

**PROSPECTUS – LEASE
INTERNAL REVENUE SERVICE
BROOKLYN, NY**

Prospectus Number: PNY-02-BR23
Congressional District: 8

Executive Summary

The General Services Administration (GSA) proposes a lease extension of up to 3 years for approximately 119,629 rentable square feet (RSF) for the Internal Revenue Service (IRS), currently located at 100 Myrtle Avenue in Brooklyn, NY. The IRS has occupied space in the building since 2012 under a lease that expires on December 16, 2022.

Extension of the current lease will enable the IRS to provide continued housing for current personnel and meet its current mission requirements. The IRS will maintain the office and overall utilization rates at 210 and 321 usable square feet (USF) per person, respectively.

Description

Occupant:	IRS
Current RSF:	119,629 (Current RSF/USF = 1.32)
Estimated/Proposed Maximum RSF:	119,629 (Proposed RSF/USF = 1.32)
Expansion/Reduction RSF:	None
Current Usable Square Feet/Person:	321
Estimated/Proposed USF/Person:	321
Expiration Dates of Current Lease(s):	12/16/2022
Proposed Maximum Leasing Authority:	3 years
Delineated Area:	Brooklyn, NY, as bounded by the following streets; North: Water Street East: Flatbush Avenue Extension South: Atlantic Avenue West: Brooklyn Queens Expressway to Furman Street
Number of Official Parking Spaces:	37
Scoring:	Operating
Current Total Annual Cost:	\$ 3,694,983.17 (lease effective 12/17/2012)
Estimated Rental Rate: ¹	\$ 65.00 / RSF
Estimated Total Annual Cost: ²	\$ 7,775,885

¹ This estimate is for fiscal year 2023 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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Background

The IRS's mission is to provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and enforce the law with integrity and fairness to all.

This location currently houses both the Taxpayer Assistance Center (TAC) and the Criminal Investigation (CI) office. TACs provide free personal tax help such as assistance with authentication of identity and document validation related to tax return filing; applications for an Individual Taxpayer Identification Number; Sailing Clearances required for foreign travel by resident and non-resident aliens leaving the United States; assistance with Economic Impact Payment Issues; cash payments; and obtaining tax forms.

CI serves the American public by investigating potential criminal violations of the Internal Revenue Code and related financial crimes in a manner that fosters confidence in the tax system and compliance with the law.

Justification

The IRS is currently housed at 100 Myrtle Avenue in a lease that expires December 16, 2022. The IRS requires continued housing to carry out its mission until it can execute a long-term plan to complete two new/replacing lease procurements, one for the TAC, and the other for the CI office. A 3-year lease extension will provide the IRS with sufficient time to formulate its relocation plan and budget for move costs accordingly. GSA will attempt to negotiate a flexible lease term of 3 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 as 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 10/13/2022

Recommended: 
Commissioner, Public Buildings Service

Approved: 
Administrator, General Services Administration