



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

**Bill Shuster**  
**Chairman**

**Washington, DC 20515**

**Nick J. Rahall, III**  
**Ranking Member**

**COMMITTEE RESOLUTION**

Christopher P. Bertram, Staff Director

James H. Zoia, Democrat Staff Director

**LEASE**  
**DEPARTMENT OF STATE**  
**NORTHERN VIRGINIA**  
**PVA-02-WA15**

*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 343,000 rentable square feet of space, including 26 official parking spaces, for the Department of State to collocate the Bureau of Overseas Buildings Operations and the Bureau of Administration, Acquisitions and Logistics Management currently located at 1701 N. Ft. Myer Drive and 1735 N. Lynn Street, respectively, in Arlington, Virginia, at a proposed total annual cost of \$13,377,000 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 182 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 182 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: **September 17, 2014**

  
Bill Shuster, M.C.  
Chairman

**PROSPECTUS – LEASE  
DEPARTMENT OF STATE  
NORTHERN VIRGINIA**

Prospectus Number: PVA-02-WA15  
Congressional District: 8

**Project Summary**

The General Services Administration (GSA) proposes a replacement lease of up to 343,000 rentable square feet of space for the Department of State (DOS) to collocate the Bureau of Overseas Buildings Operations (OBO) and the Bureau of Administration, Acquisitions and Logistics Management (ALM). OBO is currently housed at 1701 N. Ft. Myer Drive and ALM at 1735 N. Lynn Street, Arlington, VA, under leases that expire June 30, 2014 and December 19, 2015. DOS proposes to improve its office and overall utilization rates from 134 to 100 usable square feet (USF) per person and 201 to 182 USF per person, respectively, by housing an additional 148 personnel in the same amount of usable space as the total of its current occupancies.

**Description**

Occupant:	DOS
Lease Type:	Replacement
Current Rentable Square Feet (RSF):	320,313 (Current RSF/USF = 1.12)
Proposed Maximum RSF <sup>1</sup> :	343,000 (Proposed RSF/USF = 1.20)
Expansion Space RSF:	None
Current Usable Square Feet/Person:	201
Proposed Usable Square Feet/Person:	182
Proposed Maximum Lease Term:	15 years
Expiration Date(s) of Current Lease(s):	6/30/2014 and 12/19/2015
Delineated Area:	Rosslyn/Ballston, Crystal City/Pentagon City, VA
Number of Official Parking Spaces <sup>2</sup> :	26
Scoring:	Operating lease
Maximum Proposed Rental Rate <sup>3</sup> :	\$39.00

<sup>1</sup> The RSF/USF at the current locations is approximately 1.12; 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> DOS 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).

<sup>3</sup> This estimate is for fiscal year 2015 and may be escalated by 2.0 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 negotiating this lease extension 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>4</sup> :	\$13,377,000
Current Total Annual Cost:	\$11,727,871 (leases effective July 1, 2004 and December 20, 2012)

**Acquisition Strategy**

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

**Justification**

The Bureau of Overseas Building Operations (OBO) and the Bureau of Administration's Acquisitions and Logistics Management (ALM) are the primary DOS occupants of space leased at 1701 N. Ft. Myer Drive and 1735 N. Lynn Street, Arlington, VA under leases that expire on June 30, 2014 and December 19, 2015. OBO and ALM will require continued housing to carry out their missions.

OBO directs the worldwide overseas buildings program for the DOS and the U.S. Government community serving abroad under the authority of the chiefs of mission. In concert with other DOS, foreign affairs agencies, and Congress, OBO sets worldwide priorities for the design, construction, acquisition, maintenance, use, and sale of real property and the use of sales proceeds.

OBO and ALM work extensively together and with the nearby Bureau of Diplomatic Security. The three bureaus are responsible for the operations and security of all of DOS's 19,000 plus assets worldwide and collaborate daily to support DOS's 260 plus embassies and consulates worldwide.

**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.

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<sup>4</sup> 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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**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.

**Certification of Need**

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

Submitted at Washington, DC, on June 30, 2014

Recommended: \_\_\_\_\_

  
Commissioner, Public Buildings Service

Approved: \_\_\_\_\_

  
Administrator, General Services Administration

June 2014

Housing Plan  
Department of State

PVA-02-WA15  
Northern Virginia

Leased Locations	Current			Proposed		
	Personnel		Usable Square Feet (USF) <sup>1</sup>	Personnel		Usable Square Feet (USF)
	Office	Total		Office	Total	
1701 N. Ft. Meyer Drive, Arlington, VA	1,198	1,198	208,782			
1735 N. Lynn Street, Arlington, VA	219	219	35,261			
Proposed Lease, Northern VA						
<b>Total</b>	<b>1,417</b>	<b>1,417</b>	<b>244,043</b>	<b>1,565</b>	<b>1,565</b>	<b>285,390</b>

Office Utilization Rate (UR) <sup>2</sup>		
Rate	Current	Proposed
	134	100

UR=average amount of office space per person  
Current UR excludes 53,689 usf of office support space  
Proposed UR excludes 43,950 usf of office support space

Overall UR <sup>3</sup>		
Rate	Current	Proposed
	201	182

R/U Factor <sup>4</sup>			
	Total USF	RSF/USF	Max RSF
Current	285,390	1.12	320,313
Proposed	285,390	1.20	343,000

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		13,870
Teaming		12,329
ADP		8,476
File Rooms		9,246
Break Rooms		4,808
SCIFs		24,000
Security		2,311
Copy Rooms		2,015
<b>Total</b>		<b>77,055</b>

**United States Senate**  
**COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS**

**COMMITTEE RESOLUTION**

REPLACEMENT LEASE  
DEPARTMENT OF STATE  
NORTHERN VIRGINIA  
PVA-02-WA15

**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 a maximum 343,000 rentable square feet of space, and 26 parking spaces, for the Department of State to collocate the Bureau of Overseas Building Operations, currently housed at 1701 N. Ft. Myer Drive, Arlington, VA, and the Bureau of Administration, Acquisitions and Logistics Management, currently located at 1735 N. Lynn Street, Arlington, VA, at a maximum proposed rental rate of \$39.00 per rentable square foot, at a proposed total annual cost of \$13,377,000 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.

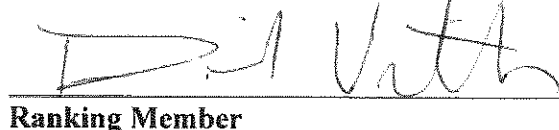
Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to execution of the new lease.

*Provided*, that to the maximum extent practicable, the Administrator of General Services shall require that the procurement include requirements requiring energy efficiency 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

  
Ranking Member

Adopted: September 18, 2014