



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

Bill Shuster
Chairman

Washington, DC 20515
COMMITTEE RESOLUTION

Nick J. Rahall, III
Ranking Member

Christopher P. Bertram, Staff Director

LEASE
DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS
WASHINGTON, DC
PDC-12-WA13

James H. Zoia, Democrat Staff Director

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 135,000 rentable square feet of space, for the Department of Commerce, Bureau of Economic Analysis, currently located at 1441 L Street, NW, Washington, DC, at a proposed total annual cost of \$6,750,000 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 197 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 197 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: **February 28, 2013**

Bill Shuster, M.C.
Chairman

**PROSPECTUS – LEASE
DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS
WASHINGTON, DC**

Prospectus Number: PDC-12-WA13

Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 135,000 rentable square feet for the Department of Commerce (DOC), Bureau of Economic Analysis (BEA) currently located at 1441 L Street, NW, in Washington, DC. BEA has occupied space in this building under the current lease since 1993.

In meeting its mission requirements, BEA will improve its office utilization rate from 132 USF to 124 USF per person and its overall utilization rate from 226 USF to 197 USF per person. This will result in a 12,960 RSF space reduction in relation to its current occupancy.

Description

Occupants:	DOC-BEA
Lease Type:	Replacement
Current Rentable Square Feet (RSF)	147,960 (Current RSF/USF=1.13)
Proposed Maximum RSF ¹ :	135,000 (Proposed RSF/USF=1.2)
Expansion Space:	Reduction of 12,960 RSF
Current Usable Square Feet/Person	226
Proposed Usable Square Feet/Person	197
Proposed Maximum Leasing Authority: ²	15 years
Expiration Date of Current Lease:	June 12, 2013
Proposed Delineated Area:	Washington, DC Central Employment Area,
Number of Official Parking Spaces:	None
Scoring:	Operating lease
Maximum Proposed Rental Rate ³ :	\$50.00 per rentable square foot
Proposed Total Annual Cost ⁴ :	\$6,750,000
Current Total Annual Cost:	\$4,378,732 (lease effective 6/13/1993)

¹ The RSF/USF at the current location is approximately 1.13; however, to maximize competition, a RSF/USF ratio of 1.2 is used for the proposed maximum RSF as indicated on the housing plan.

² In order to provide flexibility for BEA to consolidate into federally owned space, the procurement of space will be for a 10-year term and 5-year option.

³ This estimate is for fiscal year 2013 and may be escalated by 1.75 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.

⁴ Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

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Background

Some of the widely used statistical measures produced by BEA include gross domestic product (GDP), personal income and outlays, corporate profits, GDP by state and by metropolitan area, balance of payments, and GDP by industry. These statistics are used by Federal, state, and local governments for budget development and projections; by the Federal Reserve for monetary policy; and by the business sector for planning and investment.

Justification

The current lease at 1441 L Street, NW, Washington, DC expires on June 12, 2013, and BEA requires continued housing to carry out its mission.

The maximum proposed rental rate in this prospectus is a projected rate for lease transactions with a future effective (rent start) date consistent with the expiration of the current lease in June 2013. 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 the 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.

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 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.

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Interim Leasing

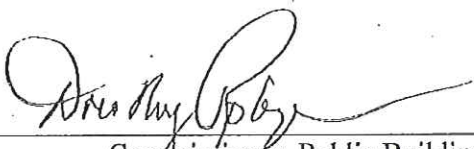
GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency prior to the effective date of the new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.

Certification of Need

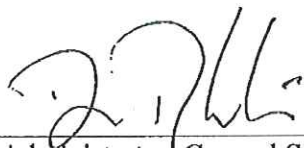
The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on November 21, 2012

Recommended: _____


Commissioner, Public Buildings Service

Approved: _____


Acting Administrator, General Services Administration

January 2012

Housing Plan
Bureau of Economic Analysis

Washington, DC
PDC-12-WA13

Leased Locations	Current					Proposed				
	Personnel		Usable Square Feet (USF)			Personnel		Usable Square Feet (USF)		
	Office	Total	Office	Storage	Special	Total	Office	Storage	Special	Total
	566	566	95,520	-	32,272	127,792				
1441 L Street NW										
Proposed Lease										
Total	566	566	95,520	-	32,272	127,792	570	90,424	-	22,091
							570	90,424	-	22,091

Office Utilization Rate*			
Current		Proposed	
Rate	132		124

* UR = average amount of office space per person
Current UR excludes 21,014 USF of office support space
Proposed UR excludes 19,915 USF of office support space

USF/Person **		
Current	Proposed	
Rate	226	197

**USF/Person = housing plan total USF divided by total personnel

Special Space	USF
Kitchen	1,836
Conf/Training	7,219
File Rooms	5,345
Fitness Center	1,985
Bike Storage	253
Library	581
Health Unit	756
Break Room	700
IT Space	2,449
Mail Room	479
Copy Rooms	488
Total	22,091

Usable square footage means the portion of the building available for use by tenants' personnel and furnishings, and space available jointly to the occupants of the building (e.g., auditorium, health units, and snack bars). Usable square footage does not include space devoted to building operations and maintenance (e.g., craft shops, gear rooms, building supply rooms, rest rooms, and lobbies).

	Total USF	RSF/USF	Maximum RSF
Current	127,792	1.13	147,960
Proposed	112,515	1.20	135,000