



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

Peter A. DeFazio
Chairman

Washington, DC 20515

Sam Graves, MO
Ranking Member

Katherine W. Dedrick, Staff Director

Paul J. Sass, Republican Staff Director

COMMITTEE RESOLUTION

LEASE
DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON, DC
PDC-05-WA22

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 lease of up to 133,000 rentable square feet of space for the Department of Veterans Affairs, currently located at 1100 First Street NE, in Washington, DC, at a proposed total annual cost of \$6,650,000 for a lease term of up to 20 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 agency(ies) agree to apply an overall utilization rate of 109 square feet or less per person, except that, if the Administrator determines that the overall utilization rate cannot be achieved, 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 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 109 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 General Services Administration shall not delegate to any other agency the authority granted by this resolution.

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, not later than 30 calendar days after the date on which a request from the Chair or Ranking Member of the Committee on Transportation and Infrastructure of the House of Representatives is received by the Administrator of General Services, the Administrator shall provide such Member a response in writing that provides any information requested regarding the project.

Provided further, the Administrator of General Services may not enter into this lease if it does not contain a provision barring any individual holding a federally-elected office, regardless of whether such individual took office before or after execution of this lease, to directly participate in, or benefit from or under this lease or any part thereof and that such provision provide that if this lease is found to have been made in violation of the foregoing prohibition or it is found that this prohibition has been violated during the term of the lease, the lease shall be void, except that the foregoing limitation shall not apply if the lease is entered into with a publicly-held corporation or publicly-held entity for the general benefit of such corporation or entity.

Provided further, prior to entering into this lease or approving a novation agreement involving a change of ownership under this lease, the Administrator of General Services shall require the offeror or the parties requesting the novation, as applicable, to identify and disclose whether the owner of the leased space, including an entity involved in the financing thereof, is a foreign person or a foreign-owned entity; provided further, in such an instance, the Administrator of General Services shall notify the occupant agency(ies) in writing, and consult with such occupant agency(ies) regarding security concerns and necessary mitigation measures (if any) prior to award of the lease or approval of the novation agreement.

Provided that, to the maximum extent practicable, the Administrator of General Services shall require that the lease procurement consider the availability of public transportation consistent with agency mission requirements and that the space to be leased be renovated for all cost-effective improvements, including renewable energy upgrades, water efficiency improvements, and indoor air quality optimization, that reduce greenhouse gas emissions.

Adopted: **April 28, 2022**


Peter DeFazio
Chair

COMMITTEE RESOLUTION
LEASE
DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON, DC
PDC-05-WA22

**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 lease of up to 133,000 rentable square feet, for the Department of Veterans Affairs, currently located at 1100 First Street NE, in Washington, DC, at a proposed annual cost of \$6,650,000 for a lease term of up to 20 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 the General Services Administration shall require that the procurement include energy efficiency requirements 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 if the procurement should not be identical to the delineated are 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 provide to the Chairman or Ranking Member of the Committee on Environment and Public Works of the Senate, in a timely manner, requested documents and information regarding this prospectus and resulting contractual materials, without redaction other than redactions to exclude business confidential, proprietary, and/or procurement sensitive information.

Provided further, the Administrator may not enter into this lease if it does not contain a provision barring any individual holding a Federally-elected office, regardless of whether such individual took office before or after execution of this lease, to directly participate in, or benefit from or under this lease or any part thereof and that such provision provide that if the lease is found to have been made in violation of the foregoing prohibition or it is found that this prohibition has been violated during the term of this lease, the lease shall be void, except for the foregoing limitation shall not apply if the lease is entered into with a publicly-held corporation or publicly-held entity for the general benefit of such corporation or entity.

Provided further, prior to entering into this lease or approving a novation agreement involving a change of ownership under this lease, the Administrator shall require the offeror or the parties requesting the novation, as applicable, to identify and disclose whether the owner of the leased space, including an entity involved in the financing thereof, is a foreign person or a foreign-owned entity; provided further, in such an instance the Administrator shall notify the occupant agency(ies) in writing, and consult with such occupant agency(ies) regarding security concerns and necessary mitigation measures (if any) prior to award of the lease or approval of the novation agreement.

Provided further, that the Administrator shall not delegate to any other agency the authority granted by this resolution.

A handwritten signature in blue ink, reading "Tom Carpen", written over a horizontal line.

Chairman

A handwritten signature in blue ink, reading "Shelley Mone Cipito", written over a horizontal line.

Ranking Member

Adopted: April 7, 2022

**PROSPECTUS – LEASE
DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON, DC**

Prospectus Number: PDC-05-WA22

Executive Summary

The General Services Administration (GSA) proposes a lease of approximately 133,000 rentable square feet (RSF) for the Department of Veterans Affairs (VA) currently located in three leases at 1100 First Street NE in Washington, DC. VA has occupied space in the building since June 2011 under three leases that expire on June 25, 2026.

The lease will provide continued housing for VA and will improve VA's office and overall space utilization rates from 93 to 77 and 129 to 109 usable square feet (USF) per person, respectively.

Description

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|---|---|
| Occupant: | Veterans Affairs |
| Current RSF: | 156,485 (Current RSF/USF = 1.17) |
| Estimated/Proposed Maximum RSF ¹ : | 133,000 (Proposed RSF/USF = 1.20) |
| Expansion/Reduction RSF: | 23,485 Reduction |
| Current USF/Person: | 129 |
| Estimated/Proposed USF/Person: | 109 |
| Expiration Dates of Current Lease(s): | 06/25/2026 |
| Proposed Maximum Leasing Authority: | 20 years |
| Delineated Area: | Washington, DC, Central Employment Area |
| Number of Official Parking Spaces: | 0 |
| Scoring: | Operating Lease |
| Current Total Annual Cost: | \$7,381,397 (lease effective 6/26/2011) |
| Estimated Rental Rate ² : | \$50.00 / RSF |
| Estimated Total Annual Cost ³ : | \$6,650,000 |

Background

VA's mission is to fulfill President Lincoln's promise "To care for him who shall have borne the battle, and for his widow, and his orphan" by serving and honoring the men and women who are America's veterans. It is a Cabinet-level agency that provides healthcare

¹ The RSF/USF at the current location is approximately 1.19; however, to maximize competition a RSF/USF ratio of 1.20 is used for the estimated proposed maximum RSF as indicated in the housing plan.

² This estimate is for fiscal year 2026 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 the evaluation of competitive offers and as the basis for negotiating with offerors to ensure that lease award is made in the best interest of the Government.

³ New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.

**PROSPECTUS – LEASE
DEPARTMENT OF VETERANS AFFAIRS
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Prospectus Number: PDC-05-WA22

services to eligible military veterans at VA medical centers and outpatient clinics located throughout the country; several non-healthcare benefits including disability compensations, vocational rehabilitation, education assistance, home loans, and life insurance; and burial and memorial benefits to eligible veterans and family members at 135 national cemeteries.

GSA will consider whether VA's continued housing needs should be satisfied in the existing location based on an analysis of other potential locations within the delineated area. If other potential locations are identified, a cost-benefit analysis will be conducted to determine whether the Government can expect to recover the relocation and duplication costs of real and personal property needed for VA to accomplish its mission.

Justification

The VA tenants that occupy 1100 First Street NE include the National Cemetery Administration (NCA), Office of Information Technology (OIT), Electronic Health Records Management (EHRM), Veterans Health Administration, and the Office of General Counsel (OGC).

The current leases at 1100 First Street NE expire on June 25, 2026. VA requires continued housing to carry out its mission.

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.

**PROSPECTUS – LEASE
DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON, DC**

Prospectus Number: PDC-05-WA22

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.

OMB Memorandum M-21-25 Implementations and Long-Term Space Requirements

The requirements within this prospectus reflect the known space needs prior to its submission to Congress. Agencies continue to develop their return to physical workplaces strategies consistent with OMB Memorandum M-21-25, incorporate lessons learned while working both in-person and under maximum telework during the COVID-19 pandemic, and determine each agency's long-term space posture. Accordingly, the requirements outlined in this prospectus may change prior to award of a lease. In the event that a change results in a revised requirement that makes a material change and does not fit within the acceptable parameters of the congressional resolutions, GSA will submit an amended prospectus for consideration by the House Committee on Transportation and Infrastructure and Senate Committee on Environment and Public Works.


**PROSPECTUS – LEASE
DEPARTMENT OF VETERANS AFFAIRS
WASHINGTON, DC**

Prospectus Number: PDC-05-WA22

Certification of Need

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

Submitted at Washington, DC, on 11/17/2021

Recommended: 
Commissioner, Public Buildings Service

Approved: 
Administrator, General Services Administration