



Committee on Transportation and Infrastructure
U.S. House of Representatives

Bill Shuster
Chairman

Washington, DC 20515
COMMITTEE RESOLUTION

Nick J. Rahall, III
Ranking Member

Christopher P. Bertram, Staff Director

James H. Zoia, Democrat Staff Director

LEASE
DEPARTMENT OF HOMELAND SECURITY
IMMIGRATION AND CUSTOMS ENFORCEMENT
NEW YORK, NY
PNY-02-NY14

Resolved by the Committee on Transportation and Infrastructure of the U.S. House of Representatives, that pursuant to 40 U.S.C. §3307, appropriations are authorized for a replacement lease of up to 108,000 rentable square feet of space, including 120 official parking spaces, for the Department of Homeland Security, Immigration and Customs Enforcement, currently located at 601 West 26th Street and One Penn Plaza in New York, New York, at a proposed total annual cost of \$7,506,000 for a lease term of up to 15 years, a prospectus for which is attached to and included in this resolution.

Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to the execution of the new lease.

Provided that, the Administrator of General Services and tenant agencies agree to apply an overall utilization rate of 235 square feet or less per person.

Provided that, except for interim leases as described above, the Administrator may not enter into any leases that are below prospectus level for the purposes of meeting any of the requirements, or portions thereof, included in the prospectus that would result in an overall utilization rate of 235 square feet or higher per person.

Provided that, to the maximum extent practicable, the Administrator shall include in the lease contract(s) a purchase option that can be exercised at the conclusion of the firm term of the lease.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Transportation and Infrastructure of the House of Representatives prior to exercising any lease authority provided in this resolution.

Provided further, that the General Services Administration shall not delegate to any other agency the authority granted by this resolution.

Adopted: February 11, 2014

Bill Shuster, M.C.
Chairman

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
IMMIGRATION AND CUSTOMS ENFORCEMENT
NEW YORK, NY**

Prospectus Number: PNY-02-NY14
Congressional District: 08, 12, 14

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

Occupant:	DHS-ICE
Lease Type	Replacement
Current Rentable Square Feet (RSF)	217,365 (Current RSF/USF = 1.40)
Proposed Maximum RSF ¹ :	108,000 (Proposed RSF/USF = 1.24)
Expansion/Reduction RSF:	109,365 Reduction
Current Usable Square Feet/Person:	420
Proposed Usable Square Feet/Person:	235
Proposed Maximum Lease Term:	15 years
Expiration Dates of Current Lease(s):	12/31/2013 - 601 West 26 th Street 12/31/2021 - One Penn Plaza ²
Delineated Area:	Midtown South to Downtown New York City (North: 34 th Street, West: 12 th Avenue; East FDR Drive; South: Battery Park)
Number of Official Parking Spaces:	120
Scoring:	Operating Lease

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

² The Government has the right to terminate this lease, in part or whole, effective January 1, 2016 as per the lease contract.

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
IMMIGRATION AND CUSTOMS ENFORCEMENT
NEW YORK, NY**

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 26th 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 26th 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 26th 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.

**PROSPECTUS – LEASE
DEPARTMENT OF HOMELAND SECURITY
IMMIGRATION AND CUSTOMS ENFORCEMENT
NEW YORK, NY**

Prospectus Number: PNY-02-NY14
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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

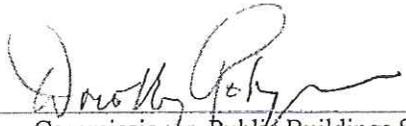
GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency prior to the effective date of the new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy

Certification of Need

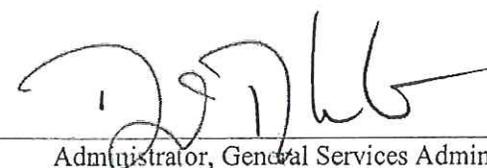
The proposed project is the best solution to meet a validated Government need.

Submitted at Washington, DC, on September 30, 2013

Recommended: _____


Commissioner, Public Buildings Service

Approved: _____


Administrator, General Services Administration

April 2013

Housing Plan
Department of Homeland Security

PNY-02-NY14
New York, NY

Locations	CURRENT				PROPOSED			
	Personnel		Usable Square Feet (USF) ¹		Personnel		Usable Square Feet (USF)	
	Office	Total	Office	Storage	Office	Storage	Office	Storage
601 West 26th Street, New York, NY	332	332	83,230	25,268	-	-	-	-
1 Penn Plaza, New York, NY	39	39	11,110	750	-	-	-	-
Proposed Lease, New York, NY	371	371	94,340	26,018	371	11,008	47,498	11,008
Total					371	371	47,498	28,709

Office Utilization Rate (UR) ²	Current	Proposed
Rate	198	100

UR=average amount of office space per person
Current UR excludes 20,755 usf of office support space
Proposed UR excludes 10,450 usf of office support space

Overall UR ³	Current	Proposed
Rate	420	235

R/U Factor ⁴	Total USF	RSF/USF	Max RSF
Current	155,729	1.40	217,365
Proposed	87,215	1.24	108,000

NOTES:

- ¹USF means the portion of the building available for use by a tenant's personnel and furnishings and space available jointly to the occupants of the building.
- ²Calculation excludes Judiciary, Congress and agencies with less than 10 people
- ³USF/Person = housing plan total USF divided by total personnel
- ⁴R/U Factor = Max RSF divided by total USF

Special Space	USF
Conference	8,704
Security Check In	523
Food Service/Break Room	3,968
Mail Room	719
Computer Room	186
Restrooms	3,174
Fitness	2,641
Processing & Holding Area	868
SCIF	1,649
Secured Work Environment	6,277
Total	28,709

United States Senate
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

COMMITTEE RESOLUTION

**REPLACEMENT LEASE
DEPARTMENT OF HOMELAND SECURITY
IMMIGRATION AND CUSTOMS ENFORCEMENT
NEW YORK, NY
PNY-02-NY14**

**RESOLVED BY THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS OF THE
UNITED STATES SENATE**

that pursuant to title 40 U.S.C. § 3307, a prospectus providing for a replacement lease of up to a maximum 108,000 rentable square feet of space, and 120 parking spaces, for the Department of Homeland Security, Immigrations and Customs Enforcement, currently located at 601 West 26th Street and One Penn Plaza, New York, NY, at a maximum proposed rental rate of \$58.00 per rentable square foot, at a proposed total annual cost of \$7,506,000 for a lease term of 15 years, a description of which is attached hereto and by reference made part of this resolution, is approved.

Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to execution of the new lease.

Provided, that to the maximum extent practicable, the Administrator of General Services shall require that the procurement include requirements requiring energy efficiency as would be required for the construction of a federal building.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, *except that*, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Environment and Public Works of the United States Senate prior to exercising any lease authority provided in this resolution.

Provided further, that the Administrator shall not delegate to any other agency the authority granted by this resolution.



Chairman



Ranking Member

Adopted: February 6, 2014