



December 27, 2019

Mr. Russell Vought  
Acting Director  
Office of Management and Budget  
725 17th Street, NW  
Washington, DC 20503

Dear Acting Director Vought:

Pursuant to section 12(b) of the Federal Assets Sale and Transfer Act of 2016 (“FASTA”), Public Law 114-287 as amended, the Public Buildings Reform Board (“PBRB” or the “Board”) is pleased to timely submit additional information regarding our recommendations to the Office of Management and Budget (“OMB”) for the sale of not fewer than five federal civilian real properties with a total fair market value of not less than \$500 million and not more than \$750 million.

This letter and the accompanying report are being posted on the PBRB website, and provide information regarding each recommended property. We also want to address the recommendation guidelines included in your response letter dated November 27, 2019:

1) GSA must execute project sales with its own staff or with a broker under contract to GSA. While the Board may remain engaged in the process, FASTA does not provide the Board authority to effectuate property sales.

**PBRB: We appreciate OMB’s recognition that the intent of FASTA is for the Board to participate and facilitate these sales. The Board understands and agrees that GSA will conduct the actual sales based on Board recommendations for each property.**

2) Proceeds cannot be split between the Board and agencies that have proceeds retention authority. FASTA does not provide the Board this authority.

**PBRB: Proceeds from the sales of all of the identified properties shall be deposited into the Asset Proceeds and Space Management Fund. The use of the proceeds from sales are subject to congressional approval.**

3) All recommendations must be supported by a financial execution plan to provide assurance the sale can be effectuated and to support OMB's risk assessment. This is necessary due to the Board's \$30 million in available appropriations and the potential complexity and cost of the proposed sales.

**PBRB: The PBRB is working with OMB to supply all necessary information to demonstrate adherence to the statutory and regulatory requirements.**

4) Conditional sale recommendations (e.g., sales contingent on zoning changes) must be executable within one year to meet FASTA requirements unless the Board recommends to the Director, supported by evidence of financial benefit to the government, that the Director should extend the sale timeframe to two years.

**PBRB: Although the complexity and evidence of financial benefit to the Government may warrant an extended sale timeframe for some properties, we want to clarify the time period set forth in the law. To be clear, the statute does not require the sale of any property within one year of OMB approval. The one year time frame begins upon GSA's acceptance of the Report of Excess for each property.**

**Additionally, the Board is not contemplating 'sales contingent upon zoning changes'. The Board, in conjunction with GSA, intends to ensure that all sales are executed within the time frames required by law; some transactions will include provisions for the Government to obtain additional value linked to the successful developer's entitlement efforts, but again, those agreements will be executed within the statutory time frames.**

5) FASTA requires the Director of OMB to approve the Board's recommendations in their entirety. Disapproval of an individual recommendation results in the disapproval of all recommendations

**PBRB: The Board agrees with OMB's interpretation of FASTA and reiterates its belief that all of the recommended properties can be sold within FASTA's required timeframe. All property sales will be within an acceptable level of risk to the Government compared to the expected proceeds and benefits to the Federal Government, local communities and the US taxpayer. Additionally, there are significant risks and costs associated with continuing to operate and maintain many of these properties; for example, the major capital expenses required to continue occupancy at the Chet Holifield Federal Building in Laguna Niguel, CA.**

6) FASTA does not provide the Board authority to pay other agencies to perform certain activities under Section 14.

**PBRB: The Board has confirmed with all affected Land Holding Agencies their responsibilities under FASTA. Each agency either will fund and perform the necessary remaining due diligence or will provide funding to GSA for that purpose.**

Finally, we greatly appreciate the cooperation and coordination with all affected agencies throughout this process; in particular the General Services Administration and the Office of Management and Budget.

Sincerely,



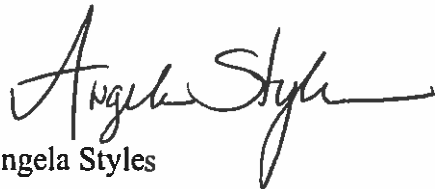
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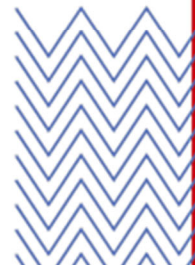


# **High Value Assets Report**

## **Key Findings and Recommendations**

### **Pursuant to the Federal Asset Sale**

### **and Transfer Act of 2016 ("FASTA")**



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## EXECUTIVE SUMMARY

The Federal Government is the largest holder of real property in the United States and one of the largest worldwide. According to the Federal Real Property Profile (“FRPP”) Executive Summary, in Fiscal Year (“FY”) 2018, civilian Chief Financial Officers Act agencies owned nearly 900 million square feet of buildings and leased another 254 million square feet around the world. Operating costs for these buildings totaled \$15.1 billion. Owned and leased properties far exceeded Federal needs and includes significant owned properties that are underutilized or poorly suited to current agency mission requirements. As Congress, the Government Accountability Office (“GAO”), and others have documented over the course of many years, the Federal Government has not managed its portfolio of real property efficiently and continues to waste taxpayer money operating and maintaining properties that should be disposed. The traditional property disposal process and the frequent need for capital improvements prior to property disposal have discouraged agencies from aggressively pursuing property disposal. In addition, properties that are disposed are generally sold “as is,” rather than marketed to maximize the return to the taxpayer. The Federal Government has failed to take advantage of tremendous value through progressive redevelopment and reuse strategies.

In 2016, Congress, with bipartisan support, passed the Federal Assets Sale and Transfer Act (“FASTA”) to address these issues, and created the Public Buildings Reform Board (“PBRB”) to manage property sales, consolidations, and redevelopment; reduce operating and maintenance costs and reliance on leased space; and maximize utilization of space across the Federal Government for a pilot period of six years.

In accordance with FASTA, the PBRB’s primary mission is to identify specific Federal properties for disposal in a manner that will “obtain the highest and best value for the taxpayer” and accomplish the goal of “facilitating and expediting the sale or disposal of unneeded Federal civilian real properties.” In order to meet these objectives, the PBRB has identified a corollary, but equally important mission: to reform Federal real property management and disposal practices. Without reform, the PBRB cannot effectively meet FASTA’s overall objectives.

This report is the first required under FASTA Section 11 and addresses both property disposal and reform recommendations.

### Specific Properties for Disposal

In this initial report, the PBRB recommends 12 High Value Assets (“HVAs”) for sale pursuant to FASTA Section 12 (b):

1. Sacramento Job Corps Center (Excess Land Sale Only), 3100 Meadowview Road, Sacramento, CA 95832 – Department of Labor (“DOL”)
2. Information Operations and Research Center, 1155 Foote Drive, Idaho Falls, ID 83401 and Shelley-New Sweden Park & Ride Lot, Shelley-New Sweden Hwy, Idaho Falls, ID 83415 – Department of Energy
3. Southwest Fisheries Science Center, 1352 Lighthouse Avenue, Pacific Grove, CA 93950 – Department of Commerce (“DOC”)
4. Edison Job Corps Center (Excess Land Sale Only), 500 Plainfield Avenue, Edison, NJ 08817 – DOL
5. Veterans Affairs Denver Medical Center (Partial Disposition), 1055 Clermont Street, Denver, CO 80220 – Department of Veterans Affairs
6. Ronald Reagan Federal Building and Courthouse, 228 Walnut Street, Harrisburg, PA 17101 – GSA

7. Auburn Complex, 400 15<sup>th</sup> Street SW, Auburn, WA 98001 – GSA
8. Menlo Park Complex, 345 Middlefield Road, Menlo Park, CA 94025 – GSA
9. Chet Holifield Federal Building, 24000 Avila Road, Laguna Niguel, CA 92677 – General Services Administration (“GSA”)
10. Nike Site, 770 Muddy Branch Road, Gaithersburg, MD 20899 – DOC
11. WestEd Office Building, 4665 Lampson Avenue, Los Alamitos, CA 90720 – Department of Education
12. Federal Archives and Records Center, 6125 Sand Point Way NE, Seattle, WA 98115 – National Archives and Records Administration

The PBRB developed the list of HVAs by assessing the inventory of Federal real property as defined by FASTA and utilizing the FASTA-defined selection criteria.

As stipulated by FASTA, this report only addresses the sale of HVAs. The PBRB looks forward to making a broader set of recommendations with respect to property sales, consolidation, lease reductions, and operational efficiencies in the two subsequent rounds under the Act. The PBRB strongly believes there are significant additional opportunities to identify underutilized properties and consolidate properties to further the goals of FASTA.

## Reform Federal Real Property Practices

The Federal Government’s ability to capture value from these and other assets will require a sustained reform effort. Only transformational reform, driven by the PBRB working with the Office of Management and Budget (“OMB”), GSA, other Federal agencies, Congress, the private sector, and state and local stakeholders, will bring the sound business decisions and sustained leadership needed to maximize value from these assets and position the Federal Government for future success. *Thus, perhaps the single biggest recommendation is that the PBRB facilitate, participate in, and monitor the disposal processes alongside GSA to ensure the maximization of value for the HVAs.*

The PBRB notes that the word “Reform” is at the heart of its name and is an essential part of the mandate. For this report, the PBRB focused on FASTA’s requirements to identify specific HVAs for disposal. In undertaking the PBRB’s mission, however, the PBRB has become convinced that Federal property disposal laws, regulations, policies and business practices are in dire need of transformational reform. The current property disposal framework was established over decades, in piecemeal form, and simply does not represent sound public policy. When viewed from a real property portfolio asset management perspective, it is clear that the Federal property disposal framework urgently needs comprehensive reform to meet the demands of effective and efficient Government and to provide the best stewardship of taxpayer resources.

Reform is essential on several fronts: improving the quality of Federal real property data; maturing the tools the Government uses to manage the Federal real property portfolio, growing from an inventory to a portfolio management and decision support system; reassessing Government processes to inject greater private sector expertise, reduce uncertainties and maximize sale proceeds; building a portfolio management approach that spans GSA and all Federal landholding agencies; and conducting a zero-based reassessment of the Federal laws, regulations, and policies related to real property disposal.

The HVAs included in this report represent an extraordinarily small percentage of Federal real property that can be consolidated, exchanged, reconfigured, redeveloped, and otherwise released from the Federal

inventory. We believe that with ongoing involvement throughout the disposal process, the PBRB can achieve significant value for the taxpayers and the communities in which these properties are located. Based on our findings and insights from Government reports on the Federal real estate disposal process, we will take several measures to reform the disposal process in conjunction with GSA, OMB, Congress and other stakeholders. Collectively, these measures aim to apply private-sector knowledge and best practices in order to unlock the highest and best value and return for the taxpayer.

The recommendations in this report embody the following core philosophies of reforming the Federal real estate portfolio:

- **Collaboration.** Collaboration across a broad group of stakeholders is frequently the key to achieving the best possible outcome in complex real estate transactions.
- **Innovation.** Unlocking highest and best use requires innovation and agility, which is unduly constrained under current Federal practices.
- **Transparency.** Increasing transparency into both data captured on the Federal real estate portfolio in addition to the PBRB's considerations of properties for consolidation or disposition will increase the accountability for the PBRB's decisions and confidence in the results of those decisions.
- **Broad Marketplace Exposure.** Broader exposure generates greater interest, innovation and financial returns.
- **Transaction Certainty.** Increasing certainty reduces risks for purchasers and increases financial returns to taxpayers.

The current framework of Federal property management and disposal laws and policies does not fully support these core philosophies.

The remainder of this report provides background on FASTA and the PBRB, describes the methodology we utilized to identify the HVAs, and discusses our key findings and recommendations in detail. It also provides information on each of the properties we recommend for disposal.



# 1 BACKGROUND

## 1.1 FASTA Overview

According to the Federal Real Property Profile (“FRPP”) Executive Summary, in Fiscal Year (“FY”) 2018, civilian Chief Financial Officers Act agencies owned nearly 900 million square feet (“SF”) of buildings and leased another 254 million SF around the world. Within United States boundaries, the Federal portfolio includes hundreds of thousands of properties ranging from simple irrigation ditches to 1 million+ SF office buildings in city centers. This real estate provides critical support for all functions of the Federal Government – from weather forecasting to prisons to administrative office space to public-facing functions like Department of Veterans Affairs (“VA”) hospitals and Social Security Administration offices.

The Federal Assets Sale and Transfer Act of 2016 (“FASTA”), Public Law (“P.L.”) 114-287 as amended, was enacted on December 16, 2016, to create an independent reform Board with an independent process to make recommendations for property disposals, consolidations, lease reductions, cost containment, and other efficiencies across the Federal Government. FASTA is a 6-year pilot program that overlays and provides exemptions from a variety of other statutes that have been enacted over decades.

Prior to FASTA, the Federal Government’s property disposal framework was established in a piecemeal form. The Federal Property and Administrative Services Act (“Property Act”) of 1949 gave GSA authority to act as the real property disposal agent for the Federal Government. However, over time, Federal agencies have been granted various, individual statutory authorities to make disposal decisions for their real property assets. Some agencies are limited to certain property types or disposal methods, while others have broad authority to dispose of any of their assets, making property disposal inconsistent across the Federal Government as a whole. In addition, the disposal process is governed by additional requirements, including environmental requirements and historic preservation mandates that apply depending on several site-specific conditions. Congress has acknowledged the challenges and time intensive requirements included in those laws.

To respond to the shifting Federal real property landscape, GSA has evolved into a customer-focused Government-wide realty services provider, implementing disposition decisions through its own authority or by using the individual authorities of landholding agencies. Since 2003, the Federal Government has taken steps to improve the management of the Federal portfolio but there continues to be ongoing challenges. The Government Accountability Office (“GAO”) High Risk List continues to flag managing Federal real property with an emphasis on disposing of excess and underutilized properties, costly leasing reduction and physical security issues in its biennial report.

*“The purpose of this Act is to reduce the costs of Federal real estate by –*

- (1) Consolidating the Federal footprint;*
- (2) maximizing utilization rates;*
- (3) reducing the reliance on leased space;*
- (4) selling or redeveloping underutilized HVAs to obtain the highest return to the taxpayer;*
- (5) reducing operating and maintenance costs;*
- (6) reducing redundancy, overlap, and costs associated with field offices;*
- (7) incentivizing greater efficiency in the real property inventories of civilian agencies;*
- (8) facilitating and expediting the sale or disposal of unneeded real properties;*
- (9) streamlining real property transfers for the provision of services to the homeless; and*
- (10) assisting in the achievement of Federal sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies.”*

*- FASTA Section 2*

Not only is the Federal Government’s portfolio vast and complex with fragmented real property processes, but any transaction requires involvement and consensus with multiple stakeholders. Congress enacted FASTA to “reform” these processes and drive efficiency and transparency. FASTA established an independent Public Buildings Reform Board (“PBRB”) initially charged with identifying not fewer than five Federal civilian real properties that are not on the list of surplus or excess as of such date with a total fair market value of not less than \$500 million and not more than \$750 million (“High Value Assets”) (“HVAs”). The HVAs identified by the PBRB are being recommended to the Office of Management and Budget (“OMB”) for disposal. In two future FASTA rounds over a five-year period, the PBRB is responsible for making recommendations for other sales, consolidations, property disposals or redevelopment worth up to \$7.25 billion.

The FASTA requirement to dispose of up to \$750 million of HVAs in a relatively short time frame represents a significant increase in the sale of Federally-owned real estate beyond historic transaction volumes. Considering this increased transaction volume and the strong desire to maximize sale proceeds while working with all stakeholders, the PBRB will maintain an active role throughout the disposition process for each property.

## 1.2 The PBRB

A quorum of five PBRB members were sworn in on May 1 and May 10, 2019. The PBRB members were selected based on expertise in commercial real estate and redevelopment, space optimization and utilization, and community development, including transportation and planning. Additional information on the PBRB members is found in Appendix B. The PBRB duties as outlined in FASTA include:

- Identifying opportunities to reduce the Government’s inventory of civilian real property and reduce costs to the Government;
- Identifying HVAs within 6 months of the PBRB’s appointment, and in two future rounds making recommendations for additional sales, consolidations, redevelopment, and operational efficiencies;
- Performing an independent analysis on the inventory of Federal civilian real property;
- Receiving and considering proposals, information, and other data submitted by state and local officials and the private sector;
- Identifying or developing and implementing an accounting system to independently evaluate the cost of and returns on recommendations;
- Conducting public hearings;
- Transmitting to the OMB Director and making publicly available reports containing the PBRB’s findings, conclusions, and recommendations; and
- Establishing and maintaining a Federal Web site for the purposes of making relevant information publicly available.

The PBRB has worked closely with GSA, OMB, Congress, local Governments and landholding agencies to identify HVAs. Going forward, the PBRB will expand its analysis of the Federal portfolio to review additional opportunities for redevelopment, consolidation, and reutilization.

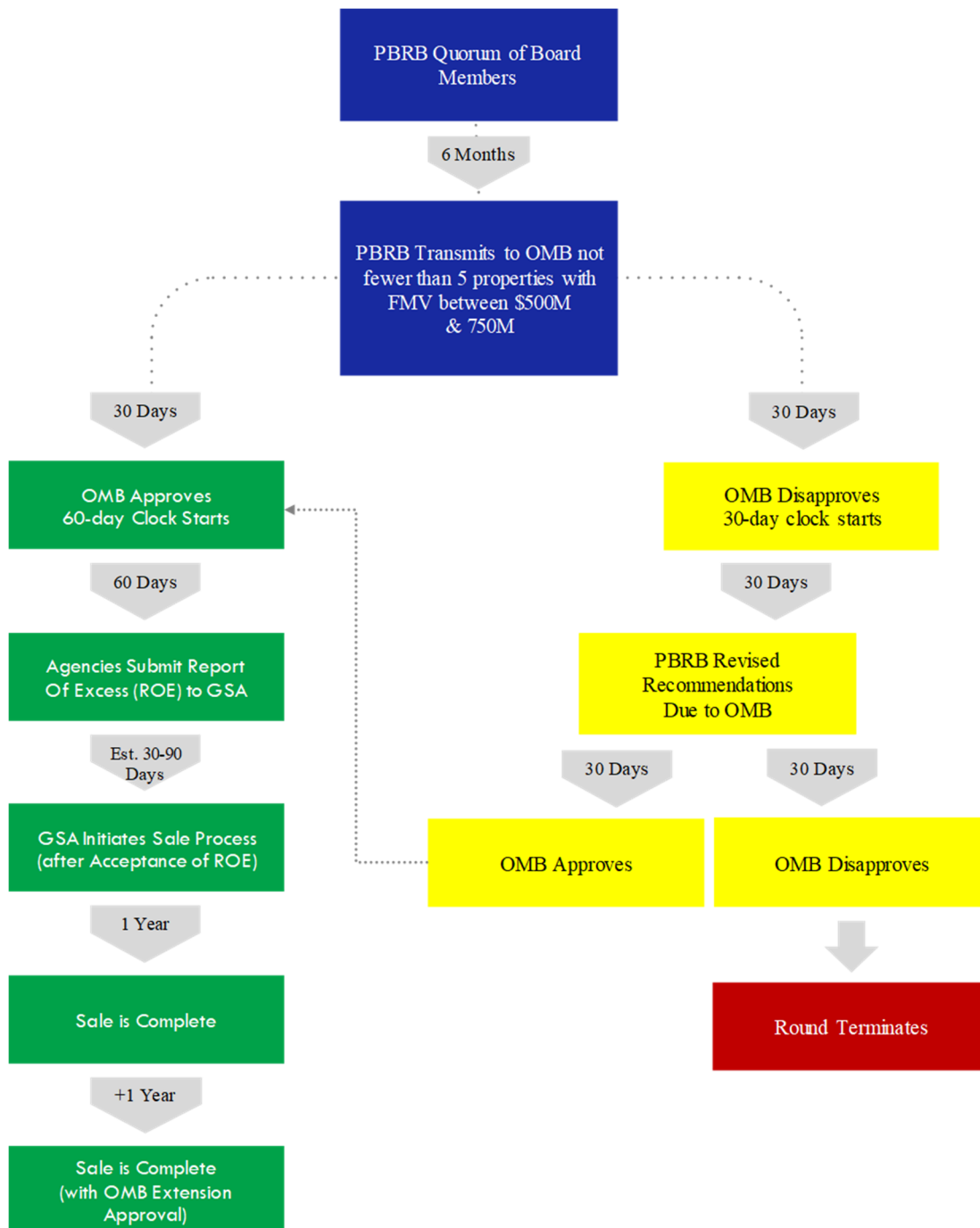
The PBRB wishes to thank GSA’s Public Buildings Service (“PBS”), and in particular its Office of Real Property Utilization and Disposal, for its support of the PBRB’s efforts prior to, and immediately following the PBRB’s appointment. As required by FASTA, GSA solicited each Federal agency subject to the Act for properties recommended for disposal or consolidation under FASTA’s expedited process. On its own initiative, PBS undertook an additional in-depth analysis of FRPP data to identify other potential FASTA candidates. Without these efforts, the PBRB would have faced even greater challenges in completing the necessary in-depth data review within the tight timelines mandated by the legislation. This information

provided a strong foundation that has aided the PBRB in the selection of the HVAs. With extensive review and some modification, the PBRB adopted a GSA-established methodology for analysis of the FRPP data.

### 1.3 FASTA Timeline

In addition to the appointment of the PBRB members and delivery of the HVA disposal recommendations, FASTA included specific milestones and timeframes, which are detailed in Figure 1.

**Figure 1: Timeline of FASTA Milestones**



## 1.4 Stakeholder Engagement

The PBRB is working to increase efficiency and transparency in the disposition and redevelopment processes by collaborating with Federal agencies, Congressional Representatives, state/local/municipal representatives, and the private sector (Figure 2). The PBRB recognizes the importance of engaging across the spectrum of stakeholders throughout all stages of this process to maximize economic value while addressing any Federal, community, historic preservation and environmental impacts. In addition, the PBRB believes that disposition projects completed under the FASTA “brand” will restore confidence in the public’s view of the Federal Government’s ability to efficiently manage and sell real estate.

### **Federal Agency Coordination.**

OMB, GSA, and other Federal agencies played a critical role in identifying potential FASTA candidate properties and working closely with the PBRB through the FASTA selection process. The PBRB met systematically with OMB, GSA, and other Federal agencies to evaluate potential candidates and make determinations as to whether the properties were appropriate for this FASTA round of HVA disposal recommendations. Due to time constraints, the PBRB relied heavily on existing data, information provided by the agencies regarding their respective properties, and site visits to complete its analysis.

### **Congressional Representatives.**

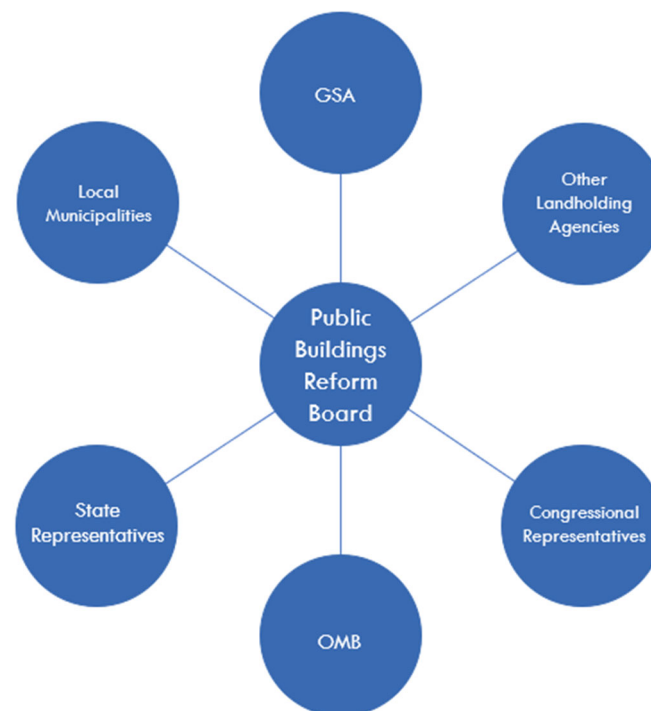
The PBRB made an effort to engage with all Congressional Representatives and staff on potential FASTA candidates within their districts via meetings, phone calls, and e-mails. While time constraints limited the number of offices contacted about individual properties, collaboration and transparency between the PBRB and Congressional Representatives informed the PBRB’s decisions on many of the property candidates.

**State and Local Municipal Representatives.** To the extent practical, the PBRB sought (and continues to seek) input from state and local representatives familiar with local zoning, infrastructure, community development, and socio-economic impacts of proposed dispositions.

**Public Meetings.** The PBRB held four public meetings, two in Washington, D.C., one in Los Angeles, California, and one in Denver, Colorado. The public meetings served as an opportunity for the PBRB to receive valuable input on several topics including the following:

1. Perspectives from Government and private sector representatives on the implementation of FASTA, opportunities, and challenges;

*Figure 2: The PBRB’s Engagement with Stakeholders*



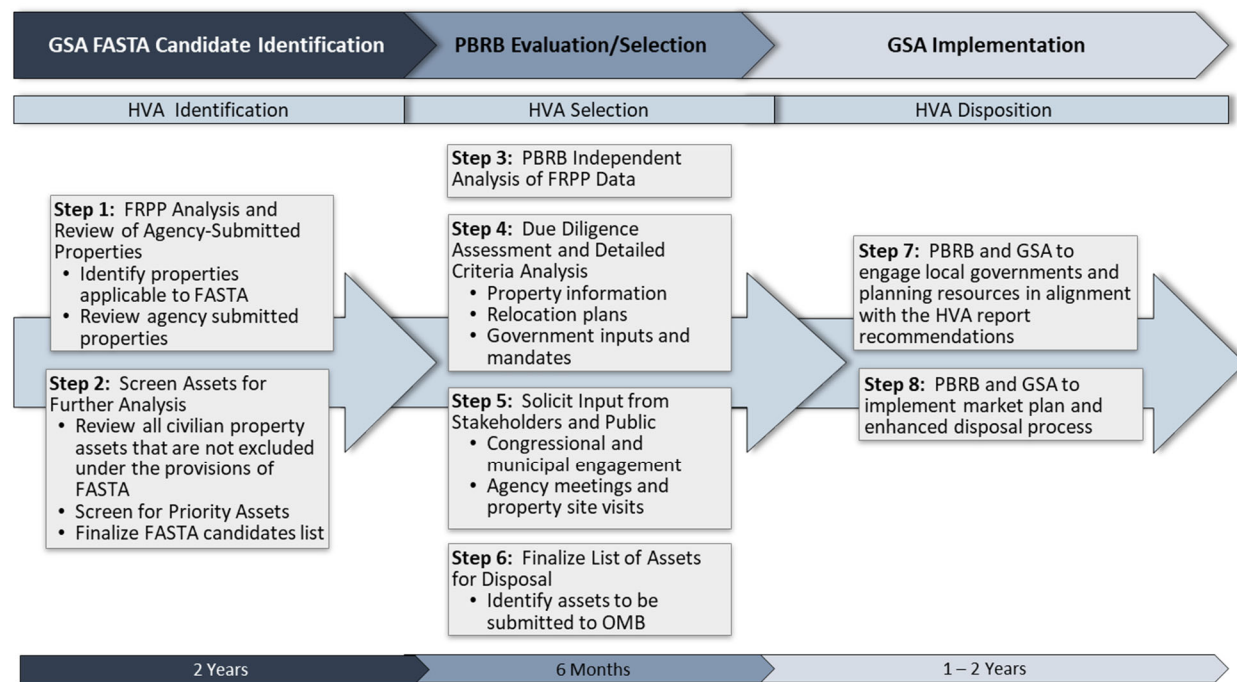
2. Proposed methodologies and criteria for selecting Federal properties for disposal with an emphasis on high value properties; and
3. Perspectives on private sector valuation practices as applied to Federal property proposed for disposal and other relevant private sector practices from commercial real estate representatives.

**Private Sector.** The PBRB solicited expertise from the private sector, specifically real estate professionals, developers, investors, and brokers, in identifying marketable properties and considering the effects of disposing of multiple properties from different agencies in a single city or region. By utilizing the private sector's experience and familiarity in handling complex real estate transactions, the PBRB gained substantial insights into the potential redevelopment and marketing of several of the HVAs.

## 2 METHODOLOGY

This section describes the structured methodology used to identify HVA properties for sale. The methodology is grounded in FASTA’s requirements and consisted of two phases: 1) GSA’s review of submission of Federal agency wide recommendations and identification of additional FASTA candidates through analysis of the FRPP database, and 2) independent PBRB analysis of FRPP data and evaluation of agency submissions and other identified HVA candidates, due diligence, stakeholder engagement, and selection of HVAs recommended for sale, as illustrated in Figure 3.

**Figure 3: Methodology for Identifying Properties for Disposal and Implementing the PBRB Recommendations**



**Data Sources and Management.** The PBRB and its staff utilized several methods to collect, analyze, track and report information:

- **FRPP data for FY17.** While GAO, the PBRB, and other stakeholders have identified many areas where the FRPP can be strengthened, the PBRB nevertheless found the FRPP to be the best available data source for its initial analyses.
- **Information collected on each of the FASTA candidates from GSA and the applicable Federal agencies.** The PBRB collected all available information on each specific FASTA candidate including property history and characteristics, relevant stakeholders, data on FASTA factors (Table 1), relevant meeting notes, supporting documents, and property photos and maps. In addition, a list of data gaps was maintained for each HVA candidate by relevant agency.
- **Site visits of every HVA property by one or more of the PBRB members and staff.** These visits provided valuable insights on the property itself, the surrounding community, and the condition and status of the property. A number of initial FASTA candidates were removed from the final HVA disposal recommendations as a result of these inspections.
- **Stakeholder input, as discussed in Section 2.2.**

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## 2.1 GSA FASTA Candidate Identification Phase

### **Step 1: FRPP Analysis and Review of Agency-Submitted Properties**

GSA worked directly with landholding agencies to identify potential FASTA candidates. FASTA Section 11 requires that OMB and GSA issue a data call to agencies on a yearly basis. The data call request must occur no later than 120 days after the start of the new FY until the termination of the PBRB. Since 2016, there has been one data call per FY (FY 17: April 14, 2017; FY18: November 30, 2017; and FY19: December 7, 2018). There was an additional data call in FY19 targeting leaseback opportunities on June 6, 2019. The FY20 data call was received by GSA on November 8, 2019.

In addition to assessing properties that were identified by landholding agencies, GSA also completed a detailed analysis of the FRPP data. During the initial FRPP data analysis, GSA utilized 2017 FRPP data containing information on the entire Federal Government real property portfolio.

FASTA Section (3)(5) describes the Federal civilian real property assets that are subject to its requirements, including public buildings as defined in Section 3301(a) of Title 40, US Code, occupied and improved grounds, leased space, or other physical structures under the custody and control of any Federal agency. The law excludes properties that are:

1. On military installations.
2. Under the jurisdiction of the US Coast Guard.
3. Excluded for reasons of national security by the OMB Director.
4. Excepted from the definition of the term “property” under Section 102 of Title 40, US Code.
5. Indian and Native Alaskan properties, including—
  - a. Any property within the limits of an Indian reservation to which the US owns title for the benefit of an Indian tribe; and
  - b. Any property title that is held in trust by the US for the benefit of an Indian tribe or individual or held by an Indian tribe or individual subject to restriction by the US against alienation.
6. Operated and maintained by the Tennessee Valley Authority.
7. Owned by the US Postal Service.
8. Used in connection with Federal programs for agricultural, recreational, or conservation purposes, including research in connection with the programs.
9. Used in connection with river, harbor, flood control, reclamation, or power projects.
10. Located outside the US operated or maintained by the Department of State or the US Agency for International Development.

One of the first steps in reviewing this dataset was to remove properties excluded by statute from consideration for disposal under FASTA. Significantly, this assessment reduced the number of FRPP assets for consideration from nearly 400,000 to 109,179. These remaining assets make up the FASTA eligible portion of the portfolio.

### **Step 2: Screen Assets for Further Analysis**

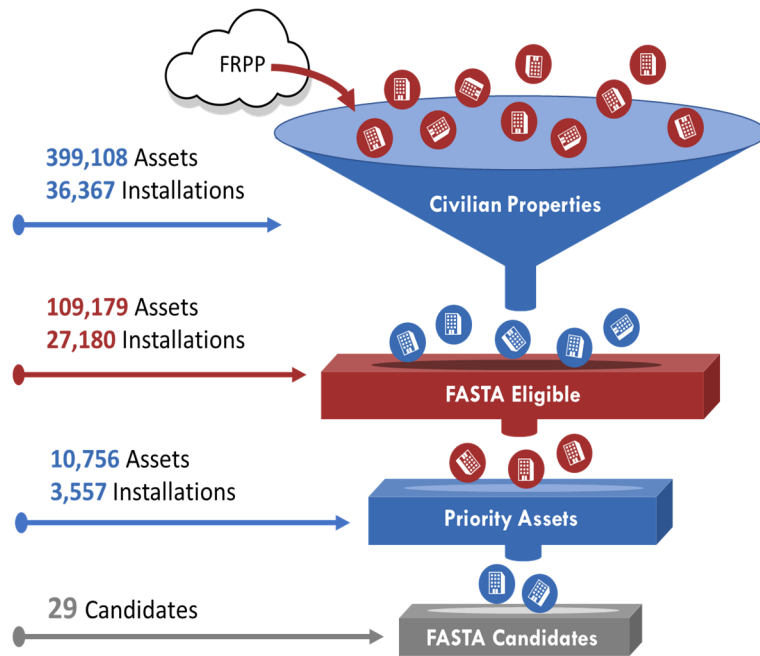
Once the eligible FASTA properties were identified, GSA completed further analysis to identify assets that would be most appropriate for disposal under FASTA. This screening effort included a series of filters

(Figure 4). The purpose of this effort was to reduce the list of 109,179 FASTA eligible properties to a list of assets that were the most likely to be reasonable HVA candidates, thereby facilitating the PBRB’s ability to achieve FASTA’s requirement for identifying assets totaling \$500 million to \$750 million in fair market value.

After eliminating smaller properties, those that serve a unique public benefit, and those that were least likely to allow the PBRB to achieve its goals, a list of “Priority Assets” were identified. Priority Assets are designated as properties most likely to generate more than \$1 million in sales proceeds.

Once Priority Assets were identified, an additional screening step was taken to further identify and evaluate potential FASTA candidates. This included reviewing the remaining “Priority Assets” dataset in three ways: (1) geographically or by real estate market; (2) use of real property; and (3) utilization. This analysis, as well as recommendations from GSA and landholding agencies, resulted in the identification of a set of initial, potential FASTA candidates that merited further analysis, discussion with the relevant Federal agencies and other stakeholders, and possible site visits from the PBRB.

**Figure 4: FRPP Analysis and Asset Screening Process**



*Visualization utilizes 2017 FRPP data  
Assets and installations are defined in Appendix D*

## 2.2 The PBRB Evaluation/Selection Phase

GSA provided the PBRB with preliminary due diligence information and data gathered in the FASTA candidate identification phase. The PBRB then undertook several additional steps of data gathering, analysis, and stakeholder engagement to select each property. While these steps are presented in a linear format, it is by nature iterative as additional data informed the process and the selection of HVAs.

For all properties, the goal remained consistent: ensure the property was “sellable,” meaning there were no known deed restrictions, covenants, agreements, or environmental considerations that would prevent a sale; and similarly, that there were no agency or Government-wide factors that would prohibit or otherwise inhibit the sale of the property.

### Step 3: Independent PBRB Analysis of FRPP Data

The PBRB conducted its own analysis of the FRPP database to identify additional HVA candidates. A series of data analyses on underutilized and unutilized property only found properties that agencies already identified as excess for disposal or were small components of larger installations. While this analysis did



not identify additional properties, it was an important step in the PBRB’s independent methodology and assessment.

**Step 4: Due Diligence Assessment and Detailed Criteria Analysis**

**Due Diligence Assessment.** In addition to data provided in FRPP, the PBRB coordinated with GSA and landholding agencies to gather additional real property information. This due diligence information is not provided in FRPP, but it is critical to assess whether a property is a viable disposal candidate. For each property, the PBRB gathered as much of the following information as possible:

- Appraisals
- Entitlements and Analysis of Zoning
- Environmental Conditions
- Historic Preservation Factors
- Ownership Documentation and Title Documents
- Property Condition Reports
- Property Surveys and Improvement Drawings
- Relocation Plans
- Target Asset Review by GSA

**Detailed Analysis.** FASTA Section 11(b)(3) directed the PBRB to consider several factors during its review and assessment of whether a property should be recommended for disposal, consolidation, or re-development. The PBRB assessed these real property and mission related factors for each property, (Table 1). Results from this analysis are provided for each property in Appendix A.

**Table 1: FASTA Analysis Criteria**

Criteria	Description from Law
<b>Taxpayer Return</b>	The extent to which the Federal Government real property could be sold (including property that is no longer meeting the needs of the Government), redeveloped, out leased, or otherwise used to produce the highest and best value and return for the taxpayer.
<b>Operations and Maintenance (“O&amp;M”) Cost Reduction</b>	The extent to which the O&M costs are reduced through consolidating, co-locating, and reconfiguring space, and through realizing other operational efficiencies.
<b>Utilization Rate Maximization</b>	The extent to which the utilization rate is being maximized and is consistent with non-Governmental industry standards for the given function or operation.
<b>Cost Saving Potential</b>	The extent and timing of potential costs and savings, including the number of years, beginning with the date of completion of the proposed recommendation.
<b>Reliance on Leasing</b>	The extent to which reliance on leasing for long-term space needs is reduced.
<b>Mission Alignment</b>	The extent to which a Federal Government real property aligns with the current mission of the Federal agency.
<b>Consolidation of Operations</b>	The extent to which there are opportunities to consolidate similar operations across multiple agencies or within agencies.
<b>Economic Impact</b>	The economic impact on existing communities in the vicinity of the Federal Government real property.
<b>Energy Consumption</b>	The extent to which energy consumption is reduced.
<b>Access to Services</b>	The extent to which public access to agency services is maintained or enhanced.

In addition to the statutory criteria, the PBRB evaluated each candidate in terms of the likelihood that the sale could be accomplished within the aggressive deadlines mandated by FASTA.

Unfortunately, the PBRB did not benefit from the Section 11 FASTA directive that OMB, in consultation with GSA, develop standards and criteria to use in evaluating agency submissions and making recommendations to the PBRB. To the best of the PBRB's knowledge, the standards and criteria were never developed. While OMB and GSA did develop utilization rate recommendations for office buildings, data in most buildings is currently inadequate to accurately track utilization.

#### **Step 5: Solicit Input from Stakeholders and the Public**

The PBRB sought input from the public and other stakeholders through several mechanisms. In addition to public meetings, the PBRB had detailed discussions with Congressional Representatives, local Government representatives, and the landholding agencies.

**Congressional and Municipal Engagement.** The PBRB met with a number of Congressional Representatives and local Government representatives to initiate collaborative discussions regarding the HVAs, disposition of the properties, and any impacts to the local communities. Engagement with political stakeholders will continue to play a critical role in the planning and implementation of each HVA disposal as well as identifying subsequent FASTA disposition and consolidation candidates.

**Agency Meetings and Property Site Visits.** The PBRB members also held discussions directly with real property representatives from 10 Federal agencies to discuss, validate, and assess the properties under consideration. The PBRB members or the PBRB staff visited each of the recommended properties. More than 20 site visits occurred in July through October 2019 to gather additional insight into the property attributes, condition, and other factors that could affect disposal and value. A number of initial FASTA candidates were removed from the HVA disposal recommendations as a result of these visits.

The PBRB incorporated all of the additional information gleaned from stakeholder meetings and property site visits into the assessment and analyses that occurred in Step 3.

#### **Step 6: Finalize List of Assets for Disposal**

As the PBRB completed Steps 3 through 5, the properties were placed into three tiers, which allowed the PBRB to prioritize actions associated with the properties most likely to be submitted to OMB, while continuing to gather data and discuss properties for future FASTA rounds.

1. Tier 1: HVAs that are most likely to be submitted to OMB during this FASTA round.
2. Tier 2: HVAs with potential to be submitted to OMB during this FASTA round but are more likely better suited for potential future consideration due to conditions or circumstances unique to the site.
3. Tier 3: Assets thoroughly assessed for inclusion in the HVA disposal recommendations but were deemed to not be candidates during this submittal or future submittals of HVA to OMB.

The PBRB utilized this methodology, which aligned with the requirements of FASTA, as well as institutional knowledge of the private and public sectors to develop the final HVA disposal recommendations. The HVAs are presented in Appendix A.

### **2.3 Accounting Methodology**

In accordance with FASTA Section (12)(e), the PBRB used a consistent method of evaluating the costs of and returns on the HVA properties based on available information. This approach was based on

establishing a process to accurately capture “the PBRBs recommendations and determining the highest return to the taxpayer”, as required.

As defined in FASTA Section (3)(9), the term “value of transactions” means “the sum of the estimated proceeds and estimated costs.” The value of transactions developed by this system was based on a wide range of data sources made available to the PBRB from GSA, other Federal Government landholding agencies, and the private sector. The type of supporting property information includes:

- Appraisals;
- Broker Opinion of Value;
- Consultations with local market brokers;
- Comparable sale transactions;
- Zoning databases and municipal zoning codes;
- Estimates of demolition costs;
- Unsolicited offers to purchase a property;
- Real estate market-wide data;
- Market rent data;
- Conversations with local zoning officials;
- Data collected from site visits performed by the PBRB and staff;
- Meeting minutes with GSA and property using agencies; and
- Review of available due diligence materials such as title, survey and environmental reports.

To employ a consistent methodology, the PBRB applied a systematic approach to determine the “value of transactions,” based on evaluating the available supporting data for each property. To accomplish uniformity, for every property the PBRB sought similar data types from similar sources, as listed above. All data available ultimately results in either costs or benefits, which were applied to the final estimate.

Specific value documentation such as appraisals, unsolicited offers, or Broker Opinions of Value provide more thorough assessments of a property’s worth.

The PBRB made a concerted effort to address data gaps in the FRPP by utilizing research and opinions of subject matter experts (e.g., commercial real estate firms). It is important to note, there were no new appraisals developed for the PBRB recommendations of the HVAs due to time constraints, but prior appraisals, when available, were considered as one of the indications of value for an asset.

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## 3 CHALLENGES AND KEY FINDINGS

### 3.1 FASTA Challenges Specific to the First Round

The PBRB encountered significant challenges as it developed the HVA disposal recommendations. This section highlights some of those challenges, with the intent that OMB, executive branch agencies, Congress and other stakeholders will help address going forward.

#### **FASTA's Aggressive Schedule**

The short deadlines and timing of actions required by FASTA posed major challenges. FASTA required the PBRB, not later than 180 days after a quorum of members was appointed, to identify for disposal not fewer than five Federal civilian real properties, that were not on the list of surplus or excess, with a total fair market value of not less than \$500 million and not more than \$750 million. Within the same time period, the PBRB had to transmit the list of identified Federal civilian real properties to OMB as PBRB HVA recommendations for disposal. Once approved by OMB, the properties must be sold by GSA within roughly a one-year timeframe, unless OMB determines that a 2-year timeframe is in the financial interest of the Government. FASTA's aggressive timeframe forced the PBRB to focus on properties already planned for sale and unneeded vacant land that can be sold quickly.

Even in complex real estate transactions in the private sector, where powerful financial incentives drive rapid decision making and decisive action, successful sales strategies are rarely planned within such a short period of time – less than 6 months. Parties must consider property-specific factors before committing to a large sale, including zoning, condition of utilities and building systems, occupancy, environmental issues, potential restrictions on future use, and business, economic, financial, and local real estate market dynamics. Different participants in the transaction – buyers, sellers, brokers, lenders, equity partners, construction contractors, and different local, state, and sometimes Federal agencies – all require data and analyses before complex transactions can be undertaken, and all of this takes time. In sum, the deadlines established by FASTA are extremely aggressive.

Despite these challenges, the PBRB believes that each of the properties on the HVA list is “sellable” within the statutory timeframe.

Additionally, these challenges were formidable due to the procedure and time required to qualify the PBRB as an independent agency. The PBRB members did not have Government ID's for over 2 months after being sworn in, and the PBRB had no staff for the first 4 months, leaving substantial work to be accomplished in just 8 weeks.

#### **OMB Engagement**

FASTA Sections 11(b) through 11(d) directed OMB, in consultation with GSA, to develop standards and criteria to use in evaluating agency submissions and make recommendations. While the PBRB is grateful for the insights and support it received from OMB during this initial phase, defined standards, criteria, and recommendations would have significantly reduced the PBRB's challenges.

The PBRB recommends and looks forward to more substantial, routine engagement with, and guidance from OMB. The PBRB welcomes ongoing discussions with OMB on FASTA strategy and implementation, data gaps, and related issues as its work continues.

#### **Federal Data Gathering Challenges**

The PBRB faced, and continues to face, challenges in gathering the data needed to support decision making for complex real estate transactions. This report provides the PBRB's best recommendations

based on the data available. FASTA Section 12(c) allowed the PBRB to rely on FRPP in its decision making, but as noted later in this report, there are extraordinary issues with data gaps and data integrity within the FRPP. The PBRB’s long-term success and the completion of the sale of the HVAs, as well as other future FASTA disposal and consolidations, is contingent in part upon overcoming this challenge.

The PBRB’s deliberations relied heavily on information available through FRPP. The Federal Government created the FRPP to serve as an authoritative inventory of all Federal real property. The PBRB notes with favor the substantial progress the Federal Government has made in getting FRPP data to its current state and the ongoing improvement efforts. When created, the FRPP was not intended to serve as an asset management tool, but simply a straightforward inventory of all Federal buildings, structures, and land. The PBRB acknowledges that the FRPP represents the best inventory data available but not the best tool for data analysis.

The PBRB’s work to identify and help dispose of hundreds of millions of dollars of Federal assets, however, requires tools and information that goes well beyond what the FRPP was designed to provide. The PBRB coordinated with the landholding agencies to gather missing information, but data requests were time intensive and reactive in nature. Agencies often awaited requests from the PBRB, rather than being proactive in identifying all potentially applicable information associated with potential FASTA candidates.

FASTA’s short deadlines, data quality issues in FRPP, and data gaps beyond the FRPP limited the PBRB’s insight into the Federal portfolio, reduced the number of decision support tools which could be effectively used, and, overall, constrained the PBRB’s ability to execute its mission as thoroughly as possible in these first six months.

As a result, the PBRB recommends that it work more intensively with OMB, GSA, and the Federal agencies to close data gaps and obtain information that is not captured in FRPP because it will be essential for decision making about disposals and consolidations in the Federal portfolio.

## 3.2 Government-Wide Disposal and Portfolio Management

### The Federal Government’s Real Property Disposal Process

As noted in Section 1.1, the Property Act gives GSA the authority to dispose of real property that Federal agencies declare excess. However, the GAO 2019 High-Risk List report concluded that the Federal Government’s capacity is currently only “partially meeting” the demand for disposing of underutilized property assets. Notwithstanding the very large size of the portfolio, the Federal Government sells a relatively small amount of its real estate each year. On average, the Government sells \$75 million of real property annually and GSA is responsible for selling about half of that amount. The average transaction for the entire Government disposition is under \$500,000 and for GSA the average transaction size is approximately \$2.46 million. The PBRB’s findings include:

#### GSA PBS Reported Average Dispositions to the Public for FY14 – FY18:

##### Government-Wide:

- Average Annual Disposals = 144.4
- Average Annual Proceeds = \$66.3 million
- Average Transaction Size = \$459K

##### GSA only:

- Average Annual Disposals = 10.8
- Average Annual Proceeds = \$26.6 million
- Average Transaction Size = \$2.46 million

- The current property disposal framework was established over decades, in piecemeal form. The disposal process is governed by several laws, including environmental requirements and historic preservation mandates that apply depending on a number of site-specific conditions. Congress has acknowledged the hurdles and demanding time requirements included in those laws.

- The Federal Government’s current disposal process is full of disincentives preventing Federal agencies from receiving benefits from the real property assets, which would in turn support mission and other operations.
- Currently, GSA utilizes its proprietary online auction platform to dispose of most properties. The auction website allows the general public to bid electronically on a wide array of assets no longer needed by the Federal Government.
- Based on the annual GSA Public Buildings Performance Overview reports, the disposals and proceeds values reported for the period FY14 to FY18 have been consistent without any significant variances. This underscores both the need to reform the disposition process to capture value from the property inventory, and the need to increase the volume of sales managed by the Federal Government. While the Federal Government is currently equipped to handle its historical disposal volume (size and types), the PBRB believes further changes to the Federal Government’s people, process and tools are required to achieve desired outcomes offered by FASTA.

### **Portfolio Management**

The Federal portfolio consists of an enormous assortment of space uses, underutilized assets, and leases. Federal real property assets for each Federal agency responsible for managing real property feature a wide array of systems and tools that are managed somewhat differently. This has led the Federal Government to continue to face long-standing challenges with managing the Federal portfolio since being listed on the High-Risk List by the GAO in 2003. In 2019, GAO reported that “momentum has slowed” in terms of the various real property initiatives and reforms led by OMB and GSA. The Federal Government has taken a step in the right direction by developing the FRPP, however there are several major steps required before efficiencies from available technology are achieved.

### 3.3 Impact of Zoning on Property Values

Most of the properties owned by the Federal Government are not subject to local zoning ordinances and are either not zoned at all, zoned for public use, or not fully zoned for likely private uses. Historically, GSA has not attempted to have assets re-zoned prior to disposal. The lack of zoning clarity impedes sales in the commercial market and reduces value by making a valuation determination difficult on any given property due to three critical and unknown variables, including:

1. If a proposed use will be allowed by the local municipality on the property after transition from public to private ownership;
2. How long the zoning process will take to complete; and
3. How much a private buyer will ultimately pay for the property upon completion of the first two variables.

Ultimately, the lack of viable zoning precludes many qualified buyers from being interested in a property. Additionally, for the largest properties, the difference that zoning can make in terms of value can be in the tens of millions of dollars. The PBRB recommends that local zoning boards be engaged prior to the properties going to market, clearing any hurdles, identifying likely zoning outcomes, and collaborating to achieve benefits for both parties.

### 3.4 Data-Related Findings

As discussed in Section 3.1, obtaining critical real property data was a significant challenge in this first FASTA round and it will continue to be an obstacle in future FASTA rounds. The purpose of FRPP is to serve as a centralized inventory of real property for the Federal Government. Robust inventory tools such as

FRPP can be very useful, however the FRPP is not designed for portfolio management. Based on the PBRB's evaluation and selection process of HVAs, the following key findings were identified:

**FRPP lacks key data elements that are essential for recommending disposal and consolidation candidates.** For example, a key goal of FASTA is consolidating the Federal footprint and maximizing utilization rates, however FRPP contains limited data to permit basic utilization analysis for leased office properties. In addition, analysis cannot be completed on owned, multi-agency occupied buildings because FRPP does not contain enough information to determine utilization for each agency occupying a building. Additional examples of missing data elements include whether a property is located on a Federal campus, known encumbrances, and property and environmental conditions.

**Decisions cannot be driven by the data due to lack of quality.** Data quality and reporting concerns exist around data elements including, but not limited to O&M expenses, headcount, utilization and Installation IDs. For example, several trends in the data require additional exploration including that 95.9% of assets are identified as "Current Mission Need" and the DOI provided exclusion reasoning for 99.7% of its assets in the 2017 dataset. The PBRB also notes that the Auburn Complex in Washington recommended for sale includes 8 warehouses, 7 of which are vacant – and have been vacant for some time – and yet are listed as "utilized" in the FRPP.

**GSA has developed a robust Data Dictionary and data validation and verification ("V&V") processes within FRPP, however it could benefit from additional Data Dictionary requirements and internal controls.** For example, for headcount the FRPP Data Dictionary includes high level reporting guidance for calculating headcount including clarification on seasonal hires, temporary staff, multiple shifts, and teleworking, however consistently and accurately calculating headcount is a notoriously complicated exercise particularly when considering the wide range of agency mission and asset use types in the Federal portfolio. Additionally, the FRPP V&V process currently flags potential anomalies in key data fields including SF, O&M costs, Lease Costs, and Repair Needs. However, anomaly detection is not completed on all data fields that may be useful in the FASTA process, such as employee and contractor headcount, year of construction, and utilization.

For additional information on data-related findings and recommendations, see Appendix C.

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## 4 RECOMMENDATIONS

### 4.1 Enhancing Portfolio Management

As stated in the “Delivering the Government Solutions in the 21<sup>st</sup> Century” White House report, “unlike the private sector, Federal agencies sometimes lack incentives to think strategically about the workforce and shifting mission needs, and how those factors influence where they are located. Without transformative real property-related authorities, the Federal Government’s ability to meet its mission needs and make smart real estate decisions” will continue to be constrained. The report also highlights the opportunity of Federal agencies to dispose “of unneeded real estate through a streamlined process that results in the greatest return to the taxpayer.” FASTA represents a tremendous opportunity to do just that; allow the Federal Government to adopt new portfolio management strategies and processes. FASTA offers the Federal Government the opportunity to integrate real estate talent from the private sector, establish new streamlined processes and improve the tools utilized to manage large portions of the real estate portfolio. Similar to how a majority of large US commercial real estate companies manage billions of dollars in transaction volume annually, there is the potential for the Federal Government to make significant improvements to increasing real estate transaction volume. The PBRB believes FASTA can help the Federal Government better manage the portfolio with the following recommendations:

- **Enhance the FRPP processes and methodologies.** Continue to find opportunities to improve the FRPP. A greater emphasis on the processes that collect and report on the Federal portfolio is critical for decision making and accountability. For additional recommendations regarding FRPP and portfolio management data, see Section 4.4 and Appendix C.
- **Developing advanced analytics.** The Federal Government should utilize data and visualization tools to drive decisions to support its missions. The commercial sector has developed the ability to leverage real estate data to enhance operational excellence. There is currently a disconnect between data gathered and its ability to be utilized and relied upon in decision making.
- **Private and public collaboration.** Increasing collaboration between the public and private sector including leveraging expertise to improve the Federal portfolio.
- **Strategy and marketing process.** Future FASTA rounds involving consolidation and relocation will require greatly expanded portfolio management capabilities. Leverage the PBRB’s skill sets and authorities to assist agencies with strategic planning to identify consolidation and disposition opportunities.
- **Technology.** The Federal Government should utilize leading technology to gather building data, including automated methods to collect utilization rates, to enable faster and more efficient decision making.

### 4.2 Reforming the Federal Government’s Real Property Disposal Process

Based on the PBRB’s findings and insights from Government reports on the Federal real estate disposal process, it is clear that the Federal property disposal framework urgently needs comprehensive reform. For example, the PBRB finds GSA auctions as a disposal method to be inappropriate for many of the FASTA HVAs simply because it is unlikely to result in maximizing value for the Federal Government and taxpayers. There are at least three reasons why the auction platform is generally not recommended for FASTA HVAs:

1. The private sector is largely unaware of the Government’s auction platform, so the largest companies and developers likely would not participate without extensive outreach.
2. GSA auction process requires bidders to complete all due diligence up front, before they know whether they have been selected as the purchaser or not. Many companies do not want to take on



those expenses before they have been selected, so either they choose not to participate or submit a lower offer.

3. Using an auction platform often creates certainty but it does not usually achieve highest and best use in larger, more complex transactions.

The PBRB proposes to take several measures to reform the disposal process in conjunction with GSA, OMB, Congress, and other stakeholders. Taken together, these measures aim to bring private-sector knowledge and best practices to unlock the highest value of these properties for the benefit of taxpayers. The PBRB intends to engage in a ground up analysis of how all existing laws impact the disposal process and develop further recommendations to streamline these laws and requirements. The PBRB's recommendations in this report, and indeed all future recommendations, will embody the PBRB's core philosophies of collaboration, innovation and transparency. For property dispositions, recommendations will also adhere to the following additional philosophies:

- **Broad Marketplace Exposure.** Broader exposure generates greater interest, innovation and financial returns.
- **Transaction Certainty.** Increasing certainty reduces risks and increases financial returns to taxpayers.

The PBRB's recommendations flowing from the above core philosophies support several new methods for disposing the HVAs and reforming the Government disposal process including:

- **Outreach.** The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for each HVA transaction. By reducing uncertainty around future entitlement and increasing certainty around transaction timelines, qualified developers will have increased confidence which leads to an increase in the amount paid for the property.
- **Brokerage.** GSA will use a private brokerage firm to manage the marketing and sale of the HVA properties in such a manner as to maximize its value for the Government. The broker shall be compensated in a manner consistent with private sector commercial practice. Given the size and complexity of these projects, the engagement of a qualified brokerage firm with experience in complex, high value redevelopment projects in each market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of the HVA properties.
- **Potential Future Proceeds.** Many of the HVAs are either not zoned or zoned for public use and are therefore not entitled for their likely future use. As such, some of these properties may not sell for their full value because of the uncertainty regarding future entitlement. By providing for the purchaser to pay additional sales proceeds upon completion of specified entitlement benchmarks, the Federal Government can maximize its return on the sale of these properties for taxpayer's benefit.
- **Occupancy Agreement.** Utilizing the short-term leaseback authority in the FASTA amendment is key to satisfying the timing requirements for disposal of HVAs. GSA may utilize the leaseback authority under FASTA to provide sufficient time to relocate all current occupants or stored property.
- **Customized Strategies and Marketing Plans.** GSA in consultation with the PBRB, will collaborate with Congressional, state and local stakeholders and private sector real estate professionals to develop strategies and marketing plans to maximize the value of each HVA transaction.
- **Clear Milestones and Project Schedules.** These HVA disposal projects will be complex and could take many months to complete if the proper real estate expertise is not leveraged. To avoid delay, GSA must rely on its access to Federal Government and private sector resources to ensure these projects remain on schedule and are completed within the FASTA timeframe requirements. The PBRB will monitor these activities.

- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA’s mandate to “obtain the highest and best value for the taxpayer and maximize the return to the taxpayer” on disposition strategies and implementation. The PBRB will work collaboratively with GSA to implement the PBRB’s recommendations, or if not, GSA will identify why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

The PBRB is willing to directly engage with stakeholders to ensure the spirit of the recommendations are successfully implemented.

### 4.3 Providing Shelter and Services for Our Homeless

State and local municipalities have limited resources and are confronted with the brunt of addressing the nation’s ongoing homeless crisis, having to provide our underrepresented citizens with space, food, and other important services. The Federal Government currently provides numerous services for the homeless through Federal agency services (e.g., VA, Department of Housing and Urban Development (“HUD”)) including access to underutilized and unutilized property under Title V of the McKinney-Vento Act (1987) (“McKinney-Vento”), as amended (42 U.S.C. 11411). However, these services are not providing enough as the U.S. homeless population grows above 550,000 (according to HUD as of 2018).

The PBRB will go beyond simply complying with McKinney-Vento and will proactively engage with homeless organizations to develop collaborative solutions to help address the homeless crisis in this country. This proactive approach will better serve our homeless by ensuring greater representation from homeless liaisons and collaboration throughout the disposal process between Federal agencies and state and local stakeholders.

### 4.4 Methods for Finding Future Properties

As discussed in Section 3.4, FRPP is not designed for portfolio management and lacks key data elements that are essential for recommending disposal and consolidation candidates. Not all of the data elements required for FASTA candidate identification are presently captured in the FRPP.

To identify candidates for the subsequent two rounds, the PBRB intends to take a deep dive into the largest real estate markets for the Federal Government to identify properties most likely to generate lease savings, consolidation opportunities, or significant disposal proceeds and then focusing on these for additional, enhanced data gathering. Understanding there are a multitude of ways to execute this effort, the PBRB recommends the following primary efforts:

- **Utilization.** The FRPP contains limited data to permit basic utilization analysis for leased office properties. It is also difficult to analyze owned, multi-agency occupied buildings because FRPP does not contain enough information to determine utilization for each agency occupying a building. Identifying assets that are running above office utilization benchmarks to probe for excess space would be one way of identifying further room for efficiency. This type of analysis will aid in identifying consolidation opportunities (that can be funded by disposals), which will be key to achieving the overall goals of FASTA. FRPP data submitted by agencies also needs to clearly identify buildings and warehouses that are vacant and how long they have been vacant; vacant facilities should never be listed as “utilized” in the database. For additional findings and recommendations regarding utilization data, see Data Related Findings and Recommendations.
- **Large Sites and Campuses.** The PBRB recommends identifying the largest office and warehouse properties in the Federal portfolio for additional, enhanced data to enable better analysis and decisions. According to the 2017 FRPP data, focusing on properties with office and warehouse use

with SF greater than or equal to 200,000 SF yields 455 properties across 444 installations. These properties have the highest probability of being receiving sites in local market consolidations as well as having a greater potential for value if vacated and sold.

- **High Value Real Estate Markets.** The PBRB recommends agencies focus on those metropolitan areas with the highest value real estate assets.
- **Markets with Extensive Amounts of Federally-Owned Assets.** This is another category by which to sort agency property data and more quickly identify potential locations for further review and analysis, including cross-agency consolidation.
- **By Agency, Multiple Locations within one Metropolitan Statistical Area.** Information by agency and metropolitan area, correlated with high value real estate markets, and a large portfolio of owned assets, is expected to produce locations worthy of further study. Additionally, the PBRB can provide strategic planning assistance to agencies to assist in developing consolidation and collocation opportunities, with the goal of identifying owned properties in high value markets that can be vacated and disposed of.
- **By Property Class.** Identifying potential synergies for consolidation of operations across agencies and/or within metropolitan areas.

## APPENDICES

### *Appendix A. HVA Reports*

Sacramento, CA – Sacramento Job Corps Center (Excess Land Sale Only)

Idaho Falls, IA – Information Operations and Research Center and Shelley-New Sweden Park and Ride Lot

Pacific Grove, CA – Southwest Fisheries Science Center

Edison, NJ – Edison Job Corps Center (Excess Land Sale Only)

Denver, CO – Veterans Affairs Medical Center

Harrisburg, PA – Ronald Reagan Federal Building and Courthouse

Auburn, WA – Auburn Complex

Menlo Park, CA – Menlo Park Complex

Laguna Niguel, CA – Chet Holifield Federal Building

Gaithersburg, MD – Nike Site

Los Alamitos, CA – WestEd Office Building

Seattle, WA – Federal Archives and Records Center



**SACRAMENTO JOB CORPS CENTER**  
(EXCESS LAND SALE ONLY)  
3100 Meadowview Road, Sacramento, CA 95832

Department of Labor

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*

## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	Department of Labor ("DOL")
<b>Total Square Feet ("SF") Improvements</b>	232,304 SF (no improvements being sold, land only)
<b>Acres</b>	170 total acres (approx. 80 to 85 acres available for sale; pending survey completion)
<b>Year Built</b>	Varies: 1955 – 2018
<b>Surrounding Land Use</b>	Industrial/Residential
<b>Current Zoning</b>	R-1-R – Single Family Residential 6-8 Units/Acre
<b>Cong. Representative</b>	Rep. Doris O. Matsui (D-CA-06)
<b>Current Occupants</b>	
<b>DOL (232,304 gross square footage), excess land sale only</b>	

The Sacramento Job Corps Center is located in the Meadowview neighborhood of south Sacramento, California, on an expansive 170-acre campus. Approximately 80-85 acres of vacant land is not utilized by the Center, providing an opportunity for sale and redevelopment for residential housing. The Public Buildings Reform Board ("PBRB") worked with DOL officials to confirm the amount of acreage available for disposition, which was previously used for construction equipment training and is no longer needed. The DOL supports the disposition of this excess land.

Sacramento has a population of nearly 500,000 and is a culturally

diverse community. The Sacramento region continues to benefit from the expanding San Francisco Bay Area economy, as homebuyers seek more affordable homes outside the Bay Area.

The PBRB is not aware of any historic considerations relative to this excess land. The property includes a protected wetland portion on the northwestern boundary of the excess parcel that is subject to mitigation. The PBRB is not aware of any other environmental issues that would preclude or otherwise impede sale of this property.

Disposition of a sizable land parcel will have no impact to the Job Corps mission or require the relocation of any employees or students. The PBRB is prepared to work with DOL, the local community, developers, and other stakeholders to maximize the value of this land parcel for the Federal Government.



## FASTA FACTORS

The Federal Assets and Sale Transfer Act of 2016 (“FASTA”) identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factor	Application of Factors to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance (“O&amp;M”) Cost Reduction</b>	Minimal.
<b>Utilization Rate</b>	Not applicable.
<b>Cost Saving Potential</b>	Minimal.
<b>Reliance on Leasing</b>	Not applicable.
<b>Mission Alignment</b>	Disposition of the property will better support mission alignment.
<b>Economic Impact</b>	Redevelopment of this site will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	Not applicable.
<b>Access to Services</b>	Public access to services will not be affected.



## PBRB RECOMMENDATIONS SUMMARY

Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to the General Services Administration (“GSA”) for the disposition of the property within this timeframe and in order to maximize sales proceeds:

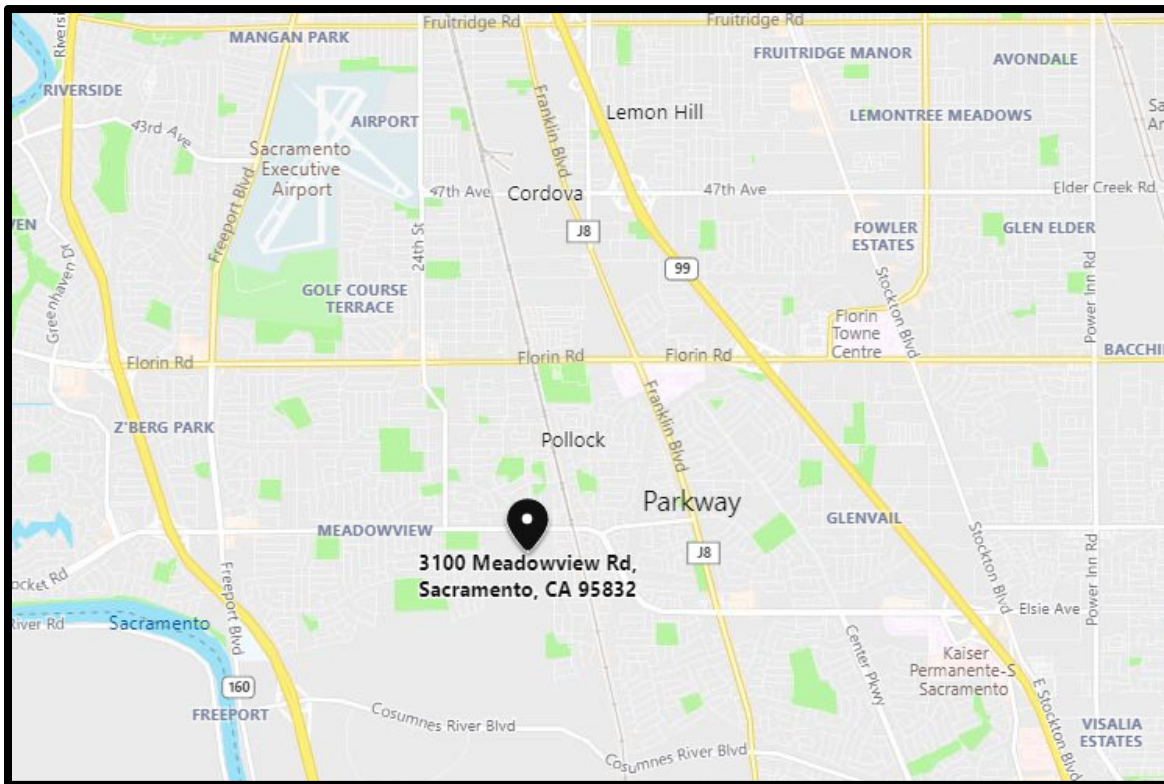
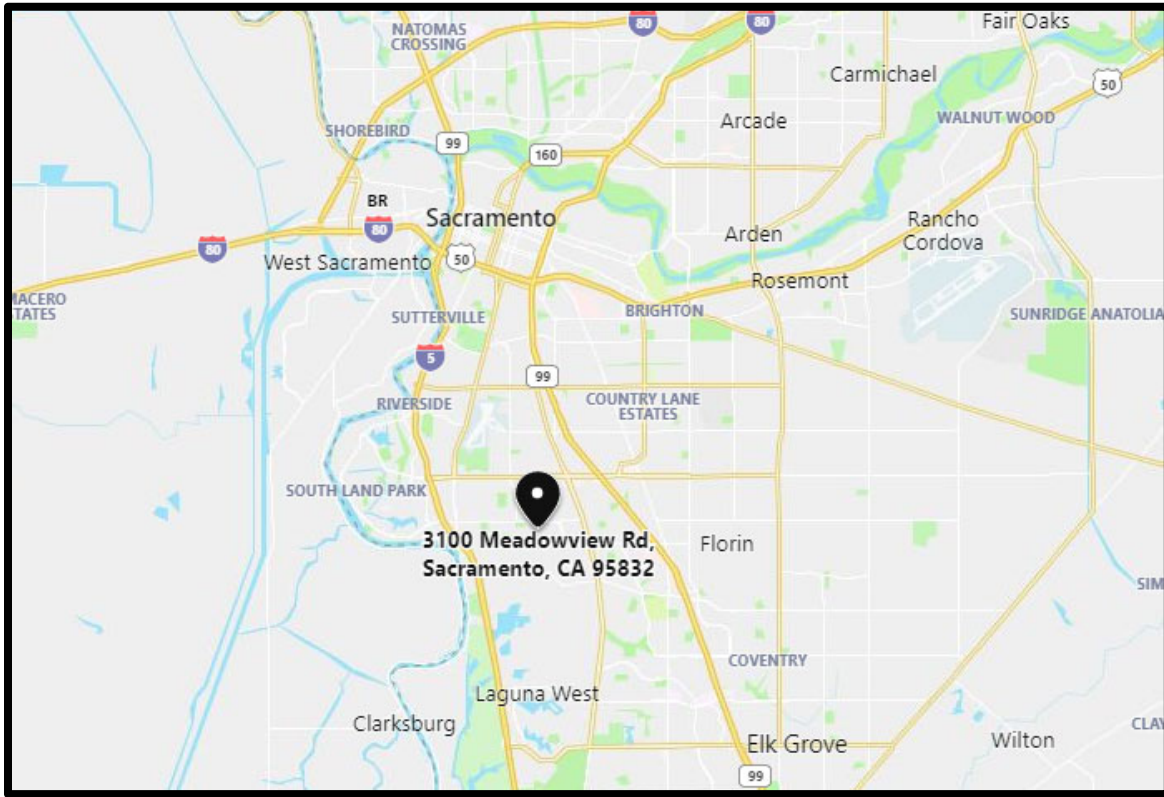
- **Outreach.** The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for this site. By reducing uncertainty around future entitlement, and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage.** The PBRB recommends that GSA utilizes a private brokerage firm to manage the marketing and sale of this property in such a manner as to maximize its value for the Government. Evaluation of use of a broker will be coordinated with the PBRB. If selected, the broker shall be compensated in a manner consistent with private sector commercial practice. The engagement of a qualified brokerage firm with experience in development projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of this property.
- **Potential Future Proceeds.** The Sacramento Job Corps Center excess land is currently zoned for its likely future use as a residential subdivision. However, during the marketing of the property it may be determined that a zoning change will maximize the return to the taxpayer. If so, GSA and/or its broker will develop a sales transaction structure that will permit the Government to share in the increase in value as the property becomes entitled for future use, should such a transaction structure be considered in the best interest of the Government.
- **Disposition.** As determined above, GSA will sell the property in the most efficient method to maximize sale proceeds.
- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA’s mandate to “obtain the highest and best value for the taxpayer and maximize the return to the taxpayer” on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB’s recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

## RELOCATION OVERVIEW

Disposition of this excess land parcel will have no impact to the Job Corps mission or require the relocation of any employees or students.



## PROPERTY MAPS





# **INFORMATION OPERATIONS AND RESEARCH CENTER AND SHELLEY-NEW SWEDEN PARK AND RIDE LOT**

1155 Foote Drive, Idaho Falls, ID 83401

Department of Energy

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*

## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	Department of Energy ("DOE")
<b>Total Square Feet ("SF") Improvements</b>	Information Operations and Research Center ("IORC"): 37,844 SF Shelley-New Sweden Park and Ride Lot ("SNSPRL"): N/A
<b>Acres</b>	IORC: 4.66 acres SNSPRL: 4.49 acres
<b>Year Built</b>	IORC: 1968, 1986 SNSPRL: 1999
<b>Surrounding Land Use</b>	Mixed Commercial, Single Family, and Idaho Falls Regional Airport
<b>Current Zoning</b>	IORC: Light Manufacturing SNSPRL: Not Zoned
<b>Cong. Representative</b>	Rep. Michael K. Simpson (R-ID-02)
<b>Current Occupants</b>	
<b>DOE (37,844 rentable square footage)</b>	

IORC located in Idaho Falls, Idaho, is part of the larger Idaho National Lab ("INL"). Founded in 1949, INL is an installation of over 60,000-acres and 3 million SF of improvements in several locations around Idaho Falls. The city has 65,000 residents and a strong economy with an unemployment rate of less than 2.5%.

The IORC is a free-standing commercial building with adjacent parking, used as a data center supporting the larger INL operations and mission. The building is located across the Snake River from the main INL campus, in a mixed commercial area of Idaho Falls near Interstate 15 and the regional airport. About half of the parking area behind the IORC is DOE managed

property; the other half is owned by the adjacent building owner.

The Public Buildings Reform Board ("PBRB") is unaware of any historic considerations relative to this site. Although a Phase I environmental assessment has not yet been completed, the PBRB is unaware of any environmental issues that would preclude or otherwise impede the sale of this property. DOE has relocated most of the data center operations from this location to the main INL campus. This disposition does not require increased SF or additional funding to vacate.

In addition to the IORC, the DOE wishes to dispose of the SNSPRL located about 4 miles west of the IORC site. The lot is just under four and a half acres and sits at the intersection of U.S. Highway 20 and the Shelley-New Sweden Highway.





## FASTA FACTORS

The Federal Assets Sale and Transfer Act of 2016 (“FASTA”) identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factor	Application of Factor to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance (“O&amp;M”) Cost Reduction</b>	IORC: 2018 Federal Real Property Profile (“FRPP”) lists annual O&M costs of \$822,573. SNSPRL: 2018 FRPP data lists annual O&M costs of \$37,738.
<b>Utilization Rate</b>	IORC: Consolidation of IORC operations and current space planning will improve the utilization rate. SNSPRL: Not Applicable.
<b>Cost Saving Potential</b>	IORC: According to 2018 FRPP data, \$822,573 in annual O&M costs will be saved as well as nonrecurring savings of \$797,392 in deferred maintenance. SNSPRL: According to 2018 FRPP data, \$37,738 in annual O&M costs will be saved.
<b>Reliance on Leasing</b>	None.
<b>Mission Alignment</b>	Disposition of the properties will better support mission alignment. All except 21 employees have relocated to the new IORC building and the remaining staff will relocate by the end of 2020.
<b>Economic Impact</b>	Redevelopment of the sites will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	IORC: Disposition of the IORC will lead to decreased Government energy consumption required to maintain the site due to the reduced square footage and enhanced construction techniques of the new building space. SNSPRL: Not Applicable.
<b>Access to Services</b>	Public access to services will not be affected.



## PBRB RECOMMENDATIONS SUMMARY

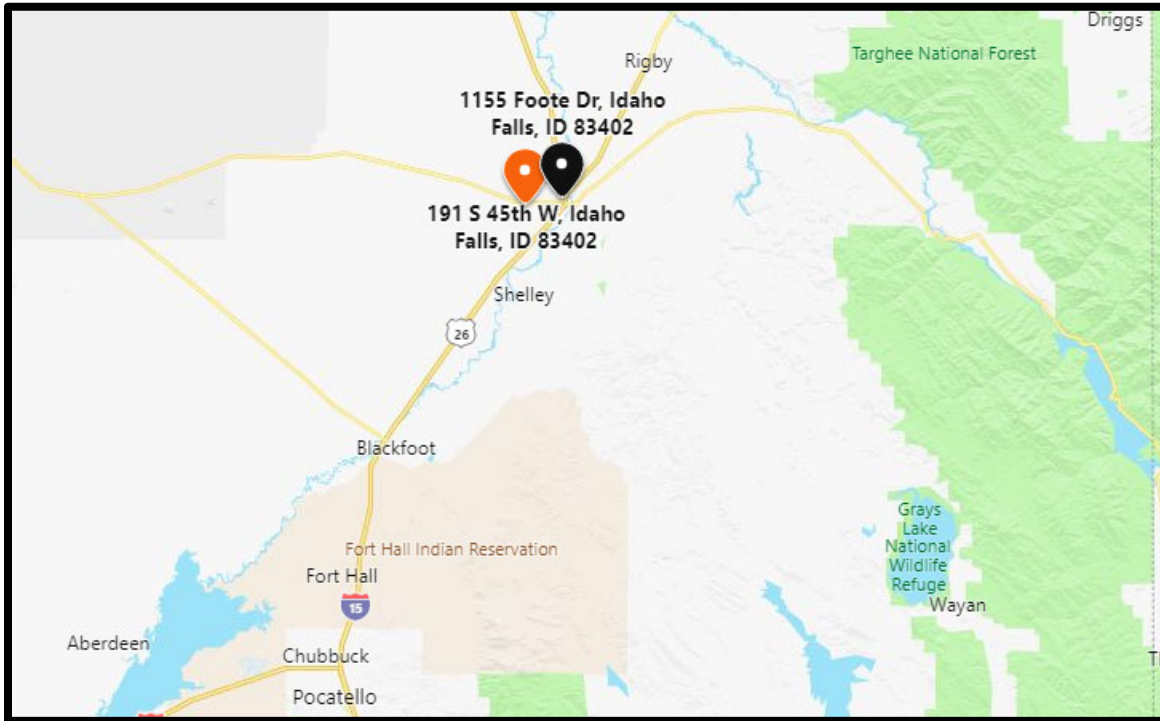
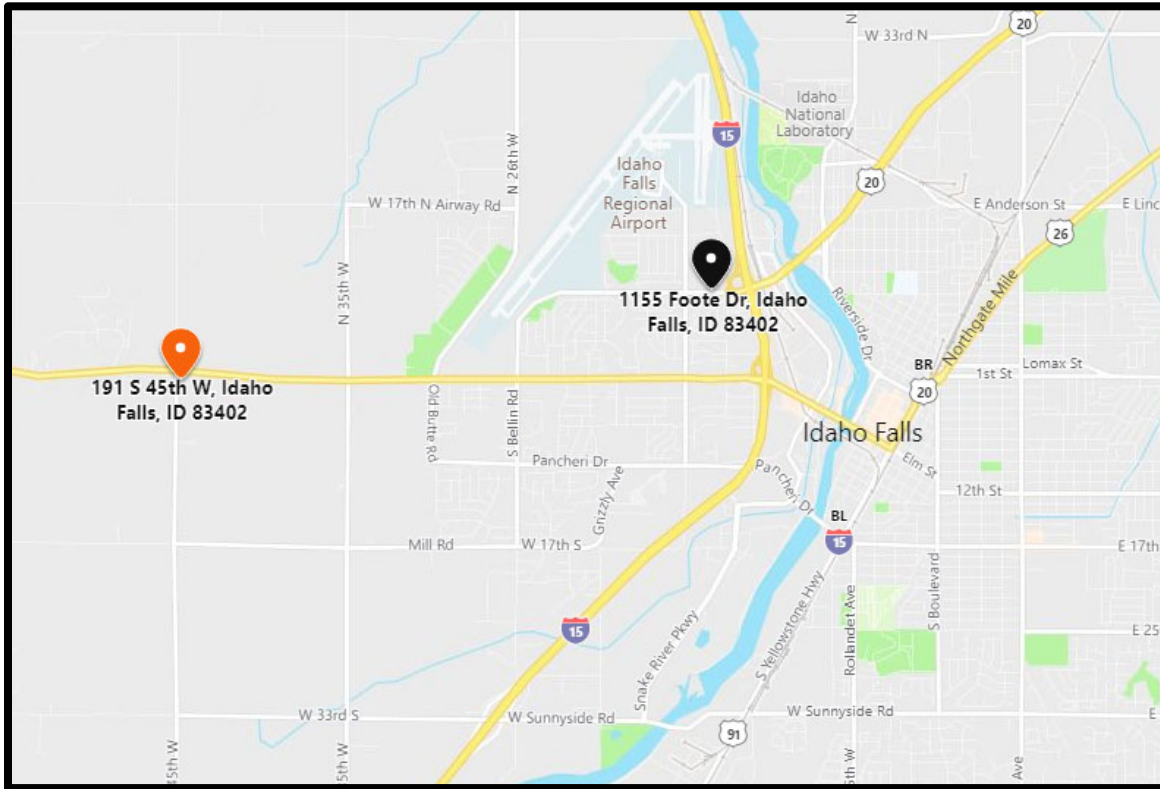
Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to the General Services Administration (“GSA”) for the disposition of the property within this timeframe and in order to maximize sales proceeds:

- **Outreach.** The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for these sites. By reducing uncertainty around future entitlement, and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage.** The PBRB recommends that GSA utilizes a private brokerage firm to manage the marketing and sale of these properties in such a manner as to maximize their value for the Government. Evaluation of use of a broker will be coordinated with the PBRB. If selected the broker shall be compensated in a manner consistent with private sector commercial practice. The engagement of a qualified brokerage firm with experience in redevelopment projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of these properties.
- **Potential Future Proceeds.** The IORC may not be zoned for future use, which could result in a difference between the current value of the properties and their value as entitled for highest and best use. As appropriate, GSA and/or its broker will develop a sales transaction structure that will permit the Government to share in the increase in value as the property becomes entitled for future use, should such a transaction structure be considered in the best interest of the Government.
- **Disposition.** As determined above, GSA will sell the properties in the most efficient method to maximize sale proceeds.
- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA’s mandate to “obtain the highest and best value for the taxpayer and maximize the return to the taxpayer” on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB’s recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

## RELOCATION OVERVIEW

The IORC is being relocated to the main INL campus, which should be complete prior to the end of 2020. Additional funding is not required to vacate.

# PROPERTY MAPS





# Southwest Fisheries Science Center

1352 Lighthouse Avenue, Pacific Grove, CA 93950

Department of Commerce

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*



## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	Department of Commerce ("DOC")
<b>Total Square Feet ("SF") Improvements</b>	11,220 SF
<b>Acres</b>	4.2 acres
<b>Year Built</b>	1952
<b>Surrounding Land Use</b>	Suburban Setting – Single Family Residential & Hospitality
<b>Current Zoning</b>	Public Use
<b>Cong. Representative</b>	Rep. Jimmy Panetta (D-CA-20)
<b>Current Occupants</b>	
<b>Currently occupied on a short term/interim basis.</b>	

The former Southwest Fisheries Science Center is located in Pacific Grove, California, (adjacent to Monterey, California) situated on the Pacific Grove Municipal Golf Course with incredible ocean views. The current building is not considered the highest and best use for this site.

This site is surrounded by high-end residential and hospitality properties catering to the recreational and tourism aspects of this region. Directly east of the site are a significant number of single-family dwellings, as well as several multifamily

developments within two miles of this location. Additionally, there are primary care, schools and several golf courses within 5 – 7 miles of the site.

Although a Phase I environmental assessment has not yet been completed, the Public Buildings Reform Board ("PBRB") is unaware of any environmental issues that would preclude or otherwise impede the sale of this property. The PBRB is unaware of any historic considerations relative to this site.

The site was vacated by the NOAA Environmental Research Division ("ERD") in September 2013 and September 2014. Disposition of this site will have no impact to DOC mission. The PBRB is prepared to work with DOC, the local community, developers, and other stakeholders to maximize the value of this site for the Federal Government.



## FASTA FACTORS

The Federal Assets Sale and Transfer Act of 2016 (“FASTA”) identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factor	Application of Factors to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance (“O&amp;M”) Cost Reduction</b>	2018 Federal Real Property Profile (“FRPP”) lists annual O&M costs of \$163,735.
<b>Utilization Rate</b>	Consolidation of operations and current space planning will improve the utilization rate.
<b>Cost Saving Potential</b>	According to 2018 FRPP data, \$163,735 in annual O&M costs will be saved as well as nonrecurring savings of \$1,188,557 in repair needs.
<b>Reliance on Leasing</b>	The property is managed by DOC; the previous occupants vacated the site in September 2013 and September 2014.
<b>Mission Alignment</b>	Disposition of the property will better support mission alignment.
<b>Economic Impact</b>	Redevelopment of this site will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	Disposition of the site will lead to decreased Government energy consumption required to maintain the site due to the reduced square footage.
<b>Access to Services</b>	Public access to services will not be affected.



## PBRB RECOMMENDATIONS SUMMARY

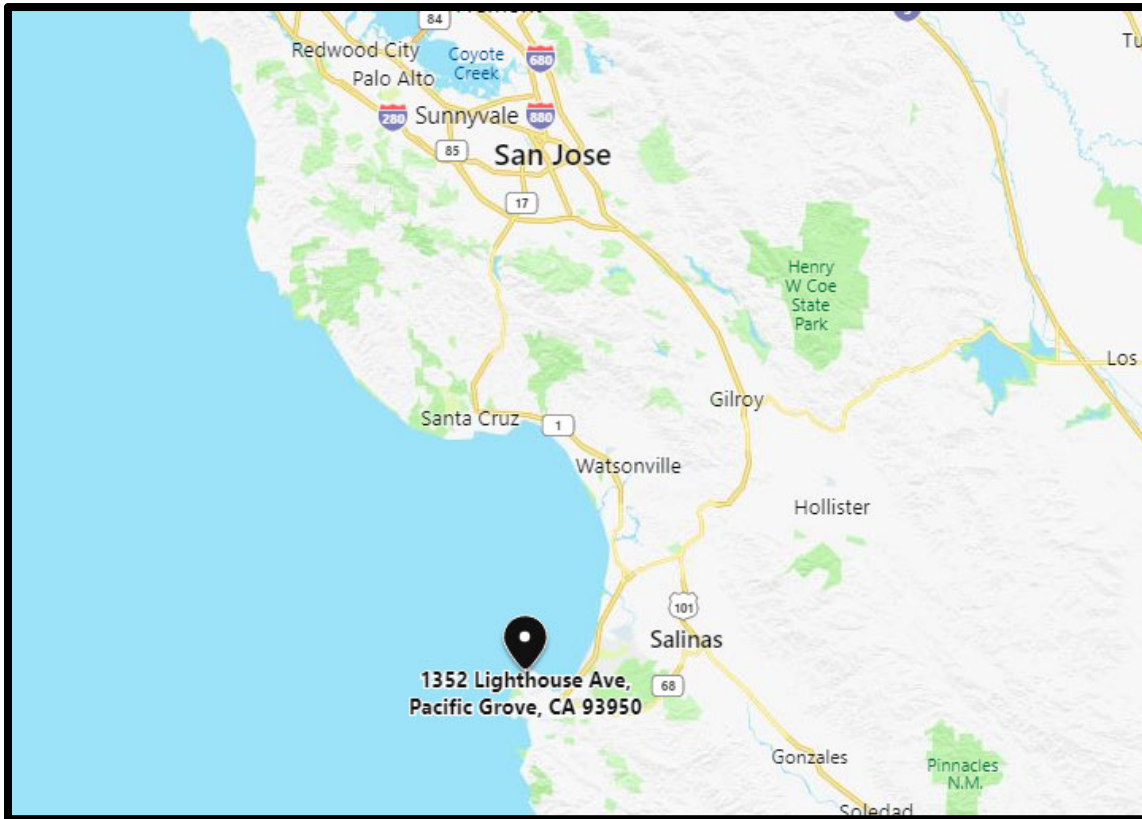
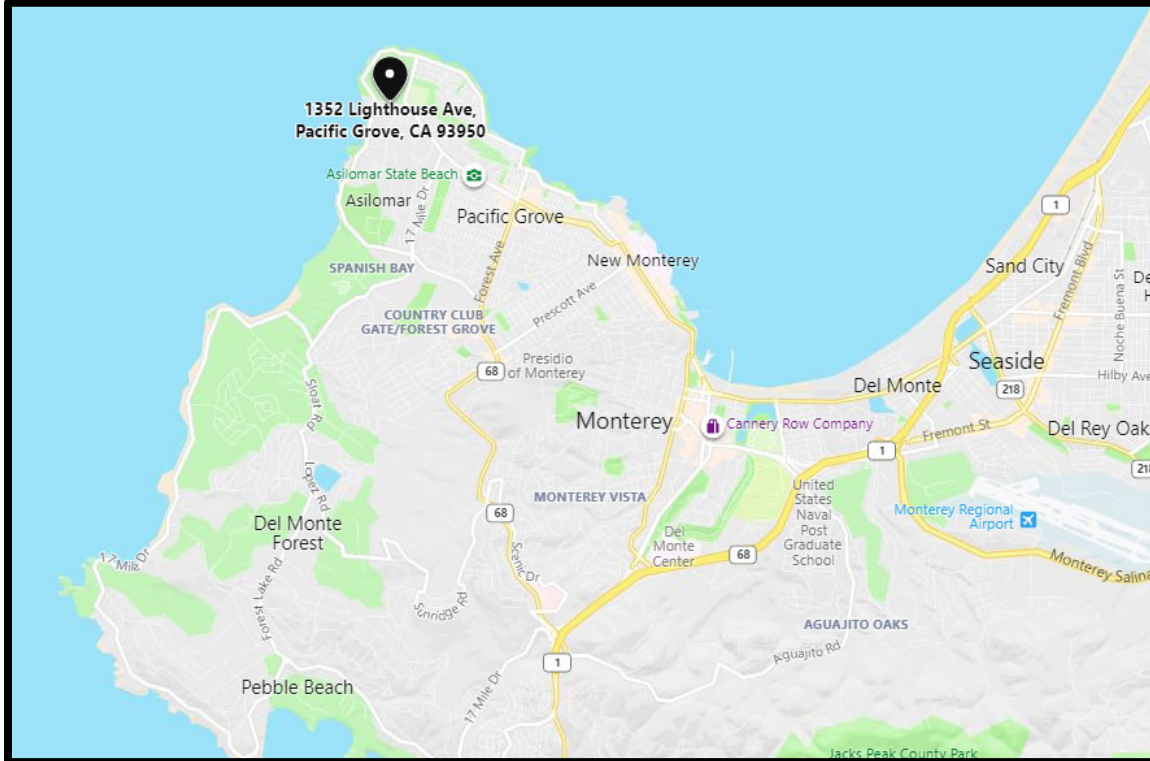
Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to the General Services Administration (“GSA”) for the disposition of the property within this timeframe and in order to maximize sales proceeds:

- **Outreach.** The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for this site. By reducing uncertainty around future entitlement, and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage.** The PBRB recommends that GSA utilizes a private brokerage firm to manage the marketing and sale of this property in such a manner as to maximize its value for the Government. Evaluation of use of a broker will be coordinated with the PBRB. If selected, the broker shall be compensated in a manner consistent with private sector commercial practice. The engagement of a qualified brokerage firm with experience in development projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of this property.
- **Potential Future Proceeds.** The site is not zoned for its likely future use, which could result in a difference between the current value of the property and its value as entitled for its future highest and best use. As appropriate, GSA and/or its broker will develop a sales transaction structure that will permit the Government to share in the increase in value as the property becomes entitled for future use, should such a transaction structure be considered in the best interest of the Government.
- **Disposition.** As determined above, GSA will sell the property in the most efficient method to maximize sale proceeds.
- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA’s mandate to “obtain the highest and best value for the taxpayer and maximize the return to the taxpayer” on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB’s recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

## RELOCATION OVERVIEW

NOAA ERD relocated in September 2013 and September 2014 to Government-owned facilities in La Jolla and Santa Cruz, and to a leased location in Monterey. The site is currently only occupied by a site caretaker with the Fish and Wildlife Service, a NOAA employee who works part-time at the facility, and another NOAA employee who commutes from Santa Cruz to perform information technology and facility maintenance on a part-time basis. DOC has indicated that these occupants can vacate when necessary.

## PROPERTY MAPS





**EDISON JOB CORPS CENTER**  
(EXCESS LAND SALE ONLY)  
500 Plainfield Avenue, Edison, NJ 08817

Department of Labor

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*

## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	Department of Labor ("DOL")
<b>Total Square Feet ("SF") Improvements</b>	Not applicable
<b>Acres</b>	27 (approx. 5 acres excess)
<b>Year Built</b>	Varies: 1943 – 2009
<b>Surrounding Land Use</b>	Suburban
<b>Current Zoning</b>	Public Use
<b>Cong. Representative</b>	Rep. Frank Pallone Jr. (D-NJ-06)
<b>Current Occupants</b>	
<b>DOL (excess land disposition only)</b>	

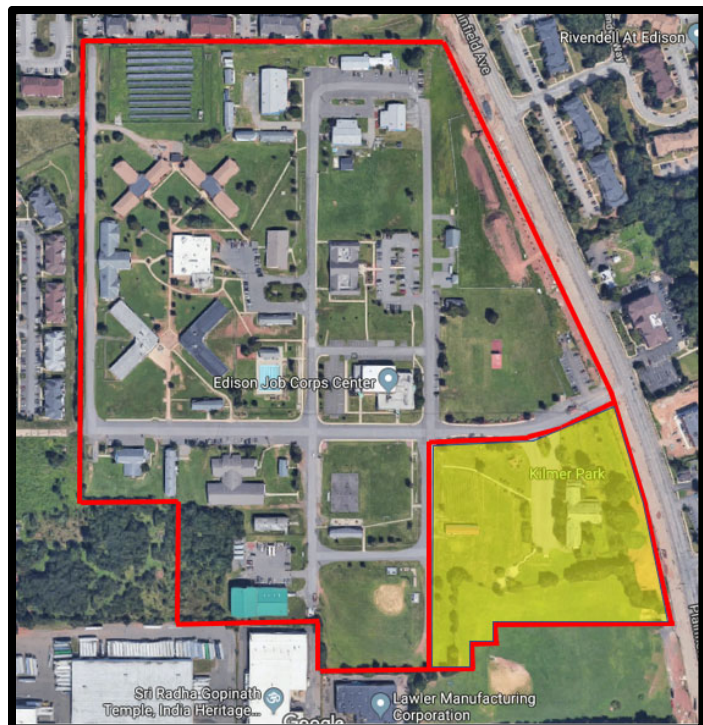
The Edison Job Corps Center is a 27-acre campus located in Edison, New Jersey, a short drive from Newark and less than 40 miles from Midtown Manhattan. This site is also located near Rutgers – New Brunswick, one of three regional campuses of Rutgers University, New Jersey's public research university.

Currently, the Edison Job Corps Center property contains 31 buildings and 20 structures on the 27-acre campus. The center has both residential and nonresidential students. An approximately 5-acre parcel that is located on the property's

eastern boundary is currently not utilized in support of the Job Corps mission. A structure was recently removed from this portion of the site, but a small storage shed remains.

The Public Buildings Reform Board ("PBRB") is unaware of any historic considerations relative to this site. Although a Phase I environmental assessment has not yet been completed, the PBRB is unaware of any environmental issues that would preclude or otherwise impede the sale of this property.

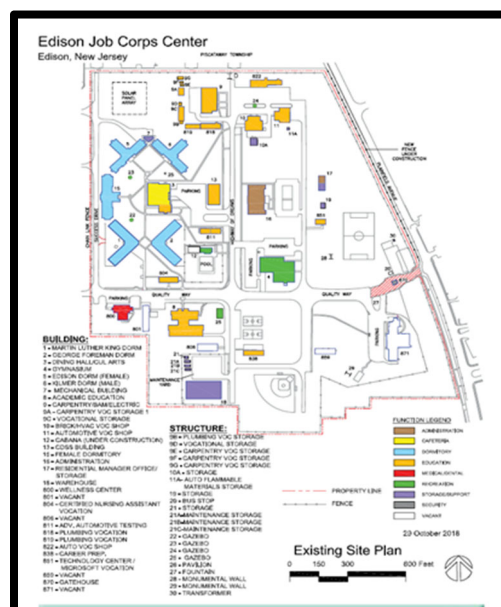
The PBRB is prepared to work with DOL, the General Services Administration ("GSA"), the local community, developers, and other stakeholders to maximize the value of this land parcel for the Federal Government.



## FASTA FACTORS

The Federal Assets Sale and Transfer Act of 2016 (“FASTA”) identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factor	Application of Factors to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance (“O&amp;M”) Cost Reduction</b>	Minimal.
<b>Utilization Rate</b>	Not applicable.
<b>Cost Saving Potential</b>	Minimal.
<b>Reliance on Leasing</b>	Not applicable.
<b>Mission Alignment</b>	Disposition of this property will better support mission alignment.
<b>Economic Impact</b>	Redevelopment of this site will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	Not applicable.
<b>Access to Services</b>	Public access to services will not be affected.



## PBRB RECOMMENDATIONS SUMMARY

Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to GSA for the disposition of the property within this timeframe and in order to maximize sales proceeds:

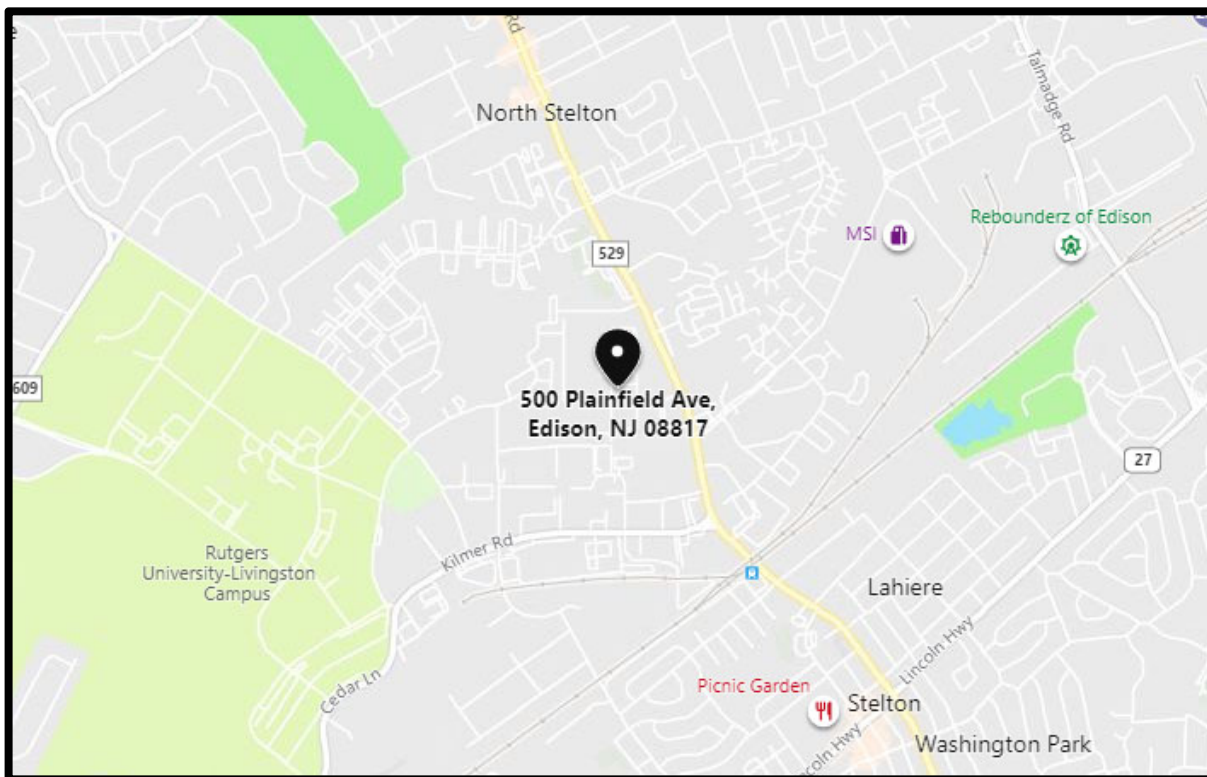
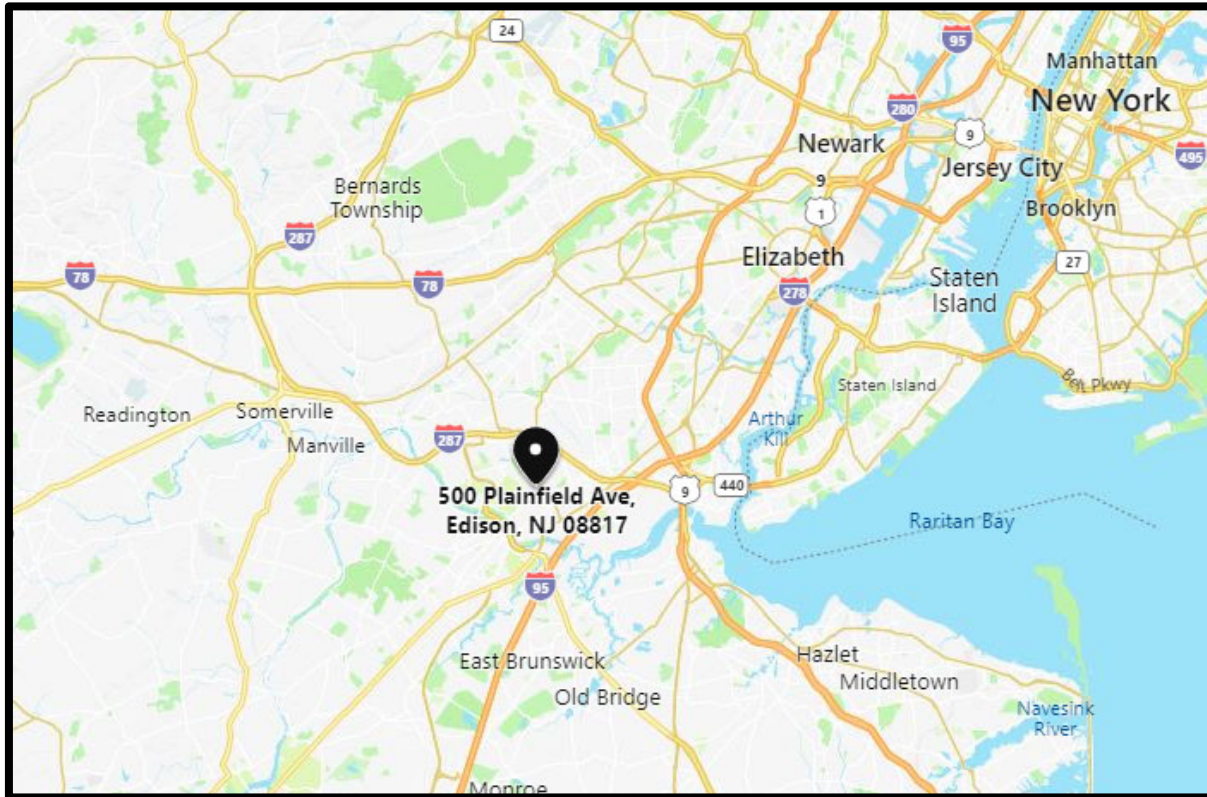
- **Outreach.** The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for this site. By reducing uncertainty around future entitlement, and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage.** The PBRB recommends that GSA utilizes a private brokerage firm to manage the marketing and sale of this property in such a manner as to maximize its value for the Government. Evaluation of use of a broker will be coordinated with the PBRB. If selected, the broker shall be compensated in a manner consistent with private sector commercial practice. The engagement of a qualified brokerage firm with experience in redevelopment projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of this property.
- **Potential Future Proceeds.** The Edison Job Corps Center may not be zoned for future use, which could result in a difference between the current value of the property and its value as entitled for its highest and best use. As appropriate, GSA and/or its broker will develop a sales transaction structure that will permit the Government to share in the increase in value as the property becomes entitled for future use, should such a transaction structure be considered in the best interest of the Government.
- **Disposition.** As determined above, GSA will sell the property in the most efficient method to maximize sale proceeds.
- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA's mandate to "obtain the highest and best value for the taxpayer and maximize the return to the taxpayer" on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB's recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

## RELOCATION OVERVIEW

Disposition of this excess land parcel will have no impact to the Job Corps mission or require the relocation of any employees or students. There is a memorial located on the excess land that will need to be maintained or relocated to the remaining Job Corps property as part of the sale.



## PROPERTY MAPS





**DENVER MEDICAL CENTER**  
(PARTIAL DISPOSITION)  
1055 Clermont Street, Denver, CO 80220  
Department of Veterans Affairs

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*

## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	Department of Veterans Affairs (“VA”)
<b>Total Square Feet (“SF”) Improvements</b>	604,534 SF, of which 530,264 SF will be available for disposal plus a parking garage
<b>Acres</b>	12.96 acres, of which approximately 8 acres will be available for disposal
<b>Year Built</b>	Varies: 1951 – 2002
<b>Surrounding Land Use</b>	Multifamily and single family residential; Rose Medical Center facility; mixed-use development
<b>Current Zoning</b>	CMP-H (Campus Medical)
<b>Cong. Representative</b>	Rep. Diana DeGette (D-CO-01)
<b>Current Occupants</b>	
Veterans Health Administration	

The Denver VA Medical Center (“VAMC”) consists of 18 buildings including the main hospital, a 60-bed nursing home and an 8-story parking garage. All of the buildings are vacated except for a post-traumatic stress disorder (“PTSD”) treatment facility, which operates in the nursing home building in the northeast corner of the campus. In 2018, the VA Eastern Colorado Healthcare System opened in Aurora, Colorado, to replace the VAMC, paving the way for the disposal of this property.

The VA is retaining a portion of the site for the PTSD treatment facility and additional acreage on the north portion of the site for outpatient services, leaving approximately 60% or 8-acres on the south side of the campus unutilized. The southern portion

has been vacated and is available for sale.

The Public Buildings Reform Board (“PBRB”) is unaware of any historic considerations relative to this site. The PBRB has exhaustively reviewed all environmental studies provided by the VA related to this site and is unaware of any environmental issues that would preclude or otherwise impede the sale of this property.

Several current projects directly west of the site are being developed as urban neighborhoods with a mix of uses. In addition, the Denver housing market has been continually expanding due to the growing job market. The VAMC is located near Cherry Creek, a premier shopping and residential neighborhood. The PBRB alongside the General Services Administration (“GSA”), is prepared to work with the local community, developers, and other stakeholders to generate the highest and best value and return for the taxpayer.





## FASTA FACTORS

The Federal Assets Sale and Transfer Act of 2016 (“FASTA”) identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factor	Application of Factors to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance (“O&amp;M”) Cost Reduction</b>	2017/2018 Federal Real Property Profile (“FRPP”) lists total O&M costs of \$3,874,053 for the buildings and parking structure included in the subject parcel. (Note: 2017 FRPP data was used to determine Main Hospital Building costs.)
<b>Utilization Rate</b>	Consolidation of operations at the target location will improve the utilization rate.
<b>Cost Saving Potential</b>	2017/2018 FRPP data indicates that \$3,874,053 in annual O&M costs will be saved as well as nonrecurring savings of \$64,925,783 in deferred maintenance expenses and \$9,824,442 in estimated future capital expenditures for the buildings and parking structure included in the subject parcel. (Note: 2017 FRPP data was used to determine Main Hospital Building costs.)
<b>Reliance on Leasing</b>	The property is managed by the VA; occupants have been relocated to the VA Eastern Colorado Healthcare System.
<b>Mission Alignment</b>	Disposition of the property will better support mission alignment.
<b>Economic Impact</b>	Redevelopment of this site will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	Disposition of the site will decrease Government energy consumption required to maintain the site due to the reduced square footage.
<b>Access to Services</b>	Public access to services will not be affected based on the VA’s retention of the northern portion of the site in addition to the relocation of operations and facilities to the VA Eastern Colorado Healthcare System.



## PBRB RECOMMENDATIONS SUMMARY

Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to GSA for the disposition of the property within this timeframe and in order to maximize sales proceeds:

- **Outreach.** The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for this site. By reducing uncertainty around future entitlement, and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage.** The PBRB recommends that GSA evaluate using a private brokerage firm to manage the marketing and sale of this property in such a manner as to maximize its value for the Government. Evaluation of use of a broker will be coordinated with the PBRB. If selected the broker shall be compensated in a manner consistent with private sector commercial practice. Given the complexity of this project, the engagement of a qualified brokerage firm with experience in complex, redevelopment projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of this property.
- **Potential Future Proceeds.** The site may not be zoned for future use, which could result in a difference between the current value of the property and its value as entitled for its

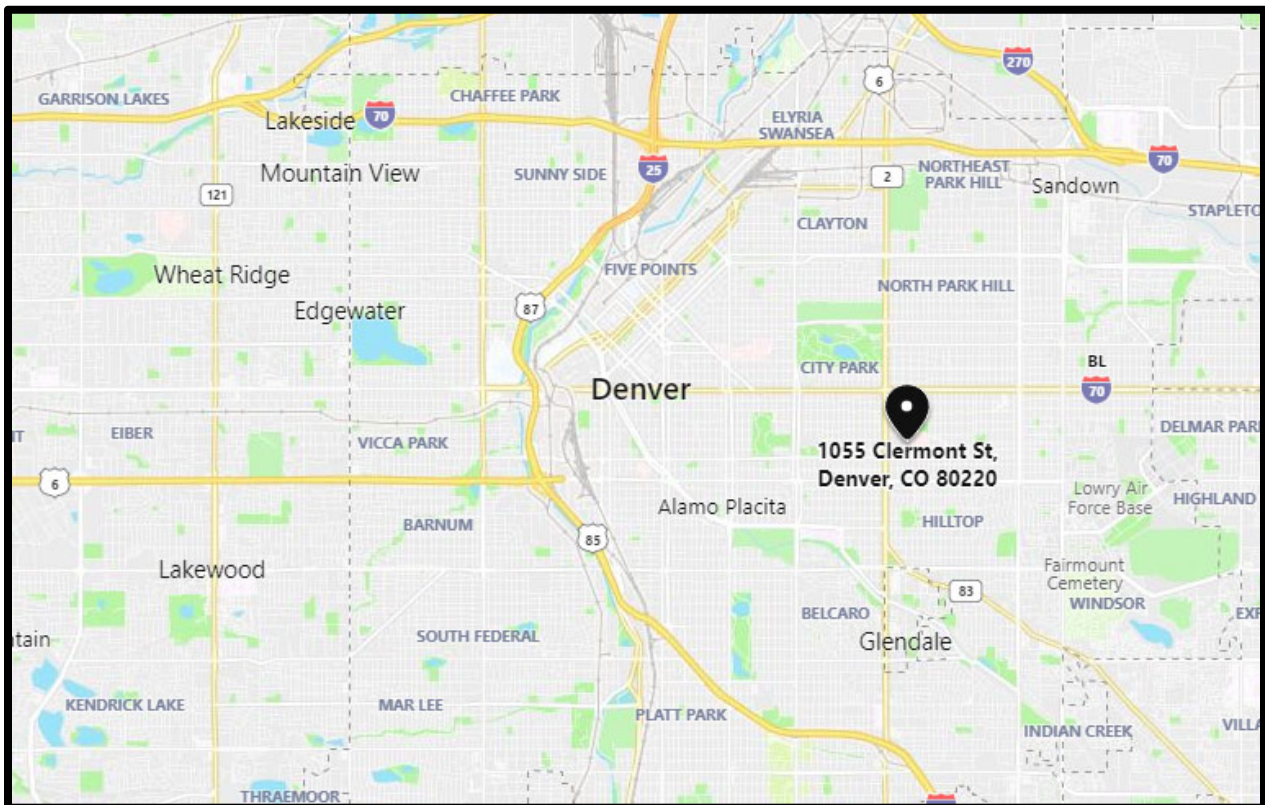
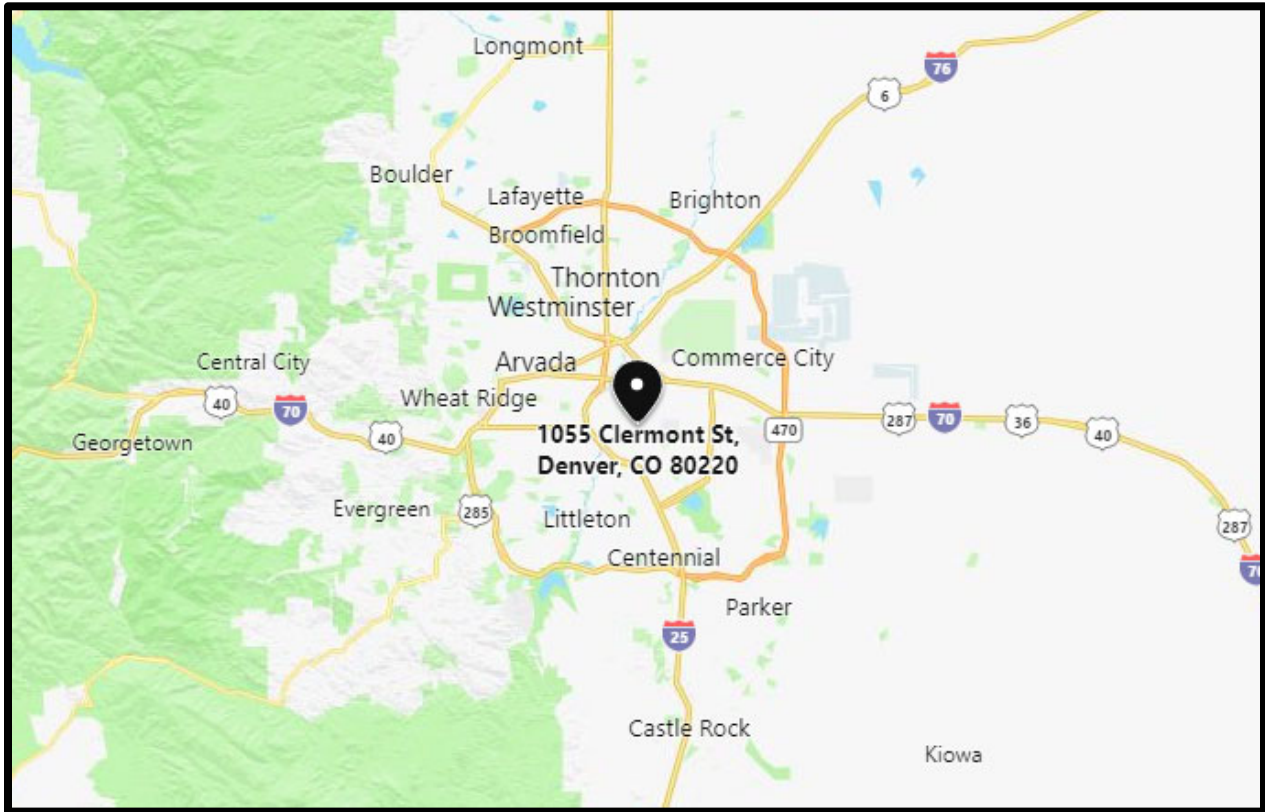
future highest and best use. As appropriate, GSA with support from its broker, will develop a sales transaction structure that will permit the Government to share in the increase in value as the property becomes entitled for future use, should such a transaction structure be considered in the best interests of the Government.

- **Disposition.** As determined above, GSA will sell the property in the most efficient method to maximize sale proceeds.
- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA’s mandate to “obtain the highest and best value for the taxpayer and maximize the return to the taxpayer” on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB’s recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

## RELOCATION OVERVIEW

The VA has completed its relocation from the southern portion of the site and no additional relocation is required.

## PROPERTY MAPS





# **RONALD REAGAN FEDERAL BUILDING AND COURTHOUSE**

228 Walnut Street, Harrisburg, PA 17101

General Services Administration

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*



## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	General Services Administration (“GSA”)
<b>Total Square Feet (“SF”) Improvements</b>	251,179 SF
<b>Acres</b>	0.71 acres
<b>Year Built</b>	1966
<b>Surrounding Land Use</b>	Mixed Commercial
<b>Current Zoning</b>	PB1 – Planned Business Zone 1
<b>Cong. Representative</b>	Rep. Scott Perry (R-PA-10)
<b>Current Occupants (Top 5 by rentable square footage (“RSF”) as of 5/11/15)</b>	
U.S. Judiciary (100,248 RSF)	
Department of Justice (56,949 RSF)	
Department of the Treasury (13,184 RSF)	
Department of Transportation (10,970 RSF)	
GSA (7,620 RSF)	

The Ronald Reagan Federal Building and Courthouse is located within downtown Harrisburg, the capital city of the Commonwealth of Pennsylvania. The Ronald Reagan Federal Building is a sizable office building located adjacent to the Pennsylvania State Capital and just three blocks from the Susquehanna River.

This property is in the custody of the General Services Administration (“GSA”) and houses several Federal Government agencies such as the Department of Justice, Internal Revenue Service, and the Department of Agriculture. The existing Ronald Reagan Federal Building and Courthouse does not meet the Federal

Government's security and expansion requirements. GSA began construction of a new, 243,000 gross square foot courthouse within Harrisburg in January 2019, which will be completed by the end of Fiscal Year (“FY”) 2022.

The State Historic Preservation Office has concurred with the determination that the property is not eligible for listing in the National Register of Historic Places. Although a Phase I environmental assessment has not yet been completed, the Public Buildings Reform Board (“PBRB”) is unaware of any environmental issues that would preclude or otherwise impede the sale of this property.

The PBRB is prepared to work with GSA, local community and other stakeholders to maximize the value of this land parcel for the Federal Government.

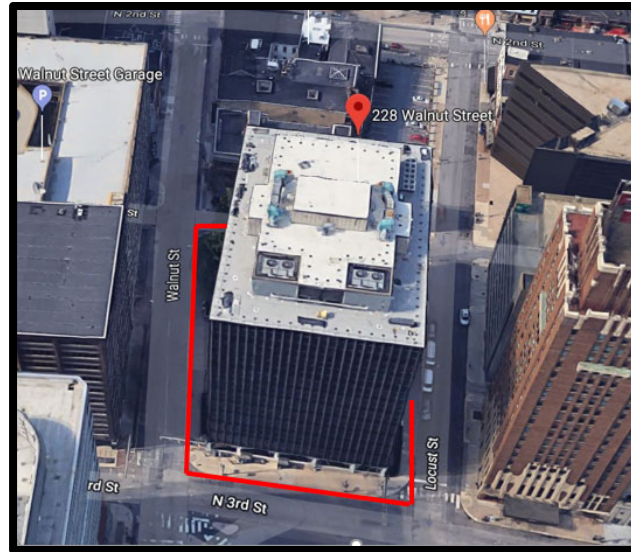




## FASTA FACTORS

The Federal Assets Sale and Transfer Act of 2016 (“FASTA”) identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factor	Application of Factors to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance (“O&amp;M”) Cost Reduction</b>	2018 Federal Real Property Profile (“FRPP”) lists annual O&M costs of \$1,399,959.
<b>Utilization Rate</b>	The new courthouse will be more efficient for the courts, and other Federal tenants also will reduce their footprints as a result of these relocations.
<b>Cost Saving Potential</b>	According to 2018 FRPP data, \$1,399,959 in annual O&M costs will be saved and nonrecurring savings of \$5,127,155 in deferred maintenance costs and \$5,098,310 in estimated future capital expenditures.
<b>Reliance on Leasing</b>	Property is managed by GSA; the current occupants will relocate to a new courthouse or leased space by the end of FY 2022.
<b>Mission Alignment</b>	Disposition of this property will better support mission alignment.
<b>Economic Impact</b>	Transition from public to private ownership of this site will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	Disposition of the site will decrease Government energy consumption required to maintain the site due to the reduced square footage and enhanced construction techniques of the new building space.
<b>Access to Services</b>	Public access to services will not be affected.



## PBRB RECOMMENDATIONS SUMMARY

Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to GSA for the disposition of the property within this timeframe and in order to maximize sales proceeds:

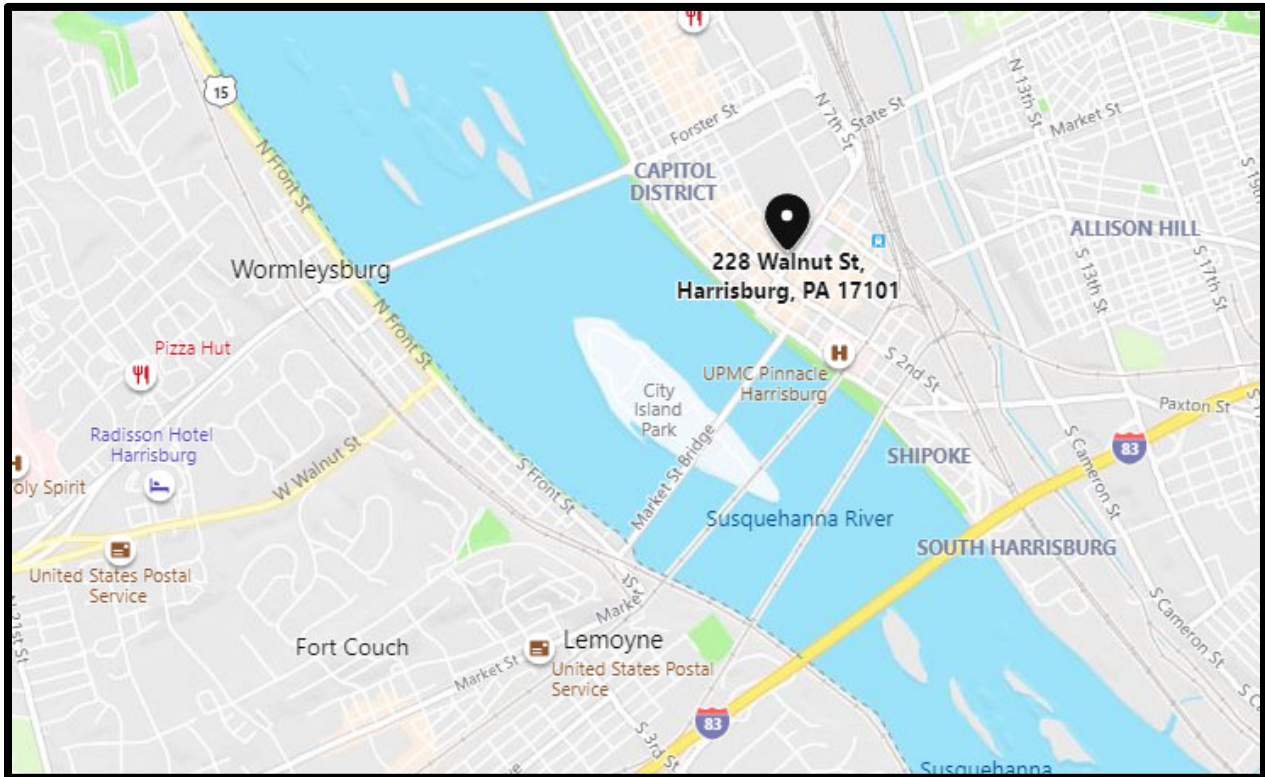
- **Outreach.** The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for this site. By reducing uncertainty around future entitlement, and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage.** The PBRB recommends that GSA utilizes a private brokerage firm to manage the marketing and sale of this property in such a manner as to maximize its value for the Government. Evaluation of use of a broker will be coordinated with the PBRB. If selected, the broker shall be compensated in a manner consistent with private sector commercial practice. The engagement of a qualified brokerage firm with experience in redevelopment projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of this property.
- **Potential Future Proceeds.** The Ronald Reagan Federal Building and Courthouse may not be zoned for future use, which could result in a difference between the current value of the property and its value as entitled for its future highest and best use. If appropriate, GSA and/or its broker will develop a sales transaction structure that will permit the Government to share in the increase in value as the property becomes entitled for future use, should such a transaction structure be considered in the best interests of the Government.
- **Occupancy Agreement.** GSA may utilize short term occupancy agreements as a condition of sale to provide sufficient time to relocate all occupants.

- **Disposition.** As determined above, GSA will sell the property in the most efficient method to maximize sale proceeds.
- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA's mandate to "obtain the highest and best value for the taxpayer and maximize the return to the taxpayer" on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB's recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

## RELOCATION OVERVIEW

The construction of a new courthouse that will house several of the current Ronald Reagan Federal Building and Courthouse occupants began in January 2019. The estimated completion is by the end of FY 2022. The remainder of the tenants are moving to leased space and relocation plans are pending.

## PROPERTY MAPS





# AUBURN COMPLEX

400 15<sup>th</sup> Street SW, Auburn, WA 98001

General Services Administration

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*

## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	General Services Administration (“GSA”)
<b>Total Square Feet (“SF”) Improvements</b>	1,776,900 SF
<b>Acres</b>	129 acres
<b>Year Built</b>	Varies: 1944 – 1985
<b>Surrounding Land Use</b>	Industrial/Commercial
<b>Current Zoning</b>	C3–Heavy Commercial District
<b>Cong. Representative</b>	Rep. Kim Schrier (D-WA-08)
Current Occupants	
<b>Social Security Administration (158,314 rentable square footage (“RSF”))</b>	
<b>GSA (41,207 RSF)</b>	
<b>Office of Secretary of Defense (40,813 RSF)</b>	
<b>Department of Homeland Security (22,314 RSF)</b>	
<b>Small Business Administration (267 RSF)</b>	

The Auburn Complex sits on 129-acres of land and includes GSA Region 10 Administration Building together with eight large warehouse buildings. The warehouse structures were constructed in 1943 – 1953 and are obsolete and largely vacant with almost \$100 million in deferred maintenance and future capital expenditures.

Auburn, Washington has a population of over 80,000 and has seen significant increase in industrial market demand. Within 2 miles of the subject property there are supply chain, logistics, and manufacturing facilities for United Parcel Service, Starbucks, Safeway, Behr, and Gist USA. Boeing

Auburn borders the Southwest & West side of the property and is the top employer in the city. The Auburn Complex is well situated with both rail access and convenient highway access to Interstate 5 and proximity to the Port of Tacoma and Port of Seattle.

GSA has determined that remaining on the campus would require significant capital investment, further justifying disposition. However, there remain significant challenges to disposal and unlocking this value which the Public Buildings Reform Board (“PBRB”) is prepared to address to drive the best possible outcome for taxpayers, current occupants of the Auburn Complex and other stakeholders.

In 2017, the City Auburn re-zoned the Auburn Complex from M2 (Manufacturing) to C3 (Heavy Commercial) zoning classification which



does not allow for warehouse use of the property other than in a free trade zone. While it is possible that a future developer of this site may wish to develop the property as a mixed-use commercial development (e.g., retail, multi-family) allowed under the current C3 zoning, such a development does not appear likely as the surrounding properties are warehouse facilities and the Auburn Complex is situated next to a rail line along the eastern boundary. If a future developer of the property contemplates constructing warehouse uses on the property a zoning change back to M2 (Manufacturing) appears to be required.

The largest occupant of the Auburn Complex is the Social Security Administration (“SSA”) which operates one of its regional call centers known as the Auburn Teleservice Center (“ATSC”) at the property. The SSA ATSC employs over 600 people at this location and is the primary west coast location to handle telephonic inquiries from the public.

Due to the age of the Auburn Complex, several options have been considered for a new location of the SSA ATSC. The PBRB has determined that the best option is to relocate the SSA ATSC to leased space in the greater Auburn area. The PBRB conducted a detailed financial analysis to assess relocation options for the current occupants including SSA. This assessment concluded that there are significant benefits associated with relocating all current occupants to leased space and selling the entire 129-acre site. The PBRB can provide financial assistance with SSA relocation and all of the current occupants support the current relocation plan.

The highest and best use of the Auburn Complex appears to be redevelopment as a modern distribution warehouse facility like that of other properties in the vicinity. The greater Seattle warehouse real estate market is very strong with a shortage of available space (vacancy rate less than 2%) and demand is projected to grow with the increase of internet-based retailing. The Auburn Complex represents one of the largest tracts of industrial land to come to market in over 10 years in the Auburn area and would attract substantial interest from large warehouse developers.

In 2016, a Phase II environmental site assessment was completed. No further environmental action or mitigation is required, but institutional controls should be included as part of the sale. The State Historic Preservation Office has concurred with the determination that the property is not eligible for listing in the National Register of Historic Places.

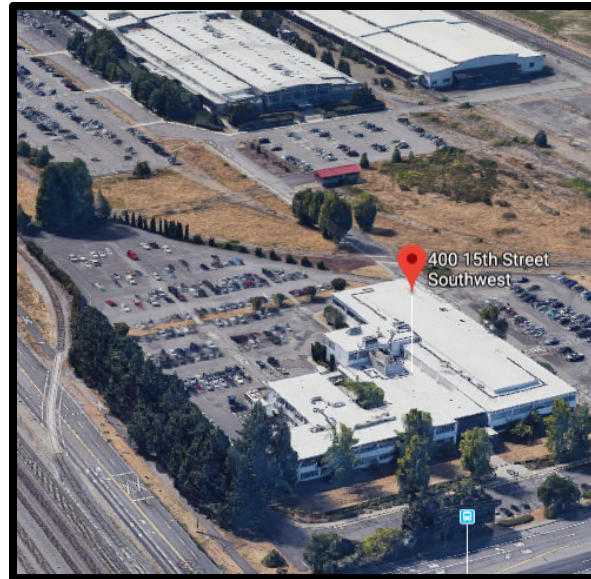
The PBRB (together with GSA) will work collaboratively with potential developers and the City of Auburn to develop a strategy that both unlocks the value of the site and meets the needs of the community.



## FASTA FACTORS

The Federal Assets Sale and Transfer Act of 2016 (“FASTA”) identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factor	Application of Factors to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance (“O&amp;M”) Cost Reduction</b>	2018 Federal Real Property Profile (“FRPP”) lists annual O&M costs of \$2,255,049.
<b>Utilization Rate</b>	Consolidation of operations at the target locations will improve utilization rates.
<b>Cost Saving Potential</b>	According to 2018 FRPP data, \$2,255,049 in annual O&M costs will be saved as well as nonrecurring savings of \$63,249,415 in deferred maintenance expenses and \$27,804,676 is estimated future capital expenditures.
<b>Reliance on Leasing</b>	Some occupants will need to be relocated to leased space; however, those long-term costs are offset by expected sale proceeds and cost avoidance. Additionally, leasing better supports SSA as its space needs are expected to evolve over the next two decades.
<b>Mission Alignment</b>	Disposition of the property will better support mission alignment.
<b>Economic Impact</b>	Redevelopment of this site will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	Disposition of the site will decrease Government energy consumption required to maintain the site due to the reduced square footage.
<b>Access to Services</b>	Public access to services will not be affected.



## PBRB RECOMMENDATIONS SUMMARY

Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to GSA for the disposition of the property within this timeframe and in order to maximize sales proceeds.

- **Outreach.** The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for this site. By reducing uncertainty around future entitlement and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage.** GSA will use a private brokerage firm to manage the marketing and sale of this property in such a manner as to maximize its value for the Government. The broker shall be compensated in a manner consistent with private sector commercial practice. Given the size and complexity of this project, the engagement of a qualified brokerage firm with experience in complex, high value redevelopment projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of this property.
- **Potential Future Proceeds.** The Auburn Complex is presently zoned for mixed commercial use which may not be the highest value use as industrial/warehouse use and which could result in a difference between the current value of the property and its value as entitled for its future highest and best use. GSA and/or its broker will develop a sales transaction structure that will permit the Government to share in any increase as the property becomes entitled for future use, should such a transaction structure be considered in the best interests of the Government.
- **Occupancy Agreement.** GSA may utilize short term occupancy agreements as a condition of sale to provide sufficient time to relocate all occupants.

- **Prospectus Approval.** The sale of the Auburn Complex under the auspices of FASTA is conditioned upon timely approval of a lease prospectus to relocate SSA.
- **Disposition.** As determined above, GSA will sell the property in the most efficient method to maximize sale proceeds.
- **Asset Proceeds and Space Management Fund.** Since SSA relocation is required, funds from the Asset Proceeds and Space Management Fund may be used to facilitate that process.
- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA's mandate to "obtain the highest and best value for the taxpayer and maximize the return to the taxpayer" on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB's recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

## RELOCATION OVERVIEW

Each of the occupants of the Auburn Complex support the move from the property to new facilities and these new facilities will better meet agency mission needs and afford flexibility to operations. The move costs for each of the occupants, other than SSA ATSC are independently funded.

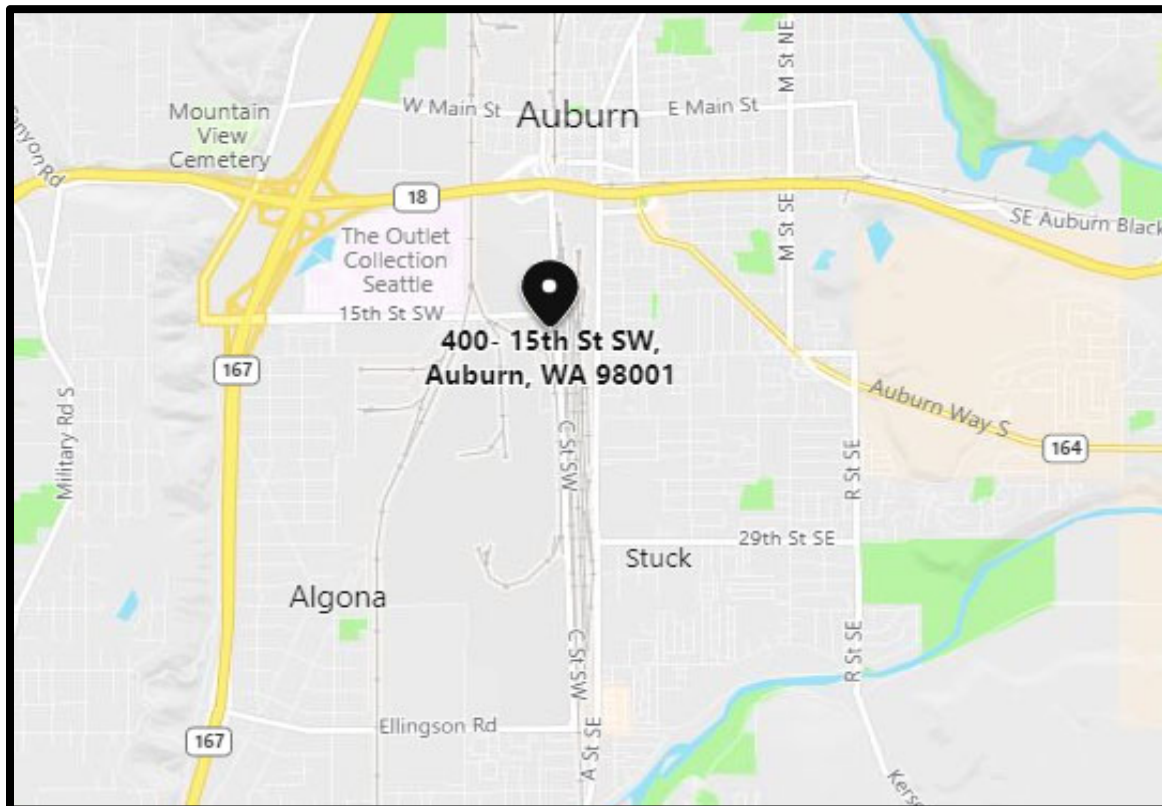
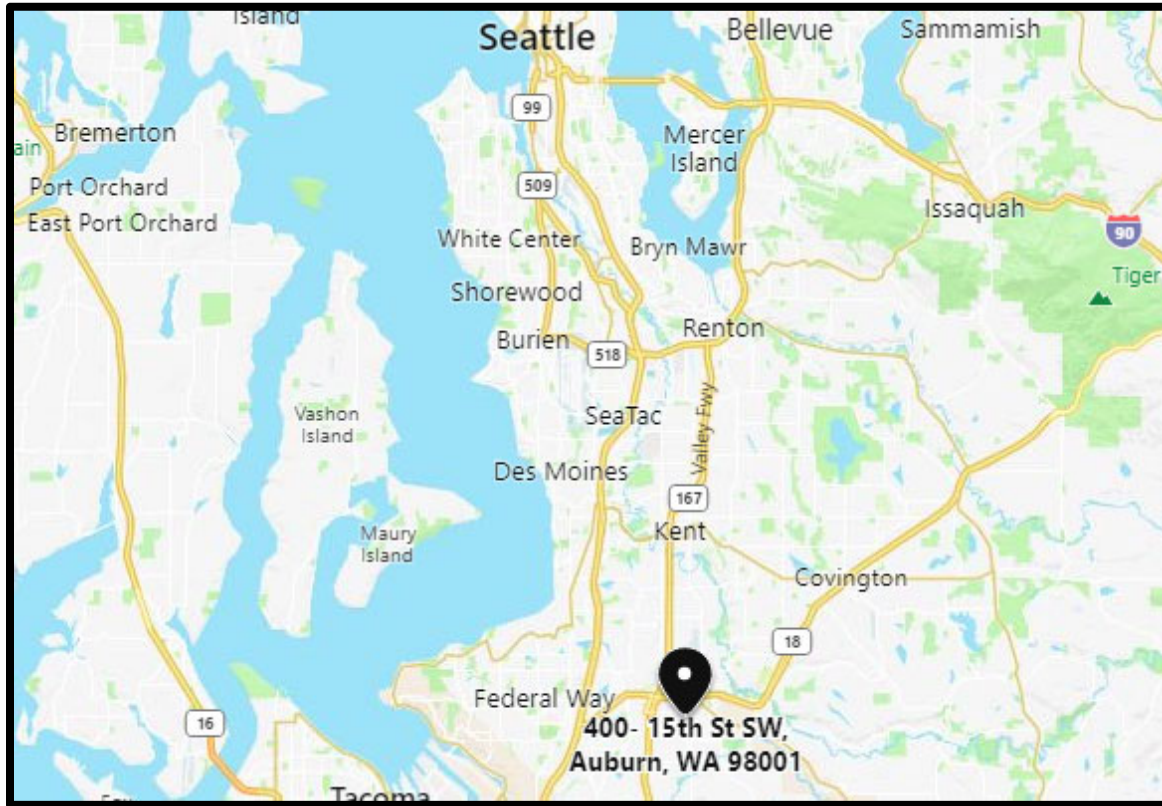
SSA Call Center. The SSA ATSC occupies Warehouse #7 and houses over 600 employees. The PBRB has agreed with GSA that the most beneficial and optimal option is to relocate SSA to leased space. The PBRB will continue to work with GSA, SSA, and Office of Management and Budget to implement the most cost-effective option for SSA ATSC occupancy while maximizing the proceeds from the sale of the Auburn Complex.

SSA ATSC would relocate to leased space pursuant to approval of the pending SSA Lease Prospectus. The estimated one time, above lease cost of this relocation is approximately \$14 million and the PBRB agrees to pay a substantial portion of this cost, up to a not to exceed amount, to facilitate the relocation and the sale of the entire Auburn Complex.

Other Occupants. The GSA Regional Headquarters office building is being vacated. GSA offices and Department of Homeland Security, Federal Protective Service ("FPS") have budget to relocate to leased space. A third tenant, the Defense Health Agency will be moving to an existing Department of Veterans Affairs ("VA") facility as planned.

Plans for the Building Blocks Child Care Center, a separate building west of GSA Regional Headquarters, will be finalized by GSA prior to final disposition of the property.

## PROPERTY MAPS





# **MENLO PARK COMPLEX**

345 Middlefield Road, Menlo Park, CA 94025

General Services Administration

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*

## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	General Services Administration (“GSA”)
<b>Total Square Feet (“SF”) Improvements</b>	412,663 (390,217 rentable)
<b>Acres</b>	17.36 acres
<b>Year Built</b>	Varies: 1953 – 1999
<b>Surrounding Land Use</b>	Office buildings, retail, seminary, multi-family and single-family homes
<b>Current Zoning</b>	Public Facilities
<b>Cong. Representative</b>	Rep. Anna G. Eshoo (D-CA-18)
Current Occupants – Phase 2 Moves	
<b>United States Geological Survey (330,607 SF)</b>	
<b>Transportation Security Administration (4,500 SF)</b>	
<b>Veteran’s Health Administration (4,000 SF)</b>	
<b>Defense Contract Management Agency (3,040 SF)</b>	
<b>Office of Personnel Management (2,000 rentable square footage)</b>	

The United States Geological Survey (“USGS”) occupies a 17-acre campus consisting of 17 buildings located at the heart of Silicon Valley in Menlo Park, California. The Menlo Park area is the epicenter of the technology sector and home to such companies as Google, Apple, Intel and E-Trade and the real estate market is one of the strongest in the country with an office vacancy rate of 4% and rents in excess of \$100/SF.

The USGS is relocating its operations from this campus to the National Aeronautics and Space Administration’s Ames facility at Moffett Field in Mountain View, California. This move is funded and underway and expected to be completed in

2023. The consolidation of USGS onto Moffett Field will save \$12 million annually.

As technology tenants in Silicon Valley continue to focus on minimizing commute times for their employees and being well-located in amenity rich areas, demand for transit oriented, downtown cores continues to grow. The competition for space in these areas has pushed lease rates and demand to record levels. The strongest demand is for downtown core locations with rich amenities along the Caltrain corridor. The USGS campus is mere blocks from downtown Menlo Park and the Caltrain station.

In 2019, a Phase I environmental site assessment was completed at the subject property that revealed no evidence of recognized environmental conditions (“RECs”). Additionally, there were no indications that sites adjacent to the subject property have any RECs or will have an adverse effect on the environmental conditions of the subject property. The State Historic Preservation Office has concurred with the determination that the property is not eligible for listing in the National Register of Historic Places.



The Public Buildings Reform Board (“PBRB”), alongside GSA, will work with the local community, the developer community and other stakeholders to ensure the re-development of this marquee site maximizes the value to the Federal Government and transitions seamlessly from public to private ownership.

## FASTA FACTORS

The Federal Assets Sale and Transfer Act of 2016 (“FASTA”) identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factor	Application of Factors to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance (“O&amp;M”) Cost Reduction</b>	2018 Federal Real Property Profile (“FRPP”) lists annual O&M costs of \$3,073,634.
<b>Utilization Rate</b>	Consolidation of operations at the target location will improve utilization rates.
<b>Cost Saving Potential</b>	2018 FRPP data indicates nonrecurring savings of \$5,412,534 in deferred maintenance expenses and \$5,092,869 in future capital expenditures will be saved as well as \$3,073,634 in annual O&M costs.
<b>Reliance on Leasing</b>	Property is in the custody of and managed by GSA and USGS is relocating to other Federally-owned property.
<b>Mission Alignment</b>	Disposition of the property will better support mission alignment.
<b>Economic Impact</b>	Redevelopment of this site will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	Disposition of the site will decrease Government energy consumption required to maintain the site due to the reduced square footage.
<b>Access to Services</b>	Public access to services will not be affected.



## PBRB RECOMMENDATIONS SUMMARY

Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to GSA for the disposition of the property within this timeframe and in order to maximize sales proceeds:

- **Outreach.** The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for this site. By reducing uncertainty around future entitlement, municipal requirements such as affordable housing, and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage.** GSA will use a private brokerage firm to manage the marketing and sale of this property in such a manner as to maximize its value for the Government. The broker shall be compensated in a manner consistent with private sector commercial practice. Given the complexity of this project, the engagement of a qualified brokerage firm with experience in complex, redevelopment projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of this property.
- **Potential Future Proceeds.** This property is not presently zoned for its future use so there is a significant difference in the value of the property as currently zoned for public use and its value as entitled for its future highest and best use. As appropriate, GSA and/or its broker will develop a sales transaction structure that will permit the Government to share in the increase in value as the property becomes entitled for future use, should such a transaction structure be considered in the best interests of the Government.

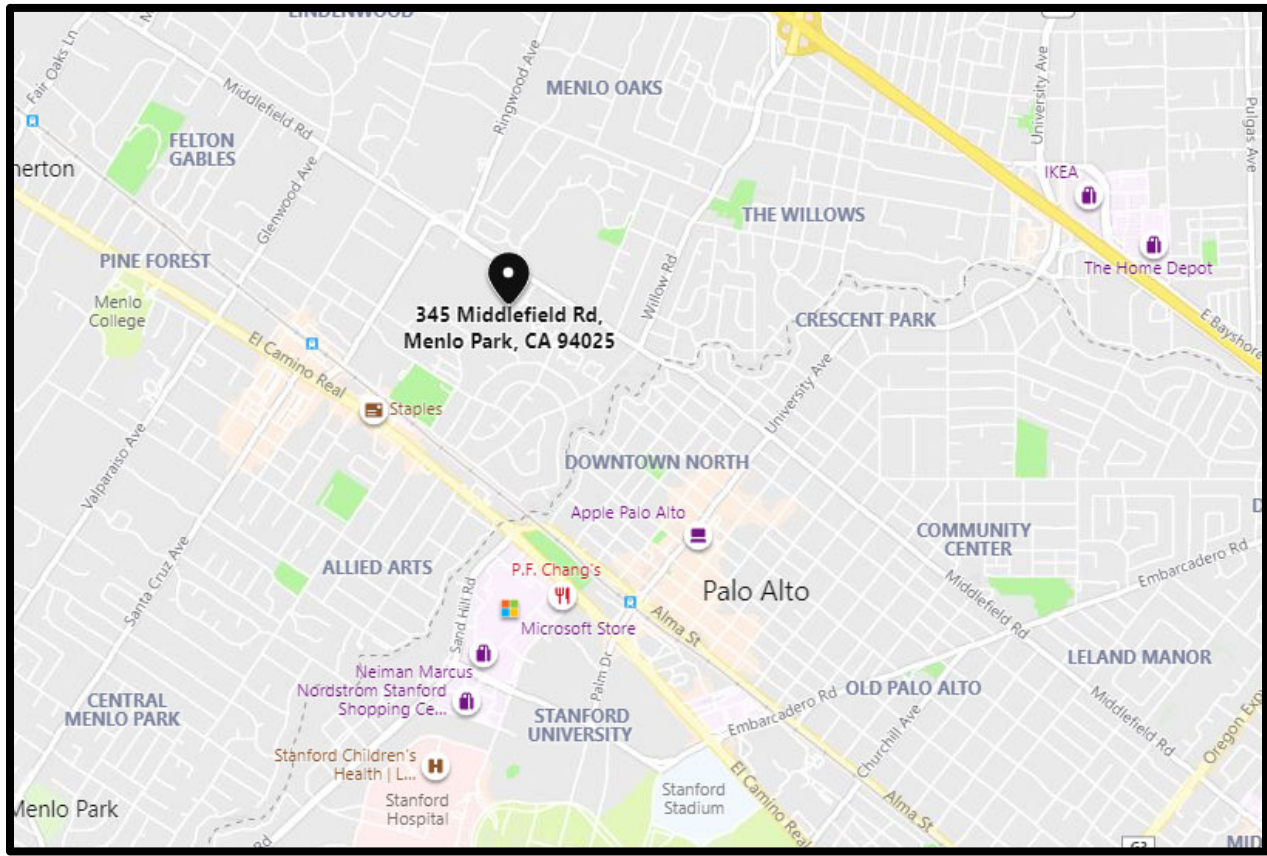
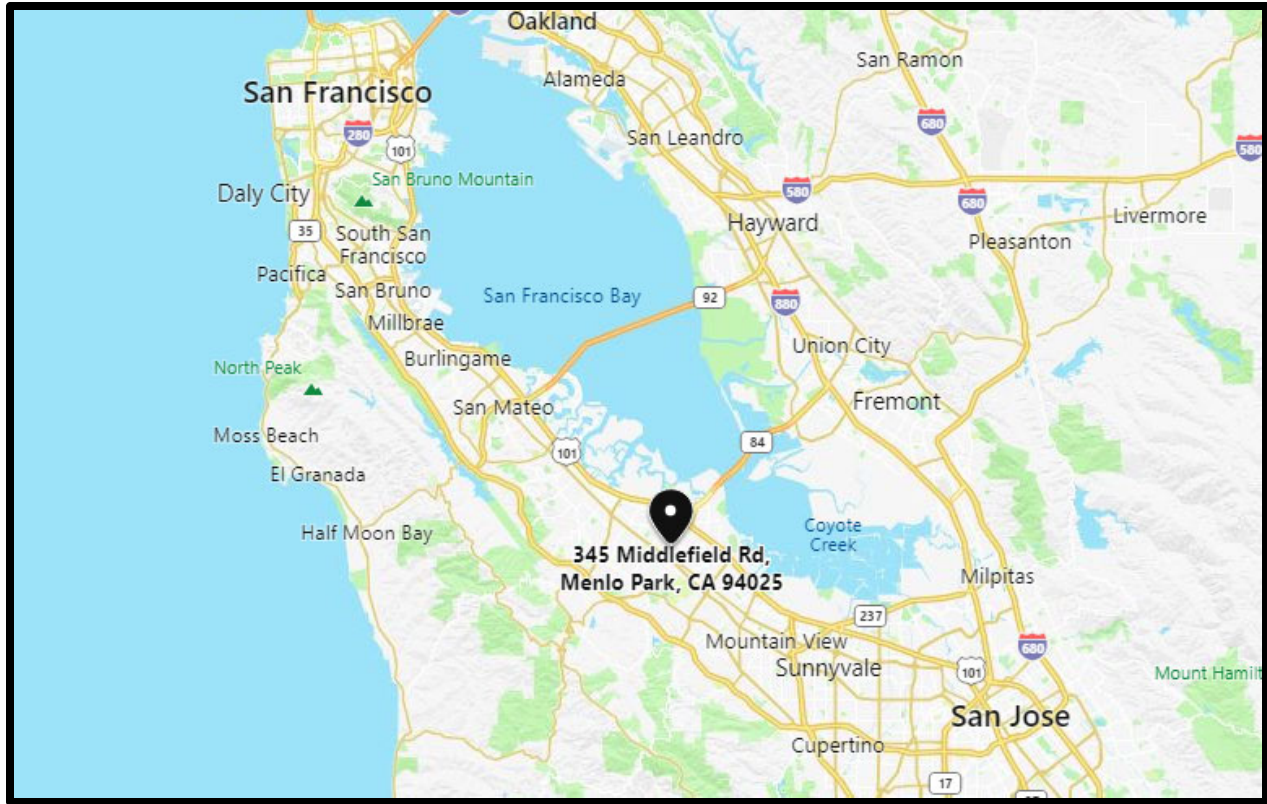


- **Occupancy Agreement.** GSA may utilize short term occupancy agreements as a condition of sale to provide sufficient time to relocate all occupants.
- **Disposition.** As determined above, GSA will sell the property in the most efficient method to maximize sale proceeds.
- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA’s mandate to “obtain the highest and best value for the taxpayer and maximize the return to the taxpayer” on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB’s recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

## RELOCATION OVERVIEW

USGS is relocating to Moffett Field in Mountain View, California. This move will leave the campus vacant and available for sale. The move is underway and is fully funded and on schedule to be completed in 2021. Additional occupants at the property are scheduled to relocate on a similar schedule and be completed in 2021.

# PROPERTY MAPS





# CHET HOLIFIELD FEDERAL BUILDING

24000 Avila Road, Laguna Niguel, CA 92677

General Services Administration

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*

## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	General Services Administration (“GSA”)
<b>Total Square Feet (“SF”) Improvements</b>	1,054,223 SF
<b>Acres</b>	92 acres
<b>Year Built</b>	1971
<b>Surrounding Land Use</b>	Residential/Mixed Commercial Adjacent
<b>Current Zoning</b>	Public/Institutional District
<b>Cong. Representative</b>	Rep. Harley Rouda (D-CA-48)
Current Occupants	
<b>USCIS (654,473 rentable square footage (“RSF”))</b> <b>Department of Treasury (155,357 RSF)</b> <b>Office of Secretary of Defense (17,387 RSF)</b> <b>Corps of Engineers (2,494 RSF)</b> <b>GSA (1,224 RSF)</b> <b>Office of Personnel Management (979 RSF)</b>	

The Chet Holifield Federal Building (“CHF”) is a large, but obsolete, office building situated on 92-acres of land in the growing community of Laguna Niguel in Orange County, California. The CHF has substantial repair and building safety requirements and is not fulfilling the mission needs of the current occupants. The underlying land has high value and is a unique infill redevelopment opportunity; the potential for which enjoys broad community support.

The United States Citizenship and Immigration Services Agency (“USCIS”) is the largest occupant of the CHF. All current tenants, with the exception of the USCIS are scheduled to be relocated by August 2024. The USCIS will be relocated to either owned or leased space (discussed further in the Relocation Overview); with either alternative resulting in an overall positive return for the Government and taxpayers

after the sale of the CHF. The Public Buildings Reform Board (“PBRB”) is working with the GSA, USCIS and other stakeholders to develop the optimal solution to maximize the sales proceeds and facilitate the USCIS move to more modern facilities enabling them to better meet their mission needs. The existing 1,050,000 SF will be replaced by roughly 600,000 SF of owned and/or leased space resulting in a reduction in total space occupied. Overall, the sale will generate significant sales proceeds for the Government while simultaneously avoiding over \$342 million in deferred maintenance expenses and \$339 million in future capital expenditures.

The State Historic Preservation Office has concurred with the determination that the property is eligible for listing in the National Register of Historic Places. GSA plans to lead the Section 106 consultation process. A Phase I environmental assessment has been completed for a portion of the site, covering 27.15-acres. The PBRB is unaware of any current environmental issues associated with this site that would preclude or otherwise impede sale of this property.

The PBRB held a public hearing at the property on July 24, 2019, that was well attended by the public and several elected officials from the community of Laguna Niguel. City officials indicated support for the redevelopment of CHF and a willingness to work with commercial



developers to enable mixed-use development. It is anticipated that there will be substantial interest from the developer community for this project and the PBRB, alongside GSA, will work with all stakeholders throughout the entitlement and disposition process to maximize the proceeds from this high-profile project and ensure the goals of the Federal Assets Sale and Transfer Act of 2016 (“FASTA”) are fully achieved.



## FASTA FACTORS

FASTA identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factors	Application of Factors to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance Cost ("O&amp;M") Reduction</b>	2018 Federal Real Property Profile ("FRPP") lists annual O&M costs of \$4,803,959.
<b>Utilization Rate</b>	Consolidation of operations at separate locations and the new building will improve utilization rates.
<b>Cost Saving Potential</b>	According to 2018 FRPP data, \$4,803,959 in annual O&M costs will be saved as well as nonrecurring savings of \$342,874,245 in deferred maintenance expenses and \$339,196,479 is estimated future capital expenditures.
<b>Reliance on Leasing</b>	Some occupants will need to be relocated to leased space; however, those long-term costs are more than offset by expected sale proceeds and cost avoidance.
<b>Mission Alignment</b>	Disposition of the property will better support mission alignment.
<b>Economic Impact</b>	Redevelopment of this site will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	Disposition of the site will decrease Government energy consumption required to maintain the site due to the reduced SF and enhanced construction techniques of the new building space.
<b>Access to Services</b>	Public access to services would not be affected.



## PBRB RECOMMENDATIONS SUMMARY

Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to GSA for the disposition of the property within this timeframe and in order to maximize sales proceeds:

- **Outreach.** The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for this site. By reducing uncertainty around future entitlement and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage.** GSA will use a private brokerage firm to manage the marketing and sale of this property in such a manner as to maximize its value for the Government. The broker shall be compensated in a manner consistent with private sector commercial practice. Given the size and complexity of this project, the engagement of a qualified brokerage firm with experience in complex, high value redevelopment projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of this property.
- **Potential Future Proceeds.** CHFB is not presently zoned for future use resulting in a significant difference between the current value of the property and its value as entitled for its future highest and best use. As appropriate, GSA and/or its broker will develop a sales transaction structure that will permit the Government to share in the increase in value as the property becomes entitled for future use, should such a transaction structure be considered in the best interests of the Government.

- **Occupancy Agreement.** GSA may utilize short term occupancy agreements as a condition of sale to provide sufficient time to relocate all occupants.
- **Disposition.** As determined above, GSA will sell the property in the most efficient method to maximize sale proceeds.
- **Approval of Prospectus.** The PBRB recommendation to sell the CHFB is conditioned upon the approval of a lease prospectus for the relocation of the Internal Revenue Service (“IRS”) to ensure the relocation of IRS within the timeframes specified under FASTA. The PBRB will work with GSA and IRS to develop this prospectus and facilitate its approval.
- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA’s mandate to “obtain the highest and best value for the taxpayer and maximize the return to the taxpayer” on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB’s recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

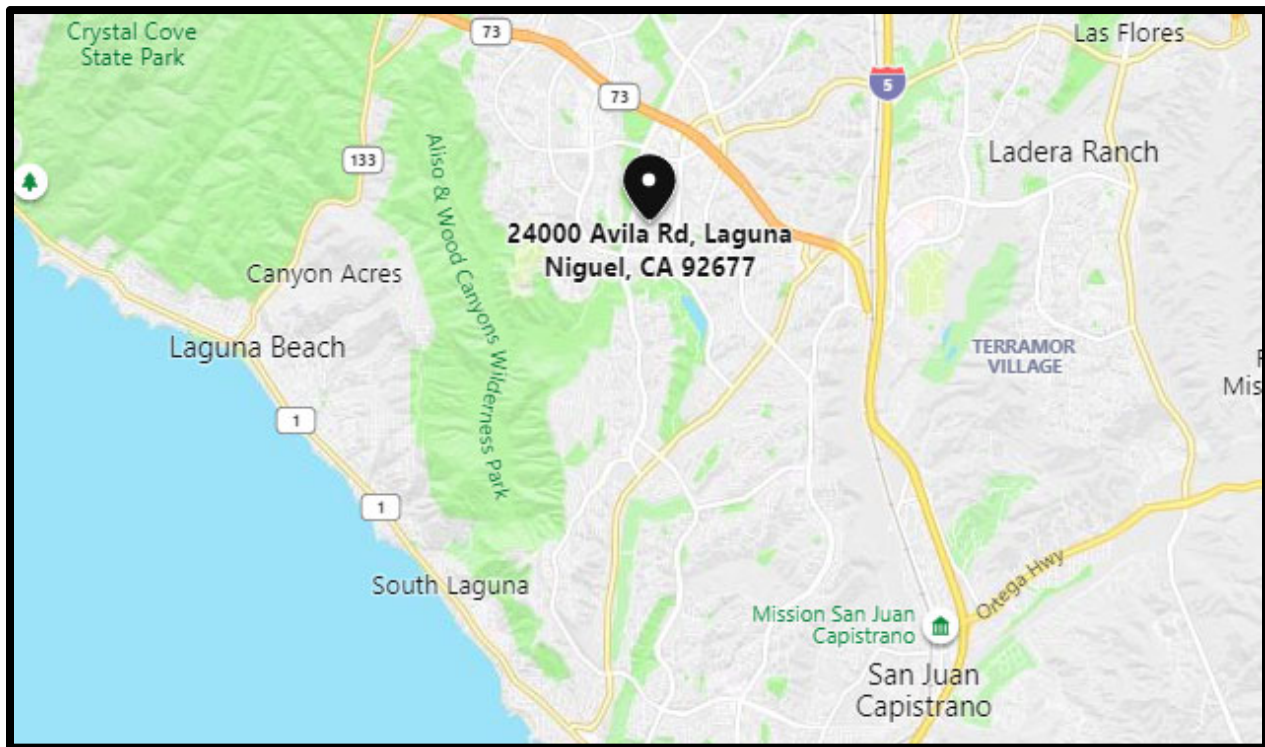
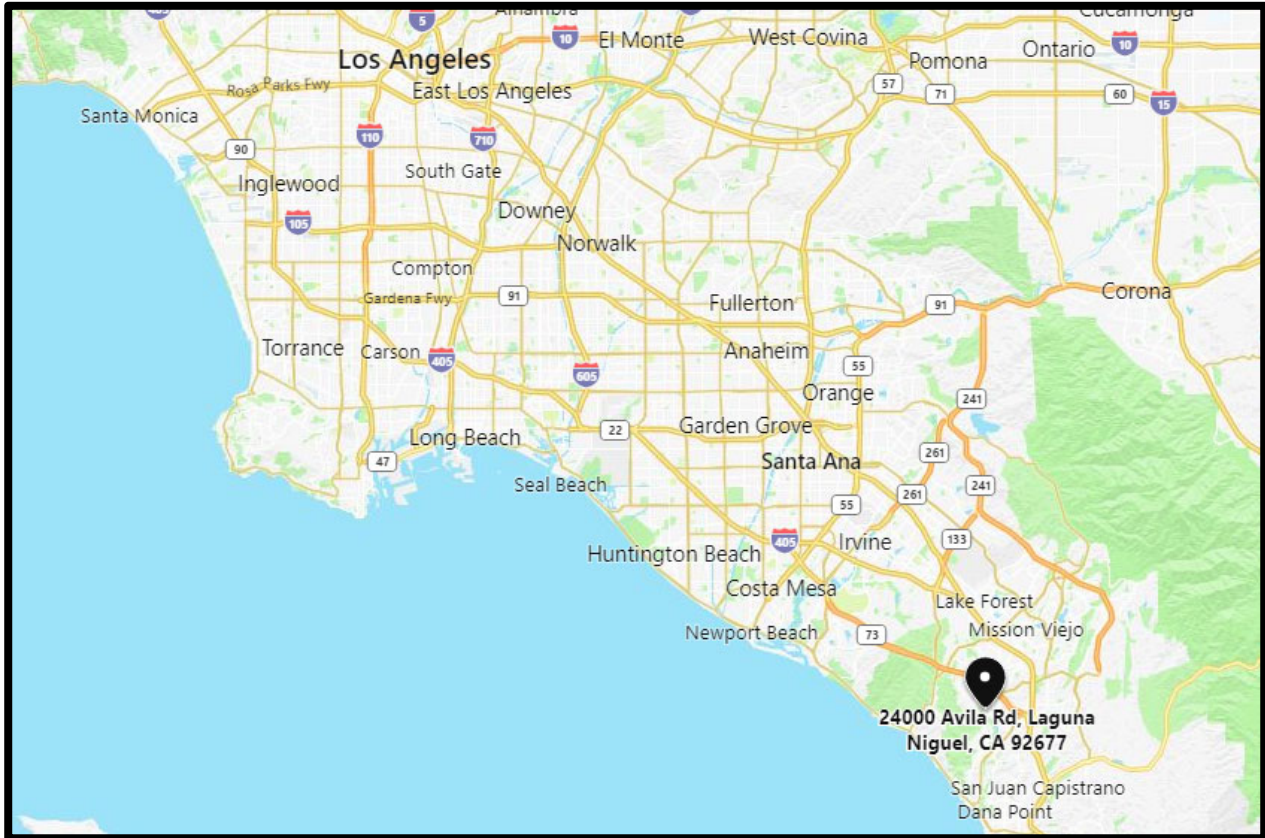


## RELOCATION OVERVIEW

Feasibility studies have been undertaken for the replacement of the CHFB and it has been determined that continuing to occupy CHFB is not a viable option based on the cost of repairs, obsolescence of the existing building and value of the underlying land. In addition, based on these studies a determination has been made that the current occupants should be relocated to either leased or owned space in the vicinity.

- **USCIS.** Current projections provide that USCIS needs approximately 380,000 gross square feet of new space to meet its mission needs. Presently there is a Prospectus (PCA FB LA20) approved by the Office of Management and Budget and pending with Congress to appropriate \$185 million to fund the construction of a new building for USCIS on a portion of the CHFB land. Because construction funding was not appropriated in the FY20 Federal Budget, and due to the time required for construction, this option does not meet the FASTA required timelines. The PBRB is developing, in collaboration with GSA and USCIS, additional options for the USCIS relocation which can meet the FASTA required timelines and generate a net positive return to the Government and taxpayers. If it is determined that leased space is the best option, GSA will need to seek prospectus approval to lease one or more locations to house the USCIS functions. The PBRB will work closely with GSA and USCIS to ensure any such relocation meets USCIS' operational and mission requirements and minimizes impact of USCIS employees.
- **Other Occupants.** The other occupants of the CHFB will be housed in approximately 222,000 SF of leased space in the region. The IRS currently occupies approximately 155,357 SF of space in the CHFB and its space requirements still are under development. The IRS space requirement will result in a lease prospectus that will need to be submitted and approved 'out of cycle' in order for GSA to relocate IRS within the timeframes specified under FASTA.

## PROPERTY MAPS





## **NIKE SITE**

770 Muddy Branch Road, Gaithersburg, MD 20899

Department of Commerce

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*

## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	Department of Commerce ("DOC")
<b>Total Square Feet ("SF") Improvements</b>	32,331 SF
<b>Acres</b>	13.71 acres
<b>Year Built</b>	1955
<b>Surrounding Land Use</b>	Single family and higher density residential
<b>Current Zoning</b>	R-A Low Density Residential
<b>Cong. Representative</b>	Rep. David Trone (D-MD-06)
Current Occupants	
<b>Substantially vacant/partially occupied by National Institute of Standards and Technology ("NIST") (See the Relocation Overview section below)</b>	

The Nike Site sits on 13.7-acres of land and was home to the former Nike missile battery W-92. There are several obsolete buildings on the site including a barracks, kennel, launch pads, and storage buildings, totaling 32,331 SF. There are no plans for further Government use of the property.

Environmental clean-up activities were completed at the property in 2003 by the U.S. Army Corps of Engineers, and according to the State of Maryland, no further action is required. In 1998, the site was deemed not eligible for inclusion in the National Register of Historic Places.

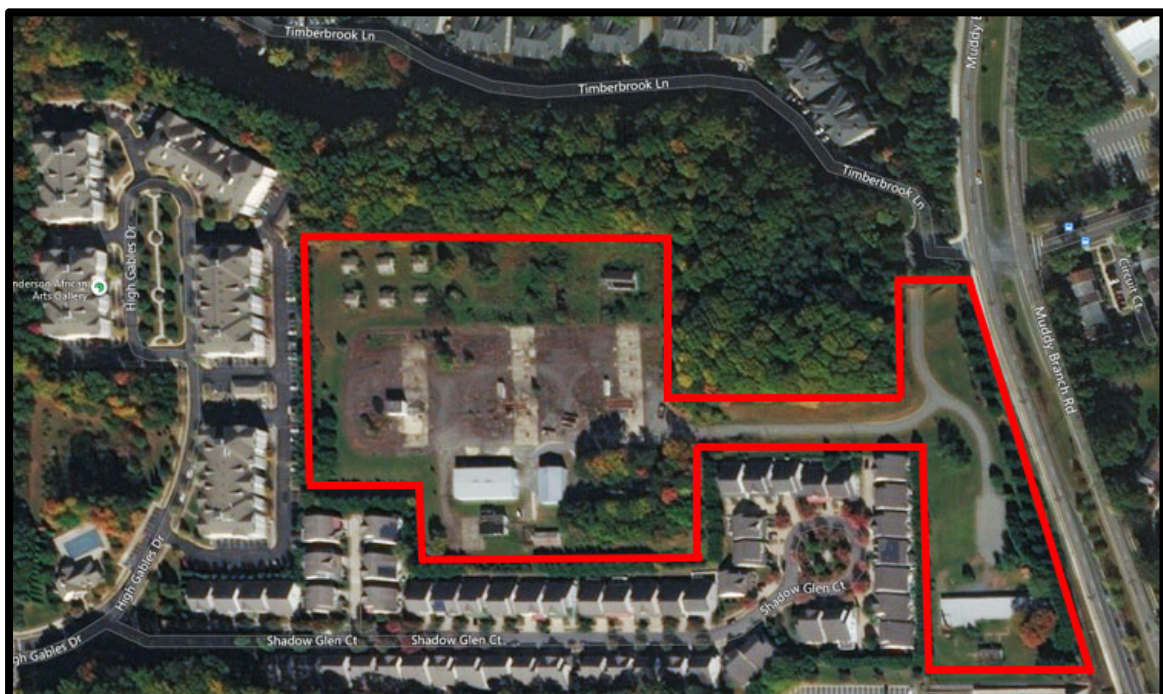
Currently, NIST Robotics intermittently utilizes two of the buildings on this property to support development and dissemination of standard test methods used worldwide to evaluate and improve emergency response robot technologies. The structures utilized by NIST Robotics are adjacent to the three bunker/silos and do not have electricity, heat or plumbing at this time.

Demand for developable land is strong in the Gaithersburg area, particularly because of its proximity to Washington D.C. The Public Buildings Reform Board ("PBRB"), alongside the General Services Administration ("GSA") is prepared to work with the local community, the developer community and other stakeholders to ensure the ultimate re-development of this site to maximize the value to the Federal Government and transition seamlessly from public to private ownership.

## FASTA FACTORS

The Federal Assets Sale and Transfer Act of 2016 (“FASTA”) identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factor	Application of Factors to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance (“O&amp;M”) Cost Reduction</b>	Minimal.
<b>Utilization Rate</b>	Not applicable.
<b>Cost Saving Potential</b>	Minimal.
<b>Reliance on Leasing</b>	The intermittent use of the property by NIST Robotics will be relocated to the primary NIST campus.
<b>Mission Alignment</b>	Disposition of the property will better support mission alignment.
<b>Economic Impact</b>	Redevelopment of this site will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	Not applicable.
<b>Access to Services</b>	Public access to services will not be affected.



## PBRB RECOMMENDATIONS SUMMARY

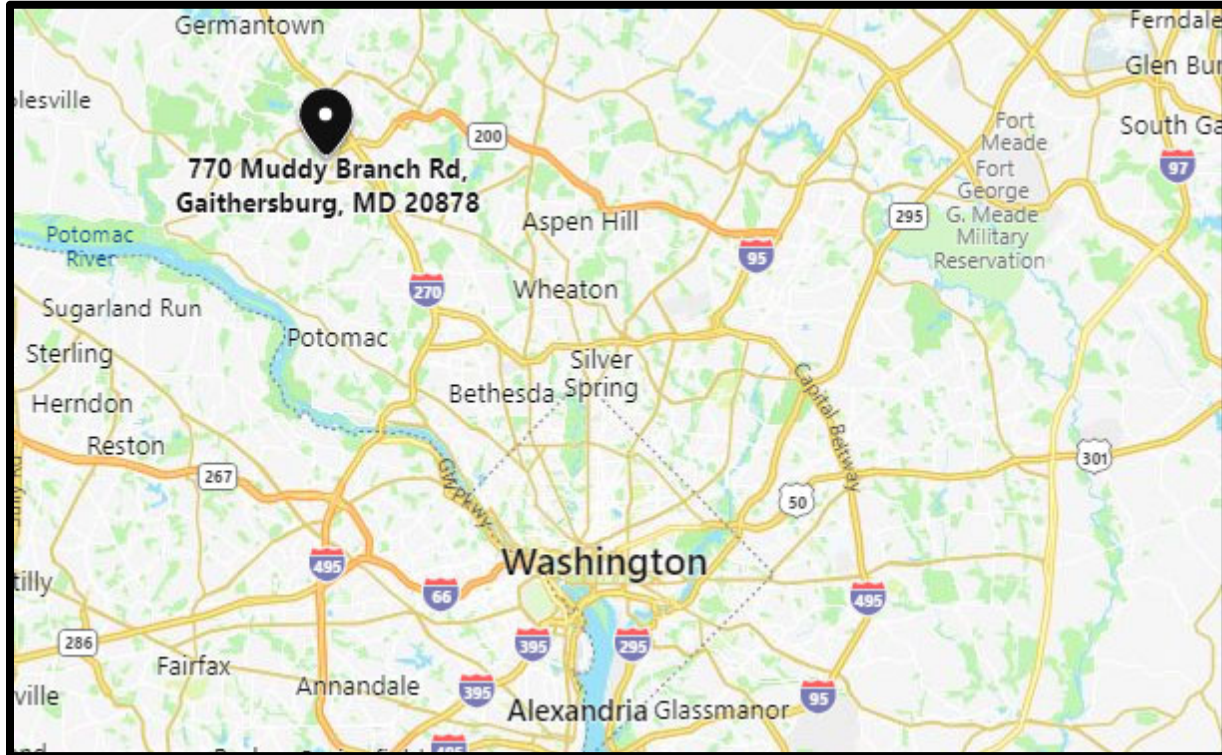
Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to GSA for the disposition of the property within this timeframe and in order to maximize sales proceeds:

- **Outreach.** The PBRB will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for this site. By reducing uncertainty around future entitlement, and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage.** The PBRB recommends that GSA utilizes a private brokerage firm to manage the marketing and sale of this property in such a manner as to maximize its value for the Government. Evaluation of use of a broker will be coordinated with the PBRB. If selected the broker shall be compensated in a manner consistent with private sector commercial practice. Given the complexity of this project, the engagement of a qualified brokerage firm with experience in complex redevelopment projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of this property.
- **Potential Future Proceeds.** The Nike Site is currently zoned for single family use; however, it is a lower density residential zoning than the surrounding area, resulting in a difference between the current value of the property and its value as entitled for its future highest and best use. As appropriate, GSA, with the support of its broker, will develop a sales transaction structure that will permit the Government to share in the increase in value as the property becomes entitled for future use, should such a transaction structure be considered in the best interest of the Government.
- **Occupancy Agreement.** GSA may utilize short term occupancy agreements as a condition of sale to provide sufficient time to relocate all occupants.
- **Disposition.** As determined above, GSA will sell the property in the most efficient method to maximize sale proceeds.
- **Asset Proceeds Fund.** NIST relocation is required. See the Relocation Overview section for more information.
- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA's mandate to "obtain the highest and best value for the taxpayer and maximize the return to the taxpayer" on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB's recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

## RELOCATION OVERVIEW

NIST intends to utilize the current robotics testing facility on the Nike Site through 2022. The best relocation solution is to move these activities onto the main NIST campus in Gaithersburg, which would require the construction of an addition to the existing robotics test facility. This addition is included in the NIST Gaithersburg campus master plan that was published in 2018. The Asset Proceeds Fund may be utilized to fund the construction of a comparable structure for NIST Robotics use. The PBRB agrees to pay a portion of this cost, up to a not to exceed amount.

## PROPERTY MAPS







# **WESTED OFFICE BUILDING**

4665 Lampson Avenue, Los Alamitos, CA 90720

Department of Education

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*

## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	Department of Education ("ED")
<b>Total Square Feet ("SF") Improvements</b>	88,000 SF
<b>Acres</b>	12.36 acres
<b>Year Built</b>	1971
<b>Surrounding Land Use</b>	Single Family Residential, Joint Forces Training Base Los Alamitos, Golf Course
<b>Current Zoning</b>	Community Facilities
<b>Cong. Representative</b>	Rep. Alan Lowenthal (D-CA-47)
<b>Current Occupants</b>	
<b>Nongovernmental Educational Organization</b>	

The WestEd property resides in the Orange County community of Los Alamitos, California, about 20 miles south of downtown Los Angeles. The 12-acre site currently includes a 2-story office building with well landscaped areas and parking, and is surrounded by single family homes, the Joint Forces Training Base Los Alamitos, and a golf course. The property has high value potential due to limited availability of commercial office space within the City of Los Alamitos.

The Public Buildings Reform Board ("PBRB") is unaware of any historic considerations relative to this site. In 2016, a Phase I environmental site assessment was completed at the subject property that revealed no evidence of recognized environmental conditions ("RECs"). The PBRB is unaware of any environmental issues that would preclude or otherwise impede the sale of this property.

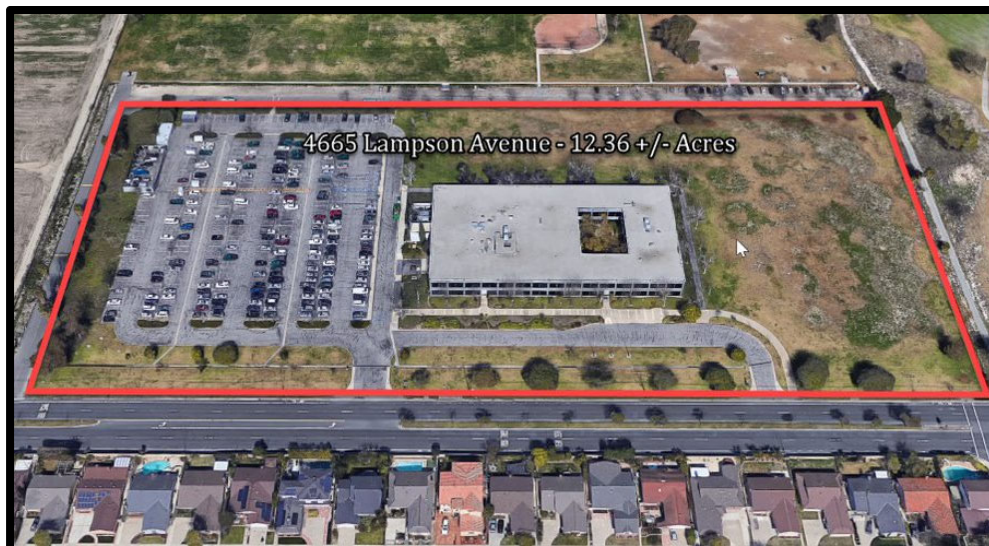
The building is occupied by a nongovernmental educational organization, which has a license from ED to occupy the property until December 2022. There are no plans for further Government use of the property. The PBRB is prepared to work with the local community and other stakeholders to transition this property from public to private ownership.



## FASTA FACTORS

The Federal Assets Sale and Transfer Act of 2016 (“FASTA”) identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factor	Application of Factors to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance (“O&amp;M”) Cost Reduction</b>	Subject property does not appear in 2017 or 2018 Federal Real Property Profile (“FRPP”).
<b>Utilization Rate</b>	Current occupants are private sector and California state Government employees. No change to Federal Government utilization rate.
<b>Cost Saving Potential</b>	Subject property does not appear in 2017 or 2018 FRPP.
<b>Reliance on Leasing</b>	Current occupants are private sector and California state Government employees. No change in Federal Government leasing.
<b>Mission Alignment</b>	Disposition of the property will better support mission alignment.
<b>Economic Impact</b>	Transition from public to private ownership of this site will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	Disposition of the site will decrease Government energy consumption required to maintain the site due to the reduced square footage.
<b>Access to Services</b>	Public access to services will not be affected.



## PBRB RECOMMENDATIONS SUMMARY

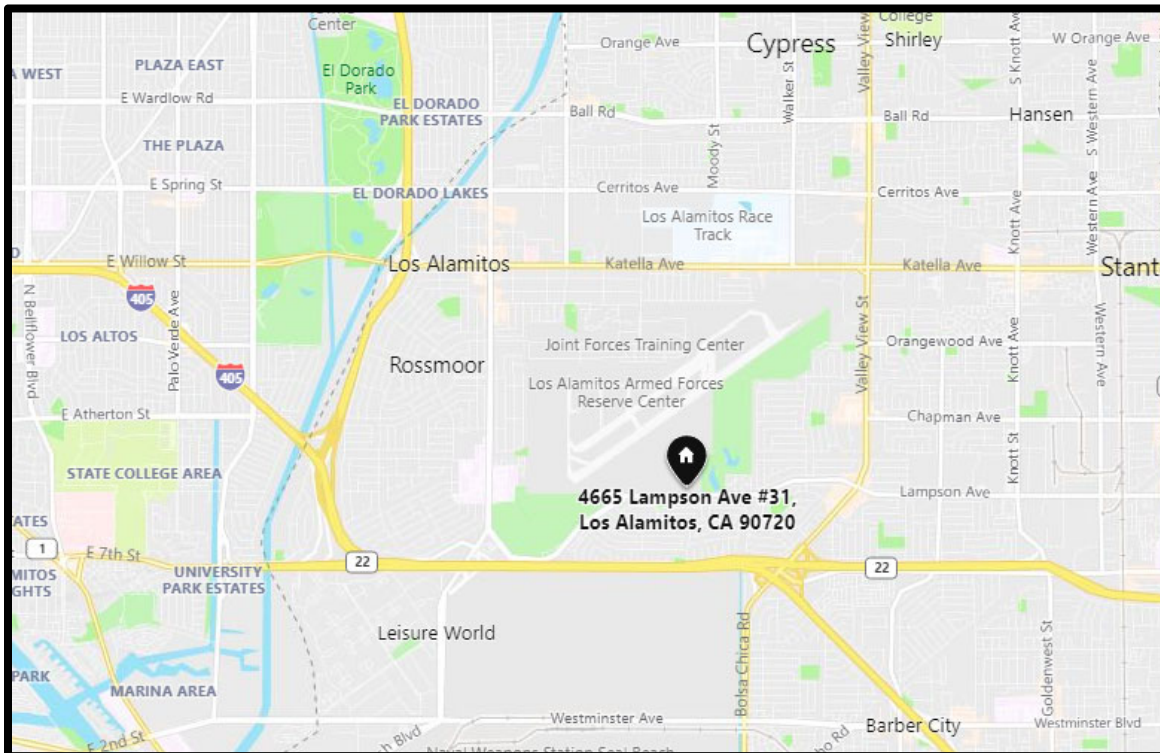
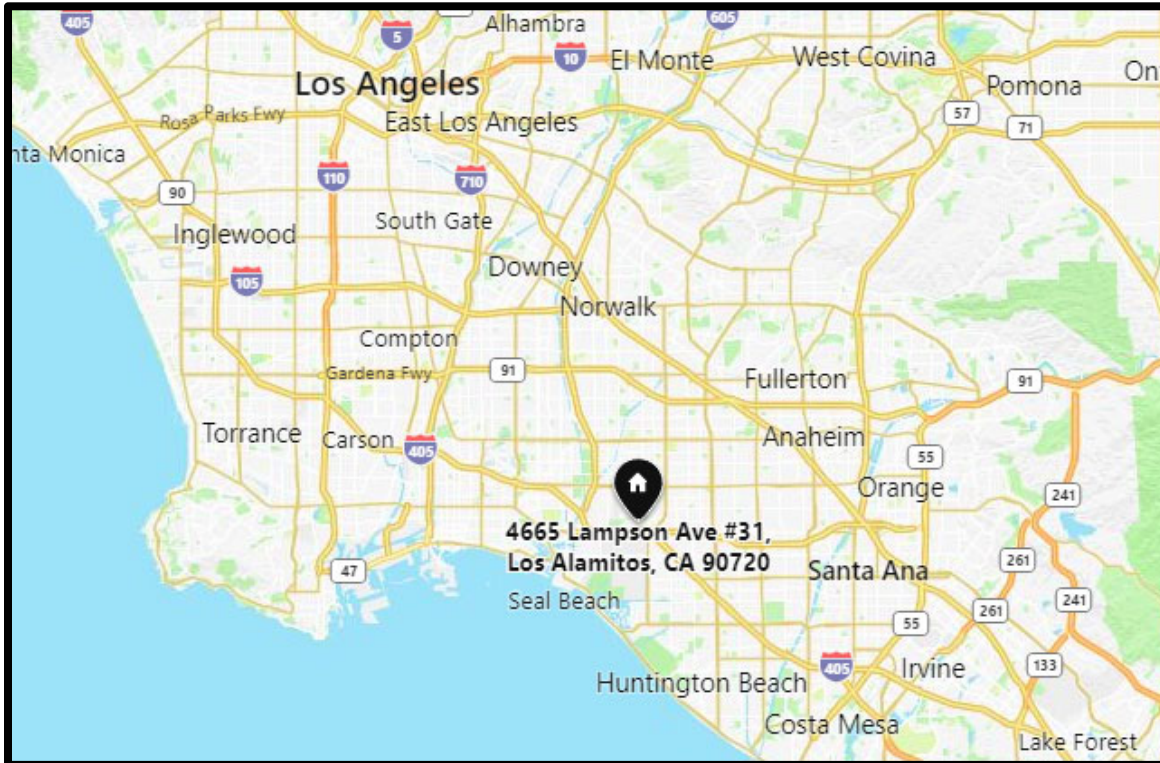
Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to the General Services Administration (“GSA”) for the disposition of the property within this timeframe and in order to maximize sales proceeds:

- **Outreach.** The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for this site. By reducing uncertainty around future entitlement and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage.** The PBRB recommends that GSA utilizes a private brokerage firm to manage the marketing and sale of this property in such a manner as to maximize its value for the Government. Evaluation of use of a broker will be coordinated with the PBRB. If selected, the broker shall be compensated in a manner consistent with private sector commercial practice. The engagement of a qualified brokerage firm with experience in redevelopment projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of this property.
- **Potential Future Proceeds.** The WestEd property is not zoned for its future use, which could result in a difference between the current value of the property and its value as entitled for its future highest and best use. As appropriate, GSA and/or its broker will develop a sales transaction structure that will permit the Government to share in the increase as the property becomes entitled for its future use, should such a transaction structure be considered in the best interests of the Government.
- **Occupancy Agreement.** GSA may utilize short term occupancy agreements as a condition of sale to provide sufficient time to relocate all occupants.
- **Disposition.** As determined above, GSA will sell the property in the most efficient method to maximize sale proceeds.
- **Consultation and Partnership.** The PBRB will consult and partner with GSA in accordance with FASTA’s mandate to “obtain the highest and best value for the taxpayer and maximize the return to the taxpayer” on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB’s recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

## RELOCATION OVERVIEW

The WestEd property is currently occupied by a nongovernmental educational organization, however the occupants’ license to use the property expires on December 31, 2022. There are no Federal occupants at this site.

# PROPERTY MAPS





# **FEDERAL ARCHIVES AND RECORDS CENTER**

6125 Sand Point Way NE, Seattle, WA 98115

National Archives and Records Administration

*PROPERTY REPORT PREPARED FOR THE OFFICE OF MANAGEMENT AND BUDGET  
IN ACCORDANCE WITH THE FEDERAL ASSETS SALE AND TRANSFER ACT OF  
2016, AS AMENDED.*

## OPPORTUNITY OVERVIEW

Property Summary	
<b>Landholding Agency</b>	General Services Administration (“GSA”)
<b>Total Square Feet (“SF”) Improvements</b>	187,752 SF
<b>Acres</b>	10 acres
<b>Year Built</b>	1946
<b>Surrounding Land Use</b>	Residential
<b>Current Zoning</b>	Low-rise 3 (low-rise multi-family)
<b>Cong. Representative</b>	Rep. Pramila Jayapal (D-WA-07)
Current Occupants	
<b>National Archives and Records Administration (“NARA”)</b>	

The Federal Archives and Record Center (“FARC”) is a 73-year old building with a deferred maintenance backlog of \$2.5 million. The warehouse facility is currently used by the NARA for storage of Government records for Alaska, Hawaii, Idaho, Oregon, Washington, and the South Pacific, but the agency has indicated its willingness and desire to consolidate operations at more modern existing NARA facilities. See additional information in Relocation Overview below.

Relocating FARC will make 10-acres of highly valuable land

available, likely for residential housing, in the Hawthorne Hills neighborhood just to the west of Lake Washington in the Puget Sound region of Washington.

The State Historic Preservation Office has concurred with the determination that the property is not eligible for listing in the National Register of Historic Places. A Phase I environmental site assessment will be completed. At this time, the Public Buildings Reform Board (“PBRB”) is unaware of any environmental issues that would preclude or otherwise impede the sale of this property.

The Hawthorne Hills neighborhood is adjacent to 350-acre Magnuson Park on the Sand Point Peninsula, making the site a rare opportunity for residential redevelopment. It is anticipated that there will be substantial interest from the developer community and the PBRB, along with GSA, will work with it and stakeholders from the community throughout the disposition process to maximize the proceeds from this project and ensure the goals of the Federal Assets Sale and Transfer Act of 2016

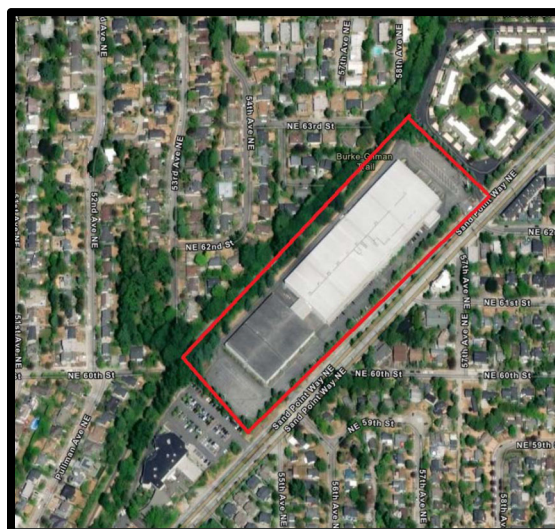
(“FASTA”) law are fully achieved.



## FASTA FACTORS

FASTA identifies the following factors for consideration during the review and assessment of property recommended for disposal, consolidation, or re-development:

FASTA Factor	Application of Factors to Property
<b>Taxpayer Return</b>	Based on the PBRB analysis, the sale of this property will generate the highest and best value and return for the taxpayer.
<b>Operating &amp; Maintenance ("O&amp;M") Cost Reduction</b>	2018 Federal Real Property Profile ("FRPP") lists annual O&M costs of \$356,763.
<b>Utilization Rate</b>	Consolidation of operations at the two target locations will improve the utilization rate.
<b>Cost Saving Potential</b>	According to 2018 FRPP data, \$356,763 in annual O&M costs would be saved as well as nonrecurring savings of \$2,399,302 in deferred maintenance expenses and \$2,399,302 in estimated future capital expenditures.
<b>Reliance on Leasing</b>	The Missouri target relocation facility is owned by the Federal Government. The California target relocation facility is part of an existing leased property.
<b>Mission Alignment</b>	Disposition of the property will better support mission alignment.
<b>Economic Impact</b>	Redevelopment of this site will bring increased economic value and local tax revenues to the region.
<b>Energy Consumption</b>	Disposition of the site would decrease Government energy consumption required to maintain the site due to the reduced square footage.
<b>Access to Services</b>	A portion of the property is open to the public for research purposes. NARA has determined that it can fulfill its mission needs at the target relocation facilities.





## PBRB RECOMMENDATIONS SUMMARY

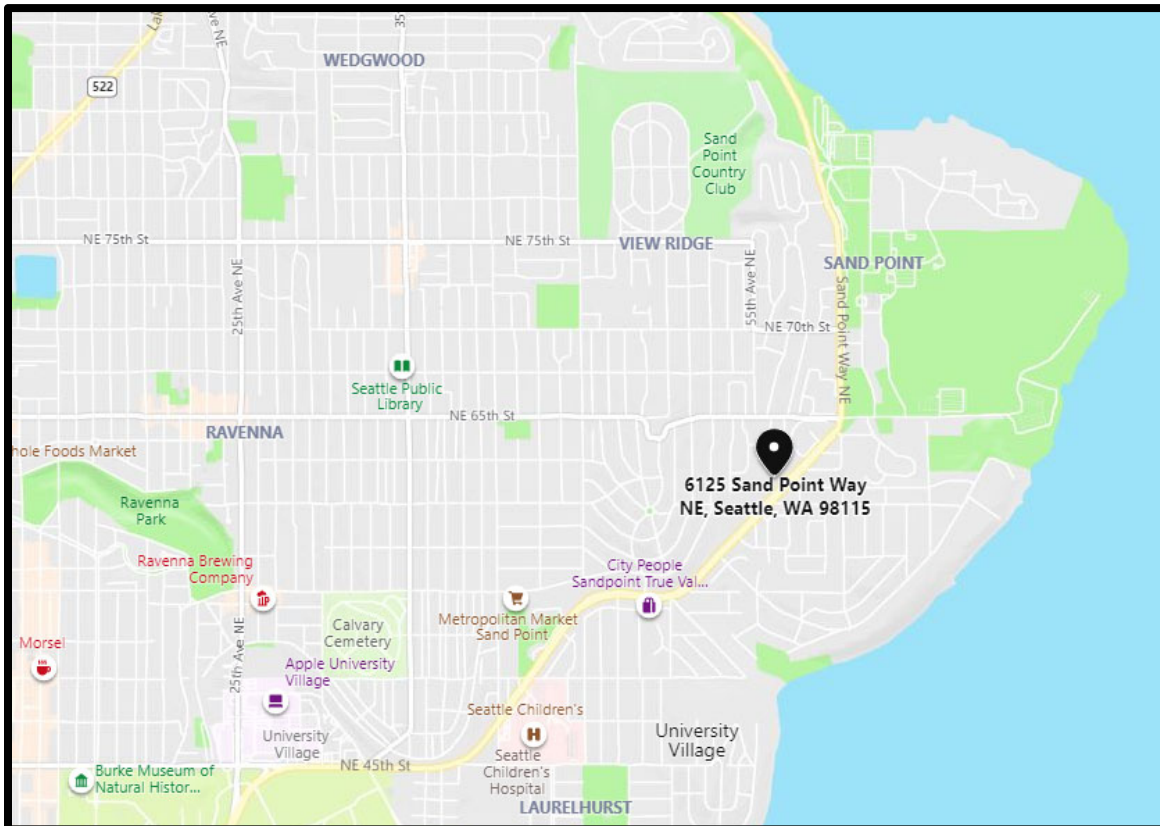
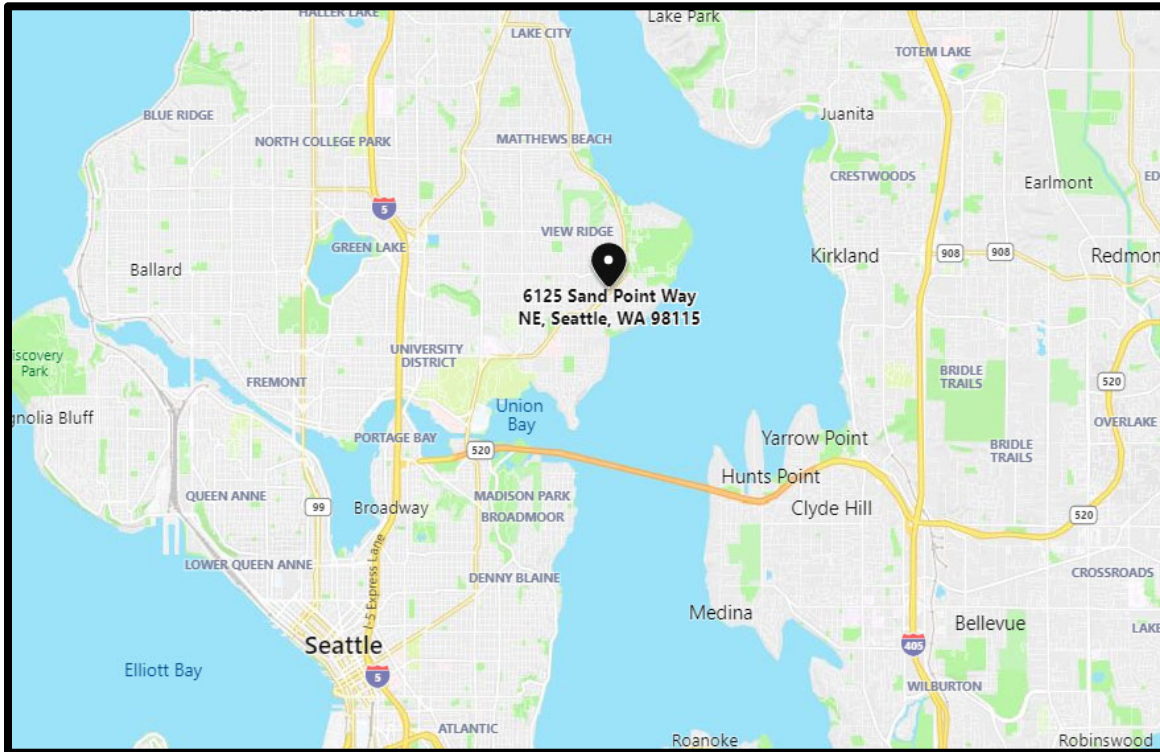
Based on all factors considered, the PBRB is confident that the subject property can be sold within the timeline identified in the FASTA legislation. The recommendations provided below constitute directions to GSA for the disposition of the property within this timeframe and in order to maximize sales proceeds:

- **Outreach**. The PBRB and GSA will actively solicit input from the developer community and work with city officials to understand and clarify redevelopment plans for this site. By reducing uncertainty around future entitlement, and increasing certainty around transaction timelines, qualified developers can increase the amount paid for the property.
- **Brokerage**. GSA will use a private brokerage firm to manage the marketing and sale of this property in such a manner as to maximize its value for the Government. The broker shall be compensated in a manner consistent with private sector commercial practice. Given the size and complexity of this project, the engagement of a qualified brokerage firm with experience in complex, redevelopment projects in this market will reach the broadest possible universe of qualified buyers and will increase the ultimate sales price of this property.
- **Potential Future Proceeds**. This property is currently zoned for its likely future use as low rise multifamily. However, during the marketing of the property it may be determined that a zoning change will maximize the return to the taxpayer. If so, GSA and/or its broker will develop a sales transaction structure that will permit the Government to share in the increase in value as the property becomes entitled for future use, should such a transaction structure be considered in the best interests of the Government.
- **Occupancy Agreement**. GSA may utilize short term occupancy agreements as a condition of sale to provide sufficient time to relocate all occupants.
- **Disposition**. As determined above, GSA will sell the property in the most efficient method to maximize sale proceeds.
- **Asset Proceeds and Space Management Fund**. NARA relocation is required, funds from the Asset Proceeds and Space Management account may be used to facilitate that process.
- **Consultation and Partnership**. The PBRB will consult and partner with GSA in accordance with FASTA's mandate to "obtain the highest and best value for the taxpayer and maximize the return to the taxpayer" on disposition strategies and implementation. The PBRB will work collaboratively with the GSA to implement the PBRB's recommendations or if not, why the recommendations cannot be followed. Such information will be provided to the PBRB in a timely manner so the PBRB and GSA can collectively agree on an appropriate strategy.

## RELOCATION OVERVIEW

The FARC does not meet NARA's long-term storage needs. NARA may require a short-term occupancy agreement to prepare alternate space and to relocate its records. The Asset Proceeds and Space Management Fund may be used to facilitate this relocation process. The PBRB and NARA have agreed on a not to exceed reimbursement for relocation. NARA will begin its relocation project upon full Office of Management and Budget approval of this disposition and will have subsequent discussions with its employees. Records will be relocated to NARA facilities in Kansas City, Missouri; archival records will be relocated to a NARA facility in Riverside, California, within which some renovation may be required to house the archives.

# PROPERTY MAPS



## *Appendix B. Members of the PBRB*

A quorum of five PBRB members were appointed and were sworn in on May 1, and May 10, 2019. The PBRB members include:

**Angela Styles** is a partner at Akin Gump Strauss Hauer & Feld with a practice spanning over 25 years on complex Federal contracting issues. Specifically, Ms. Styles is recognized for her deep experience in Government procurement policy, cost and pricing issues, commercial item contracting, other transaction authority agreements, and ethics. Ms. Styles' Federal service includes positions as OMB Administrator for Federal Procurement Policy, an appointee at GSA's PBS, and a Legislative Aide for Congressman Joe Barton. In 2018, Ms. Styles and her husband established the Das Leben Foundation, a private foundation focused on historical preservation.

**David L. Winstead's** professional experience has included top leadership positions in both the private and public sectors. His law practice at Ballard Spahr LLP has focused on real estate development and transactional matters, infrastructure/public-private partnerships, Government contracts and regulatory matters. His career has combined representation of real estate enterprises, construction, energy and transportation companies, as well as Governmental agencies. He has served as Public Buildings Commissioner at GSA and Maryland's Secretary of Transportation and continues to serve on the National Advisory Council of Building Owners and Managers Association International, the Real Estate Roundtable, and as Founding Chair of Urban Land Institute's Public Development and Infrastructure Council.

**D. Talmage Hocker** is the founder and CEO of The Hocker Group, LLC, an integrated real estate platform that invests in well-located commercial real estate assets found in secondary markets throughout the Southeast and Mid-Atlantic States. Prior to this, Mr. Hocker worked with his father to develop, acquire, lease and manage more than 50 properties in 14 states consisting of over 15 million SF with an asset value in excess of \$1 billion.

**Mary Phillips** is a transportation professional with extensive public and private sector experience in Federal transportation policy, strategic planning, community relations, and marketing and sales. Most recently, Ms. Phillips served as the Staff Director for the Railroads, Pipelines, and Hazardous Materials Subcommittee of the House Transportation and Infrastructure Committee. Prior to joining the Committee, Ms. Phillips served as the Senior Vice President for Legislative Affairs at American Trucking Associations ("ATA"), leading ATA's efforts on Capitol Hill. Representing ATA and other clients, she also established her own consulting business, Phillips Strategic Services. During the George W. Bush Administration, Ms. Phillips served as the head of policy and Congressional Affairs at the Federal Highway Administration. She has also held a number of positions in the freight rail industry.

**Nick J. Rahall** is a former member of the United States House of Representatives and the longest-serving member from the state of West Virginia. Mr. Rahall's districts included the southern, coal-dominated portion of the state including Huntington, Bluefield, and Beckley. During his tenure, Mr. Rahall served as the Ranking Member of the House Committee on Transportation and Infrastructure.

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## *Appendix C. Data Related Findings and Recommendations*

### *Data Related Findings*

FRPP was created in 2004 under Executive Order (“EO”) 13327 “Federal Real Property Asset Management” to be the Federal Government’s “database of all real property under the custody and control of all executive branch agencies, except when otherwise required for reasons of national security.” The EO directs GSA to capture descriptive information to best describe the nature, use, and extent of the real property holdings of the Federal Government.

As FRPP requirements and objectives evolved over time to ensure compliance with FASTA as well as several OMB Memorandum, GSA has diligently made advancements to the system, data requirements, guidance, and data quality procedures. This includes the development of the annually released Guidance for Real Property Inventory Reporting (the FRPP Data Dictionary) and Data Anomaly V&V procedures, implemented in 2016, to identify statistical outliers and anomalies.

The purpose of FRPP is to serve as a centralized inventory of real property for the Federal Government. Robust inventory tools such as FRPP can be very useful; however, it is not designed for portfolio management and lacks key data elements that are essential for recommending disposal and consolidation candidates.

The PBRB was able to gather some of the critical information that was missing from FRPP directly from landholding agencies, however the utilization of two data collection sources can be time intensive and lead to the collection of disjointed or conflicting information. For example, in GSA documentation the Menlo Park Complex required \$12 million in O&M costs, however FRPP lists \$3 million. In addition, real estate professionals use many different portfolio analytical tools, which FRPP lacks, to assess assets and provide insight into current and future uses, market conditions, and valuation.

Examples of key data elements that are not captured include:

- **Is the Property Located on a Larger Federal Campus?** Campuses can provide opportunities for consolidation. A field indicating whether the property is located on a larger Federal campus could be key in providing a more complete picture of the Installation.
- **Known Existing Encumbrances/Type of Encumbrance.** A field capturing known encumbrances in the FRPP to easily identify properties with potential for challenging disposition processes that would limit them from being FASTA candidates.
- **Property and Environmental Condition.** A field on the property and environmental condition of a building, installation, or its surrounding area could represent a type of encumbrance that would preclude a property from being a FASTA candidate.
- **Stacking Plans and Multi-Tenant Flags.** An expansion of the existing “Using Agency” field to capture each agency occupying the building to identify opportunities for consolidation. Currently, the Using Organization data element only captures the predominant Federal Government agency/bureau occupying the property, regardless of how many Federal agencies reside in the building. In its current state, the lack of multi-tenant information in FRPP limits the PBRB’s ability to identify opportunities for consolidation.
- **Land Assets – Utilization Percentages & Acreage for Standalone Buildings.** An expansion of the existing land asset field to measure the land asset’s utilization. In addition, acreage associated with one single building asset is not always accurately captured in FRPP and creates a significant challenge in identifying parcels of unused land for disposition.
- **Diverse Asset Types (air rights, mineral rights, transfer of development).** A field capturing data associated with other diverse asset types like air rights and mineral rights.

Stakeholders should be aware that FRPP lacks key data elements that are essential for the execution of FASTA, and thus additional information must be collected and processed via separate processes.

### Utilization

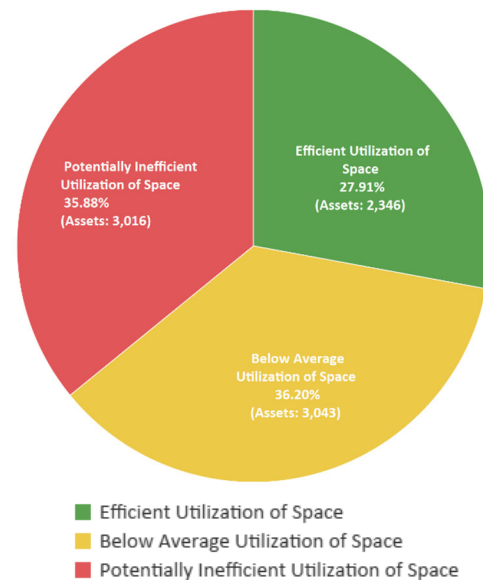
Utilization is a key real property indicator that is critical for strategically managing assets and identifying unneeded, underutilized or vacant buildings and space. Within FRPP, utilization data is required only for buildings that have certain use categories, including offices, hospitals, family housing, barracks, warehouses, and laboratories. Utilization is reported as Utilized, Underutilized, or Unutilized based on the statutory definitions provided in the McKinney–Vento as well as on the programmatic purpose for which the asset is used. Reporting an asset as Unutilized or Underutilized carries additional reporting requirements and potential future use impacts. While this type of categorization is useful, it is often determined based on mission need, and it does not provide a precise real property assessment that is most useful in determining pockets of available space or land and partially utilized assets.

**Lack of Utilization Standards**  
 The FRPP Data Dictionary outlines three possible utilization categories; however, determining utilization is not a simple exercise and the Data Dictionary does not include guidance or a standard approach to calculating utilization.

The importance of accurate utilization data has been well documented since 2002 when GAO released the *Better Governmentwide Data Needed for Strategic Decision making* report, as well as within the more recent *Improving Data Transparency and Expanding the National Strategy Could Help Address Long-standing Challenges* GAO report from 2016. The 2016 report details the challenges and varying methodologies that agencies use to calculate utilization. Across five sample agencies, utilization was calculated and reported three different ways. Variations in utilization calculations result in less consistent data and ultimately limit the ability to utilize this data to identify potential opportunities for consolidation or disposal.

FRPP identifies 95% of FASTA eligible office buildings as Utilized, leaving 5% of those assets as Unutilized or Underutilized. (Note: Within FRPP, building size is reported as SF using one of three units of measure: Gross, Rentable, or Usable SF. To consistently utilize and assess SF data, a measurement adjustment factor was applied to analysis of FRPP SF data in this Appendix. A SF measurement adjustment factor of -15% was applied to Gross and Rentable SF measurements as a conservative adjustment to convert the measurements into Usable SF.) When reviewing industry standards, efficient office space can range from 175 to 250 rentable square footage (“RSF”)/person, however it can be up to 400 RSF/person depending on the asset’s exact use and ancillary space like conference rooms. To better understand the actual utilization of the assets reported in FRPP, and because the FRPP is currently unable to perform portfolio management analyses, the PBRB completed a comparison of reported headcount and SF data for FASTA eligible office buildings to industry ranges. Applying these industry standards to the FASTA eligible office building

**Figure 5: Applying Utilization Industry Standards to FASTA Eligible Office Buildings**



Visualization utilizes 2017 FRPP data

dataset in FRPP results in a very different utilization landscape (Figure 5). The following ranges were utilized:

- Efficient Utilization of Space: 0 – 250 RSF/Person (0 – 212.5 usable square feet (“USF”)/Person)
- Below Average Utilization of Space: 250 – 500 RSF/Person (212.5 – 425 USF/Person)
- Potentially Inefficient Utilization of Space: >500 RSF/Person (>425 USF/Person)

Adjusted USF values were utilized for this analysis. Due to the structure of FRPP, occupancy data for multi-tenanted buildings is not fully captured and is therefore not considered in this analysis, however it is the extent of the analysis that can be completed based on the data captured in FRPP and still captures the potential concerns with how utilization is currently calculated and reported.

**Lack of Headcount Standards**

The FRPP Data Dictionary includes high level reporting guidance for calculating headcount including clarification on seasonal hires, temporary staff, multiple shifts, and teleworking, however consistently and accurately calculating headcount is a notoriously complicated exercise particularly when considering the wide range of agency mission and asset use types in the Federal portfolio.

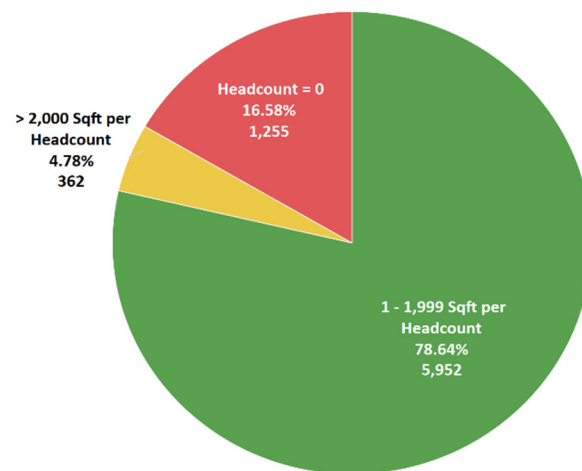
**Headcount**

Reporting the number of Federal employees and contractors located at each asset are relatively new FRPP data elements that were required to be captured by the Federal Property Management Reform Act of 2016 (P.L. 114-318) and FASTA. For all building assets, Reporting Agencies must now state whether they can determine the number of employees and contractors, as well as the actual headcount values for each role at the asset level. Within FRPP, there are 44,669 FASTA eligible buildings, 99% of which have reported Federal

employee and contractor headcount information, however this includes the reporting of zero. A headcount value of zero may be an accurate value, for example, there is a 10 SF warehouse in New Mexico with zero employees or contractors working in the building. However, in some cases, the reporting of zero for headcount could be due to an inability to identify a value or the result of inaccurate reporting. For example, there are 1,106 FASTA eligible office buildings that were reported as utilized with zero employees and contractors, including 56 buildings that are over 500,000 SF.

When focusing on FASTA eligible office buildings and USF values, it became clear that over 20% of this portion of the dataset has headcount values that may justify additional review. 16.58% of the FASTA eligible office buildings have headcount values of zero and another 4.78% of assets have headcount and USF values that resulted in a USF per person of 2,000 USF per person or greater. 2,000 USF per person was chosen as a large enough range to allow for office buildings that may have included SF dedicated to special uses that may not align with usual SF per person values. Figure 6 highlights the portion of the portfolio that may have headcount data that contains anomalies. Adjusted USF values were utilized for this analysis.

**Figure 6: Potential Headcount Anomalies (FASTA Eligible Office Buildings)**



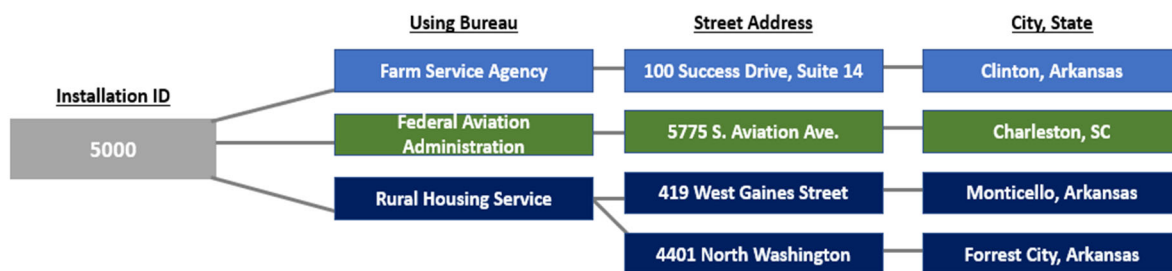
Visualization utilizes 2017 FRPP data

**Installation and Sub-Installation**

It is important to note that each “asset” in FRPP is an individual building or structure. If there are several structures on one parcel of land all are counted as assets (e.g., a VA hospital might contain 11 buildings and in the FRPP the hospital complex is reflected as 11 “assets” in addition to another asset consisting of the underlying land for a total of 12 “assets”). It is important to have building level information, but from a real estate perspective it is also important to evaluate groups of structures that are operated as one complex or installation as a unified project rather than as several individual structures in isolation.

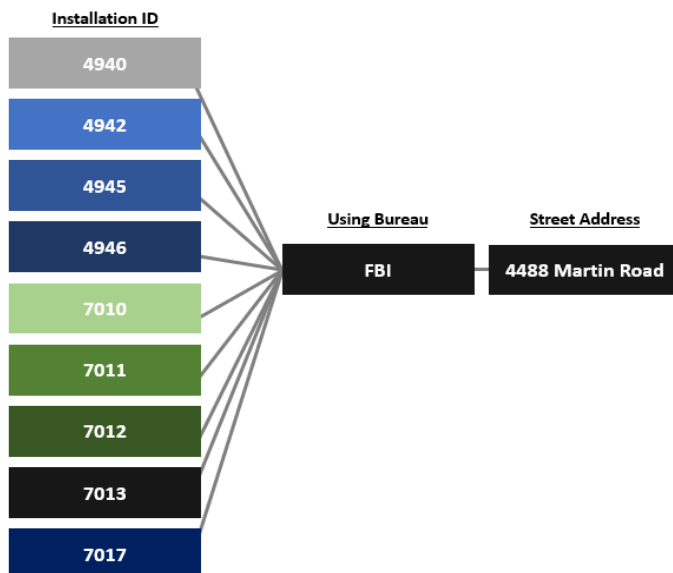
Several challenges occurred within the data when attempting to utilize Installation IDs to analyze a campus. These difficulties include Installation IDs with a “Null” value or missing, duplicative installation IDs, and different Installation IDs used for the same campus. These challenges make it difficult to rely on FRPP to determine potential FASTA candidates. As an example, Reporting Agencies are utilizing the same Installation Identification (“ID”) across various using bureaus. Figure 7 demonstrates that Installation ID 5000 was associated with three different using bureaus (Farm Service Agency, Federal Aviation Administration (“FAA”), and Rural Housing Service), which were located at four different addresses.

**Figure 7: Duplicative Installation ID Example**



Utilizing the same Installation ID across various using bureaus is potentially problematic because it could lead to confusion on whether assets are being used in a related location (i.e., the VA campus has many assets with a related purpose). In this example, the Farm Service Agency in Arkansas and the FAA in South Carolina, have the same Installation ID yet are not related assets. Installation ID is not a unique identifier and if the Government is using Installation ID in the FRPP to determine the feasibility of a transfer or consolidation, there will be difficulties in determining viability.

**Figure 8: Different Installation ID for Campus**



As another example, the using bureau, Federal Bureau of Investigation (“FBI”), has one street address that aligns to 9 different Installation IDs (Figure 8). Because they are written as multiple different installations, each installation may be mistaken as a standalone asset rather than as part of a multi-asset installation. Furthermore, different Installation IDs could be problematic when trying to determine associated assets. The asset associated with one ID may be flagged for transfer without the consideration for the other buildings it supports. Thus, this could impact summary



stats and other key indicators to determine transferability or disposal.

These challenges for analyzing the number of Installations and Sub-Installations required the necessity to complete additional comparisons referencing other data elements to ensure the accurate identification and connection of assets. This includes utilizing the using bureau, street address, and zip code.

### *Data Related Recommendations*

#### **Utilization Data**

A key goal of FASTA is consolidating the Federal footprint and maximizing utilization rates. Reducing the footprint of the Federal Government provides the greatest opportunity to provide occupancy savings – whether through reducing leased space, consolidation, or disposing of surplus properties. A proactive and aggressive focus on eliminating surplus space to drive incremental savings requires having good data on the utilization and efficiency of both individual properties and an overall regional or agency portfolio.

Utilization analysis is often focused on office properties because that is where most Government employees perform work. The FRPP contains limited data to permit basic utilization analysis for leased office properties. It is also difficult to analyze owned, multi-agency occupied buildings because FRPP does not contain enough information to determine utilization for each agency occupying a building.

Identifying assets that are running above office utilization benchmarks to probe for excess space would be one way of identifying further room for efficiency.

This type of analysis will aid in identifying consolidation opportunities (that can be funded by dispositions), which will be key to achieving the overall goals of FASTA. Also, having additional information on available facility capacity such as seat count will guide this analysis. Reporting Agencies and using agencies may benefit from collaborating on headcount data annually as part of the FRPP submittal process as an extra data validation step to ensure accuracy and consistent reporting.

Effective space planning and utilization analysis requires two types of information, supply and demand:

- Supply information aids in understanding your current space (e.g., how much space, how much it costs). Supply information is relatively static and objective and susceptible to analysis using computer systems such as databases.
- Demand information provides information and context for understanding current and future space needs. Demand information is dynamic and often subjective and can require in-person analysis to document and analyze.

#### **FRPP Installation and Sub-Installation ID Requirements**

As noted in Section 3.4, FRPP allows Reporting Agencies to provide Installation ID and Sub-Installation IDs to associate assets that are connected, however several difficulties with Installation IDs were identified. Issues include Installation IDs with a “null” value; non-unique, duplicative Installation IDs; and different Installation IDs utilized for what appears to be the same campus. These limitations reduced the ability to complete advanced analysis at the Installation/Sub-Installation level and quickly identify assets that may be part of a large campus or installation. Additionally, since Installation Name is an optional data element, it was not a secondary solution to identify and aggregate all assets at a single campus.

To expedite advanced real property analyses, a structured approach to Installation and Sub-Installation IDs is recommended. This improvement could include the following the changes:

- Add an additional required data element that identifies if an asset is part of a campus. A campus should be defined as being a contiguous piece of property. This would require a Yes or No response.

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This data element would assist in confirming if the Installation is on a contiguous piece of property or if it is an Installation for a mission related reason (and not necessarily positioned at the same location).

- If the asset is part of a campus, an Installation ID and Sub-Installation ID would be required for the asset regardless of the real property type.
- FRPP should have functionality that assists the user in utilizing and reporting the correct Installation ID to accurately connect Sub-Installations. This could include the establishment of a consistent naming convention for Installation and Sub-Installation IDs, system generated recommended Installation IDs based on the Sub-Installation's location, and validation flags if duplicative Installation IDs are utilized.

Implementing a structured approach to Installation and Sub-Installation IDs will help to improve the current data limitations and allow for more efficient analysis of consolidation and disposal opportunities.

### **FRPP V&V Procedures**

FRPP includes several V&V procedures and reporting mechanisms to increase data quality and consistency. The current process for identifying anomalies can be further refined to capture other trackable discrepancies.

- **FRPP Data Anomaly Review.** The data anomaly review processes should be expanded to assess all data fields that may be useful in the FASTA process, such as employee and contractor headcount, year of construction, and utilization. In addition, the analysis of current data fields can be more robust and cross reference multiple data fields within FRPP to assess the data and identify potential outliers. For example, running comparisons between SF and headcount as well as lease costs and headcount, would aid in the identification of potential outliers and data anomalies.
- **FRPP Reporting Requirements and Business Rule Validation.** There are several business rules within the FRPP Data Dictionary that connect the data fields and affect completion requirements. This type of discrepancy between interconnected data fields was observed for elements such as asset status, utilization, headcount, and status dates. The V&V procedures should check for interconnectedness in data field requirements and flag discrepancies for agencies to review and correct.
- **Agency Confirmation.** Reporting Agencies must verify their FRPP data during the annual submission process, including a review of data anomalies identified by GSA. Agencies must respond stating that data anomalies have been resolved or that the data contains an error that will be fixed. Adding a third agency response option to capture occurrences when agencies are not able to provide accurate data, would help GSA and the PBRB understand where each agency's data may be weak and require further data collection and review.

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## *Appendix D. Definitions*

**ADMINISTRATOR** — The term “Administrator” means the Administrator of General Services.

**ASSET** — The term “Asset” refers to a single building or structure. This includes every property item identified in FRPP, such as a building, land, or fence.

**EXCHANGE** — The term “Exchange” refers to a form of negotiation in which real property or interests therein of equal value are traded. In the event there is a difference in value, a cash equalization payment may be required.

**FASTA ELIGIBLE PROPERTIES** — The term “FASTA Eligible Properties” means civilian properties assets that are not excluded under the provisions of FASTA.

**FEDERAL AGENCY** — The term “Federal agency” means an executive department or independent establishment in the executive branch of the Government, and a wholly owned Government corporation.

**FIELD OFFICE** — The term “Field Office” means any Federal office that is not the headquarters office location for the Federal agency.

**FAIR MARKET VALUE** — The term “Fair Market Value” means the best estimate of the gross sales proceeds if the property were to be sold in a public sale.

**FEDERAL CIVILIAN REAL PROPERTY AND CIVILIAN REAL PROPERTY** — The terms “Federal civilian real property” and “civilian real property” refers to Federal real property assets, including public buildings as defined in Section 3301(a) of Title 40, US Code, occupied and improved grounds, leased space, or other physical structures under the custody and control of any Federal agency.

**HIGH VALUE ASSET** — The term “High Value Asset” means a property that is not on the list of surplus or excess and have a total fair market value of not less than \$500 million and not more than \$750 million and are being recommended for disposal to OMB.

**INSTALLATION** — The term “Installation” refers to land, buildings, structures, or any combination of these. Examples of installations are a hydroelectric project, office building, warehouse building, border station, base, post, camp, or an unimproved site. For example, the VA Medical Center installation may consist of various building and structure assets, such as offices, parking structures, laboratories, utility systems, warehouses, service buildings, and storage, as well as a land asset for the site.

**PBRB** — The acronym “PBRB” means the Public Buildings Reform Board established by FASTA.

**PRIORITY ASSETS** — The term “Priority Asset” refers to FASTA eligible properties that are most likely to generate more than \$1 million in sales proceeds or significant lease savings.

**PROPERTY ACT** — The term “Property Act” refers to the Federal Property and Administrative Services Act of 1949 enacted in June 1949. The act was designed to increase the efficiency and economy of Federal Government operations with regard to the procurement, utilization and disposal of property.

**PUBLIC SALES** — The term “Public Sales” means competitive in-person or online sales.

**SURPLUS PROPERTY** — The term “Surplus Property” means there is no further need for the property within the Federal Government, the property is determined “surplus” and may be made available for other uses through public benefit conveyances, negotiated sales, or public sales.

**TRANSFER** — The term “Transfer” is used to describe the shift of custody and accountability for an excess property from one Federal agency to another. These are usually at fair market value, but may be at no cost, with the approval of GSA Administrator and the OMB.

**UNITED STATES** — The term “United States” means all 50 states, the District of Columbia, and the territories (American Samoa, Guam, Northern Marina Islands, Puerto Rice, and U.S. Virgin Islands).

**VALUE OF TRANSACTIONS** — The term “Value of Transactions” means the sum of the estimated proceeds and estimated costs, based on the accounting system developed or identified under FASTA Section (12)(e), associated with the transactions included in the PBRB recommendations.