# PROSPECTUS – LEASE DEPARTMENT OF STATE ARLINGTON, VA

Prospectus Number: PVA-07-WA20 Congressional District: 8, 10, 11

## **Executive Summary**

The General Services Administration (GSA) proposes a lease of approximately 116,000 rentable square feet (RSF) for the Department of State (DOS), currently located at 1400 Wilson Boulevard in Arlington, VA. DOS has occupied space in the building since April 18, 2010, under a lease that expires on March 31, 2021.

The lease will provide continued housing for DOS, and will maintain the office and overall space utilization of 122 and 175 usable square feet (USF) per person, respectively.

## **Description**

Occupant: Department of State

Current RSF: 108,296 (Current RSF/USF = 1.13) Estimated/Proposed Maximum RSF<sup>1</sup>: 116,000 (Proposed RSF/USF = 1.20)

Expansion/Reduction RSF: 7,704 Expansion

Current USF/Person: 175
Estimated/Proposed USF/Person: 175

Expiration Dates of Current Lease(s): 03/31/2021
Proposed Maximum Leasing Authority: 20 years

Delineated Area:

Northern Virginia

Number of Official Parking Spaces<sup>2</sup>: 22

Scoring: Operating Lease

Current Total Annual Cost: \$4,071,445 (leases effective 04/18/2010)

Estimated Rental Rate<sup>3</sup>: \$39.00 / RSF Estimated Total Annual Cost<sup>4</sup>: \$4,524,000

<sup>1</sup> The RSF/USF at the current location is approximately 1.13; 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>&</sup>lt;sup>2</sup> Security requirements may necessitate control of parking at the leased location in addition to the official parking spaces identified in the prospectus. If the additional parking resulting from security requirements is included in the leasehold interest in the building, the proposed total annual cost and maximum proposed rental rate may exceed the amounts indicated above.

<sup>&</sup>lt;sup>3</sup> This estimate is for fiscal year 2021 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 standard 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.

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

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# **Acquisition Strategy**

In order to maximize the flexibility and competition in acquiring space for DOS, GSA may issue a single, multiple-award solicitation 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.

## Background

DOS's mission is to lead America's foreign policy through diplomacy, advocacy, and assistance by advancing the interests of the American people, their safety and economic prosperity.

This requirement will provide housing for the Diplomatic Security Service (DSS). DSS is the Federal law enforcement and security bureau of DOS. Tasked with securing diplomacy and protecting the integrity of U.S. travel documents, DSS has the largest global reach of any U.S. Federal law enforcement agency, with offices in 29 U.S. cities and in more than 270 locations around the world.

#### <u>Justification</u>

This location supports key DSS functions and the current lease at 1400 Wilson Boulevard in Arlington, VA, expires March 31, 2021. DOS requires continued housing to carry out its mission.

GSA will consider whether DOS'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, GSA will conduct a cost-benefit analysis to determine whether the Government can expect to recover the relocation and duplication costs of the real and personal property needed for DOS to accomplish 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.

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## **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 15, 2020.

Recommended:	day of Marin	
	Commissioner, Public Buildings Service	
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Approved:	Administrator General Services Administration	

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