# PROSPECTUS – LEASE SOCIAL SECURITY ADMINISTRATION NATIONAL CAPITAL REGION

Prospectus Number: PVA-01-WA21 Congressional District: MD 3, 4, 5, 6, 8

VA 8, 10, 11

DC

#### **Executive Summary**

The General Services Administration (GSA) proposes a lease of approximately 225,000 rentable square feet (RSF) for the Social Security Administration (SSA), currently located at: 5107 Leesburg Pike, Falls Church, VA; 2121 Crystal City Drive, Arlington, VA; and 250 E. Street SW, Washington, DC. SSA has occupied space in the buildings since 2009, 2010, and 2019, respectively, under leases that expire on September 30, 2024, October 24, 2024, and January 22, 2029, respectively.

The proposed lease will provide continued housing for SSA and will significantly improve the agency's office and overall space utilization rates from 184 to 90 and 295 to 148 usable square feet (USF) per person, respectively.

### **Description**

Occupant: SSA

Current RSF: 429,849 (Current RSF/USF = 1.20) Estimated/Proposed Maximum RSF<sup>1</sup>: 225,000 (Proposed RSF/USF = 1.20)

Expansion/Reduction RSF: 204, 849 RSF Reduction

Current USF/Person: 295 Estimated/Proposed USF/Person: 148

Expiration Dates of Current Lease(s): 09/30/2024; 10/24/2024; 01/22/2029

Proposed Maximum Leasing Authority: 20 years

Delineated Area: Suburban Maryland, Northern Virginia,

District of Columbia

Number of Official Parking Spaces: 24

Scoring: Operating

Current Total Annual Cost: \$13,219,967 (leases effective 10/01/2009;

08/26/2010; 12/23/2019)

Estimated Rental Rate for DC<sup>2</sup>: \$50.00 / RSF Estimated Total Annual Cost: \$11,250,000

<sup>1</sup> The RSF/USF at the current locations is approximately 1.20; 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> This estimate is for fiscal year 2024 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 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.

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Estimated Rental Rate for MD: \$35.00 / RSF
Estimated Total Annual Cost: \$7,875,000
Estimated Rental Rate for VA: \$39.00 / RSF
Estimated Total Annual Cost: \$8,775,000

### **Acquisition Strategy**

In order to maximize the flexibility and competition in acquiring space for SSA, 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**

The mission of SSA is to deliver quality social security services to the public through the three programs it administers under the Social Security Act: the Old-Age and Survivors Insurance program, the Disability Insurance program, and the Supplemental Security Income program. SSA's Office of Hearing Operations (OHO) and Office of Analytics, Review, and Oversight (OARO) are two components responsible for holding hearings, issuing decisions, and reviewing appeals as part of SSA's process for determining whether a person may receive benefits. The Office of Retirement and Disability Policy (ORDP) is responsible for all major activities in the areas of strategic and program policy planning, policy research and evaluation, statistical programs, and overall policy development, analysis, and implementation.

OHO is one of the largest administrative adjudication systems in the world and directs a nationwide field organization of administrative law judges (ALJ) who conduct impartial hearings and make decisions on appealed determinations involving retirement, survivors, disability, and supplemental security income benefits. OARO reviews ALJ decisions on appeal by claimants, or on its own motion, and processes cases appealed to Federal court. The OARO Office of Appellate Operations serves through the Appeals Council as the final level of administrative review for claimants appealing ALJ denials and dismissals of claims. The Office of Appellate Operations also collects and analyzes nationwide data on policy compliance of adjudicators and performance of the adjudication process. ORDP directs and manages the planning, development, issuance, and evaluation of operational policies, standards, and instructions for the Retirement and Survivors Insurance, Disability Insurance, Supplemental Security Income (SSI) program, and other SSA programs.

**GSA** PBS

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### **Justification**

SSA is currently housed at 5107 Leesburg Pike, Falls Church, VA; 2121 Crystal City Drive, Arlington, VA; and 250 E. Street SW, Washington, DC, in leases that expire on September 30, 2024, October 24, 2024, and January 22, 2029, respectively. SSA requires continued housing to carry out its mission. Combining these components into one location will allow SSA to take advantage of economies of scale and shared common space, and significantly reduces the overall footprint and rent of the agency.

Co-location of SSA entities into a single location allows for synergy of mission and captures economies of scale. The proposed requirement incorporates SSA's new housing space standards in addition to resource sharing, yielding a 48-percent reduction in the amount of total space and a 50-percent improvement in overall utilization rate. Depending on the location, SSA's estimated rental expenses will be reduced by up to \$5.3 million annually.

### **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
Recommended: JaM. Matter
Commissioner, Public Buildings Service
Approved:
Administrator General Services Administration