

**PROSPECTUS – LEASE  
U.S. DEPARTMENT OF EDUCATION  
NEW YORK, NY**

Prospectus Number: PNY-02-NY20  
Congressional District: 12

**Executive Summary**

The General Services Administration (GSA) proposes a lease extension of up to 5 years for approximately 65,796 rentable square feet (RSF) for the U.S. Department of Education (ED), currently located at 32 Old Slip, New York, NY. ED has occupied space in the building since May 5, 2005, under a lease that expires on May 4, 2020.

Extension of the current leases will enable ED to provide continued housing for current personnel and meet its current mission requirements. ED will maintain the office and overall utilization rates at 281 and 391 usable square feet (USF) per person, respectively.

**Description**

Occupant:	Education
Current RSF:	65,796 (Current RSF/USF = 1.44)
Estimated/Proposed Maximum RSF:	65,796 (Proposed RSF/USF = 1.44)
Expansion/Reduction RSF:	None
Current USF/Person:	391
Estimated/Proposed USF/Person:	391
Expiration Dates of Current Lease(s):	05/04/2020
Proposed Maximum Leasing Authority:	5 years
Delineated Area:	North: Vesey Street to Ann Street to Gold Street to Fulton Street; East: South Street; South: Whitehall Street to State Street to Battery Place; West: Greenwich Street to Trinity Place to Edgar Street to Greenwich Street.
Number of Official Parking Spaces:	7
Scoring:	Operating
Current Total Annual Cost:	\$3,055,565 (lease effective 5/5/05)
Estimated Rental Rate <sup>1</sup> :	\$66.00 / RSF
Estimated Total Annual Cost <sup>2</sup> :	\$4,342,536

<sup>1</sup> This estimate is for fiscal year 2020 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.

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

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**Background**

ED's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

ED was created in 1980 by combining offices from several Federal agencies and is dedicated to:

- establishing policies on Federal financial aid for education, and distributing as well as monitoring those funds;
- collecting data on America's schools and disseminating research;
- focusing national attention on key educational issues; and
- prohibiting discrimination and ensuring equal access to education.

**Justification**

This location houses the ED Office of Inspector General (OIG), the regional ED training facility, and the ED Office for Civil Rights. Maintaining operations at this location is essential for the agency to carry out its mission.

The current lease at 32 Old Slip expires on May 4, 2020, and ED requires continued housing at this location until GSA and the Department can carry out a long-term plan to relocate ED to federally owned space that will reduce costs to the taxpayer. A 5-year lease extension will provide the Department and the ED OIG with sufficient time to budget for the costs necessary for tenant improvement, furniture, and the physical move. The Department will relocate into renovated space in the Javits Federal Building.

**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 September 9, 2019.

Recommended: \_\_\_\_\_

  
Commissioner, Public Buildings Service

Approved: \_\_\_\_\_

  
Administrator, General Services Administration