

**PROSPECTUS – LEASE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES
WASHINGTON, DC**

Prospectus Number: PDC-11-WA13

Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 214,000 rentable square feet (RSF) for the Department of Health and Human Services (HHS) Administration for Children and Families (ACF). ACF is currently located at 901 D Street, SW, and at 1250 Maryland Avenue, SW, Washington DC.

Replacement of the current leases will enable HHS ACF to provide continued housing for current personnel and future staff members. In meeting its current mission requirements, HHS ACF will significantly improve its utilization of space, resulting in the improvement of its office utilization rate from 150 USF to 118 USF and its overall utilization rate from 209 USF to 170 USF per person. The end product of improved space utilization is the prospectus proposal to house both current personnel and new personnel in 27,980 RSF less than the total of current occupancies.

Acquisition Strategy

Although ACF has expressed a preference to be located in one building, that preference must be evaluated in the context of a competitive procurement that may result in one or more locations. 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 in the description that follows.

Description

Occupant:	HHS-ACF
Lease Type:	Replacement
Current Rentable Square Feet (RSF):	241,980 (current RSF/USF = 1.16)
Proposed Maximum RSF ¹ :	214,000 (market RSF/USF = 1.2)
Expansion Space RSF:	Reduction of 27,980 RSF
Current Usable Square Feet/Person:	209
Proposed Usable Square Feet/Person:	170
Proposed Maximum Leasing Authority:	15 years

¹The average RSF/USF at the current locations is approximately 1.16, however to maximize competition, a RSF/USF ratio of 1.2 is used for the proposed maximum RSF as indicated in the housing plan.

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Expiration Date(s) of Current Lease(s):	11/30/14, 12/31/14
Delineated Area:	Washington, DC, Central Employment Area
Number of Official Parking Spaces:	3
Scoring:	Operating lease
Maximum Proposed Rental Rate ² :	\$50.00
Proposed Total Annual Cost ³ :	\$10,700,000
Current Total Annual Cost:	\$11,299,045 (leases effective 12/1/09 and 1/1/10)

Background

ACF is responsible for federal programs that promote the economic and social well-being of families, children, individuals, and communities. Actual services are provided by state, county, city and tribal governments, and public and private local agencies. ACF assists these organizations through funding, policy direction, and information services.

Justification

ACF is currently housed at 901 D Street, SW, and at 1250 Maryland Avenue, SW, Washington, DC, under leases that expire December 31, 2014, and November 30, 2014, respectively. ACF 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 November 30 and December 31, 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.

² This estimate is for fiscal year 2015 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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Energy Performance

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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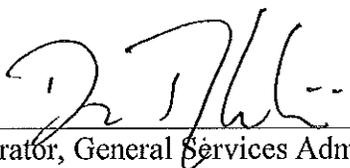
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Certification of Need

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

Submitted at Washington, DC, on November 21, 2012

Recommended: 
Commissioner, Public Buildings Service

Approved: 
Acting Administrator, General Services Administration