



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 HOMELAND SECURITY
OFFICE OF THE INSPECTOR GENERAL
WASHINGTON, DC
PDC-02-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 110,000 rentable square feet of space, for the Department of Homeland Security, Office of the Inspector General, currently located at 1120 Vermont Avenue, NW, Washington, DC, at a proposed total annual cost of \$5,500,000 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 211 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 211 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 HOMELAND SECURITY
OFFICE OF THE INSPECTOR GENERAL
WASHINGTON, DC**

Prospectus Number: PDC-02-WA13

Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 110,000 rentable square feet (RSF) of space for the Department of Homeland Security (DHS), Office of the Inspector General (OIG), currently located under multiple leases at 1120 Vermont Avenue, NW, Washington, DC.

In meeting its mission requirements, DHS-OIG will improve its office utilization rate from 143 usable square feet (USF) to 114 USF per person and its overall utilization rate from 256 USF to 211 USF per person. This will result in a 13,976 RSF space reduction in relation to its current occupancy of 123,976 RSF.

Description

| | |
|---|--|
| Occupant: | DHS / OIG |
| Lease Type: | Replacement |
| Current RSF: | 123,976 (Current RSF/USF = 1.12) |
| Proposed Maximum RSF ¹ : | 110,000 (Proposed RSF/USF = 1.2) |
| Expansion Space: | Reduction of 13,976 RSF |
| Current USF/Person: | 256 |
| Proposed USF/Person: | 211 |
| Proposed Maximum Leasing Authority: | 15 years |
| Expiration Dates of Current Leases: | 09/15/13, 01/21/14 and 03/31/14 |
| Delineated Area: | Washington, DC Central Employment Area |
| Number of Official Parking Spaces: | None |
| Scoring: | Operating lease |
| Maximum Proposed Rental Rate: | \$50.00 per RSF |
| Proposed Total Annual Cost ² : | \$5,500,000 |
| Current Total Annual Cost ³ : | \$5,403,856 (lease effective dates 9/16/03, 1/22/98, and 4/1/04) |

¹ 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 on the housing plan.

² This estimate is for fiscal year 2014 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.

³ 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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Prospectus Number: PDC-02-WA13

Justification

The current leases are expiring as noted above, and DHS OIG requires continued housing to carry out its mission. A replacement lease will provide the opportunity to improve the agency's utilization of space and reduce the overall rsf leased.

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 leases from September 2013 to March 2014. 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.

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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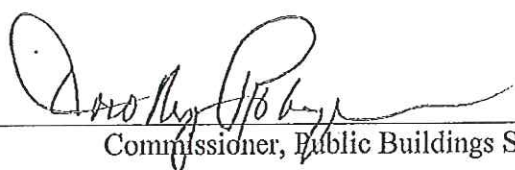
Prospectus Number: PDC-02-WA13

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

**Housing Plan
DHS-OIG**

Washington, DC
PDC-02-WA13

| Location(s) | Current | | | | | | Proposed | | | | | |
|-------------------------|-----------|-------|--------------------------|---------|---------|---------|-----------|-------|--------------------------|---------|---------|--------|
| | Personnel | | Usable Square Feet (USF) | | | | Personnel | | Usable Square Feet (USF) | | | |
| | Office | Total | Office | Storage | Special | Total | Office | Total | Office | Storage | Special | Total |
| 1120 Vermont Avenue, NW | 433 | 433 | 79,328 | 3,795 | 27,514 | 110,637 | | | | | | |
| Proposed Lease | | | | | | | 433 | 433 | 63,250 | | | |
| TOTALS | 433 | 433 | 79,328 | 3,795 | 27,514 | 110,637 | 433 | 433 | 63,250 | | | |
| | | | | | | | | | | | 28,204 | 91,454 |
| | | | | | | | | | | | 28,204 | 91,454 |

| Office Utilization Rate ^W | | |
|--------------------------------------|---------|----------|
| | Current | Proposed |
| Rate | 143 | 114 |

* UR = average amount of office space per person
Current Office UR excludes 17,452 usf of office support space
Proposed Office UR excludes 13,915 usf of office support space

| Overall Utilization Rate ^{www} | | |
|---|---------|----------|
| | Current | Proposed |
| Rate | 256 | 211 |

^{**}USF/Person = housing plan total USF divided by total personnel

| | Total USF | RSE/USF | Maximum RSE |
|----------|-----------|---------|-------------|
| Current | 110,637 | 1.12 | 123,976 |
| Proposed | 91,454 | 1.20 | 110,000 |

| Special Space | |
|------------------------|---------------|
| ADP | 2,606 |
| Conference / Training | 7,983 |
| Food Service / Break | 1,594 |
| Equipment Rooms | 5,910 |
| Library | 800 |
| Public Reception Areas | 500 |
| File Rooms | 5,363 |
| Supply / Distribution | 2,468 |
| SCIF | 980 |
| Total | 28,204 |

Usable square footage means the portion of the building available for use by the tenant's personnel and furnishings and space available jointly to the occupants of the building (e.g. auditorium, health units, and snack bars).