Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

Bill Shuster
Chairman

Christopher P. Bertram, Staff Director

Peter A. DeFazio
Ranking Member

Katherine W. Dedrick, Democratic Staff Director

COMMITTEE RESOLUTION

LEASE
DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON, DC
PC-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 replacement lease of up to 97,000 rentable square feet of space for the Department of Veterans Affairs currently located at 801 I Street, NW in Washington, DC at a proposed total annual cost of $4,850,000 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 184 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 184 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

Bill Shuster, M.C.
Chairman

PROSPECTUS – LEASE
DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON, DC

Prospectus Number: PC-02-WA16

Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 97,000 rentable square feet (RSF) of space for the Department of Veterans Affairs (VA) in Washington, DC. VA is currently housed at 801 I Street, NW, in Washington, DC, under a lease that expires June 30, 2017.

Description

Occupant:	Department of Veterans Affairs
Lease Type	Replacement
Current Rentable Square Feet (RSF)	86,927 (Current RSF/USF = 1.06)
Proposed Maximum RSF[1]:	97,000 (Proposed RSF/USF = 1.20)
Expansion/Reduction RSF:	None
Current Usable Square Feet/Person:	161
Proposed Usable Square Feet/Person:	184
Proposed Maximum Leasing Authority:	15 years
Expiration Dates of Current Lease(s):	6/30/2017
Delineated Area:	Washington, DC, Central Employment Area
Number of Official Parking Spaces:	None
Scoring:	Operating Lease
Maximum Proposed Rental Rate[2]:	$50.00 / RSF
Proposed Total Annual Cost[3]:	$4,850,000
Current Total Annual Cost:	$3,671,984 (lease effective 2007)

[1] The RSF/USF at the current location is approximately 1.06; however, to maximize competition, a RSF/USF ratio of 1.2 is used for the proposed maximum RSF as indicated in the housing plan.

[2] This estimate is for fiscal year 2017 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 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.

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

PROSPECTUS – LEASE
DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON, DC

Prospectus Number: PC-02-WA16

Justification

The current location houses three VA components: the Office of Inspector General (OIG), the Office of Small Disadvantaged Business Utilization (OSDBU), and the Office of Information Technology (OIT).

This prospectus seeks authority to house two of the components, OIG and OSDBU, while the third component, OIT, will be relocated into federally owned space. OIG will be increasing by 22 personnel to respond to VA's recent issues regarding patient wait times, and the office has already received appropriations to respond to this matter. OIT will be relocating into the Lafayette Federal Building.

OIG and OSDBU will improve their office utilization rate from 100 USF per person to 89 USF per person. The overall utilization rate will increase slightly from 161 USF per person to 184 per person due to OSDBU's need for office and special space that is currently shared with the other VA components.

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 for which this prospectus seeks authorization. GSA encourages offerors to work with energy service providers 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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DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON, DC

Prospectus Number: PC-02-WA16

Certification of Need

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

Submitted at Washington, DC, on October 23, 2015

Recommended: _____
Commissioner, Public Buildings Service

Approved: _____
Administrator, General Services Administration

Novemeber 2014

Housing Plan
Veterans Affairs

PDC-02-WA16
Washington, DC

Locations	CURRENT						PROPOSED					
	Personnel		Usable Square Feet (USF)[1]				Personnel		Usable Square Feet (USF)			
	Office	Total	Office	Storage	Special	Total	Office	Total	Office	Storage	Special	Total
Techworld Plaza												
OIG	241	241	42,332	1,088	16,033	59,453						
OSDBU	174	174	5,927			5,927						
OIT	95	95	16,948			16,948						
Proposed Lease							437	437	49,806	1,088	29,573	80,467
Total	**510**	**510**	**65,207**	**1,088**	**16,033**	**82,328**	**437**	**437**	**49,806**	**1,088**	**29,573**	**80,467**

Office Utilization Rate (UR)[2]		
	Current	**Proposed**
Rate	100	89

UR = average amount of office space per person
Current UR excludes 14,346 usf of office support space
Proposed UR excludes 10,957 usf of office support space

Overall UR[3]		
	Current	**Proposed**
Rate	161	184

R/U Factor[4]	Total USF	RSF/USF	Max. RSF
Current	82,328	1.06	86,927
Proposed	80,467	1.20	97,000

Special Space	USF
Investigative Operations	400
Evidence Room/Vault	250
Health Inspection Rooms	550
Interview Rooms	200
Conference	8,797
LAN Rooms	3,333
Copy/Supply	2,461
File Room	1,435
Break Room	1,715
Fitness Room	2,025
Forensics	1,700
Training	5,869
IT/Comms Closet	274
Health Unit	564
Total	**29,573**

NOTES:

[1] 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.

[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

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United States Senate
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
WASHINGTON, DC 20510–6175

COMMITTEE RESOLUTION

LEASE
DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON, DC
PDC-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 97,000 rentable square feet of space, for the Department of Veterans Affairs, currently located at 801 I Street NW, Washington DC, at a maximum proposed rental rate of $50 per rentable square foot, at a proposed total annual cost of $4,850,000 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 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

Barbara Boxer
Ranking Member

Adopted: January 20, 2016

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