



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 DEFENSE
ZACHARY TAYLOR BUILDING
NORTHERN VIRGINIA
PVA-04-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 585,000 rentable square feet of space, including 10 parking spaces, for the Department of Defense, currently located at 2530 Crystal Drive, Arlington, Virginia, at a proposed total annual cost of \$22,815,000 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 163 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 163 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 DEFENSE
ZACHARY TAYLOR BUILDING
NORTHERN VIRGINIA**

Prospectus Number: PVA-04-WA13
Congressional District: 8,10,11

Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 585,000 rentable square feet (RSF) for the Department of Defense (DOD), currently located at the Zachary Taylor Building, 2530 Crystal Drive, Arlington, Virginia. DOD has a continuing, long-term need for space to meet its mission requirements in Northern Virginia. It will continue to maintain a highly efficient office space utilization rate of 108 and an overall space utilization of 163 usable square feet per person.

Acquisition Strategy

In order to maximize the flexibility in acquiring space to house the DOD, GSA may issue a single, multiple award solicitation that will allow offerors to provide blocks of space able to meet the requirements in whole or in part. All offers must provide space consistent with the delineated area defined by this prospectus in the description that follows.

Description

Occupant:	Department of Defense
Lease Type	Replacement
Current Rentable Square Feet (RSF)	549,317 (Current RSF/USF = 1.13)
Proposed Maximum RSF ¹ :	585,000 (Market RSF/USF = 1.2)
Expansion Space RSF:	None
Current Usable Square Feet/Person:	163
Proposed Usable Square Feet/Person:	163
Proposed Maximum Leasing Authority:	15 years
Expiration Dates of Current Leases:	4/30/13, 12/9/14
Delineated Area:	Northern Virginia
Number of Official Parking Spaces ² :	10
Scoring:	Operating Lease

¹ The RSF/USF at the current location is approximately 1.13. The proposed maximum RSF does not represent expansion space but the amount needed to provide 487,019 USF as indicated on the housing plan in buildings having an RSF/USF as high as 1.20 in order to maximize competition.

² DOD security requirements may necessitate control of the parking at the leased location. This may be accomplished as a lessor-furnished service, under an operating agreement with the lessor, or as part of the Government's leasehold interest in the building(s).

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Maximum Proposed Rental Rate ³ :	\$39.00
Proposed Total Annual Cost ⁴ :	\$22,815,000
Current Total Annual Cost:	\$20,020,180 (leases effective 5/1/03 and 12/1004)

Justification

The leases at 2530 Crystal Drive, Arlington, VA expire on April 30, 2013 (524,867 RSF) and December 9, 2014 (24,450 RSF), and DOD 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 leases on April 30, 2013 and December 9, 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 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.

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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Interim Leasing

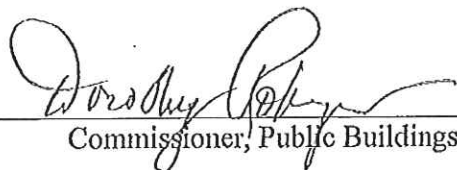
GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency prior to the effective date of the new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.

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

November 2011

Housing Plan Department of Defense

PVA-04-WA13
Northern VA

Locations	Personnel		Current			Proposed		
	Office	Total	Office	Storage	Special	Office	Storage	Special
Zachary Taylor Building	2,997	2,997	415,934		71,085			
Proposed Lease								
Total	2,997	2,997	415,934		71,085	415,934		71,085
								487,019
								71,085
								487,019

Office Utilization Rate (UR) *		
Rate	Current	Proposed
	108	108

* UR = average amount of office space per person
Current UR excludes 91,505 USF of Office for support space
Proposed UR excludes 91,505 USF of office for support space

USF/Person **		
Rate	Current	Proposed
	163	163

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

Total USF			
Current	RSF/USF	Maximum RSF	
487,019	1.13	549,317	
Proposed	487,019	1.20	585,000

Special Space		
Conference	USF	
35,357		
Spec Workrooms	3,059	
File Room	350	
Break Rooms	2,500	
Fitness Rooms	7,300	
Library	2,200	
Training	2,454	
SCIFs	3,885	
Hearing/Board Rm	3,230	
Labs	10,750	
Total	71,085	

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).