

**PROSPECTUS – LEASE  
DEPARTMENT OF AGRICULTURE  
WASHINGTON, DC**

Prospectus Number: PDC-02-WA18

**Executive Summary**

The General Services Administration (GSA) proposes a lease for approximately 104,000 rentable square feet (RSF) of space for the Department of Agriculture (USDA), National Institute of Food and Agriculture (NIFA), currently located at 800 9<sup>th</sup> Street SW, Washington, DC.

The proposed lease will provide continued housing for USDA and will significantly improve space utilization, as the office utilization rate will be reduced from 200 to 118 usable square feet (USF) per person, and the overall utilization rate from 308 to 200 USF per person, resulting in USDA being housed in approximately 21,863 RSF less space than it has at the current location.

**Description**

Occupant:	U.S. Department of Agriculture
Current Rentable Square Feet (RSF)	125,863 (Current RSF/USF = 1.10)
Estimated Maximum RSF <sup>1</sup> :	104,000 (Proposed RSF/USF = 1.20)
Reduction RSF:	21,863
Current Usable Square Feet/Person:	308
Estimated Usable Square Feet/Person:	200
Expiration Dates of Current Lease(s):	01/17/2020
Proposed Maximum Leasing Authority:	20 years
Delineated Area:	Washington D.C. Central Employment Area
Number of Official Parking Spaces:	None
Scoring:	Operating Lease
Current Total Annual Cost:	\$4,552,170 (lease effective 01/18/2010)
Estimated Rental Rate <sup>2</sup> :	\$50.00 / RSF
Estimated Total Annual Cost <sup>3</sup> :	\$5,200,000

<sup>1</sup> The RSF/USF at the current location is approximately 1.11; 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.

<sup>2</sup> This estimate is for fiscal year 2018 and may be escalated by 2 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.

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

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**Background**

This prospectus is for USDA–NIFA. NIFA was established by the Food Conservation and Energy Act of 2008 (the 2008 Farm Bill) to find innovative solutions to issues related to agriculture, food, the environment, and communities. One of four agencies that make up USDA’s Research, Education, and Economics mission area, the agency is structured to direct Federal funding effectively to programs that address key national and global challenges.

**Justification**

The current lease expires on January 17, 2020. USDA has housed NIFA and its predecessor organizations in Washington, DC, since 1994. The agency anticipates a continued need to support the research conducted by the Cooperative State Research, Education, and Economics Program Office. USDA also expects to realize cost and space reductions through this prospectus lease action as it will reduce USDA’s footprint by 21,863 rentable square feet while housing 60 additional personnel.

In the absence of this reduction, the status quo of continued occupancy at the proposed market rental rate would be \$6,293,150 per year.

**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 9, 2018

Recommended:   
Commissioner, Public Buildings Service

Approved:   
Administrator, General Services Administration