

**PROSPECTUS – LEASE  
NATIONAL INSTITUTES OF HEALTH  
MONTGOMERY AND PRINCE GEORGE’S COUNTIES, MD**

Prospectus Number: PMD-01-WA17  
Congressional District: 8

**Executive Summary**

The General Services Administration (GSA) proposes a lease of approximately 238,000 rentable square feet (RSF) of space for the Department of Health and Human Services - National Institutes of Health (NIH), currently located at 6001 and 6101 Executive Boulevard in Rockville, MD, under five NIH direct leases. The four leases at 6001 Executive Boulevard expire on January 31, 2019, and the one lease at 6101 Executive Boulevard expires on August 31, 2019.

The proposed lease will enable NIH to provide continued housing. The lease will significantly improve space utilization, as the office utilization rate will be reduced from 172 to 133 usable square feet (USF) per person, and the overall utilization rate from 221 to 183 USF per person, resulting in NIH being housed in approximately 31,632 RSF less space than it has at the current locations.

**Description**

Occupant:	National Institutes of Health
Current Rentable Square Feet (RSF):	269,632 (Current RSF/USF = 1.22)
Estimated Maximum RSF:	238,000 (Proposed RSF/USF = 1.20 )
Expansion/Reduction RSF:	31,632 (Reduction)
Current Usable Square Feet/Person:	221
Estimated Usable Square Feet/Person:	183
Proposed Maximum Lease Term:	15 Years
Expiration Dates of Current Leases:	1/31/2019, 8/31/2019
Delineated Area:	Portions of Montgomery and Prince George’s Counties proximate to the NIH campus in Bethesda, MD
Number of Official Parking Spaces:	5
Scoring:	Operating lease
Estimated Proposed Rental Rate <sup>1</sup> :	\$35.00 / RSF
Estimated Total Annual Cost <sup>2</sup> :	\$8,330,000

<sup>1</sup> This estimate is for fiscal year 2018 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 a basis for negotiating with offerors to ensure that lease award is made in the best interest of the Government.

**PROSPECTUS – LEASE  
NATIONAL INSTITUTES OF HEALTH  
MONTGOMERY AND PRINCE GEORGE’S COUNTIES, MD**

Prospectus Number: PMD-01-WA17  
Congressional District: 8

---

Current Total Annual Cost: \$8,314,990

**Justification**

The multiple NIH Institutes and Centers (ICs) located at 6001 and 6101 Executive Boulevard include the National Institute of Drug Abuse, National Institute of Mental Health, National Institute of Neurological Disorders and Stroke, National Institute on Deafness and other Communication Disorders, Office of Director-Office of Strategic Coordination, and the Office of Research Services, and are integral components of NIH’s mission. The current leases expire on January 31, 2019, and August 31, 2019. NIH ICs have a continuing need for space and efficient transportation access to the NIH campus in Montgomery County. The lease will streamline operations and improve NIH’s footprint by 31,632 rsf. In the absence of this reduction, the status quo cost of continued occupancy at the existing footprint would be \$9,437,120.

**Acquisition Strategy**

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

---

<sup>2</sup>New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.

**PROSPECTUS – LEASE  
NATIONAL INSTITUTES OF HEALTH  
MONTGOMERY AND PRINCE GEORGE’S COUNTIES, MD**

Prospectus Number: PMD-01-WA17  
Congressional District: 8

---

**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.

**PROSPECTUS – LEASE  
NATIONAL INSTITUTES OF HEALTH  
MONTGOMERY AND PRINCE GEORGE’S COUNTIES, MD**

Prospectus Number: PMD-01-WA17  
Congressional District: 8

**Certification of Need**

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

Submitted at Washington, DC, on August 19, 2016

Recommended:  \_\_\_\_\_

Commissioner, Public Buildings Service

Approved:  \_\_\_\_\_  
Administrator, General Services Administration