Executive Summary

The General Services Administration (GSA) proposes a replacement lease of up to 108,000 rentable square feet of space (RSF) for the Department of Homeland Security (DHS), Immigration and Customs Enforcement (ICE) in New York, NY. DHS-ICE is currently housed at 601 West 26th Street and One Penn Plaza, New York, NY.

DHS-ICE will improve its office utilization rate from 198 usable square feet (USF) to 100 USF per person and its overall utilization rate from 420 USF to 235 USF per person. This will result in a 109,365 RSF space reduction in relation to its current occupancy of 217,365 RSF.

Description

<table>
<thead>
<tr>
<th>Description</th>
<th>DHS-ICE</th>
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<tbody>
<tr>
<td>Occupant:</td>
<td>Replacement</td>
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<tr>
<td>Lease Type</td>
<td></td>
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<tr>
<td>Current Rentable Square Feet (RSF)</td>
<td>217,365 (Current RSF/USF = 1.40)</td>
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<tr>
<td>Proposed Maximum RSF¹:</td>
<td>108,000 (Proposed RSF/USF = 1.24)</td>
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<tr>
<td>Expansion/Reduction RSF:</td>
<td>109,365 Reduction</td>
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<tr>
<td>Current Usable Square Feet/Person:</td>
<td>420</td>
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<tr>
<td>Proposed Usable Square Feet/Person:</td>
<td>235</td>
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<tr>
<td>Proposed Maximum Lease Term:</td>
<td>15 years</td>
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<tr>
<td>Expiration Dates of Current Lease(s):</td>
<td>12/31/2013 - 601 West 26th Street</td>
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<td>12/31/2021 - One Penn Plaza²</td>
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<tr>
<td>Delineated Area:</td>
<td>Midtown South to Downtown New York City (North: 34th Street, West: 12th Avenue; East FDR Drive; South: Battery Park)</td>
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<tr>
<td>Number of Official Parking Spaces:</td>
<td>120</td>
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<tr>
<td>Scoring:</td>
<td>Operating Lease</td>
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</table>

¹ The RSF/USF at the current location is approximately 1.40. The RSF/USF for the proposed action is 1.24.
² The proposed maximum RSF represents the amount needed to provide 87,215 USF.

The Government has the right to terminate this lease, in part or whole, effective January 1, 2016 as per the lease contract.
Prospectus Number: PNY-02-NY14
Congressional District: 08, 12, 14

Maximum Proposed Rental Rate\(^3\): $58.00
Proposed Total Annual Cost\(^4\):
  - $6,264,000 (Office)
  - $1,200,000 (Parking)
  - $42,000 (Antenna)
  - $7,506,000

Current Total Annual Cost:
  - $12,386,000 (leases effective 1/1/2004 and 1/1/2012)

**Background**

Occupancy of temporary space at 601 West 26\(^{th}\) Street was accomplished through a "friendly" condemnation taking effect until a lease was awarded on November 4, 2002. The lease removed the condemnation status of the temporary space and provided for the build-out of additional space at 601 West 26\(^{th}\) Street to accommodate DHS-ICE agents housed at diverse locations throughout New York City subsequent to the destruction of 6 World Trade Center. The current 10-year lease became effective January 1, 2004 and expires December 31, 2013. It was executed under a blanket authorization issued immediately after September 11, 2001.

**Justification**

The current lease at 601 West 26\(^{th}\) Street, New York, New York expires on December 31, 2013 and DHS-ICE requires continued housing to carry out its mission. This replacement lease will allow DHS-ICE to downsize their operation and consolidate their space by including their operation currently housed at One Penn Plaza, New York, NY.

\(^3\) This estimate is for fiscal year 2015 and may be escalated by 1.9 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. Lease award shall not exceed the maximum rental rate as specified in this prospectus.

\(^4\) Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.
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

Certification of Need

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

Submitted at Washington, DC, on September 30, 2013

Recommended: ________________________________
Commissioner, Public Buildings Service

Approved: ________________________________
Administrator, General Services Administration