

**PROSPECTUS – LEASE
FEDERAL BUREAU OF INVESTIGATION
601 WEST 26TH STREET, NEW YORK, NY**

Prospectus Number: PNY-04-NY15
Congressional District: 10

Executive Summary

The General Services Administration (GSA) proposes a short-term lease extension of up to 79,792 rentable square feet for the Federal Bureau of Investigation (FBI), currently located at 601 West 26th Street, New York, NY (Starret Lehigh Building). The lease includes 84 structured parking spaces, radio maintenance facility, automotive maintenance facility, and ancillary office space for the FBI. FBI has occupied space in the Starret Lehigh building since November 1, 1993, under a single lease that will expire October 31, 2014. FBI has a long-term plan to relocate to another leased location in the Bronx, and currently is reviewing proposals of existing locations.

GSA is seeking a three-year lease extension to allow FBI to remain in place while providing enough time to award a long-term lease that is expected to be below the prospectus threshold. Extension of the current lease will enable FBI to provide continued housing for current personnel and meet its current mission requirements. FBI will maintain its current office utilization rate of 156 USF per person. An overall utilization rate is not applicable, since almost 94 percent of the space leased is light industrial space used for automotive and radio maintenance. GSA will attempt to negotiate termination rights into the lease agreement to accommodate the longer term housing solution for FBI.

Description

Occupants:	Federal Bureau of Investigation
Lease Type:	Lease Extension
Current Rentable Square Feet (RSF):	79,792
Proposed Maximum RSF:	79,792
Expansion/Reduction RSF:	0
Current Usable Square Feet/Person:	NA
Proposed Usable Square Feet/Person:	NA
Proposed Maximum Lease Term:	3
Expiration Date of Current Leases:	October 31, 2014
Proposed Delineated Area:	601 West 26 th Street, New York, NY
Number of Official Parking Spaces:	84
Scoring:	Operating Lease
Maximum Proposed Rental Rate ¹ :	\$ 67 per RSF

¹This estimate is for fiscal year 2015 and may be escalated by 1.7 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 negotiating this lease extension 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.

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Proposed Total Annual Cost ² :	\$ 5,346,064
Current Total Annual Cost:	\$ 3, 449,920 (lease effective 11/01/1993)

Justification

The current lease for space at 601 West 26th Street will expire October 31, 2014. FBI requires continued housing at this location to carry out its mission until it can relocate its personnel to a new location in the Bronx market area. FBI has a long-term plan in place to relocate its existing operations at this location. The lease procurement for the relocation is in process, however, the procurement is projected to exceed the duration of the current lease. Prospectus approval is required to extend this lease and protect the occupancy until such time that a new lease can be awarded and FBI can relocate to the new location. It is anticipated that the cost to the Government will be substantially reduced after relocation to a more economically favorable real estate market.

GSA will attempt to secure a short-lease term, including the right to terminate the entire lease after one year.

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.

²Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

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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 September 29, 2014

Recommended: 
Commissioner, Public Buildings Service

Approved: 
Administrator, General Services Administration