



**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**  
**DEPARTMENT OF STATE**  
**WASHINGTON, DC**  
**PDC-05-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 115,000 rentable square feet of space for the Department of State currently located at 2121 Virginia Avenue, NW in Washington, DC at a proposed total annual cost of \$5,750,000 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 195 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 195 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  
DEPARTMENT OF STATE  
WASHINGTON, DC**

Prospectus Number: PDC-05-WA16

**Executive Summary**

The U.S. General Services Administration (GSA) proposes a replacement lease of up to 115,000 rentable square feet (RSF) of space for the Department of State (DOS), currently housed at 2121 Virginia Ave., NW, Washington, DC.

The replacement lease will provide continued housing for DOS and will improve DOS office and overall utilization rates from 130 to 121 usable square feet (USF) per person and 209 to 195 USF per person, respectively.

**Description**

Occupant:	Department of State
Lease Type	Replacement
Current Rentable Square Feet (RSF)	110,294 (Current RSF/USF = 1.16)
Proposed Maximum RSF <sup>1</sup> :	115,000 (Proposed RSF/USF = 1.20)
Expansion/Reduction RSF:	None
Current Usable Square Feet/Person:	209
Proposed Usable Square Feet/Person:	195
Proposed Maximum Leasing Authority:	15 years
Expiration Dates of Current Lease(s):	10/31/2017
Delineated Area:	Washington, DC CEA
Number of Official Parking Spaces:	None
Scoring:	Operating Lease
Maximum Proposed Rental Rate <sup>2</sup> :	\$50.00 / RSF

<sup>1</sup> The RSF/USF at the current location is approximately 1.16; 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 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 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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Proposed Total Annual Cost <sup>3</sup> :	\$5,750,000
Current Total Annual Cost:	\$5,691,805 (leases effective 11/1/2007)

**Justification**

The current lease at 2121 Virginia Ave., NW, expires October 31, 2017. DOS requires continued housing for 456 personnel currently working in this location and will consolidate an additional 34 personnel by relocating existing functions dispersed in other locations. The proposed leases will streamline current DOS operations and allow for more efficient use of space.

The FY 2016 President's Budget includes the purchase of the American Red Cross Building located at 2025 E Street, NW. If the purchase is executed as proposed, the Federal Government would eliminate \$12 million in annual private sector lease costs. The DOS personnel housed under this prospectus would relocate into the purchased facility. This prospectus will be necessary if that purchase is not funded or cannot be executed.

**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.

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<sup>3</sup> New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.

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**PROSPECTUS – LEASE  
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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.

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**PROSPECTUS – LEASE  
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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 November 24, 2015

Recommended: 

\_\_\_\_\_  
Commissioner, Public Buildings Service

Approved: 

\_\_\_\_\_  
Administrator, General Services Administration

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	
2121 Virginia Avenue, NW	456	456	76,280	3,507	15,535	95,322	490	490	76,280	3,507	15,535	95,322
Proposed Lease	456	456	76,280	3,507	15,535	95,322	490	490	76,280	3,507	15,535	95,322
<b>Total</b>												

Office Utilization Rate (UR) <sup>2</sup>		
Rate	Current	Proposed
	130	121

UR = average amount of office space per person  
 Current UR excludes 16,782 usf of office support space  
 Proposed UR excludes 16,782 usf of office support space

Overall UR <sup>3</sup>		
Rate	Current	Proposed
	209	195

R/U Factor <sup>4</sup>			
	Total USF	RSF/USF	Max. RSF
Current	95,322	1.16	110,294
Proposed	95,322	1.20	115,000

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
Conference/Training/Inte		5,164
ADP		540
File Rooms		1,754
Break Rooms		1,023
Training		600
SCIFs		5,000
Security		48
Copy Rooms		1,406
<b>Total</b>		<b>15,535</b>

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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  
DEPARTMENT OF STATE  
WASHINGTON, DC  
PDC-05-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 replacement lease of up to 115,000 rentable square feet of space, for the Department of State, currently housed at 2121 Virginia Ave. NW in Washington, DC, at a maximum proposed rental rate of \$50 per rentable square foot, at a proposed total annual cost of \$5,750,000 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**

Adopted: January 20, 2016



**Ranking Member**