



Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington DC 20515

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April 6, 2018

BACKGROUND MEMO

TO: Members, Subcommittee on Economic Development, Public Buildings and
Emergency Management
FROM: Staff, Subcommittee on Economic Development, Public Buildings and
Emergency Management
RE: Roundtable Policy Discussion on “Saving Taxpayer Dollars and the Federal Real
Property Database”

PURPOSE

The Subcommittee on Economic Development, Public Buildings and Emergency Management will participate in a roundtable discussion on Wednesday, April 11, 2018, at 10:00 a.m., in 2167 Rayburn House Office Building on “Saving Taxpayer Dollars and the Federal Real Property Database.” The purpose of the roundtable is to discuss the Federal Real Property Profile (FRPP) database, how it can help improve management of federal real estate, including identifying properties for sale and redevelopment, opportunities to consolidate and reduce lease costs, and what improvements can be made to facilitate its use and effectiveness. Participants will include the General Services Administration (GSA), the Government Accountability Office (GAO), the Congressional Research Service (CRS) and private sector experts.

BACKGROUND

Federal Assets Sale and Transfer Act and the Federal Property Management Reform Act

The Federal Assets Sale and Transfer Act (FASTA, P.L. 114-287) was enacted into law December 15, 2016. FASTA created a six-year pilot establishing the Public Buildings Reform Board -- an independent board of outside experts to look across government and identify federal real property that could be sold, consolidated or redeveloped. FASTA also made permanent changes to law, including codifying the FRPP database and providing for changes to the laws governing GSA’s disposal of property.

Enacted at the same time as FASTA was the *Federal Property Management Reform Act of 2016*¹ (FPMA) which, among other things, codified the Federal Real Property Council and amended existing law to clarify the obligation of federal agencies to inventory the real property under the control of each federal agency.

Federal Real Property Profile (FRPP)

In 2004, Executive Order 13327, “Federal Real Property Asset Management” required GSA to establish and maintain a comprehensive database of all real property under the custody and control of the federal government. Prior to FASTA, the database was not publicly accessible and federal agency access was limited to information under the custody and control of the particular agency. Summary reports would be issued publicly providing high-level overviews of the data; however, property-specific data was not widely shared. The restrictions on accessibility limited the effectiveness of the database in property management, oversight, and accountability.

Prior to enactment of FASTA, the GAO conducted a number of reviews of the FRPP and examined the accuracy of the data and how effective the FRPP was in assisting GSA and other federal agencies in improving their management of federal real estate.² In those reports, GAO identified challenges with the reliability and usefulness of the data to support property management and decisions related to excess and underutilized properties.³

FASTA codified the FRPP database, expanded the data points included in the FRPP, and required that it be accessible by other federal agencies and the public one-year after enactment of FASTA. In codifying the FRPP, FASTA required GSA to publish a “single, comprehensive, and descriptive database of all federal real property under the custody and control of all executive agencies,” except real property excluded for national security reasons, consistent with and expanding upon the original requirements pursuant to Executive Order 13327. In December 2017, GSA met the deadline established in FASTA and publicly released the fiscal year 2016 FRPP Data Set. In March 2018 the fiscal year 2017 data was released. GSA plans to release data on an annual basis.

The FRPP includes real property government-wide, both owned and leased, domestic and abroad. Releasing the FRPP publicly not only improves transparency and accountability but has the potential, if used correctly, to be an effective tool in facilitating the better management of federal real property. For example, such uses could include ensuring data is appropriately available as the Public Buildings Reform Board develops recommendations for sales, consolidations, and redevelopment and provides an opportunity for the private sector, state and local stakeholders, and others to access meaningful information on federal properties to effectively provide input and proposals for federal real estate. Understanding how the FRPP can

¹ Public Law 114-318.

² For example *see*: “Federal Real Property: Government-wide Building-Disposal Data Generally Reliable, but Opportunities for Further Improvements Exist,” GAO-17-321 (March 2, 2017); “Federal Real Property: Better Guidance and More Reliable Data Needed to Improve Management,” GAO-14-757T (July 29, 2014); and “Federal Real Property: Improved Data and a National Strategy Needed to Better Manage Excess and Underutilized Property,” GAO-12-958T (August 6, 2012).

³ *See Id.*

be used to improve property management and reduce costs will be a critical focus of the roundtable.

Issues

The roundtable will provide an opportunity for the Subcommittee to discuss with GSA, GAO, CRS, and private sector experts how the FRPP can effectively be used to save taxpayer dollars through the better management of federal real property. Specifically, the discussion will cover three critical issues and questions:

- **Uses of the FRPP:** How can the FRPP be effectively used to inform decisions related to federal real estate? What are the universe of uses for the FRPP and is the FRPP set up to support those uses?
- **Accuracy and Completeness of Data:** Given the recommendations included in GAO studies, what steps has GSA taken and/or could GSA take to further improve the accuracy and consistency of the data submitted to the database? What challenges are there in ensuring accuracy? Now that the FRPP is publicly accessible, is there a role for the private sector, state and local officials, and other stakeholders in holding agencies accountable for accurate and complete data, and what mechanisms should be set up to receive relevant input? Is there other data that should be included in the FRPP or collected to help GSA and other agencies make decisions?
- **Turning Data into Action:** How do we ensure the data is actionable and used to make decisions? What mechanisms are there or could be set up to receive and consider input and proposals on potential opportunities for savings including sales, redevelopments, consolidations, or other actions?

FRPP Facts and Data Elements

- The FRPP currently includes 303,000 civilian real estate assets. Department of Defense assets are reported separately at the installation, not building, level.
- Key statistics on the civilian properties, according to the fiscal year 2017 Data Set, include:
 - 17,000 office spaces or locations;
 - 22,000 warehouses and storage facilities;
 - 17,000 leased facilities or land;
 - 16,500 parking structures;
 - 3,800 unutilized or underutilized, only 13 properties listed as vacant;
 - 3,600 redactions of information pursuant to the Freedom of Information Act by four departments or agencies: Department of Homeland Security (3500), Department of Justice (90), Environmental Protection Agency (3), and the Federal Retirement Thrift Investment Board (2).

- There are currently 31 data categories in addition to subcategories of information for a total of 48 data points for each property collected.
- Key data points include:
 - Agency Reporting;
 - Address, location, congressional district;
 - Type of property (e.g. building, structure);
 - Use (e.g. office, lab, warehouse, hospital, housing);
 - Size – square footage, acreage;
 - Whether it is subject to Freeze the Footprint;
 - Status (e.g. current mission need, future mission need, excess, surplus, cannot currently be disposed of); and
 - Utilization (e.g. utilized, unutilized, underutilized).
- Data elements added to the FRPP as a result of FASTA and FPMA:
 - Whether the property is a field office;
 - Date property was determined as “cannot be disposed of”;
 - Year reported at underutilized;
 - Historical capital expenditures;
 - Estimated future capital expenditures;
 - Lease start date;
 - Whether asset is excluded and reasons;
 - Year constructed;
 - Whether number of federal employees and contractors can be determined; and
 - Numbers of federal employees and contractors
- A number of data elements collected are not included in the publicly available data, including:
 - The organization actually occupying the space;
 - Replacement value;
 - Repair needs;
 - Condition index;
 - Annual operating costs;
 - Estimated future capital expenditures;
 - Whether asset is excluded for national security reasons and reason;
 - Whether number of federal employees and contractors can be determined; and
 - Numbers of federal employees and contractors.

CONCLUSION

The public release of the FRPP will significantly improve transparency and accountability with respect to federal real property. However, to realize efficiencies and savings, identifying how the data can be used, ensuring the most useful data is collected, and creating mechanisms to receive actionable input and proposals should be identified to ensure the FRPP is can be effectively used to manage federal real estate assets.

PARTICIPANT BIOGRAPHIES

Mr. Dan Mathews, Commissioner, Public Buildings Service, U.S. General Services Administration

- Mr. Mathews, as Commissioner of GSA's Public Buildings Service, oversees GSA's real estate portfolio, which includes more than 370 million rentable square feet of space in more than 8,600 real assets nationwide.
- Prior to joining the Public Buildings Service in 2017, Mr. Mathews had more than 20 years of service in the U.S. House of Representatives, serving for 14 years as the Republican Staff Director for the Subcommittee on Economic Development, Public Buildings, and Emergency Management.

Ms. Aluanda Drain, Director, Real Property Policy Division, Office of Asset and Transportation Management, Office of Government-wide Policy, U.S. General Services Administration

- Ms. Drain is Director, Real Property Policy Division which oversees the development and implementation of policies and regulations related to real property policy and regulations as well as the Federal Real Property Profile.
- Prior to her current position, Ms. Drain served as Deputy Chief of Staff of the Public Buildings Service and earlier in her career was an attorney specializing in real estate transactions and land use and zoning.

Mr. Keith Cunningham, Assistant Director, Physical Infrastructure, U.S. Government Accountability Office

- Mr. Cunningham is an Assistant Director of physical infrastructure issues at the U.S. Government Accountability Office.
- Mr. Cunningham has 20 years of experience with broad expertise in real property policy and management issues, leading work for more than 35 GAO reports and testimony statements.

Mr. David Lipson, Savills Studley, Executive Vice President, Director

- Mr. Lipson is a vice chairman and co-regional manager for Savills Studley based in Washington, D.C. He has served on the firm's board of directors since 2004.
- Mr. Lipson has participated in real estate transactions totaling more than 30 million square feet with an asset value of more than \$9 billion.
- Mr. Lipson leads Savills Studley Federal Government Real Estate Advisory practice and specializes in the financial restructuring of leased and owned assets and has led acquisition, restructuring and disposition projects.

Mr. Peter Van Emburgh, Senior Managing Director, Global Workplace Solutions, CBRE

- Mr. Van Emburgh is Senior Managing Director for CBRE Global Workplace Solutions, serves as the global real estate and portfolio lead and is responsible for transactions, lease administration and portfolio strategy across a 35 million square foot portfolio in over 70 countries.
- Previously, Mr. Van Emburgh served as regional lead for consulting and as managing director and national practice lead of CBRE's Management Consulting Group.

Tracy Bibbens, Senior Vice President, Public Institutions, JLL

- Ms. Bibbens serves as JLL’s National Project Manager for the GSA National Broker Contracts.
- Ms. Bibbens directs a team, providing personnel management, of professionals in the Washington DC, Philadelphia, Chicago and Denver offices representing federal agency tenants.
- Ms. Biddens has been responsible for the management of over 10 million square feet of lease transactions for the government.

Mr. Dan Meers, Director, National Risk Advisory, RSM US LLP

- Mr. Meers specializes in data and analytic solutions, including end-to-end system and controls improvement for regulatory and performance reporting.
- Mr. Meers started his career as an internal auditor at a national bank and progressed through consulting and executive positions.

Ms. Lynn Baez, CFM, SFP, FMP, CBCP, Second Vice Chair, International Facility Management Association and Vice President Operations, Sodexo

- Ms. Baez is Second Vice Chair, International Facility Management Association and also serves as Vice President Operations for Sodexo where she oversees the facility operations of 130 sites in North and South America including a \$65 million portfolio in the United States.
- Ms. Baez has more than 17 years of relevant experience as an integrated facilities management leader.

Mr. Garrett Hatch, Specialist in American National Government, Congressional Research Service

- Mr. Hatch is a Specialist in American National Government in the Government and Finance Division at the Congressional Research Service.
- Mr. Hatch’s portfolio includes federal real property, personal property, and improper payments. He holds degrees from Harvard and the University of Texas at Austin.