

**PROSPECTUS – LEASE
MULTIPLE AGENCIES
WASHINGTON, DC**

Prospectus Number: PDC-10-WA22

Executive Summary

The General Services Administration (GSA) proposes a lease extension of up to 3 years for approximately 375,260 rentable square feet (RSF) for the multiple agencies, currently located at 400 7th Street, SW in Washington, DC. Three agencies – the Federal Trade Commission (FTC), the National Endowment for the Humanities (NEH) and the National Endowment for the Arts (NEA) have occupied space in the building since 2014 under a lease that expires on February 29, 2024.

Extension of the current lease will enable the agencies to provide continued housing for current personnel and meet their current mission requirements. The extension will maintain the office and overall utilization at 201 and 276 usable square feet (USF) per person respectively.

Description

Occupant:	FTC, NEH, NEA
Current RSF:	375,260 (Current RSF/USF = 1.22)
Estimated/Proposed Maximum RSF:	375,260 (Proposed RSF/USF = 1.22)
Expansion/Reduction RSF:	None
Current Usable Square Feet/Person:	276
Estimated/Proposed USF/Person:	276
Expiration Dates of Current Lease(s):	02/29/2024
Proposed Maximum Leasing	3 years
Authority:	
Delineated Area:	Washington, DC Central Employment Area
Number of Official Parking Spaces:	15
Scoring:	Operating
Current Total Annual Cost:	\$ 18,439,068 (lease effective 03/01/2014)
Estimated Rental Rate ¹ :	\$ 50.00 / RSF
Estimated Total Annual Cost ² :	\$ 18,763,000

Background

The FTC is a bipartisan federal agency with a dual mission to protect consumers and promote competition. The NEH and NEA are independent federal agencies whose funding

¹ This estimate is for fiscal year 2024 and may be escalated by 2 percent per year 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.

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

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and support promotes excellence in the humanities and the arts, respectively, conveying the lessons of history to all Americans and giving Americans the opportunity to participate in the arts and develop their creative capacities.

The location at 400 7th Street, SW houses the support functions for all three agencies and is critical to their abilities to meet their missions.

Justification

The FTC, NEH and NEA are currently housed at Constitution Center located at 400 7th Street, SW, in a lease that expires February 29, 2024. The agencies require continued housing to carry out their missions until they are in a position to implement the Administration's M-21-25 policy as well as develop and implement long-term space strategies that comport with the Future of Work efforts and incorporate any necessary labor relation negotiations. A 3-year lease extension will provide the agencies with sufficient time to formulate their long-term plans and budget for move costs accordingly. GSA will attempt to negotiate a flexible lease term of three years with termination rights after the first year to provide flexibility for future plans.

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 extension. 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 2/8/2022

Recommended: 
Commissioner, Public Buildings Service

Approved: 
Administrator, General Services Administration