



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

Washington, DC 20515

**Bill Shuster
Chairman**

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

COMMITTEE RESOLUTION

Christopher P. Bertram, Staff Director

James H. Zoia, Democrat Staff Director

**LEASE
NATIONAL INSTITUTES OF HEALTH
OFFICE OF THE DIRECTOR
SUBURBAN MARYLAND
PMD-03-WA14**

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 194,000 rentable square feet of space, including 5 official parking spaces, for the National Institutes of Health, Office of the Director currently located at 6011 Executive Boulevard, 6100 Executive Boulevard, 6120 Executive Boulevard, and 2115 East Jefferson Street in Rockville, Maryland, at a proposed total annual cost of \$6,790,000 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 170 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 170 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 11, 2014

Bill Shuster, M.C.
Chairman

**PROSPECTUS – LEASE
NATIONAL INSTITUTES OF HEALTH
OFFICE OF THE DIRECTOR
SUBURBAN MARYLAND**

Prospectus Number: PMD-03-WA14
Congressional District: 8

Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 194,000 rentable square feet (rsf) of space for the National Institutes of Health (NIH) Office of the Director (OD), currently located at 6011 Executive Boulevard, 6100 Executive Boulevard, 6120 Executive Boulevard, and 2115 East Jefferson Street in Rockville, MD, in three GSA leases and three NIH direct leases. A small amount of space occupied by OD at the NIH campus in Bethesda MD is also part of the proposed project.

NIH will improve their office utilization rate from 168 usable square feet (USF) per person to 106 USF per person and their overall utilization rate from 239 USF to 170 USF per person. The latter is consistent with the HHS 170 usf/person overall space utilization standard. The end product of improved space utilization is the prospectus proposal to house current personnel in 56,144 RSF less than the total of current occupancies.

Description

Occupants:	NIH
Lease Type:	Replacement
Current Rentable Square Feet (RSF):	250,144 (Current RSF/USF=1.10)
Proposed Maximum RSF ¹ :	194,000 (Proposed RSF/USF=1.20)
Expansion/Reduction RSF:	56,144 RSF Reduction
Current Usable Square Feet /Person:	239
Proposed Usable Square Feet/Person:	170
Proposed Maximum Lease Term:	15 years
Expiration Date of Current Leases:	12/31/2013 – 11/1/2015
Proposed Delineated Area:	Suburban Maryland – Montgomery and Prince Georges Counties
Number of Official Parking Spaces:	5

¹ The RSF/USF at the current location is approximately 1.10, however to maximize competition a RSF/USF ratio of 1.20 is used for the proposed maximum RSF as indicated in the housing plan.

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Scoring:	Operating lease
Maximum Proposed Rental Rate ² :	\$35.00
Proposed Total Annual Cost ³ :	\$6,790,000
Current Total Annual Cost:	\$7,782,246

Acquisition Strategy

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

Background

The OD is a central management organization that plays an active role in shaping the research agenda and overseeing the operations of 27 NIH Institutes and Centers. The OD is an integral component of NIH's mission and is responsible for setting policy for NIH and for planning, managing, and coordinating the programs and activities of all the NIH components. Its primary function is to provide overall leadership to NIH activities in both scientific and administrative matters.

Justification

The current leases at 6011 Executive Boulevard, 6100 Executive Boulevard 2115 East Jefferson Street, and 6120 Executive Boulevard expire December 31, 2013 through November 1, 2015, and NIH OD requires continued housing to carry out its mission.

Operating in multiple locations has created administrative inefficiencies such as duplication of resources that OD seeks to rectify. Some if not all of the OD personnel may need to relocate to meet the HHS 170 usf/person space standard, presenting an opportunity to potentially co-locate personnel into no more than two locations.

²This estimate is for fiscal year 2015 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 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.

³Any 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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The OD will continue to need efficient transportation access to the NIH campus in Montgomery County Maryland, NIH off-campus clusters, I-270, NW Beltway Spur, including proximity to the Metrorail system. Employees rely on the NIH shuttle service and public transit to make frequent trips to the NIH campus and other clusters.

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.

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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Certification of Need

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

Submitted at Washington, DC, on January 8, 2014

Recommended: _____


Commissioner, Public Buildings Service

Approved: _____


Administrator, General Services Administration

April 2013

Housing Plan
National Institutes of Health

PMD-03-WA14
Suburban Maryland

Locations	CURRENT				PROPOSED			
	Personnel		Usable Square Feet (USF) ¹		Personnel		Usable Square Feet (USF)	
	Office	Total	Office	Storage	Office	Total	Storage	Special
6011 Executive Boulevard, Rockville, MD	323	323	83,097			88,797		
6100 Executive Boulevard, Rockville, MD	148	148	30,296			38,396		
2115 East Jefferson, Rockville, MD	389	389	73,844			80,319		
6120 Executive Boulevard, Rockville, MD	69	69	13,675			16,215		
NIHBC Building 2, Bethesda, MD	19	19	3,040			3,040		
Proposed Lease, Suburban MD								
Total	948	948	203,952		948	226,767	2,355	30,585
							2,355	30,585
								161,160
								161,160

Office Utilization Rate (UR) ²		
Rate	Current	Proposed
	168	106

UR=average amount of office space per person
Current UR excludes 44,869 usf of office support space
Proposed UR excludes 28,208 usf of office support space

Overall UR ³		
Rate	Current	Proposed
	239	170

R/U Factor ⁴			
Total USF		RSF/USF	Max RSF
Current	226,767	1.10	250,144
Proposed	161,160	1.20	194,000

Special Space		USF
Conference		12,385
Central Filing		4,515
High Density Files		3,450
Break Room		3,440
Copy/Print		6,675
Library		120
Total		30,585

NOTES:

- ¹USF 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.
²Calculation excludes Judiciary, Congress and agencies with less than 10 people
³USF/Person = housing plan total USF divided by total personnel
⁴R/U Factor = Max RSF divided by total USF

United States Senate
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

COMMITTEE RESOLUTION

**REPLACEMENT LEASE
NATIONAL INSTITUTES OF HEALTH
OFFICE OF THE DIRECTOR
SUBURBAN MARYLAND
PMD-03-WA14**

**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 194,000 rentable square feet of space, and 5 parking spaces, for the National Institutes of Health, Office of the Director, currently located at 6011 Executive Boulevard, 6100 Executive Boulevard, 6120 Executive Boulevard, and 2115 East Jefferson Street in Rockville, MD, at a maximum proposed rental rate of \$35.00 per rentable square foot, at a proposed total annual cost of \$6,790,000 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: April 3, 2014