conferencing	10,495
Training Center	5,826
Computer & Security	3,062
LAN, Reproductions, Pantries	8,362
Fitness Center	3,321
High Density File	9,692
Health Unit	915
Lactation Room	155
Shipping/Receiving/Mail	2,400
Total	46,085

NOTES:

¹ USF means the portion of the building available for use by a tenant's personnel and furnishings and space avail

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

DAVID VITTER, LOUISIANA
JOHN BARRASSO, WYOMING
SHELLEY MOORE CAPITO, WEST VIRGINIA
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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
ENVIRONMENTAL PROTECTION AGENCY
ARLINGTON, VIRGINIA
PVA-02-WA16

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 326,057 rentable square feet of space, for the Environmental Protection Agency, currently located at 2777 Crystal Drive and 2733 Crystal Drive in Arlington, Virginia, at a maximum proposed rental rate of \$39 per rentable square foot, at a proposed total annual cost of \$12,716,223 for a lease term of up to 5 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