Executive Summary

The U.S. General Services Administration (GSA) proposes a lease of approximately 198,000 rentable square feet (RSF) of space for the U.S. Department of State (DOS), currently located in the APhA building, at 2200 C Street NW, Washington, DC.

The proposed lease will provide DOS with continued housing and maintain its office and overall utilization rates of 94 usable square feet (USF) per person and 168 USF per person, respectively.

Description

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
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</thead>
<tbody>
<tr>
<td>Occupant:</td>
<td>Department of State</td>
</tr>
<tr>
<td>Current Rentable Square Feet (RSF)</td>
<td>189,008 (Current RSF/USF = 1.14)</td>
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<tr>
<td>Estimated Maximum RSF:</td>
<td>198,000 (Proposed RSF/USF = 1.20)</td>
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<tr>
<td>Expansion/Reduction RSF:</td>
<td>None</td>
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<tr>
<td>Current Usable Square Feet/Person:</td>
<td>168</td>
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<tr>
<td>Estimated Usable Square Feet/Person:</td>
<td>168</td>
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<tr>
<td>Proposed Maximum Lease Term:</td>
<td>15 years</td>
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<tr>
<td>Expiration Date of Current Lease:</td>
<td>06/23/2019</td>
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<tr>
<td>Delineated Area:</td>
<td>Washington, DC, Central Employment Area and Foggy Bottom</td>
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</table>

Number of Official Parking Spaces: 15

Scoring:

Estimated Proposed Rental Rate: $50.00 / RSF

Estimated Total Annual Cost: $9,900,000

Current Total Annual Cost: $9,180,739 (lease effective 06/24/2009)

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1 DOS security requirements may necessitate control of the parking at the location. This control may be accomplished as a lessor-furnished service, as a separate operating agreement with the lessor, or as part of the Government’s leasehold interest in the building.

2 This estimate is for fiscal year 2019 and may be escalated by 1.95 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.
Justification

The current 189,008 rentable square foot lease at the APhA Building expires on June 23, 2019, and DOS requires continued housing for 979 personnel. The proposed lease will maintain its current efficiency and provide for more modern streamlined operations.

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.
Certification of Need

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

Submitted at Washington, DC, on January 30, 2017

Recommended:____________________
Commissioner, Public Buildings Service

Approved:____________________
Acting Administrator, General Services Administration