First Round Report

Recommendations Pursuant to the Federal Assets Sale and Transfer Act of 2016 ("FASTA")

Public Buildings Reform Board

December 27, 2021

PUBLIC BUILDINGS REFORM BOARD

December 27, 2021

Ms. Shalanda D. Young
Acting Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Acting Director Young,

Pursuant to Section 12(g)(2)(A) of Public Law 114-287, the Federal Assets Sale and Transfer Act of 2016, as amended (FASTA), the Public Buildings Reform Board (PBRB or 'the Board') is pleased to transmit this report to the Office of Management and Budget. This report provides the Board's findings, conclusions and recommendations as described in FASTA Section 12(g)(1)(A&B).

Also as required by FASTA this letter and accompanying report are being posted on the PBRB website. The Board appreciates the collaboration with and support of OMB throughout this First Round process.

Sincerely,

D. Talmage Hocker

Mary Phillips

Nick J. Rahall

Angela Styles

David L. Winstead

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Executive Summary

Background

The Public Buildings Reform Board ("PBRB" or "Board") was established as an independent agency under the Federal Assets Sale & Transfer Act of 2016 (P.L. 114-287 or "FASTA") to identify opportunities for the Federal Government to reduce the inventory of civilian real property and maximize the return for taxpayers.

Pursuant to FASTA Section 12, the PBRB must make three sets of recommendations to the Office of Management and Budget ("OMB"). In December 2019, the PBRB submitted a first set of recommendations designated by statute as the "High Value Asset (HVA) Round." This report is the PBRB's second set of recommendations, designated by statute as the "First Round Recommendations."

Specific Properties Recommended for First Round Action

The PBRB recommends fifteen properties for disposal in the First Round. In addition to generating proceeds for the Asset Proceeds and Space Management Fund ("Asset Fund"), the Board estimates that these recommendations will result in approximately $275 million in long-term savings to taxpayers. All properties are expected to be removed from the federal inventory more quickly through FASTA than through the standard federal disposal process and all dispositions support multiple goals specified by FASTA. The fifteen properties recommended for disposal are:

1. **ARS Glenn Dale**, 11601 Old Pond Drive, Glenn Dale, Maryland – U.S. Department of Agriculture
2. **Fort Worth Federal Center**, 501 W Felix Street Fort Worth, Texas – General Services Administration
3. **Gary Job Corps Parcel 4**, 2800 Airport Highway 21, San Marcos, Texas – Department of Labor
4. **Goddard Space Flight Center Area 400**, 8800 Greenbelt Road, Greenbelt, Maryland – National Aeronautics and Space Administration
5. **Gus J. Solomon U.S. Courthouse**, 620 SW Main Street, Portland, Oregon – General Services Administration
6. **J. Will Robinson Federal Building**, 88 West 100 North, Provo, Utah – General Services Administration
7. **Jeffersonville National Processing Center**, 1201 East 10th Street, Jeffersonville, Indiana – General Services Administration
8. **Mount Vernon Federal Building**, 105 South 6th Street, Mount Vernon, Illinois – General Services Administration
9. **Oklahoma City Property Management Depot**, 2805 South Eastern Avenue, Oklahoma City, Oklahoma – General Services Administration
10. **Racine Social Security Administration District Office**, 4020 Durand Avenue, Racine, Wisconsin – General Services Administration
11. **Richard B. Anderson Federal Building**, 138 West 1st Street, Port Angeles, Washington – General Services Administration
12. **Rosa Parks Federal Building**, 333 Mount Elliott Street, Detroit, Michigan – General Services Administration
13. **San Antonio Federal Building West**, 655 East César E. Chávez Boulevard, San Antonio, Texas – General Services Administration
14. **White Oak Parcel K**, 10903 New Hampshire Avenue, Silver Spring, Maryland – General Services Administration

15. **William L. Beatty Federal Building & Courthouse**, 501 Belle Street, Alton, Illinois – General Services Administration

Exhibit 1: Map of Recommended Properties

Methodology

The Board developed a rigorous process for analyzing the federal civilian real property portfolio to identify First Round and potential Second Round recommendations. While the HVA Round was primarily sourced from agency recommendations, for the First Round the PBRB conducted a comprehensive analysis of the federal civilian real property portfolio to identify potential candidate properties.

The PBRB established new Property Screening, Financial Accounting, and Stakeholder Outreach processes to consistently evaluate FASTA candidates, as detailed in the Appendices to this report. This approach enabled the PBRB to examine a portfolio of over one million assets and generate a prioritized list of targeted properties. Agency feedback was incorporated throughout the process, including seeking comments on potential FASTA properties and collaborating on document due diligence. The Board visited each property and conducted additional outreach to the local jurisdiction, Congressional representatives, Tribal Nations, and other groups. After incorporating this new evaluation methodology, the Board's First Round recommendations were further shaped by two additional factors:

- **COVID-19 Impacts:** Uncertainty related to the COVID-19 pandemic brought strategic real estate planning in the Federal Government to a halt and limited the availability of potential candidate properties. Many federal agencies were reluctant to commit to specific property disposals until further clarity develops regarding their agency's post-pandemic space needs.
- **HVA Sales Delay:** Sales of the preceding HVA properties by the General Services Administration ("GSA") have proceeded more slowly than anticipated. Without proceeds in the Asset Fund from completed HVA sales or additional appropriations, the Board is limited in the number and complexity of properties it can propose, and landholding agencies have less incentive to participate without certainty that such transactions will be funded.

Opportunities

The Board has identified approximately two dozen additional properties for disposal or consolidation but deferred the properties to the Second Round due to the extensive stakeholder coordination and funding alignment needed before any specific transaction or development proposal could be recommended. The Board believes there will be significant opportunities in the Second Round for property consolidations as agencies look to reduce space requirements following the COVID-19 pandemic and increased mobile work for federal employees. Finally, using FASTA to hasten the disposal process can accelerate job creation and tax revenue and strengthen the economic vitality of local communities.

Additional Recommendations

The Board continues to believe that the Federal Government must overhaul the property disposal process to incorporate private sector processes, such as an approach to historic preservation that incorporates FASTA's stated goal to maximize return to taxpayers, and greater participation in the entitlement process to increase value. Also, extensive recommendations in the Board's HVA Round report[1] such as the use of brokers to sell properties were ignored by GSA; the Board believes that GSA's process of selling the HVA properties through an online auction has produced significantly lower proceeds for the taxpayers than would have been achieved using commercial brokers to market and sell the properties.

[1] Public Buildings Reform Board. *Official Updated PBRB Submission to OMB.* December 27, 2019. https://www.pbrb.gov/pbrb/files/2021/01/20191227-High-Value-Assets-Report-as-Required-by-FASTA.pdf

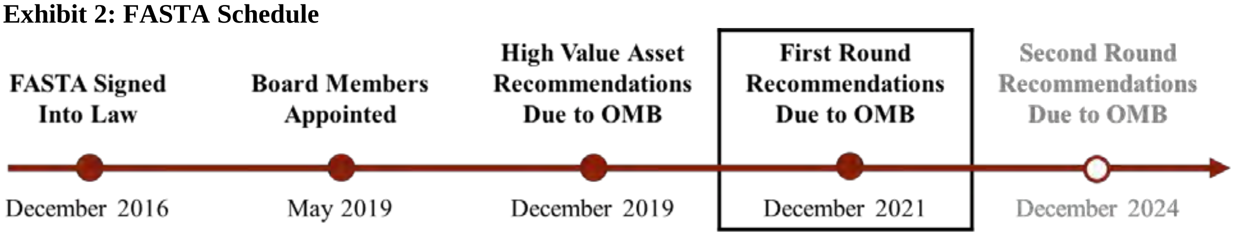
1. Background

1.1 Introduction

FASTA was enacted in 2016 to create an independent process for recommending property disposals, consolidations, lease reductions, cost reduction, and other efficiencies across the Federal Government's real property portfolio. The Federal Government is the largest holder of real property in the United States and one of the largest worldwide. According to the January 2021 Government Accountability Office ("GAO") report:

> *"…The Federal Government's real estate portfolio includes more than 3,800 buildings that agencies may not need to complete their missions. With the current Coronavirus Disease 2019 ("COVID-19") pandemic, federal agencies are requiring or encouraging telework for many workers, which may lead to an increase in underutilized real property. Disposing of unneeded real property has been a longstanding challenge for the Federal Government. Federal agencies face long-standing challenges with unneeded real property, in part, due to the costly and lengthy disposal process. Specifically, we have reported that disposal of such property was often challenging because costs can outweigh the financial benefits and agencies often lack upfront funding to prepare the properties for disposal."* [2]

Exhibit 2: FASTA Schedule



FASTA is a six-year pilot program that overlays and provides exemptions from the multitude of other statutes related to real property disposal that have been enacted over previous decades. It was designed, in part, to incentivize agencies to achieve greater efficiency in the disposal process and mitigate some longstanding disposal-related challenges.

1.2 Public Buildings Reform Board

A quorum of five Board members were sworn in May 2019. The PBRB duties, as outlined in Section 12 of FASTA are to:

- Identify opportunities to reduce the government's inventory of civilian real property and reduce costs to the Federal Government;
- Identify High Value Assets within six months of the PBRB's appointment, and in two future rounds making recommendations for additional sales, consolidations, redevelopment, and operational efficiencies;
- Perform an independent analysis on the inventory of federal civilian real property;
- Receive and consider proposals, information, and other data submitted by state and local officials and the private sector;
- Identify or develop and implement an accounting system to independently evaluate the cost of and returns on recommendations;
- Conduct public hearings;
- Transmit to OMB and make publicly available reports containing the PBRB's findings, conclusions, and recommendations;
- Establish and maintain a federal web site for the purposes of making relevant information publicly available.

[2] U.S. Government Accountability Office. *Additional Documentation of Decision Making Could Improve Transparency of New Disposal Process.* January 2021.

1.3 Process Differences

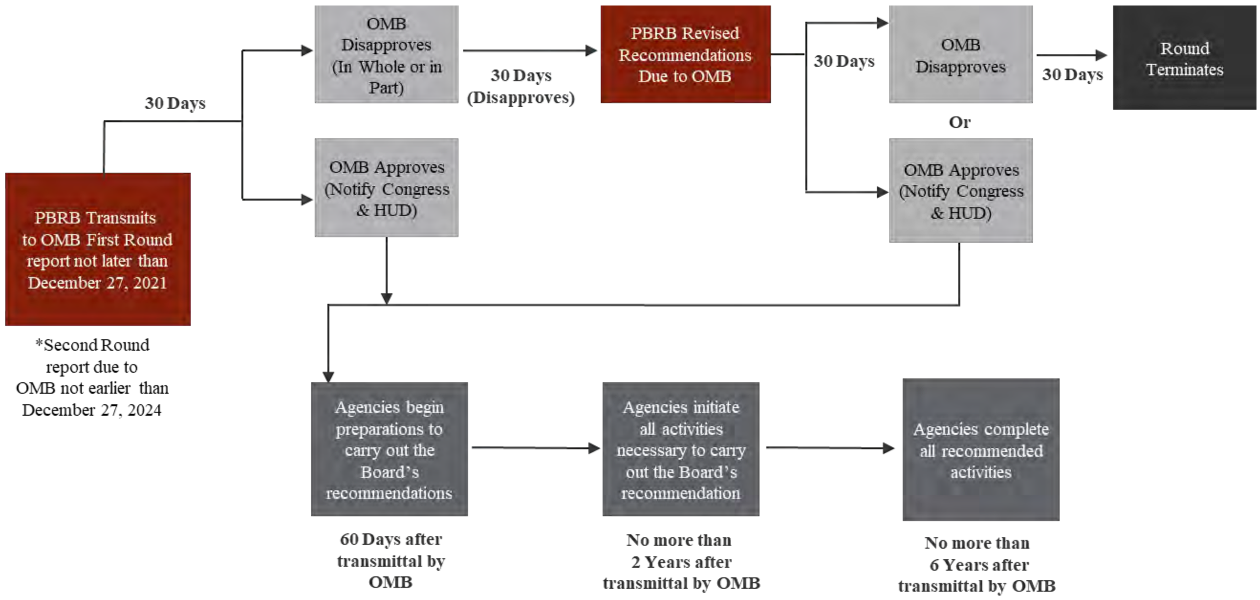
FASTA was enacted due to long-standing Congressional and Executive Branch concerns over the typical disposal process managed by GSA: the amount of time it takes, the low value achieved for many of the properties sold, the lack of incentives for agencies to participate, and the negative impact of underutilized buildings and vacant land on surrounding communities. Both in intent and practice, disposal of Federal civilian real property under FASTA's authorities differs significantly from the standard federal disposal process, as highlighted below:

- **Independent Assessment:** Because of the slowness of GSA and other federal agencies in reducing the federal real property portfolio, Congress established the PBRB to provide an independent assessment of federal properties and identify opportunities for consolidation and disposal. The intent of FASTA was a comprehensive review of the portfolio by an independent agency with no stake in retaining unneeded assets. Further, FASTA specifically includes commercial real estate and development expertise as one qualification for serving on the Board to bring the private sector's perspective of property management to bear on the Federal portfolio.
- **Funding:** While still subject to appropriation and based on GSA's sales of the High Value Assets, FASTA's Asset Proceeds and Space Management Fund offers access to funding for agencies for disposition-related costs, including remediation and employee relocation costs. The fund provides a much-needed revenue source to facilitate further consolidation and rightsizing of agency real estate portfolios, which should serve as an incentive for agencies to participate in FASTA. Many agencies have properties that have remained in their portfolios for years longer than desired due to the inability to acquire funding to prepare the property for sale (for instance, to relocate personnel or mitigate existing environmental conditions). In some cases, these costs amount to a fraction of the property's value, such as with the ARS Glenn Dale site in Glenn Dale, MD and the Goddard Space Flight Center Area 400 in Greenbelt, MD that are recommended in the First Round; and the NIKE Missile site in Gaithersburg, MD that was recommended in the HVA Round.
- **Timing:** Properties sold under FASTA are intended be transferred to private ownership more quickly than through the standard federal disposal process. FASTA can reduce the length of time that agencies must continue paying operations and maintenance expenses.
- **Economic Development:** Disposing of assets under FASTA helps properties more quickly become engines of job creation and economic growth in local communities through reuse or redevelopment and payment of property taxes. Also, the Federal Government's participation in assessing a potential highest and best use of the property can provide opportunities to address racial equity disparities in real estate development in these communities.
- **Local Use**: Pursuant to FASTA, when a state or local government expresses interest in acquiring all or a portion of certain federally owned property at or below fair market value, PBRB has the authority to recommend to OMB the conveyance of such property below fair market value and for an unrestricted use of the property. PBRB's authority to recommend is not subject to certain conditions, provisions, and restrictions of other laws or regulations identified in FASTA Section 14(e). Similarly, GSA has the authority to implement the PBRB recommendation approved by OMB, pursuant to FASTA Section 14(d). Based on written requests from some local governments, acquiring property through FASTA may be preferable compared to obtaining the property through the standard Public Benefit Conveyance at no cost with use restrictions.

1.4 FASTA Timeline

FASTA includes specific milestones and timeframes detailed in Exhibit 3 below. The PBRB's recommendations must be approved by OMB before they are transmitted to agencies for implementation. With some exceptions, agencies must initiate necessary activities to implement PBRB recommendations within two years of transmittal and complete these activities within six years of transmittal.

Exhibit 3: Timeline of FASTA Milestones



2. Methodology

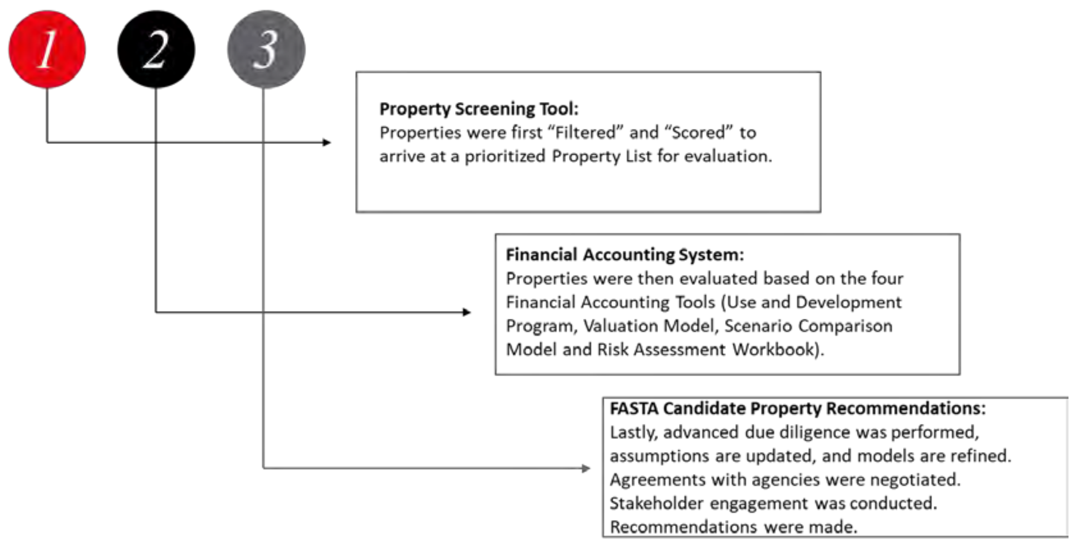
2.1 Introduction

The First Round property recommendations were generated through a rigorous analysis of the 2019 Federal Real Property Profile ("FRPP"), a database of federal real property that is managed by GSA with annual data submitted by landholding agencies. While the HVA Round included properties that were previously identified and well-known to many federal stakeholders, the First Round involved a detailed process for identifying new FASTA candidates.

The PBRB's FASTA candidate identification process, shown in Exhibit 4, enabled the PBRB to examine a portfolio of over one million assets and generate a prioritized list of targeted properties for further evaluation, using custom-developed Property Screening and Financial Accounting Systems. This analysis was designed to be transparent and repeatable, and to provide insight into underutilization, market value, and potential cost avoidance of federal properties. Properties were then evaluated based upon positive Net Financial Impact to and Cost Avoidance for the taxpayers which is reported to OMB.

Further information defining the Property Screening Methodology and Approach and the Financial Accounting Methodology and Approach can be found in Appendix II and Appendix III of this report, respectively.

Exhibit 4: FASTA Candidate Identification Process



2.2 Enhancements from Prior Round

The First Round incorporated improvements identified in the HVA Round and by OMB. These actions include:

- Having earlier and more frequent engagement with OMB;
- Increasing coordination with federal agencies in support of recommended properties;
- Conducting additional stakeholder engagement;
- Confirming the legally permitted and likely use of the property with the local jurisdiction;
- Collaborating with GSA on the drafts of the overall property reports;

The Board also refined property screening and valuation methodologies in the First Round by adding processes addressing GAO's recommendation from the HVA Round report. This included:

- Identifying new properties for analysis;
- Reviewing recommendations with agency and other stakeholders;
- Accounting for proceeds and long-term taxpayer return;
- Prioritizing the properties for additional due diligence and valuation;
- Documenting thoroughly the rationale for the status of each property reviewed by the Board.

2.3 Property Screening

The goal of the PBRB's two-step property screening process was to (1) through data filters, identify and remove assets that were least likely to be appropriate for FASTA; and then (2) through a scoring system, isolate and prioritize those assets that could meet FASTA goals. This process narrowed the federal portfolio of over 400,000 properties in the FRPP 2019 dataset to approximately 414 properties, as shown in Exhibit 5 and detailed in the Property Screening Methodology and Approach Report in Appendix II.

The 414 properties resulting from the Property Screen were distributed to landholding agencies for feedback, including further verification of FASTA legislative exclusions and likely mission need. From this review, agencies initially supported 75 properties to continue in the First Round evaluation process. Of these 75 properties 15 properties are recommended in the First Round, 29 properties were deferred to the Second Round, and the remaining 31 properties were removed from consideration due to existing transactions in progress, deed limitations, development restrictions, potential public impacts, or lack of final concurrence by the agencies.

Exhibit 5: Property Screening Tool

Results After Screening FRPP Database

		Assets	Properties
Filtering	Full FRPP Dataset	1,048,575	410,426
	Exclude Unowned Properties	874,200	295,159
	Exclude Non-Civilian Properties	224,034	10,129
	Exclude Disposed Properties	222,314	9,652
	Exclude Uses Unlikely for Disposal	123,807	7,509
	Exclude National Parks and Forests	56,448	5,761
	Population Filter	15,323	1,303
	Growth Filter	18,780	1,591
Scoring & Review	Identified Properties	26,660	1,703
	Top-Scoring Properties	20,989	750
	Manual Check	14,081	414

2.4 Financial Accounting

Following the Property Screening process, the remaining properties were evaluated using four separate models that together comprise the Financial Accounting methodology, further defined in the Financial Accounting Methodology and Approach Report in Appendix III:

- **Use and Development Program:** Established the most probable redevelopment scenario if the property were under private ownership;
- **Property Valuation Model:** Developed a preliminary valuation of each property;
- **Scenario Comparison Model:** Performed quantitative evaluations of all the likely occupancy/utilization and/or ownership alternatives to develop Net Financial Impact and Cost Avoidance estimates to provide to OMB;
- **FASTA Grading:** Provided a qualitative assessment of a Property's potential to support FASTA and PBRB goals and objectives, Presidential Priorities, and OMB criteria.

The objective of valuation and comparative analysis was to develop a subset of properties that presents the most likely case for disposition or consolidation by the Federal Government.

2.5 Stakeholder Outreach

The PBRB engaged key stakeholders throughout the evaluation process, including the landholding agency, local jurisdiction, U.S. Senators and Members of the House of Representatives, Tribal Nations, and others as applicable for each project. This outreach and input was intended to:

- Identify additional information critical for evaluating the project's viability;
- Better understand the project and community context;
- Understand agency mission-related tasks and relocation requirements;
- Confirm the accuracy of existing data;
- Identify and respond to key disposal risks.

In each meeting, the PBRB summarized the outreach to date, and asked stakeholders for their knowledge of other constituencies that the PBRB should contact. This additional outreach included occupying agencies, state representatives, economic development authorities, environmental authorities, Tribal Nations, and nearby public entities. Local jurisdictions were asked to represent their community interests and landholding agencies were asked to coordinate with their tenant agencies. Feedback from these stakeholders shaped all of the Board's recommendations in the First Round.

3. Key Findings and Opportunities

3.1 Introduction

The HVA Round recommendations that the PBRB submitted in December 2019 described several successes and challenges to the FASTA process. The First Round has built on the HVA Round by adding substantially more robust property screening and valuation methodologies. In addition to reiterating past recommendations and again noting challenges to FASTA implementation, the Board has identified several additional opportunities to ensure that the successes envisioned by FASTA are realized.

3.2 Challenges

The Board notes several issues which continue to limit the identification and disposal of federal real property in general as well as specifically under FASTA.

- **Portfolio Data:** FRPP data limitations highlighted in reports by GAO[3] and by the Federal Real Property Council ("FRPC") continue to impact FASTA implementation. While the PBRB took care to identify and address gaps and inconsistencies in the 2019 FRPP data, most data fields cannot be independently verified without an extraordinary expenditure of time and effort to verify the entire dataset. Specific data challenges identified by the PBRB in the First Round include inconsistent relationship between installations and their component assets, invalid or incomplete geolocation data, missing land records associated with installations, and other omitted data fields. The Data Quality Improvement Program Guidance published by FRPC in August 2021 provided guidance for data improvement, and agencies must submit their new data quality plan by second quarter of the Fiscal Year 2022.[4] More information about data management can be found in the Property Screening Methodology and Approach Report in Appendix II.
- **Market Reach:** To date, the HVA properties have moved through the standard GSA auction process. The current GSA auction system does not effectively reach large investors and developers and the format is not suitable to maximize taxpayer return for complex property transactions. This finding led the Board to recommend use of a broker to dispose of the properties in the HVA Round as well as the First Round.
- **Availability of Funds:** The slow pace of HVA sales also has constrained the Board's recommendations in the First Round. Only modest funding currently is available in the Asset Fund and the Board's recommendations have had to be adjusted accordingly. While the HVA properties were intended to be sold within one year, as of December 2021 title has yet to be transferred on any HVA property.

3.3 Opportunities

The Board views the Second Round as a continuation of prior rounds and will leverage the previous work it has performed to maximize the benefits of FASTA. To solve longstanding challenges with identified properties and work within a potentially constrained Asset Fund, the Board will emphasize deeper and flexible partnerships with agencies, local jurisdictions, private developers, and coalitions as appropriate.

- **Identified Properties**: The Board intends to be more aggressive in the final round and aims to unlock several long-standing, highly complex assets in the federal real estate portfolio where disposition or consolidation can generate significant sales proceeds or realize significant cost avoidance. Many strong candidates have already been identified, such as the Wilshire Federal Building in Los Angeles, CA; the Nebraska Avenue Complex in Washington, DC; the Webster School in Washington, DC; the Santa Fe Federal Building in Dallas, TX; and consolidation of various federal locations into Federal Center South in Seattle, WA.
- **Post-COVID Portfolio Optimization**: The Board expects agencies to target significant changes to their portfolio following the COVID-19 pandemic, which may lead to additional properties for FASTA consideration. The Board plans to advance strategic and tactical conversations around workplace strategy

[3] Government Accountability Office FRPP-topic reports: GAO 21-233; GAO-20-135; GAO-17-321; GAO-16-275.
[4] Agency-Level Federal Real Property Profile Data Quality Improvement Program Guidance, Federal Real Property Council (FRPC) Guidance for Data Verification, Validation, and Certification, August 2021, 10-11.

including mobile work models. This support may focus on specific agencies or large metropolitan areas with a strong federal presence.

- **Entitlement Process:** With a minimum of three years provided in the legislation, the Second Round provides the Board with the longest period of evaluation yet to provide recommendations. The PBRB intends to use this time to consider more sophisticated transaction structures and to take on a greater role in zoning and entitlement processes to create additional value prior to sale.
- **Economic Development**: The PBRB expects the reuse or redevelopment of Second Round properties to facilitate economic growth in local communities. The Second Round also provides opportunities for the U.S. government and local communities to address and support racial equity and economic priorities established by the Biden Administration.

Through agency consultation and the Board's own independent analysis, the Board is confident it will present a robust list of Second Round recommendations for consideration by OMB and Congress.

4. Recommendations

4.1 Introduction

After property screening and further evaluation, including due diligence, financial analysis, stakeholder outreach, and scoring against FASTA criteria, the PBRB identified the properties below for disposal in the First Round. The Board's recommendations focused exclusively on property sales to generate additional proceeds for the Asset Fund.

4.2 Property Recommendations

The Board recommends fifteen properties for disposal in the First Round.

Exhibit 6: Recommended First Round Properties

Property Name	Agency	Location
ARS Glenn Dale	USDA	Glenn Dale, MD
Fort Worth Federal Center	GSA	Fort Worth, TX
Gary Job Corps Parcel 4	DOL	San Marcos, TX
Goddard Space Flight Center	NASA	Greenbelt, MD
Gus J. Solomon U.S. Courthouse	GSA	Portland, OR
J. Will Robinson Federal Building	GSA	Provo, UT
Jeffersonville National Processing Center	GSA	Jeffersonville, IN
Mount Vernon Federal Building	GSA	Mount Vernon, IL
OKC Property Management Depot	GSA	Oklahoma City, OK
Racine SSA District Office	GSA	Racine, WI
Richard B. Anderson Federal Building	GSA	Port Angeles, WA
Rosa Parks Federal Building	GSA	Detroit, MI
San Antonio Federal Building West	GSA	San Antonio, TX
White Oak Parcel K	GSA	Silver Spring, MD
William L. Beatty Federal Building & Courthouse	GSA	Alton, IL

4.3 Additional Recommendations

The Board continues to believe that the Federal Government must overhaul the disposal process to effectively manage the Federal real property portfolio. In addition to the recommendations provided in the HVA Round report, the Board recommends the following improvements:

- **Pre-Sale Activities**: GSA and other landholding agencies must change the way properties are prepared for sale under FASTA. The Federal Government could do more to facilitate and improve the subsequent use of its property, including participating in the zoning and entitlement processes and defining historic preservation requirements that support the future highest and best use of the property. The PBRB believes that Board participation in pre-sale work and throughout the transaction will better facilitate the intent of FASTA.
- **Sales Process:** While FASTA charges the PBRB with recommending properties for sale and consolidation, it did not alter the process by which the Board's recommended properties were sold. GSA's practice of selling all FASTA properties on the online auction website produces lower than optimal returns to taxpayers. The Board continues to recommend the use of brokers and other marketing strategies used by the private sector to accelerate the sales process and maximize sales proceeds.

Appendices

Appendix I. Specific Property Reports

1. ARS Glenn Dale, 11601 Old Pond Drive, Glenn Dale, Maryland – U.S. Department of Agriculture
2. Fort Worth Federal Center, 501 W Felix Street Fort Worth, Texas – General Services Administration
3. Gary Job Corps Parcel 4, 2800 Airport Highway 21, San Marcos, Texas – Department of Labor
4. Goddard Space Flight Center Area 400, 8800 Greenbelt Road, Greenbelt, Maryland – National Aeronautics and Space Administration
5. Gus J. Solomon U.S. Courthouse, 620 SW Main Street, Portland, Oregon – General Services Administration
6. J. Will Robinson Federal Building, 88 West 100 North, Provo, Utah – General Services Administration
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9. Oklahoma City Property Management Depot, 2805 South Eastern Avenue, Oklahoma City, Oklahoma – General Services Administration
10. Racine Social Security Administration District Office, 4020 Durand Avenue, Racine, Wisconsin – General Services Administration
11. Richard B. Anderson Federal Building, 138 West 1st Street, Port Angeles, Washington – General Services Administration
12. Rosa Parks Federal Building, 333 Mount Elliott Street, Detroit, Michigan – General Services Administration
13. San Antonio Federal Building West, 655 East César E. Chávez Boulevard, San Antonio, Texas – General Services Administration
14. White Oak Parcel K, 10903 New Hampshire Avenue, Silver Spring, Maryland – General Services Administration
15. William L. Beatty Federal Building & Courthouse, 501 Belle Street, Alton, Illinois – General Services Administration

Appendix II. Property Screening Methodology and Approach Report

Appendix III. Financial Accounting Methodology and Approach Report

PUBLIC BUILDINGS REFORM BOARD

Appendix I. Specific Property Reports

Agricultural Research Services Glenn Dale

11601 Old Pond Drive, Glenn Dale, Maryland

Property Overview

The U.S. Plant Introduction Station ("ARS Glenn Dale" or "Property") is located at 11601 Old Pond Drive in Glenn Dale, Maryland, a suburb of Washington, D.C. The U.S. Department of Agriculture ("USDA") established the Property in 1919 to serve as the central USDA headquarters and Inspection House for plants entering the country. With the construction of the state-of-the-art quarantine operations at the Agriculture Research Service ("ARS") facility in Beltsville, Maryland, in the mid-1990s, USDA scaled back operations at ARS Glenn Dale until the facility was finally shuttered in 2009.

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	U.S. Department of Agriculture
Total Building Size	31,242 GSF in 9 structures
Year Built	1919
Site Size	70.0 acres
Surrounding Land Use	Residential
Current Zoning	R-O-S: Reserved Open Space
Congressional Rep.	Steny Hoyer (MD-5)
Cost Avoidance	Negligible
FASTA Grade	67.8% (High)

Much of the 70.0-acre Property is wooded and was formerly cultivated as fields and orchards for propagation and testing. Several structures were demolished at the time of closure and in the last ten years there has been little maintenance performed on the buildings or grounds. To mitigate adverse effects of demolition, USDA prepared a Historic American Engineering Record in 1996. The facility and approximately nine of the smaller buildings, including the few remaining greenhouses, are listed on the Maryland Inventory of Historic Properties and eligible for the National Register of Historic Places. However, this eligibility is not expected to impact redevelopment as the buildings are in dilapidated condition and the facility's historic context no longer remains.

USDA also executed several environmental investigations which concluded with an Engineering Evaluation and Cost Analysis ("EECA") report in February 2020. The EECA included a series of recommended actions to remediate four areas of concern of the Property.[1] As discussed further below, the EECA report recommendations would be implemented as a condition of the property sale.

The Property is in the Glenn Dale-Greenbelt-Seabrook-Lanham submarket just north of Route 50, with easy access to other major thoroughfares from Route 193 but limited access to public transportation. The Property is currently zoned R-O-S: Reserved Open Space and the surrounding area is low-density residential. To the west of the Property is the vacant Glenn Dale Hospital, a large multi-building facility

[1] USDA Engineering Evaluation and Cost Analysis for Four Areas of Concern, Former Glenn Dale Plant Introduction Station, Glenn Dale, Maryland, February 2020.

acquired by Prince George’s County that has been vacant since 1982 and is prioritized by the County for redevelopment as part of the Glenn Dale-Seabrook-Lanham Sector Plan. The Property is also directly adjacent to the Washington, Baltimore, and Annapolis Trail. The residential market in Glenn Dale is driven by proximity to Washington, D.C. where limited supply has driven housing prices up.

Recommendation

The Board recommends the sale of the Property under FASTA authority. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: Sale at fair market value will generate funds to facilitate future disposals and consolidations and will avoid significant future capital investments and future operations and maintenance costs. Most likely, the property would be developed for residential housing, which could further the Administration’s goals for inclusion and equity through affordable housing. The sale will also place this federal property that has been unutilized for 12 years on local tax rolls to generate tax revenue and benefit the local economy through redevelopment, sooner than in the typical disposal process. Without upfront funding of environmental remediation through the Asset Proceeds and Space Management Fund, this Property would not have been reported for disposal.

This recommendation accomplishes at least four FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "creating incentives for Federal agencies to achieve greater efficiency in their inventories of civilian real property," and "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties." Alignment with legislative and other goals is quantified in FASTA Grading further below.

Cost Avoidance

While there are some operating costs incurred by USDA to monitor and maintain the vacant land and remaining structures on the Property, cost avoidance to the taxpayer through sale is assumed to be **negligible**.

Schedule and Next Steps

The next steps are for the Federal Government to perform an ALTA Land Title survey, conduct an appraisal, consult with the Maryland Historical Trust/State Historic Preservation Officer ("SHPO") and the Advisory Council on Historic Preservation to delist the Property from the Maryland Inventory of Historic Properties, and develop a land-use memorandum of understanding with the County to facilitate redevelopment given current R-O-S: Reserved Open Space zoning. A Section 106 historic evaluation was recently completed and the SHPO has verified as of January 21, 2021 that the disposal action would have no adverse effect on historic properties. As a result, only a Section 110 survey must be completed.

Work would also proceed on the remediation of potential surface and subsurface soil contamination at the four areas of concern identified in the EECA report. Estimated disposal costs reflect "Alternative 4" in the EECA report (or "Alternative 3" for area GD6) which includes excavating to approximately 2 feet below the ground surface at each area of concern. This is most expensive approach but permits the greatest amount of flexibility in future development. USDA is making this property available because they will be able to fund this remediation with the Asset Proceeds and Space Management Fund. A Phase I and Phase II Environmental Site Assessment may also be needed to confirm that there are no additional areas of concern requiring remediation under the Comprehensive Environmental Response, Compensation, and Liability Act. USDA may include land use controls in the deed that restrict future uses based on potential contamination for portions of the property including area GD1. These land use controls would be developed in consultation with the Maryland Department of the Environment and may, for instance, limit basement excavation or groundwater use.

Once these activities are complete, the Property can be sold. The sale of the Property is projected to be accomplished within three and a half years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

Exhibit 1. Transaction Timeline

Transaction Activity	Duration
Initiation of Transaction Activities:	**2.5 years** [1]
Prepare Updated ALTA Land Title Survey	1-3 months
Prepare Phase I & II ESA	3-6 months
Conduct Section 110 Architectural Planning Survey	3-6 months
Develop Master Planning & Land Use MOU with County	6-12 months
Conduct Soil Remediation per EECA Alternative 4	12-24 months
Develop Environmental Covenants	3-6 months
Conduct Appraisal	1-3 months
Report of Excess Prepared by GSA	60 days
Implementation Activities:	**3.5 years** [2]
Engage Broker and Sell ARS Glenn Dale*	6-12 months

1. Must be initiated no later than 2 years after OMB transmits the Board's recommendations to Congress.
2. Must be completed no later than 6 years after OMB transmits the Board's recommendations to Congress.
◆ *Indicates funding required to procure services prior to the sale.*
** To be negotiated and paid from sales proceeds.*

Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding agency, USDA, recommended this Property for FASTA consideration and has assisted with the Board's evaluation of environmental concerns. The Office of Management and Budget has also recommended the disposition of the asset through FASTA on January 19, 2021. PBRB met with the Deputy Chief Administrative Officer of Economic Development for Prince George's County and the Prince George's County Economic Development Corporation on August 13, 2021. The Board also met with staff from Senator Ben Cardin on September 17, 2021; Senator Chris Van Hollen on August 24, 2021; and Representative Steny Hoyer (MD-5) on September 16, 2021.

PBRB staff also contacted the Tribal Historic Preservation Officers for the Delaware Nation-Oklahoma and the Delaware Tribe of Indians. The Delaware Tribe requested further information on the disposal process for FASTA properties and the Maryland properties being considered.

The Maryland-National Capital Park and Planning Commission ("M-NCPPC") has expressed potential interest in acquiring the Property as a Public Benefit Conveyance for parks and recreation. PBRB staff met with these officials on December 3, 2021, and December 16, 2021. The Board recommended that M-NCPPC submit a formal request to OMB expressing interest in a Public Benefit Conveyance pursuant to FASTA Section 14(f)(3).

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for ARS Glenn Dale is **67.8%,** which equates to a "**high**" grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	1	Moderate Net Financial Impact	Expected to return moderate proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	0	Low Cost Reduction	Some operating costs incurred to monitor and maintain the vacant land, but cost avoidance to the taxpayer is negligible.
	Disposition Value	1	Moderate Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Unutilized vacant land.
	Mission Alignment	2	Current Property Does Not Align	Considered excess and is not required for the ARS mission.
	Consolidation Opportunity	N/A	Not Applicable	Vacant land with no occupants to relocate or buildings to receive other federal employees.
	Lease Reduction	N/A	Not Applicable	Vacant land with no occupancy.
	Energy Reduction	N/A	Not Applicable	Vacant land with no associated energy costs.
Implementation	**Marketability**	1	Multiple Investor Offers Expected	Glenn Dale is near a major investment market in Washington, D.C. and should attract investor interest.
	Agency Concurrence	2	Reporting & Using Agency Support	USDA owns and occupies the Property and has recommended it for FASTA consideration.
	Schedule	2	High Schedule Certainty	No significant risks to completing a sale within the 6-year timeframe specified by FASTA.
	Site Risks	1	Some Site Risks	Some groundwater contamination issues to address prior to sale.
	Data Availability	2	No Major Studies Remaining to be performed	Environmental and historic studies have been completed.
Community*	**Stakeholder Risks**	2	No Known Stakeholder Concerns	No concerns have been raised in discussion with stakeholders.
	Local Benefits	2	High Positive Benefits	Sale would return Property to local tax rolls and may coincide with nearby redevelopment plans.

	Local Negative Impacts	2	No or Limited Negative Impact	ARS operations will not be affected.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	Site is not currently open to the public.
	Tribal Nations	1	Tribal Nations Contacted	Delaware Nation-Oklahoma, Eastern Shawnee Tribe of Oklahoma, and the Seneca-Cayuga Nations were contacted.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	1.36
% of Maximum Grade	67.8%

Fort Worth Federal Center

501 W. Felix Street, Fort Worth, Texas

Property Overview

The Fort Worth Federal Center ("Center" or "Property") is located at 501 W Felix Street in Fort Worth, Texas. The General Services Administration ("GSA") owns the Property, and it is occupied by the Department of Homeland Security, the Department of the Navy, Department of Agriculture, and National Archives and Records Administration. The Property is approximately 187 acres with 20 buildings and structures including warehouses, storage sheds, and office space.

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	Department of Homeland Security, Department of the Navy, Department of Agriculture, National Archives and Records Administration
Total Building Size	20 buildings totaling: 1,132,254 GSF 894,819 RSF
Year Built	1942-1959, 2000
Site Size	187 acres
Surrounding Land Use	Industrial, residential, and public uses
Current Zoning	I: Light Industrial
Congressional Rep.	Marc Veasey (TX-33)
Cost Avoidance	$32,500,000
FASTA Grade	63.9% (High)

The Center was originally 378 acres, constructed by the Army during World War II as a Quartermaster Depot. After the Property was transferred to GSA in 1965, 190 acres were sold and transferred via multiple public benefit conveyances for City parks. The prior disposals include the majority of the structures deemed eligible for historic designation by the Texas State Historic Preservation Office. The two remaining eligible buildings on the Property are Shed 13 and Shed 14, both constructed in 1944.[1] The majority of the buildings on the site are industrial and storage warehouses, constructed between 1942 and 1959. The buildings are inefficient and in need of significant repairs. The costs of the repairs led to GSA's approval of the Property's disposition in January 2021,[2] with all the tenants planned to be relocated to leased space by January 2025. Only emergency repairs will be funded from this point forward, given the upcoming disposal.[3]

Environmental contamination on the Property has been remediated. There is documentation regarding the removal of underground storage tanks (2011), asbestos removal and abatement (2007, 2010, 2013, 2015), and certification of above-ground storage tanks (2008). A manganese cap was put in place following the

[1] "TX0000FW Asset Business Plan", January 12, 2021, 2-3.

[2] Ibid, 2.

[3] "TX0000FW Asset Business Plan", January 12, 2021, 6.

removal of a manganese stockpile, occupying approximately two acres along the north side of the site, and is able to be used as parking. The cap would not be disturbed with continued industrial use on the Property. Asbestos is in the remaining buildings and the Property was determined by GSA to be sold as-is.[4]

The Property is surrounded by a mixture of residential, industrial, and public uses, such as a Fire and Police Training Center and a park. It is zoned I: Light Industrial and is at the intersection of roads used by commercial vehicles near Interstate 35W and Interstate 20. The Dallas-Fort Worth market is a growing industrial market, and the South Central Tarrant County submarket has added nearly five million square feet of industrial development in the last five years.

Recommendation

The Board recommends the sale of the Property under FASTA authority. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: The City of Fort Worth has expressed interest in obtaining portions of the Property adjacent to its Fire and Police Training Center for expansion and adjacent to other City facilities. Selling portions of the Property to the City, at fair market value and without title restrictions, will benefit the City. The balance of the Property will most likely be sold for use as industrial development. Sale at fair market value will generate funds to facilitate future disposals and consolidations, and will avoid significant future capital investments and future operations and maintenance costs. It will also benefit the local economy by placing this soon-to-be unutilized federal property on local tax rolls to generate tax revenue, sooner than in the typical disposal process.

This recommendation accomplishes at least six FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government's sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below. Additionally, the Board has the authority to recommend the transfer of Property to a state or local government that is not subject to certain conditions, provisions, and restrictions of other laws or regulations identified in FASTA Section 14(e).

GSA Implementation: FASTA authorizes GSA's Administrator to implement PBRB recommendations. Specifically, GSA has the authority to implement the PBRB recommendation approved by OMB, utilizing GSA's conveyance authorities, in GSA's discretion, consistent with Section 14(d) which will permit a conveyance "for less than fair market value, for no consideration at all, or in a transaction that mandates the exclusion of other market participants."

Cost Avoidance

Sale of this Property results in long-term costs savings to taxpayers of approximately **$32,500,000**.

Cost avoidance estimates the long-term savings to taxpayers over a 30-year period. It is calculated by comparing the Net Present Value of all occupancy and ownership costs in the Board's recommended scenario—disposing of the Property and moving to leased space—to the status quo scenario of retaining the Center with its current occupancy.

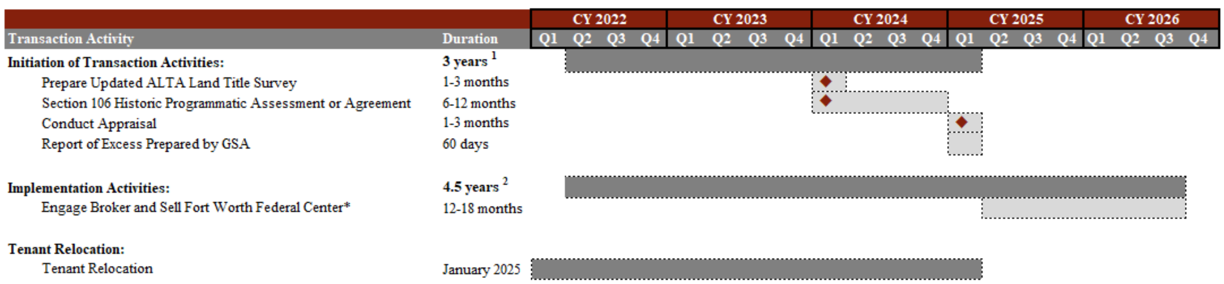
[4] "Retention and Disposition Report", GSA, 6.

Schedule and Next Steps

The next steps are for the Federal Government to update the Historic Preservation Assessment regarding Shed 13 and Shed 14, update the prior Section 106 Historic Preservation Assessment with the State Historic Preservation Office, conduct an appraisal, and update the ALTA Land Title Survey. Once these are completed the Property can be sold, with the relevant historic designations as appropriate. The sale of the Property is projected to be accomplished within four years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

According to GSA the occupying agencies' relocation is being planned to occur between September 2023 and January 2025. Costs related to this relocation will not be funded by the Assets Proceeds and Space Management Fund since the decision to relocate was made prior to the Board's recommendation. GSA's Portfolio Management and Customer Engagement has also verified with each impacted region that agencies have been given or will be given adequate time to budget for their relocations and are not expecting assistance from the Asset Proceeds and Space Management Fund.

Exhibit 1. Transaction Timeline



1. *Must be initiated no later than 2 years after OMB transmits the Board's recommendations to Congress.*
2. *Must be completed no later than 6 years after OMB transmits the Board's recommendations to Congress.*

◆ *Indicates Funding required to procure services prior to the Sale.*

* *To be negotiated and paid from sales proceeds.*

Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding Agency, GSA, recommended this Property for FASTA consideration. GSA reviewed the recommendations and provided its support on December 6, 2021. Other stakeholder engagements have included a call with the City of Fort Worth on September 23, 2021. The City expressed interest in portions of the site related to other nearby City services. The City identified its preliminary land interests on the Property via email on December 13, 2021. The City was informed that this would be a fair market sale. PBRB held a subsequent call with GSA on December 14, 2021 to review the City's preliminary interests. Participants identified the need to provide access to the remaining portion of the property which would need to be studied and resolved before accommodating the City's interests and selling the remaining portion via public sale.

PBRB also contacted the offices of Representative Marc Veasey (TX-33) and Senator John Cornyn. The office of the neighboring Representative, Kay Granger (TX-12), contacted PBRB for a phone call, held on September 29, 2021. PBRB also notified the office of Senator Ted Cruz. The Tribal Directory Assessment Tool was consulted and no Tribal Nation interests were identified.[5]

[5] "Tribal Directory Assessment Tool", accessed September 1, 2021, https://egis.hud.gov/tdat/.

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the Fort Worth Federal Center is **63.9%**, which equates to a **"high"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	1	Moderate Net Financial Impact	Expected to return moderate proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	2	High Cost Reduction	Long-term costs savings to taxpayers through disposition.
	Disposition Value	1	Moderate Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Facility is currently underutilized with approximately 1,677 USF per person.
	Mission Alignment	2	Current Property Does Not Align	Location and facility do not support operational needs.
	Consolidation Opportunity	1	Several Nearby Federal Agencies	There are no nearby federal agencies to support consolidation into or out of the Property.
	Lease Reduction	0	Increases Leased Space	Occupants plan to relocate to leased space as this best meets needs of agency.
	Energy Reduction	1	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current facility is aging and new leased space may marginally improve energy performance.
Implemen-tation	**Marketability**	2	Significant Investor Bidding Expected	5.5 miles south of downtown Fort Worth, at the intersection of major freeways.
	Agency Concurrence	2	Reporting & Using Agency Support	Landholding agency GSA and occupants support FASTA consideration.

	Schedule	2	High Schedule Certainty	No significant risks to completing sale within the 6-year timeframe specified by FASTA.
	Site Risks	1	Some Site Risks	Some historic concerns that add risk as well as rezoning uncertainty given surrounding residential and industrial uses.
	Data Availability	2	No Major Studies Remaining to be performed	Asset Business Plan, Retention and Disposition Report, Surveys, Site Plans, Title Reports, Targeted Asset Review, and Environmental Reports available. No Environmental Assessment required.
Community*	**Stakeholder Risks**	1	Some Stakeholder Concerns	City has expressed interest in a portion of the site.
	Local Benefits	1	Some Positive Benefits	Disposition would return Property to local tax rolls.
	Local Negative Impacts	2	No or Limited Negative Impact	Federal employees will be relocated to leased space in the City.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	Public services are not featured at this Property.
	Tribal Nations	0	Tribal Nations Not Consulted	No specific Tribal Interests were identified.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	1.28
% of Maximum Grade	63.9%

Gary Job Corps Parcel 4

2800 Airport Highway 21, San Marcos, Texas

Property Overview

The Gary Job Corps Center, Parcel 4 ("Property") is located at 2800 Airport Highway 21 in San Marcos, Texas. The Department of Labor ("DOL") owns the Property, and it is primarily occupied by the Gary Job Corps Center. The Job Corps Center is 768.3 acres, with 167 buildings and approximately 1,000,000 gross square feet. The Center provides residential living, academic education, recreation, and vocational training for a population of 1,471 students.

Property Summary	
Landholding Agency	Department of Labor
Occupying Agencies	Department of Labor
Total Building Size	No buildings on Parcel 4
Year Built	N/A
Site Size	48 acres
Surrounding Land Use	Agriculture and public uses
Current Zoning	Unavailable
Congressional Rep.	Lloyd Doggett (TX-35)
Cost Avoidance	Negligible
FASTA Grade	50.6% (Medium)

Parcel 4 (48 acres) is available for disposition. The Property has no legal public access from the adjacent roads and is accessed by the Job Corps staff through an interior locked facility fence. The Property is currently used as farmland. Caldwell County does not have zoning regulations, thus the property is not zoned. The Site is directly adjacent to the San Marcos Regional Airport, farmland, and a law enforcement training facility.

Site limitations will require further due diligence regarding public access roads with the County of Caldwell and the San Marcos Airport or with adjacent landowners. The closest public access roads are half a mile away. The parcel is located near water and sewage services, per the Public Utility Commission (near the southeast side of the Property), but capacity information and whether the Property could gain access to utilities is unclear.

Parcel 4 is surrounded by primarily agriculture to the east, north and south and the San Marcos Regional Airport to the west. San Marcos is located between Austin and San Antonio and is home to Texas State University. The proximity to Austin and San Antonio has been beneficial to San Marcos in general with some new developments in warehouse/distribution centers particularly along I-35.

Recommendation
The Board recommends the sale of the Property to the City of San Marcos under FASTA authority.

Why FASTA: The City of San Marcos has expressed interest in acquiring the Property for the County airport expansion and meeting the goals of its 2021 Airport Master Plan (recently approved by the Federal Aviation Administration ("FAA"). The City prefers a purchase at fair market value, without deed restrictions. Selling this property to the City, at fair market value and without title restrictions, will support its airport expansion project, which in turn will benefit the local economy. If the parties do not agree on terms for the sale to the City, the Board recommends the Property go to public sale. Sale at fair market value will generate funds to facilitate future disposals and consolidations as well as to realize cost avoidance for the Government, sooner than in the typical disposal process.

This recommendation accomplishes at least three FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," and "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties." Adherence to legislative and other goals is quantified in FASTA Grading further below. Additionally, the Board has the authority to recommend the transfer of Property to a state or local government that is not subject to certain conditions, provisions, and restrictions of other laws or regulations identified in FASTA Section 14(e).

GSA Implementation: FASTA authorizes GSA's Administrator to implement PBRB recommendations. Specifically, GSA has the authority to implement the PBRB recommendation approved by OMB, utilizing GSA's conveyance authorities, in GSA's discretion, consistent with Section 14(d) which will permit a conveyance "for less than fair market value, for no consideration at all, or in a transaction that mandates the exclusion of other market participants."

Cost Avoidance
While there are some operating costs incurred by DOL to monitor and maintain the vacant land, cost avoidance to the taxpayer through sale is assumed to be **negligible**.

Schedule and Next Steps
The next steps are for the Federal Government to conduct an appraisal, update the ALTA Land Title Survey, and conduct a Phase I Environmental Site Assessment and any requisite environmental review. The Department of Labor has worked with Caldwell County to ensure that the County's Records reflect DOL ownership of the parcel. Once these activities are completed, the Property can be sold, with the relevant considerations as necessary and appropriate. The sale of the Property is projected to be accomplished within two years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

Exhibit 1. Transaction Timeline

Transaction Activity	Duration	CY 2022 Q1	CY 2022 Q2	CY 2022 Q3	CY 2022 Q4	CY 2023 Q1	CY 2023 Q2	CY 2023 Q3	CY 2023 Q4	CY 2024 Q1	CY 2024 Q2	CY 2024 Q3	CY 2024 Q4
Initiation of Transaction Activities:	**0.75 years** [1]												
Prepare Updated ALTA Land Title Survey	3-6 months		◆										
Phase I ESA	3-6 months		◆										
Conduct Appraisal	1-3 months				◆								
Report of Excess Prepared by GSA	60 days												
Implementation Activities:	**1.75 years** [2]												
Engage Broker and Sell Gary Job Corps*	6-12 months												

1. Must be initiated no later than 2 years after OMB transmits the Board's recommendations to Congress.

2. Must be completed no later than 6 years after OMB transmits the Board's recommendations to Congress.

◆ Indicates Funding required to procure services prior to the Sale.

** To be negotiated and paid from sales proceeds.*

Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding Agency, DOL, initially recommended this Property for FASTA consideration. The Office of Management and Budget has also recommended the disposition of the asset through FASTA on January 19, 2021. In email correspondence on December 15, 2021, DOL subsequently indicated its desire for the Property to move through the regular disposal process by submitting a Report of Excess to GSA. A meeting with the City of San Marcos and Texas Aviation Partners took place on October 14, 2021.

PBRB also contacted the offices of Senator John Cornyn and Representative Lloyd Doggett (TX-35. Tribal Representatives for the Alabama-Coushatta Tribe of Texas, the Apache Tribe, the Comanche Nation of Oklahoma, the Coushatta Tribe of Louisiana, the Tonkawa Tribe of Oklahoma, and the Wichita Tribe have been contacted via email. PBRB also notified the office of Senator Ted Cruz.

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the Gary Job Corps Parcel 4 is **50.6%**, which equates to a **"medium"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	0	Low Net Financial Impact	Expected to return low proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	0	Low Cost Reduction	Some operating costs incurred to monitor and maintain the vacant land, but cost avoidance to the taxpayer is negligible.

	Disposition Value	1	Moderate Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Unutilized vacant land.
	Mission Alignment	2	Current Property Does Not Align	Considered excess and is not required for the Job Corps Center mission.
	Consolidation Opportunity	N/A	Not Applicable	Vacant land with no occupants to relocate or buildings to receive other federal employees.
	Lease Reduction	N/A	Not Applicable	Vacant land with no occupancy.
	Energy Reduction	N/A	Not Applicable	Vacant land with no associated energy costs.
Implementation	**Marketability**	1	Multiple Investor Offers Expected	San Marcos has some investor interest with university and recent light industrial/ distribution development in the vicinity, and the City for the airport expansion.
	Agency Concurrence	2	Reporting & Using Agency Support	DOL owns and occupies the Property and initially recommended it for FASTA consideration. OMB has also recommended the Property.
	Schedule	1	Moderate Schedule Certainty	Sale may take longer than in other markets due to site constraints but is expected to be completed within the 6-year timeframe specified by FASTA.
	Site Risks	1	Some Site Risks	Risks include unknown environmental risks and site accessibility.
	Data Availability	2	No Major Studies Remaining	Targeted Asset Review has been conducted for full campus. Basic environmental study may be needed.
Community*	**Stakeholder Risks**	1	Some Stakeholder Concerns	Past interest from County in acquiring Property for airport expansion.
	Local Benefits	1	High Positive Benefits	Disposition would return property to local tax rolls.
	Local Negative Impacts	2	No or Limited Negative Impact	Job Corps Center operations will not be affected.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	Site is not currently open to the public. Job Corps Center enrollment will not be affected.

	Tribal Nations	1	Tribal Nations Contacted	Initial contact with Tribal Nation; no response.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	1.01
% of Maximum Grade	50.6%

Goddard Space Flight Center Area 400

8800 Greenbelt Road, Greenbelt, Maryland

Property Overview

The Goddard Space Flight Center ("GSFC") Area 400 ("Property") is located at 8800 Greenbelt Road in Greenbelt, Maryland, approximately 10 miles northeast of Washington, D.C. The National Aeronautics and Space Agency ("NASA") owns and occupies the Property. The Property contains 10 small structures over 100 acres, including several storage facilities and small laboratories used for cryogenics and propulsion testing, confined to a one-acre area in the center of Area 400.

Property Summary	
Landholding Agency	National Aeronautics and Space Agency
Occupying Agencies	National Aeronautics and Space Agency
Total Building Size	8,561 GSF in 10 structures
Year Built	1959
Site Size	100.0 acres
Surrounding Land Use	Residential, Conservation
Current Zoning	R-O-S: Reserved Open Space
Congressional Rep.	Steny Hoyer (MD-5)
Cost Avoidance	$2,724,000
FASTA Grade	67.8% (High)

Area 400 is located several miles east of the main GSFC campus entrance with a separate security fence and is primarily a flat wooded landscape. The Property is south of pastureland managed by the United States Department of Agriculture ("USDA") and southwest of the Patuxent Research Refuge ("Refuge"), an approximately 12,800-acre area along the Patuxent and Little Patuxent Rivers. The Property is also proximate to the Prince George's County Trap and Skeet Center. The surrounding market is primarily low-density single-family residential with moderate land values that are supported by proximity to Washington, DC, and limited supply in the market. The Property is currently zoned R-O-S: Reserved-Open-Space.

NASA acquired Area 400 from the USDA in 1981. While the GSFC was designated as a historic district in 2012, this designation excluded Areas 100 and 400.[1] NASA is interested in demolishing the Area 400 structures and relocating the testing and storage facilities to the main GSFC campus, however, has not had the necessary funding to complete this process. NASA has stated that unless it can get funding for this relocation then the Property will not be available for disposal for another decade.

[1] Maryland Historical Trust, Determination of Eligibility Form, Goddard Space Flight Center, August 2012; Page 2; https://mht.maryland.gov/secure/medusa/PDF/PrinceGeorges/PG;64-19.pdf.

Recommendation
The Board recommends the transfer at fair market value of all or a portion of the Property from NASA to the Department of the Interior ("DOI"), U.S. Fish and Wildlife Service ("FWS") under FASTA authority. The FWS has expressed interest in acquiring the Property or a portion of the Property for expansion of the nearby Refuge but has indicated it needs additional documentation on the environmental condition of the property. Pending the review of this environmental documentation, the Board recommends that NASA, through GSA, pursue an inter-agency transfer for all or a portion of the Property at fair market value to DOI/FWS. The Board further recommends that NASA's relocation costs be funded through the Asset Proceeds and Space Management Fund ("Asset Fund"), and that the Fair Market Value that DOI/FWS must pay be deposited into the Asset Fund. If the parties do not agree on terms for an inter-agency transfer at fair market value for all or for a portion of the Property, the Board recommends the Property or remaining portions thereof go to public sale. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: Without the guarantee of upfront funding of relocation costs through the Asset Fund, this Property would not have been reported by NASA for disposal. Funding through the Asset Fund would allow the relocation to occur more quickly than through standard processes. Transferring the Property to DOI/FWS to expand the nearby Refuge would enhance conservation and further the Biden Administration's priorities of Climate and Racial Equity. Disposition at fair market value would generate funds to facilitate future disposals and consolidations, avoid future operations and maintenance costs, and potentially place a portion of this unutilized federal property on local tax rolls to generate tax revenue sooner than in the typical disposal process.

This recommendation accomplishes at least seven FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "creating incentives for Federal agencies to achieve greater efficiency in their inventories of civilian real property," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government's sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below. Additionally, the Board has the authority to recommend the transfer of Property to a state or local government that is not subject to certain conditions, provisions, and restrictions of other laws or regulations identified in FASTA Section 14(e).

GSA Implementation: FASTA authorizes GSA's Administrator to implement PBRB recommendations. Specifically, GSA has the authority to implement the PBRB recommendation approved by OMB, utilizing GSA's conveyance authorities, in GSA's discretion, consistent with Section 14(d) which will permit a conveyance "for less than fair market value, for no consideration at all, or in a transaction that mandates the exclusion of other market participants."

Cost Avoidance
Sale of this property results in long-term costs savings to taxpayers of approximately **$2,724,000**.

Cost avoidance estimates the long-term savings to taxpayers over a 30-year period. It is calculated by comparing the Net Present Value of all occupancy and ownership costs in the Board's recommended scenario—disposing of the Property and relocating remaining operations to the main Campus—to the status quo scenario of retaining the Property with its current occupancy.

Schedule and Next Steps

The next steps are for the Federal Government to perform a Property ALTA Land Title survey, conduct an appraisal, conduct Section 110 and Section 106 historic surveys to confirm the historic status of Area 400 with the Maryland Historical Trust and State Historic Preservation Office, and consult with the Maryland Department of Natural Resources and the U.S. Fish and Wildlife Service to assess environmental resources. A 2014 Environmental Evaluation for Area 400 identified the need to conduct an environmental study of the septic system to verify that no chemical contamination has occurred from laboratory operations that are serviced by the septic system. A land use Memorandum of Understanding ("MOU") with Prince George's County is recommended to address zoning changes from R-O-S: Reserved-Open-Space. Finally, NASA activities on Area 400 including items in storage will be relocated elsewhere on the GSFC campus with funding from the Asset Fund.

Once these activities are completed, the Property can be sold, with the relevant historic and environmental conditions as appropriate. The sale of the Property is projected to be accomplished within two and a half years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

Exhibit 1. Transaction Timeline

		CY 2022				CY 2023				CY 2024			
Transaction Activity	**Duration**	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Initiation of Transaction Activities:	**1.5 years** [1]												
Prepare Updated ALTA Land Title Survey	1-3 months		◆										
Prepare Phase I ESA	3-6 months		◆										
Consult MD DNR & US Fish & Wildlife	3 months												
Conduct Section 110 Architectural Planning Survey	3-6 months			◆									
Perform Section 106 Historic Preservation Impact Assessment and Mitigation	3-6 months					◆							
Develop Master Planning & Land Use MOU with County	6-12 months			◆									
Relocate NASA Activities within GSFC	$500,000						◆						
Conduct Appraisal	1-3 months							◆					
Report of Excess Prepared by GSA	60 days												
Implementation Activities:	**2.5 years** [2]												
Engage Broker and Sell Area 400*	6-12 months												

1. Must be initiated no later than 2 years after OMB transmits the Board's recommendations to Congress.

2. Must be completed no later than 6 years after OMB transmits the Board's recommendations to Congress.

◆ *Indicates Funding required to procure services prior to the Sale.*

** To be negotiated and paid from sales proceeds.*

Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding Agency, NASA, recommended this Property for FASTA consideration. PBRB staff met with the Deputy Chief Administrative Officer for Economic Development for Prince George's County, Maryland, on August 13, 2021. PBRB staff also met with the City of Greenbelt, although the property is outside the City's jurisdiction. PBRB has also consulted with Prince George's County Economic Development Corporation. The Board also met with staff of Senator Ben Cardin on September 17, 2021; Senator Chris Van Hollen on August 24, 2021; and Representative Steny Hoyer (MD-5) on September 16, 2021.

On September 22, 2021, PBRB staff met with the FWS Patuxent Research Refuge Manager who expressed an interest in acquiring the Property to expand the facility for conservation purposes and subsequently provided a written request for transfer on November 3, 2021. In email correspondence, Senator Cardin's staff indicated that he and Representative Hoyer supported transfer of the Property to FWS to expand the Refuge. PBRB staff also briefed the staff of the Maryland-National Capital Park and Planning Commission on December 16, 2021.

PBRB staff also contacted the Tribal Historic Preservation Officers for the Delaware Nation-Oklahoma and the Delaware Tribe of Indians. The Delaware Tribe requested further information on the disposal process for FASTA properties and the Maryland properties being considered.

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the Goddard Space Flight Center Area 400 is **63.3%**, which equates to a **"high"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	1	Moderate Net Financial Impact	Expected to return moderate proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	1	Moderate Cost Reduction	Some operating costs incurred to monitor and maintain the underutilized structures.
	Disposition Value	1	Moderate Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Unutilized small structures and vacant land.
	Mission Alignment	2	Current Property Does Not Align	Considered excess and not required for the NASA mission.
	Consolidation Opportunity	2	Move to Federal Space	Limited remaining research operations will relocate to main campus.
	Lease Reduction	1	No Change in Leased Space	Move elsewhere on federally-owned property.
	Energy Reduction	1	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current structures are aging and new space may marginally improve energy performance.
Implementation	**Marketability**	1	Multiple Investor Offers Expected	Greenbelt is near a major investment market in Washington, D.C. and should attract investor interest.

	Agency Concurrence	2	Reporting & Using Agency Support	NASA owns and occupies the Property and has recommended it for FASTA consideration.
	Schedule	2	High Schedule Certainty	No significant risks to completing transfer or sale within the 6-year timeframe specified by FASTA.
	Site Risks	2	Some Site Risks	Some soil/groundwater contamination and historic issues to address prior to disposition.
	Data Availability	1	Some Major Studies Remaining	Past environmental studies completed however additional historic strudies required. No Environmental Assessment requireed.
Community*	**Stakeholder Risks**	1	Some Stakeholder Concerns	. FWS is interested in expanding the adjacent Refuge.
	Local Benefits	1	Some Positive Benefits	Disposition would transfer the Property to the Refuge or return it to local tax rolls.
	Local Negative Impacts	2	No or Limited Negative Impact	GSFC operations will not be affected.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	Site is not currently open to the public.
	Tribal Nations	1	Tribal Nations Contacted	Contacted the Tribal Historic Preservation Officers for the Delaware Nation-Oklahoma, Eastern Shawnee Tribe of Oklahoma, and the Seneca-Cayuga Nations.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	1.27
% of Maximum Grade	63.3%

Gus J. Solomon U.S. Courthouse

620 SW Main Street, Portland, Oregon

Property Overview

The Gus J. Solomon U.S. Courthouse ("Courthouse" or "Property") is located at 620 SW Main Street in Portland, Oregon. The Courthouse is owned by the General Services Administration ("GSA") and is occupied by a mix of Federal and private tenants including the GSA, U.S. Forest Service, Department of Labor, Department of Homeland Security, U.S. Trustees, Small Business Administration, Federal Protective Service, and Department of Commerce. It includes 205,338 gross square feet ("GSF") and 162,003 rentable square feet ("RSF") of space.

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	GSA, U.S. Forest Service, Department of Labor, Department of Homeland Security, U.S. Trustees, Small Business Administration, Federal Protective Service, and Department of Commerce
Total Building Size	205,338 GSF 162,003 RSF
Year Built	1933
Site Size	0.9 acres
Surrounding Land Use	Multifamily, commercial and public uses
Current Zoning	CXd: Central Commercial
Congressional Rep.	Earl Blumenauer (OR-3)
Cost Avoidance	$57,000,000
FASTA Grade	65.6% (High)

The Courthouse was constructed in 1933 and was added to the National Register of Historic Places ("NRHP") in 1979. The Courthouse has a high degree of historic integrity in its exterior and NRHP interior features, including a main courtroom. The Property is an entire city block located in Portland's central business district near other Federal and State government buildings. The Property is west of the Willamette River, south of the Pearl and Nob Hill Districts, and east of Washington Park.

The Property is zoned CXd: Central Commercial, Design Overlay, which allows office, retail, medical, institutional, mixed use, and other commercial uses in Portland's most urban and intense areas.[1] This zone is intended to be very intense with high building coverage, large buildings, and buildings placed close together.[2] The Design overlay denotes that design review is required for any new development or exterior alterations to existing development, or where the property is considered to have major design significance to the City.[3]

[1] "Title 33, Planning and zoning", City of Portland City Code, August 1, 2021, Table 130-1.
[2] Ibid, 33.130.030.
[3] Ibid, 33.420.041.

The downtown area is primarily mid- to high-rise office and multifamily buildings, retail, hotels, and government buildings with significant investor interest. While hotel use may generate the greatest investor interest for the location, the costs for hotel adaptative reuse may be prohibitive compared to a renovation of office space.

GSA decided to vacate the Courthouse in June 2019 after a study found the costs prohibitive to modernize the Courthouse to meet tenant agency needs.[4] Current tenants are planned to be relocated to nearby buildings in Portland such as the Edith Green-Wendell Wyatt Federal Building and the 911 Federal Building by the end of 2022, thus freeing the Property for disposition.[5]

Recommendation

The Board recommends the sale of the Property under FASTA authority. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: Sale at fair market value will generate funds to facilitate future disposals and will avoid significant future capital investments and future operations and maintenance costs. Adaptive reuse of this underutilized Property will benefit the local economy and add the Property to local tax rolls to generate tax revenue, sooner than in the typical disposal process.

This recommendation accomplishes at least seven FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "reducing redundancy, overlap, and costs associated with field offices," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government's sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below.

As part of the sale process, the Board recommends that GSA obtain comprehensive community input from historic preservation groups, real estate developers, local interest groups and the local government to determine the highest and best use of the Property and to maximize taxpayer return during sale.

Cost Avoidance

Sale of this Property results in long-term costs savings to taxpayers of approximately **$57,000,000**.

Cost avoidance estimates the long-term savings to taxpayers over a 30-year period. It is calculated by comparing the Net Present Value of all occupancy and ownership costs in the Board's recommended scenario—disposing of the Property and moving to leased space—to the status quo scenario of retaining the Courthouse with its current occupancy.

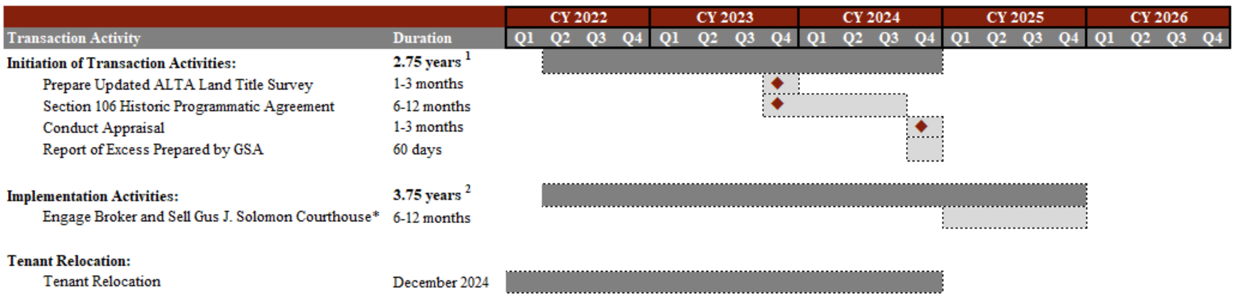
Schedule and Next Steps

The next steps are for the Federal Government to conduct an appraisal, update the ALTA Land Title Survey, and complete a Section 106 Historic Programmatic Agreement in a manner that emphasizes the Government's responsibility to maximize the value of the Property. Once these activities are completed, the Property can be sold, with the relevant historic conditions as necessary and appropriate. The sale of the Property is projected to be accomplished within three and three-quarter years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

[4] "Draft Decision on Disposition of the Gus J. Solomon Federal Courthouse, Portland, OR"; June 12, 2019, 1.
[5] "OR0023 Asset Business Plan", July 31, 2020, 3; "National office questions FASTA", March 9, 2021, 1,2.

According to GSA the majority of the occupying agencies' relocation is planned to be completed in December 2022, with the Department of Homeland Security office and GSA field office no later than December 2024. Costs related to this relocation will not be funded by the Assets Proceeds and Space Management Fund since the decision to relocate was made prior to the Board's review. GSA's Portfolio Management and Customer Engagement has also verified with each impacted region that agencies have been given or will be given adequate time to budget for their relocations and are not expecting assistance from the Asset Proceeds and Space Management Fund.

Exhibit 1. Transaction Timeline



1. Must be initiated no later than 2 years after OMB transmits the Board's recommendations to Congress.
2. Must be completed no later than 6 years after OMB transmits the Board's recommendations to Congress.
◆ Indicates Funding required to procure services prior to the Sale.
** To be negotiated and paid from sales proceeds.*

Stakeholder Engagement

The Board conducted outreach with stakeholders. The Landholding Agency, GSA, recommended this Property for FASTA consideration. GSA reviewed the recommendations and provided its support on December 6, 2021. Other stakeholder engagements include a meeting with the City of Portland and its economic partner, Prosper Portland, on August 23, 2021. PBRB had a call with Portland State University on September 15, 2021,. PBRB contacted the office of Senator Jeff Merkley. PBRB also met with the staff of Representative Earl Blumenauer (OR-3) on August 17, 2021. PBRB also notified the office of Senator Ron Wyden. The Tribal Directory Assessment Tool was consulted and no Tribal Nation interests were identified.[6]

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the Gus J. Solomon U.S. Courthouse is **65.6%**, which equates to a "**high**" grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

[6] "Tribal Directory Assessment Tool", accessed September 1, 2021, https://egis.hud.gov/tdat/.

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	1	Moderate Net Financial Impact	Expected to return moderate proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	2	High Cost Reduction	Long-term cost savings to taxpayers through disposition.
	Disposition Value	1	Moderate Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Facility is currently underutilized with approximately 643 USF per person.
	Mission Alignment	1	Current Property Partially Aligns	Location supports operational needs but facility does not.
	Consolidation Opportunity	2	Many Nearby Federal Agencies	Agencies will be relocated to other federal properties, including the Edith Green-Wendell Wyatt FB and the 911 FB.
	Lease Reduction	1	No Change to Leased Space	Occupants will remain in federally-owned space.
	Energy Reduction	1	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current facility is aging and new owned space may marginally improve energy performance.
Implemen-tation	**Marketability**	2	Multiple Investor Offers Expected	Unique asset in downtown Portland may attract significant interest.
	Agency Concurrence	2	Reporting & Using Agency Support	Landholding agency GSA and major occupants support FASTA consideration.
	Schedule	2	High Schedule Certainty	No significant risks to completing sale within the 6-year timeframe specified by FASTA.
	Site Risks	1	Some Site Risks	Historic and seismic considerations may significantly impact reuse program and disposition value.
	Data Availability	2	No Major Studies Remaining	Asset Business Plan and Environmental Reports completed. No Environmental Assessment required.
Community*	**Stakeholder Risks**	1	Some Stakeholder Concerns	Potential interest in Gus J. Solomon name.

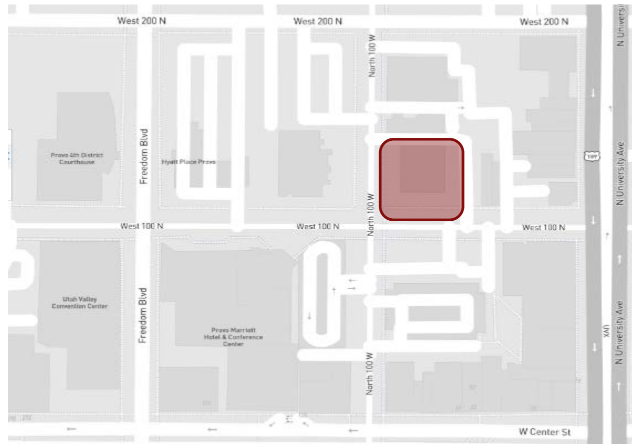
	Local Benefits	1	Some Positive Benefits	Disposition would return Property to local tax rolls.
	Local Negative Impacts	2	No or Limited Negative Impact	Federal employees would be relocated elsewhere in the City.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	Site is not currently open to the public aside from visits to the historic courtroom.
	Tribal Nations	0	Tribal Nations Not Consulted	No Tribal Nation interests were identified.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	1.31
% of Maximum Grade	65.6%

J. William Robinson Federal Building

88 West 100 North, Provo, Utah



Property Overview

The J. William Robinson Federal Building ("Building" or "Property") is located at 88 West 100 North in Provo, Utah. The General Services Administration ("GSA") owns the Property, and it is occupied by the Social Security Agency ("SSA") and the Federal Bureau of Investigation ("FBI"). The Building sits directly across the street from the Utah County Courthouse on 0.8 acres of land. The Property is 28,968 gross square feet ("GSF") and 26,536 rentable square feet ("RSF").

The SSA occupies 66% of the Building (12,074 RSF) and the FBI occupies the balance (4,039 RSF). Both current tenants provided GSA with release of space notices and are expected to move to leased space in 2023. There are no prospective Federal tenants to backfill the Property.

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	Social Security Administration, Federal Bureau of Investigation
Total Building Size	28,968 GSF 26,536 RSF
Year Built	1938
Site Size	0.8 acres
Surrounding Land Use	Commercial, hospitality, and public uses
Current Zoning	D2: Downtown Core
Congressional Rep.	John Curtis (UT-3)
Cost Avoidance	$6,000,000
FASTA Grade	61.7% (High)

Combined with the lack of Federal tenants, this Property is also classified as "exceptionally high risk" on GSA's 2017 Seismic Ratings Report. In addition, the SSA is a trust fund agency and therefore does not pay market rate rent. As a result, the Building has negative funds from operations. The projected poor financial performance makes it difficult to justify the approximate $7,000,000 in needed seismic repairs needed (based on the 2017 Seismic Hazard Evaluation Report for Property); therefore, GSA intends to dispose of this Property.

The Property is well-known and well-located in Provo's central business district with D2: Downtown Core zoning. The structure has two floors above and one floor below ground. The Building was constructed in 1938 and is listed on the National Register of Historic Places, with the exterior, lobby (including a mural), and staircase as contributing features. The City has expressed interest in preserving the building due to its historic nature.

The Property is proximate to several hotels, the convention center, and Brigham Young University ("BYU"). The Provo market is anchored by BYU and is home to a handful of Utah-based tech companies;

however, economic development activity will tend to continue to focus on the north in Lehi, Draper, Sandy, and Downtown Salt Lake City because of amenities, access to transit and newer office inventory.

Recommendation

The Board recommends the sale of the Property under FASTA authority. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: Sale at fair market value will generate funds to facilitate future disposals and consolidations and will avoid significant future capital investments and future operations and maintenance costs. It will also place this soon-to-be unutilized federal property on local tax rolls to generate tax revenue, sooner than in the typical disposal process.

This recommendation accomplishes at least six FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government's sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below.

As part of the sale process, the Board recommends that GSA obtains comprehensive community input from historic preservation participants, real estate development individuals, local interest groups and the local government to determine the highest and best use of the Property, to determine the amount of future development that can be done on the site, and to maximize taxpayer return during sale.

Cost Avoidance

Disposition of this Property results in long-term costs savings to taxpayers of approximately **$6,000,000**.

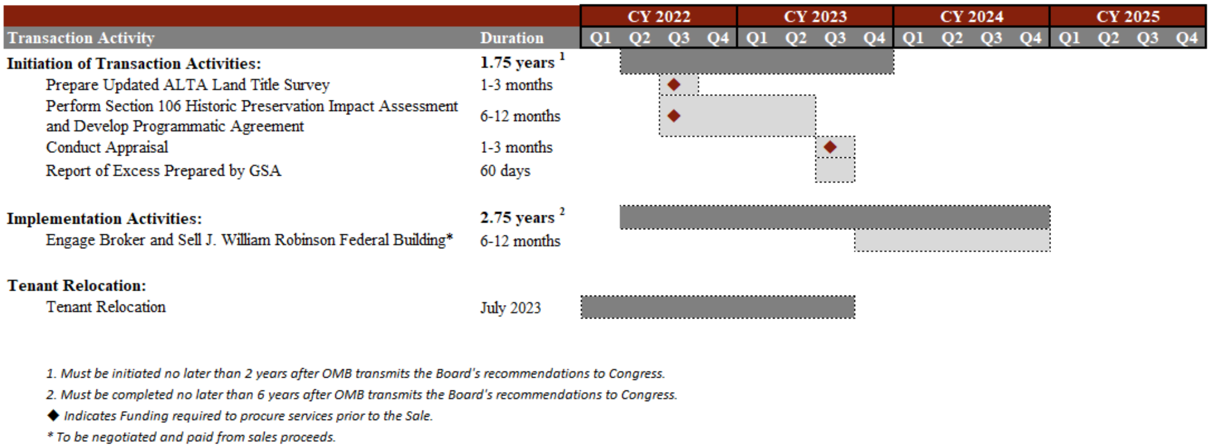
Cost avoidance estimates the long-term savings to taxpayers over a 30-year period. It is calculated by comparing the Net Present Value of all occupancy and ownership costs in the Board's recommended scenario—disposing of the Property and moving to leased space—to the status quo scenario of retaining the Building with its current occupancy.

Schedule and Next Steps

The next steps are for the Federal Government to perform a Section 106 Historic Preservation Impact Assessment and develop a Programmatic Agreement, conduct an appraisal, and prepare an updated ALTA Land Title Survey. Once these activities are completed, GSA can prepare the Report of Excess and the Property can be sold, with the relevant historic designations as appropriate. Seismic upgrades are assumed to be the responsibility of the buyer and thus are reflected in land value. The sale of the Property is projected to be accomplished within four and a half years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

According to GSA, the FBI's relocation will be completed in March 2023 and the SSA's relocation will be completed in July 2023. Costs related to this relocation will not be funded by the Assets Proceeds and Space Management Fund since the decision to relocate was made prior to the Board's review. GSA's Portfolio Management and Customer Engagement has also verified with each impacted region that agencies have been given or will be given adequate time to budget for their relocations and are not expecting assistance from the Asset Proceeds and Space Management Fund.

Exhibit 1. Transaction Timeline



Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding Agency, GSA, recommended this Property for FASTA consideration. GSA reviewed the recommendations and provided its support on December 6, 2021. Other stakeholder engagements included a call with the City of Provo City Manager and City staff on August 25, 2021. The Board also met with the District Director from the Office of Representative John Curtis (UT-3) on September 7, 2021. PBRB also notified the offices of Senator Mitt Romney and Senator Mike Lee. The Tribal Directory Assessment Tool was consulted and no Tribal Nation interests were identified.[1]

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the J. William Robinson Federal Building is **61.7%**, which equates to a **"high"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	1	Moderate Net Financial Impact	Expected to return moderate proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	1	Moderate Cost Reduction	Long-term costs savings to taxpayers through disposition.

[1] "Tribal Directory Assessment Tool", accessed September 1, 2021, https://egis.hud.gov/tdat/.

	Disposition Value	1	Moderate Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Facility is currently underutilized with approximately 535 USF per person.
	Mission Alignment	2	Current Property Does Not Align	Location and facility do not support operational needs.
	Consolidation Opportunity	1	Few Nearby Federal Agencies	There are few nearby federal agencies to support consolidation into or out of the Property.
	Lease Reduction	0	Increases Leased Space	Occupants plan to relocate to leased space as this best meet needs of the agencies.
	Energy Reduction	1	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current facility is aging, and new leased space may marginally improve energy performance.
Implementation	**Marketability**	2	Significant Investor Bidding Expected	Downtown Provo location and reuse potential is expected to attract investor interest.
	Agency Concurrence	2	Reporting & Using Agency Support	Landholding agency GSA and occupants SSA and FBI both support FASTA consideration.
	Schedule	2	High Schedule Certainty	No significant risks to completing sale within 6-year timeframe specified by FASTA.
	Site Risks	1	Some Significant Site Risks	Some historic and seismic concerns that add risk and/or reduce disposition value.
	Data Availability	2	No Major Studies Remaining	Asset Business Plan and Environmental Reports completed. No Environmental Assessment required.
Community*	**Stakeholder Risks**	2	No Significant Known Stakeholder Concerns	No concerns have been raised in discussion with stakeholders.
	Local Benefits	1	Some Positive Benefits	Disposition would return Property to local tax rolls.
	Local Negative Impacts	2	No or Limited Negative Impact	Federal employees would be relocated elsewhere in the City.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	SSA services would be relocated elsewhere in the City and remain accessible.

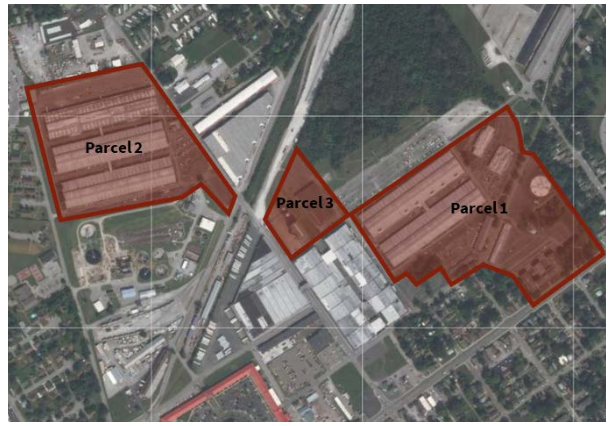
	Tribal Nations	0	Tribal Nations Not Consulted	No specific Tribal Interests were identified.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	1.23
% of Maximum Grade	61.7%

Jeffersonville National Processing Center

1201 E. 10th Street, Jeffersonville, Indiana



Property Overview

The Jeffersonville National Processing Center ("NPC" or "Property") is located at 1201 East 10th Street in Jeffersonville, Indiana, approximately one mile north of the Ohio River and downtown Louisville, Kentucky. The General Services Administration ("GSA") owns the Property which has been occupied by the Census Bureau ("Census") of the Department of Commerce since 1958. The Property contains approximately 62.1 acres over three non-contiguous parcels and 21 structures of light industrial, office, storage, and associated support buildings such as boiler rooms totaling 1,094,507 rentable square feet ("RSF"). It is located on a former Army Quartermaster campus obtained by GSA in 1950 and has been determined ineligible for the National Register of Historic Places ("NRHP"), although a rescreening may be necessary.

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	Department of Commerce
Total Building Size	1,094,507 RSF in 17 buildings
Year Built	1918-1953
Site Size	62.1 acres
Surrounding Land Use	Industrial, Retail, Residential
Current Zoning	NI: Neighborhood Industrial, IS: Institutional Uses
Congressional Rep.	Trey Hollingsworth (IN-9)
Cost Avoidance	$147,000,000
FASTA Grade	65.6% (High)

The NPC is Census's primary center for mail processing, survey processing, data capture, imaging, and scanning, serving as the "return address" for millions of survey forms and containing one of two Census call centers. Although critical to the Census mission, the facility no longer meets the bureau's evolving needs. Operations for approximately 1,500 staff are spread across multiple buildings which limits operational efficiencies and communication. Many buildings are functionally obsolete, requiring significant repair and unsuitable for projected production and technology needs. As a result of these deficiencies, Census is seeking 538,000 RSF of leased space in a highly specialized single building elsewhere in Jeffersonville, a 41% significant reduction from the 1,094,507 RSF currently occupied on the Property. Although no target property has been announced, a prospectus for a 538,000 RSF build-to-suit lease was approved by Congressional resolution on May 26, 2021 with $44.8 million obligated using Fiscal Year 2021 funds.

The Property is within an industrial neighborhood approximately five blocks from downtown with many other industrial buildings of similar age and condition. Parcels 2 and 3 are zoned NI: Neighborhood Industrial which allows industrial uses, while Parcel 1 is zoned IS: Institutional Uses which may require a change in zoning for industrial use. To the west and south of the Property are single-family homes and to the east is the Gateway Plaza strip retail center. While downtown area industrial rents are generally lower than suburban industrial parks such as River Ridge, a new location in the city center with a large amount of land may command interest given proximity to I-64, I-65, I-71, and rail lines, which are high-volume logistics corridors. Comparable land sales in Jeffersonville are approximately $60,000 per acre. Rental rates for a new facility of approximately $14.80 PSF full-service gross reflect the cap approved in the FY 2021 Lease Prospectus.

A summary of each parcel is included in Exhibit 1 below.

Exhibit 1. Contributing Parcels

Parcel	Current Uses	Zoning	Estimated Area
Parcel 1	Eastern portion including Buildings 40, 55, 67, 57, 63, 64, 65, 66 (Office), 87, 89, and 91	IS: Institutional Uses	32.2 acres
Parcel 2	Western portion including Buildings 60, 61, 71, and 75	NI: Neighborhood Industrial	24.5 acres
Parcel 3	Central portion including Buildings 48 and 62	NI: Neighborhood Industrial	5.4 acres

Recommendation

The Board recommends the sale of a portion of the Property to the City of Jeffersonville under FASTA authority and a public sale of the remainder of the Property. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: The City of Jeffersonville indicated its interest in acquiring Parcel 2 of the Property. Selling a portion of the Property to the City of Jeffersonville at fair market value and without title restrictions will benefit the City. If the parties do not agree on terms for the sale to the City, the Board recommends the Property go to public sale. Sale at fair market value will generate funds to facilitate future disposals and consolidations as well as to realize cost avoidance for the Government. It will also place this underutilized federal property on local tax rolls and generate tax revenue, sooner than in the typical disposal process.

This recommendation accomplishes at least six FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government's sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below. Additionally, the Board has the authority to recommend the transfer of Property to a state or local government that is not subject to certain conditions, provisions, and restrictions of other laws or regulations identified in FASTA Section 14(e).

GSA Implementation: FASTA authorizes GSA's Administrator to implement PBRB recommendations. Specifically, GSA has the authority to implement the PBRB recommendation approved by OMB, utilizing GSA's conveyance authorities, in GSA's discretion, consistent with Section 14(d) which will permit a conveyance "for less than fair market value, for no consideration at all, or in a transaction that mandates the exclusion of other market participants."

Cost Avoidance

Sale of this Property results in long-term costs savings to taxpayers of approximately **$147,000,000**.

Cost avoidance estimates the long-term savings to taxpayers over a 30-year period. It is calculated by comparing the Net Present Value of all occupancy and ownership costs in the Board's recommended scenario—disposing of the Property and moving to leased newly built space—to the status quo scenario of retaining the Building with its current occupancy.

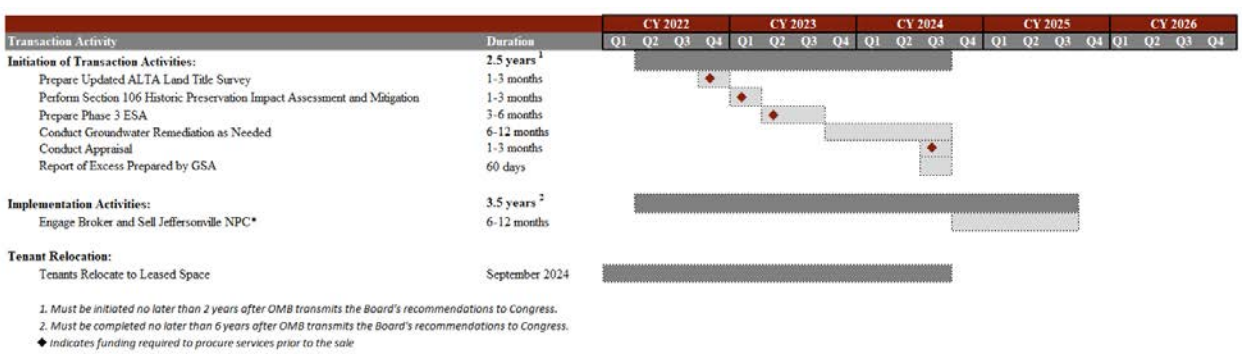
Schedule and Next Steps

The next steps are for the Federal Government to conduct an appraisal, prepare an updated ALTA Land Title Survey, and conduct a Section 106 assessment with the Indiana State Historic Preservation Officer ("SHPO") to confirm NRHP ineligibility. Although GSA received an official concurrence from the SHPO on the Property's ineligibility, rescreening may be necessary. A Phase 2 Environmental Site Assessment ("ESA") previously conducted indicated the need for a Phase 3 ESA to further sample potential contamination related to the water distribution system and adjacent former dry-cleaning uses. Potential groundwater remediation may increase the disposition costs paid by the Asset Proceeds and Space Management Fund and push back the timeframe for implementation if remediation is needed and adjacent parties found not responsible for remediation. However, these costs cannot be estimated until the extent of groundwater contamination is delineated and the best alternative is selected.

Simultaneous with disposal activities, a new leased space for the Census Bureau will be identified and acquired. According to GSA a one-to-three-year construction period for the build-to-suit lease would likely commence prior to relocation and the occupying agency's relocation is scheduled to occur in August 2024, however may be delayed if there are challenges in acquiring construction materials such as steel. Due to the importance of Census jobs to the City of Jeffersonville's economy as a major employer, the new leased location should remain within city limits. Costs related to this relocation will not be funded by the Asset Proceeds and Space Management Fund since the decision to relocate was made prior to the Board's review. GSA's Portfolio Management and Customer Engagement has also verified with each impacted region that agencies have been given or will be given adequate time to budget for their relocations and are not expecting assistance from the Asset Proceeds and Space Management Fund.

Once these actions are completed the Property can be sold, with the relevant environmental conditions as necessary and appropriate. The sale of the Property is projected to be accomplished within three and a half years of recommendation. Initiation of the transaction activities in Exhibit 2 may be shifted up to one quarter, consistent with the OMB approval process.

Exhibit 2. Transaction Timeline



Stakeholder Engagement

The Board conducted outreach to stakeholders. The landholding agency, GSA, recommended this Property for FASTA consideration. GSA reviewed the recommendations and provided its support on December 6, 2021. The City of Jeffersonville expressed interest in acquiring one parcel, Parcel 2, for expansion of an adjacent water treatment facility underground with a City park and recreation facility above ground. The City provided a letter to the Board with further detail on their plans for the parcel.

PBRB met with the City of Jeffersonville on August 16, 2021. Additional outreach was made to Representative Trey Hollingsworth (IN-9), Senator Mike Braun, and Senator Todd Young. Representative Hollingsworth provided a letter to the Board on November 10, 2021 in support of the City's interest in acquiring the adjacent parcel. The Tribal Directory Assessment Tool was consulted and no Tribal Nation interests were identified.[1]

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the Jeffersonville National Processing Center is **65.6%**, which equates to a **"high"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 3. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	1	Moderate Net Financial Impact	Expected to return moderate proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	2	High Cost Reduction	Long-term costs savings to taxpayers through disposition.
	Disposition Value	1	Moderate Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Facility is currently underutilized with 571 USF per person.
	Mission Alignment	2	Current Property Does Not Align	Location and facility do not support operational needs due to changing Census technology and mission.
	Consolidation Opportunity	2	Several Nearby Federal Agencies	Relocation would consolidate from multiple buildings across campus to single building. Other Census operations in nearby River Ridge.

[1] "Tribal Directory Assessment Tool", accessed September 1, 2021, https://egis.hud.gov/tdat/.

	Lease Reduction	0	Increases Leased Space	Occupants plan to relocate to new lease-construct space as this best meets the specialized needs of the agency.
	Energy Reduction	2	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current facility is aging and newly constructed leased space will improve energy performance.
Implementation	**Marketability**	1	Multiple Investor Offers Expected	Secondary market but large amount of contiguous land and highway/rail access may drive investment. City expressed interest in acquiring a portion of the Property.
	Agency Concurrence	2	Reporting & Using Agency Support	Landholding agency GSA and occupant DOC support FASTA consideration.
	Schedule	1	Moderate Schedule Certainty	Time needed to secure, and construct leased space and unknowns regarding potential groundwater remediation. However, the 6-year time frame is likely sufficient.
	Site Risks	1	Some Site Risks	Risks associated with site demolition, including groundwater contamination and control of asbestos during demolition, which may delay disposal or reduce Net Financial Impact.
	Data Availability	1	Some Major Studies Remaining	Phase 3 ESA required to assess potential groundwater contamination from adjacent dry-cleaning uses.
Community*	**Stakeholder Risks**	1	Some Significant Stakeholder Concerns	City has expressed interest in a portion of the site for expansion of Wastewater Treatment facility.
	Local Benefits	2	Some Positive Benefits	Disposition would return Property to local tax rolls and support City's desired expansion of municipal facilities.
	Local Negative Impacts	2	No or Limited Negative Impact	Federal employees would be relocated elsewhere in the City.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	Public services are not featured at this Property.
	Tribal Nations	0	Tribal Nations Not Contacted	No specific Tribal Interests were identified.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	1.31
% of Maximum Grade	65.6%

Mount Vernon Federal Building

105 South 6th Street, Mount Vernon, Illinois

Property Overview

The Federal Building in Mount Vernon ("Building" or "Property") is located at 105 South 6th Street in Mount Vernon, Illinois, which is on the east side of the Mount Vernon central business district. The General Services Administration ("GSA") acquired the Property in January 1995. The Social Security Administration occupies most of the building; other tenants include the Internal Revenue Service, U.S. Geological Survey, Food and Drug Administration, and GSA.

The two-story Building is 19,559 gross square feet ("GSF") and 18,268 rentable square feet ("RSF"), with 19% vacancy. It was built in 1973 and sits on a 1.7-acre site with 38 surface parking spaces and a picnic area. The structure has not been designated historic. The Building will need to go through standard mitigation procedures for asbestos in the structure and roof materials as part of any major renovations.

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	Social Security Administration, Internal Revenue Service, U.S. Geological Survey, Food and Drug Administration, GSA
Total Building Size	19,559 GSF 18,268 RSF
Year Built	1973
Site Size	1.7 acres
Surrounding Land Use	Commercial uses
Current Zoning	C-4: Downtown Commercial
Congressional Rep.	Mike Bost (IL-12)
Cost Avoidance	$300,000
FASTA Grade	40.0% (Low)

The Building is being considered for disposition by GSA because the Building is underutilized and in need of capital investment. The current federal tenants will move to leased space by January 2024.

The Property is zoned C-4: Downtown Commercial and surrounding property uses include retail and office, with residential neighborhoods nearby.

Recommendation

The Board recommends the sale of the Property under FASTA authority. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: Sale at fair market value will generate funds to facilitate future disposals and consolidations and will avoid significant future capital investments and future operations and maintenance costs. It will also place this soon-to-be unutilized federal property on local tax rolls to generate tax revenue, sooner than in the typical disposal process.

This recommendation accomplishes at least six FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government’s sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below.

Cost Avoidance

Sale of this Property results in long-term costs savings to taxpayers of approximately **$300,000**.

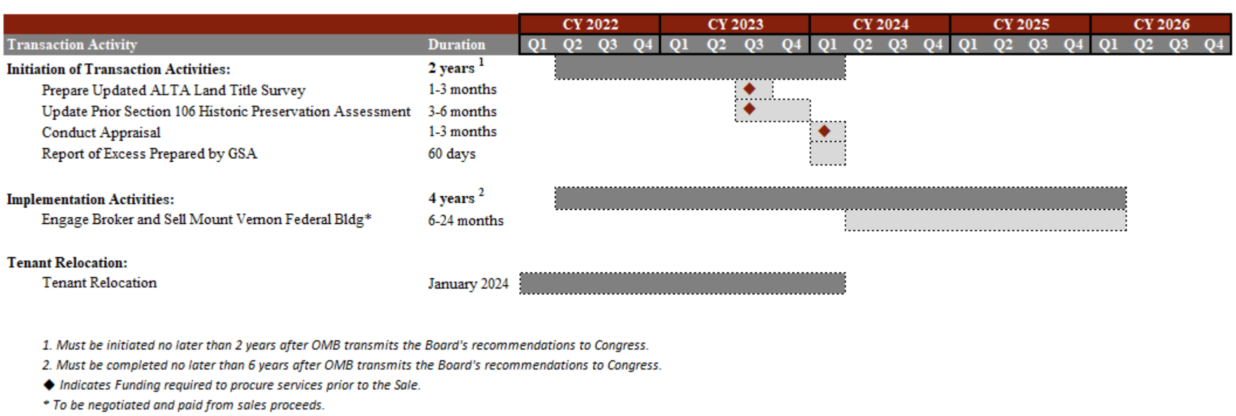
Cost avoidance estimates the long-term savings to taxpayers over a 30-year period. It is calculated by comparing the Net Present Value of all occupancy and ownership costs in the Board’s recommended scenario—disposing of the Property and moving to leased space—to the status quo scenario of retaining the Building with its current occupancy.

Schedule and Next Steps

The next steps are for the Federal Government to update the Historic Preservation Assessment, conduct an appraisal, and update the ALTA Land Title Survey. Once this is completed the Property can be sold, with the relevant historic designations as appropriate. The sale of the Property is projected to be accomplished within four and one-quarter years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

According to GSA the occupying agencies’ relocation will be completed in January 2024. Costs related to this relocation will not be funded by the Assets Proceeds and Space Management Fund since the decision to relocate was made prior to the Board’s review. GSA's Portfolio Management and Customer Engagement has also verified with each impacted region that agencies have been given or will be given adequate time to budget for their relocations and are not expecting assistance from the Asset Proceeds and Space Management Fund.

Exhibit 1. Transaction Timeline



Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding Agency, GSA, recommended this Property for FASTA consideration. GSA reviewed the recommendations and provided its support on December 6, 2021. Other stakeholder engagements have included a call with the City of Mount Vernon on August 16, 2021. PBRB had a call with the staff of Representative Mike Bost (IL-12) on September 9,

2021. PBRB also notified the offices of Senator Tammy Duckworth and Senator Dick Durbin. The Tribal Directory Assessment Tool was consulted and no Tribal Nation interests were identified.[1]

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the Mount Vernon Federal Building is **40.0%**, which equates to a **"low"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	0	Low Net Financial Impact	Expected to return low proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	0	Low Cost Reduction	Long-term costs savings to taxpayers through disposition.
	Disposition Value	0	Low Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Facility is currently underutilized with approximately 773 USF per person.
	Mission Alignment	1	Current Property Partially Aligns	Location is appropriate for SSA and other occupants' missions, but facilities do not support operational needs.
	Consolidation Opportunity	0	Few Nearby Federal Agencies	There are no nearby federal agencies to support consolidation into or out of the Property.
	Lease Reduction	0	Increases Leased Space	Occupants were already planned to relocate to leased space as this best meets agency needs.
	Energy Reduction	1	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current facility is aging, and new leased space may marginally improve energy performance.
Implementation	**Marketability**	0	Limited or No Investor Interest	Mount Vernon is outside typical investment markets with limited recent investment or development in the vicinity.

[1] "Tribal Directory Assessment Tool", accessed September 1, 2021, https://egis.hud.gov/tdat/.

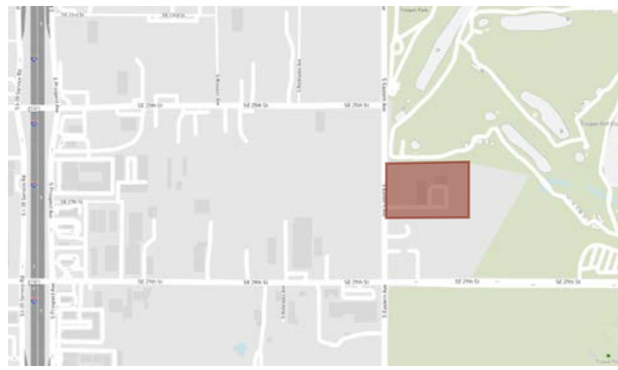
	Agency Concurrence	2	Reporting & Using Agency Support	Landholding agency GSA and occupant SSA both support FASTA consideration.
	Schedule	2	High Schedule Certainty	Sale may take longer than in other markets due to low demand, however, should be completed within the 6-year FASTA timeframe.
	Site Risks	2	No Known Site Risks	Only minor environmental concerns and Property is not expected to be considered historic.
	Data Availability	2	No Major Studies Remaining	Asset Business Plan and Asbestos Report completed. No Environmental Assessment required.
Community*	**Stakeholder Risks**	2	No Known Stakeholder Concerns	No significant stakeholder concerns raised.
	Local Benefits	1	Some Positive Benefits	Disposition would return Property to local tax rolls.
	Local Negative Impacts	2	No or Limited Negative Impact	Federal employees would be relocated elsewhere in the City.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	SSA services would be relocated elsewhere in the City and remain accessible.
	Tribal Nations	0	Tribal Nations Not Consulted	No specific Tribal Interests were identified.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	0.80
% of Maximum Grade	40.0%

Oklahoma City Property Management Depot

2800 S. Eastern Avenue, Oklahoma City, Oklahoma



Property Overview

The Oklahoma City Property Management Depot ("Property") is located at 2800 S. Eastern Avenue in Oklahoma City, Oklahoma. The Property is 4.5 miles southeast of downtown Oklahoma City. The General Services Administration ("GSA") owns the Property, and it is occupied by the Department of the Interior U.S. Geological Survey, the Department of Agriculture, and the Department of the Army.

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	Department of the Interior (U.S. Geological Survey), Department of Agriculture, and Department of Army
Total Building Size	Four buildings totaling: 21,912 GSF 21,263 RSF
Year Built	1942, 1980, 1998
Site Size	7.55 acres
Surrounding Land Use	Public uses
Current Zoning	PUD: Planned Unit Development
Congressional Rep.	Stephanie Bice (OK-5)
Cost Avoidance	Negligible
FASTA Grade	43.3% (Low)

The Property consists of four one-story buildings: three warehouses and one office building, totaling 21,912 GSF on 7.55 acres. Neither of the original warehouse buildings, constructed in 1942, holds historical significance, nor does the warehouse building constructed in 1980 or the brick office building constructed in 1998. GSA has a Memorandum of Understanding with the Oklahoma City Bombing Memorial to store brick and granite slabs from the former Alfred P. Murrah Federal Building that was destroyed in the 1995 Oklahoma City Bombing. A new site at an Oklahoma City federal building has been identified to store the slabs.

GSA is in the process of completing a retention and disposal study for the Property, with a recommendation to dispose of the Property expected in 2022. Many of the major studies have been completed, and the environmental discussions and disposal schedule are in process.[1] Phase I and Phase II Environmental Site Assessment ("ESA") studies have been performed and found that an underground storage tank removed in 2020 had the potential from fuel leakage to have soil and groundwater contamination. There is no current subsurface soil or groundwater contamination; however, the Phase II ESA recommended that sludge in the main building drains containing minerals, hydrocarbons, and metals, be cleaned out so the materials do not leach.

The Property neighbors are the Oklahoma City Fire Department and a public golf course. These properties, along with the Property, are zoned PUD: Planned Unit Development, while other nearby properties are zoned PUD or I-2: Moderate Industrial. The City, during stakeholder discussions, indicated the sensitive

[1] OK0000OC Asset Business Plan, December 23, 2020, 5.

area between the fire station and golf course would not be suitable for industrial development and would instead be rezoned to a low-impact use, such as office.

Recommendation

The Board recommends a less than fair market value sale of the Property to Oklahoma City at the cost of disposition.

Why FASTA: The City of Oklahoma City has expressed strong interest in acquiring the Property for parks and recreational purposes given its adjacency to other City-owned properties. A sale of this Property would enhance the City's local parks and recreation opportunities and provide significant benefit to the community. The Board recommends that title be transferred to the City, and that the City pay only the Government's disposition costs. If the parties cannot agree on terms, the Board recommends the Property go to public sale. Disposing of this Property avoids future operations and maintenance costs to taxpayers, sooner than in the typical disposal process. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

This recommendation accomplishes at least six FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government's sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below. Additionally, the Board has the authority to recommend the transfer of Property to a state or local government that is not subject to certain conditions, provisions, and restrictions of other laws or regulations identified in FASTA Section 14(e).

GSA Implementation: FASTA authorizes GSA's Administrator to implement PBRB recommendations. Specifically, GSA has the authority to implement the PBRB recommendation approved by OMB, utilizing GSA's conveyance authorities, in GSA's discretion, consistent with Section 14(d) which will permit a conveyance "for less than fair market value, for no consideration at all, or in a transaction that mandates the exclusion of other market participants."

Cost Avoidance

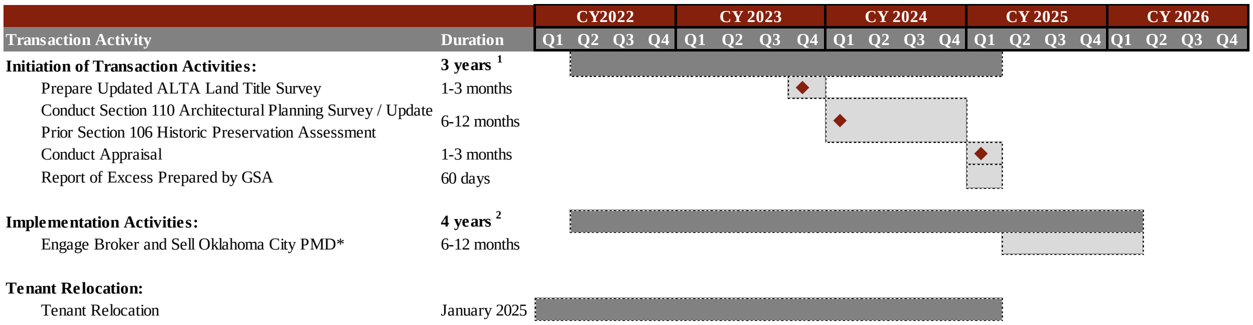
Sale of the Property is estimated to produce **negligible** cost savings for the taxpayers.

Schedule and Next Steps

The next steps are for the Federal Government to perform a Section 110 Architectural Planning Survey, update the prior Section 106 Historic Preservation Assessment with environmental considerations, conduct an appraisal, and update the ALTA Land Title Survey. Once this is completed, the Property can be sold or transferred, with the relevant historic designations as appropriate. The sale or transfer of the Property is projected to be accomplished within four years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

According to GSA the occupying agencies' relocation is planned to occur in January 2025. Costs related to this relocation will not be funded by the Assets Proceeds and Space Management Fund since the decision to relocate was made prior to the Board's review. GSA's Portfolio Management and Customer Engagement has also verified with each impacted region that agencies have been given or will be given adequate time to budget for their relocations and are not expecting assistance from the Asset Proceeds and Space Management Fund.

Exhibit 1. Transaction Timeline



1. Must be initiated no later than 2 years after OMB transmits the Board's recommendations to Congress.

2. Must be completed no later than 6 years after OMB transmits the Board's recommendations to Congress.

◆ Indicates Funding required to procure services prior to the Sale.

** To be negotiated and paid from sales proceeds.*

Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding Agency, GSA, recommended this Property for FASTA consideration. GSA reviewed the recommendations and provided its support on December 6, 2021. Other stakeholder engagements included a call with the City of Oklahoma City on October 7, 2021. The City expressed interest in acquiring the Property for Parks and Recreation services under a PBC. On October 20, 2021, the City provided a written request for transfer to the City through a PBC, given its ownership of the adjacent properties. Additionally, the office of Representative Stephanie Bice (OK-5) provided her support of the City's request. PBRB also notified the offices of Senator James Inhofe and Senator James Lankford. The Tribal Directory Assessment Tool was consulted and no Tribal Nation interests were identified.[2]

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the Oklahoma City Property Management Depot is **43.3%** which equates to a **"low"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	0	Low Net Financial Impact	Expected to return low proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	0	Low Cost Reduction	Cost avoidance to the taxpayer is negligible.

[2] "Tribal Directory Assessment Tool", accessed September 1, 2021, https://egis.hud.gov/tdat/.

	Disposition Value	0	Low Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Facility is currently underutilized with approximately 10,441 USF per person.
	Mission Alignment	2	Current Property Does Not Align	Location and facility do not support operational needs.
	Consolidation Opportunity	0	Few Nearby Federal Agencies	There are no nearby federal agencies to support consolidation into or out of the Property.
	Lease Reduction	0	Increases Leased Space	The agencies plan to relocate either to other federally-owned space, to leased space, or end their warehouse needs, depending which best meets the needs of the agencies.
	Energy Reduction	1	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current facility is aging and has significant vacancy. New space that is rightsized for the agencies may marginally improve energy performance.
Implementation	**Marketability**	1	Multiple Investor Offers Expected	The Property is near an urban market in Oklahoma City and should attract investor interest.
	Agency Concurrence	2	Reporting & Using Agency Support	Landholding agency GSA and occupants support FASTA consideration.
	Schedule	2	High Schedule Certainty	No significant risks to disposition within 6-year timeframe specified by FASTA.
	Site Risks	2	No Significant Known Site Risks	Some historic preservation and environmental remediation issues to address prior to disposition, however these are not expected to impact value.
	Data Availability	2	No Major Studies Remaining	Asset Business Plan, Site Plans, Title Reports, and Phase I and Phase II Environmental Studies completed.
Community*	**Stakeholder Risks**	2	No Significant Known Stakeholder Concerns	Significant interest from the City of Oklahoma City in acquiring Property for Parks and Recreation.
	Local Benefits	1	Some Positive Benefits	Transfer to the City would not return the Property to local tax rolls but supports City priorities for Parks and Recreation.
	Local Negative Impacts	2	No or Limited Negative Impact	Federal employees would be relocated elsewhere in the City.

	Access to Agency Services	1	Unchanged Public Access or No Current Use	No current public use.
	Tribal Nations	0	Tribal Nations Not Consulted	No specific Tribal Interests were identified.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	0.87
% of Maximum Grade	43.3%

Racine Social Security Building

4020 Durand Avenue, Racine, Wisconsin

Property Overview

The Racine Social Security Building ("Building" or "Property") is located at 4020 Durand Avenue in Racine, Wisconsin. It is approximately four miles southwest of the Racine central business district, on a major commercial road. The General Services Administration ("GSA") owns the Property which is fully occupied by the Social Security Administration ("SSA"). The Building is 8,082 gross square feet ("GSF") and 7,715 rentable square feet ("RSF"). It was built in 1972 exclusively for SSA, and a 1,400 square-foot addition was added in 1975. Due to the Building's age, it may be eligible for listing in the National Register of Historic Places.

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	Social Security Administration
Total Building Size	8,082 GSF 7,715 RSF
Year Built	1972 & 1975
Site Size	0.6 acres
Surrounding Land Use	Commercial and residential uses
Current Zoning	B2: Community Shopping District
Congressional Rep.	Bryan Steil (WI-1)
Cost Avoidance	$800,000
FASTA Grade	45.0% (Low)

SSA requires additional space and is scheduled to move into leased space in FY 2023. Once vacant, GSA intends to dispose of the Building due to its need for capital investment and lack of federal tenants to backfill the space. Asbestos was identified in the Building, and the abatement performed in 2018. The Building was tested for radon in 2015 and did not exceed allowable levels.

The Property is primarily surrounded by retail and residential uses and is zoned B2: Community Shopping District. Retail is a permitted use and, in discussions with the City described later in this report, it indicated either retail or continued office use would be allowable. The surrounding area has fared better during the COVID pandemic than the historic downtown area and vacancy has remained low. While most of the transactions over the last three years have been retail properties, office is achieving higher rents and the Building would require less capital investment to maintain office use rather than redevelopment for retail use.

Recommendation

The Board recommends the sale of the Property under FASTA authority. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: Sale at fair market value will generate funds to facilitate future disposals and consolidations and will avoid significant future capital investments and future operations and maintenance costs. It will also place this soon-to-be unutilized federal property on local tax rolls to generate tax revenue, sooner than in the typical disposal process.

This recommendation accomplishes at least six FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government's sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below.

Cost Avoidance

Sale of this property results in long-term costs savings to taxpayers of approximately **$800,000**.

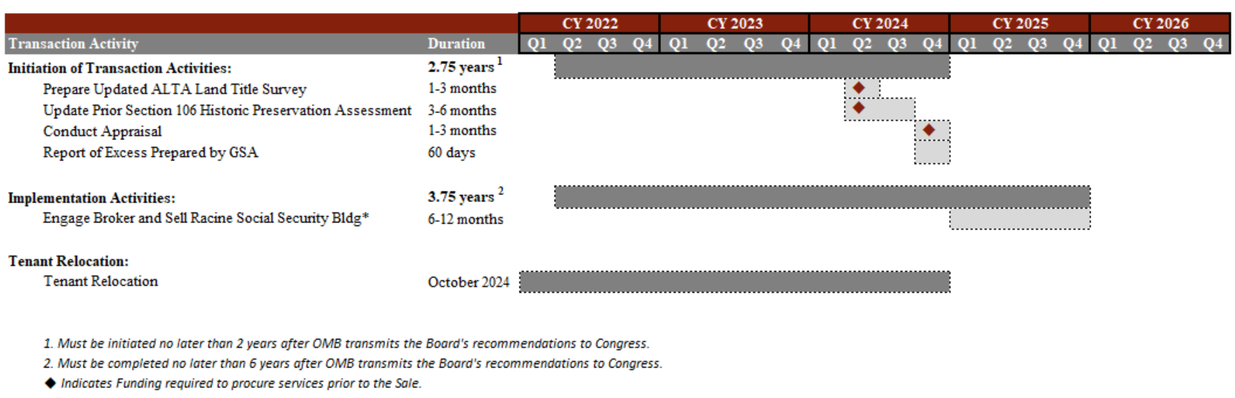
Cost avoidance estimates the long-term savings to taxpayers over a 30-year period. It is calculated by comparing the Net Present Value of all occupancy and ownership costs in the Board's recommended scenario—disposing of the Property and moving to leased space—to the status quo scenario of retaining the Building with its current occupancy.

Schedule and Next Steps

The next steps are for the Federal Government to update the Historic Preservation Assessment, conduct an appraisal, and update the ALTA Land Title Survey. Once this is completed the Property can be sold, with the relevant historic designations as appropriate. The sale of the Property is projected to be accomplished within three and three-quarter years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

According to GSA, SSA's relocation will be completed in October 2024. Costs related to this relocation will not be funded by the Assets Proceeds and Space Management Fund since the decision to relocate was made prior to the Board's review. GSA's Portfolio Management and Customer Engagement has also verified with each impacted region that agencies have been given or will be given adequate time to budget for their relocations and are not expecting assistance from the Asset Proceeds and Space Management Fund.

Exhibit 1. Transaction Timeline



Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding Agency, GSA, recommended this Property for FASTA consideration. GSA reviewed the recommendations and provided its support on December 6, 2021. Other stakeholder engagements included a call with the City of Racine on August 26,

2021. PBRB also notified the offices of Representative Bryan Steil (WI-1), Senator Tammy Baldwin, and Senator Ron Johnson. The Tribal Directory Assessment Tool was consulted and no Tribal Nation interests were identified.[1]

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the Racine Social Security Building is **45.0%**, which equates to a **"low"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	0	Low Net Financial Impact	Expected to return low proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	0	Low Cost Reduction	Long-term costs savings to taxpayers through disposition.
	Disposition Value	0	Low Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Facility is currently underutilized with approximately 321 USF per person.
	Mission Alignment	1	Current Property Partially Aligns	Location is appropriate for SSA and other occupants' missions, but facilities do not support operational needs.
	Consolidation Opportunity	0	Few Nearby Federal Agencies	There are no nearby federal agencies to support consolidation into or out of the Property.
	Lease Reduction	0	Increases Leased Space	Occupants plan to relocate to leased space as this best meet the needs of the agency.
	Energy Reduction	1	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current facility is aging, and new leased space may marginally improve energy performance.

[1] "Tribal Directory Assessment Tool", accessed September 1, 2021, https://egis.hud.gov/tdat/.

Implementation	**Marketability**	1	Multiple Investor Offers Expected	Racine is outside typical investment markets; however, location may attract interest.
	Agency Concurrence	2	Reporting & Using Agency Support	Landholding agency GSA and occupant SSA both support FASTA consideration.
	Schedule	2	High Schedule Certainty	Sale may take longer than in other markets due to low demand, however, should be within the 6-year FASTA timeframe.
	Site Risks	2	No Known Site Risks	Only minor environmental concerns and Property is not expected to be considered historic.
	Data Availability	2	No Major Studies Remaining	Asset Business Plan and Environmental Reports completed. No Environmental Assessment required.
Community*	**Stakeholder Risks**	2	No Known Stakeholder Concerns	No concerns have been raised in discussion with stakeholders.
	Local Benefits	2	High Positive Benefits	Disposition would return Property to local tax rolls and may be redeveloped to support Durand Avenue retail corridor.
	Local Negative Impacts	2	No or Limited Negative Impact	Federal employees would be relocated elsewhere in the City.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	SSA services would be relocated elsewhere in the City and remain accessible.
	Tribal Nations	0	Tribal Nations Not Consulted	No specific Tribal Interests were identified.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	**0.90**
% of Maximum Grade	45.0%

Richard B. Anderson Federal Building

138 West 1st Street, Port Angeles, Washington

Property Overview

The Richard B. Anderson Federal Building ("Building" or "Property") is located at 138 West 1st Street in Port Angeles, Washington. The General Services Administration ("GSA") owns the Property. It is currently occupied by the Social Security Administration ("SSA") on the first floor and the Department of Homeland Security on the second floor, including the U.S. Immigration and Customs Enforcement and Customs and Border Protection Field Operations Facilities bureaus.

The Building is 22,569 gross square feet ("GSF") and 19,193 rentable square feet ("RSF"), of which 5,113 RSF or 27% is vacant. Each tenant agency occupies approximately 7,000 RSF of space. The GSA intends to relocate the tenants to leased space by January 2025 in preparation for the Property's disposition and is working with the agencies to obtain their requirements.

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	Social Security Administration, Department of Homeland Security
Total Building Size	22,569 GSF 19,193 RSF
Year Built	1933
Site Size	0.5 acres
Surrounding Land Use	Commercial uses
Current Zoning	CBD: Central Business District
Congressional Rep.	Derek Kilmer (WA-6)
Cost Avoidance	$6,000,000
FASTA Grade	50.6% (Medium)

The Building was built in 1933 and is a well-known local landmark. It entered the National Register for Historic Places on September 1, 1983. Originally used as a Post Office, the Building has been occupied by various Federal agencies over the years. Its interior configurations have some flexibility for future reuse due to prior changes to the historic structure and interior that do not require restoration, such as details previously removed from original postal service areas. The Building has received capital improvements including recent major fire system replacement and security upgrades; these projects have not required excessive additional accommodations to comply with historic protections.

The Property is in downtown Port Angeles on the northern edge of the Olympic Peninsula. The Property is three blocks from the Port Angeles City Pier, which has a ferry connection to Victoria, British Columbia. The downtown area has other historic buildings and is primarily single-story retail with some office properties.

The Property is zoned CBD: Central Business District, which allows for office, retail, hospitality, multifamily residential, and other commercial and service uses.[1] The intent of the zone is to strengthen and preserve the downtown area, including pedestrian access and amenities.[2] The downtown area is a small market, but has had market transaction activity over the past few years. Tourist activity slowed during COVID, but the Property's proximity to Olympic National Park, the Victoria, British Columbia ferry, and other coastal peninsula towns position it well for increased tourism following the pandemic.

Recommendation

The Board recommends the sale of the Property under FASTA authority. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: Sale at fair market value will generate funds to facilitate future disposals and consolidations and will avoid significant future capital investments and future operations and maintenance costs. It will also place this underutilized federal property on local tax rolls to generate tax revenue, sooner than in the typical disposal process.

This recommendation accomplishes at least six FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government's sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below.

Cost Avoidance

Sale of this Property results in long-term costs savings to taxpayers of approximately **$6,000,000**.

Cost avoidance estimates the long-term savings to taxpayers over a 30-year period. It is calculated by comparing the Net Present Value of all occupancy and ownership costs in the Board's recommended scenario—disposing of the Property and moving to leased space—to the status quo scenario of retaining the Building with its current occupancy.

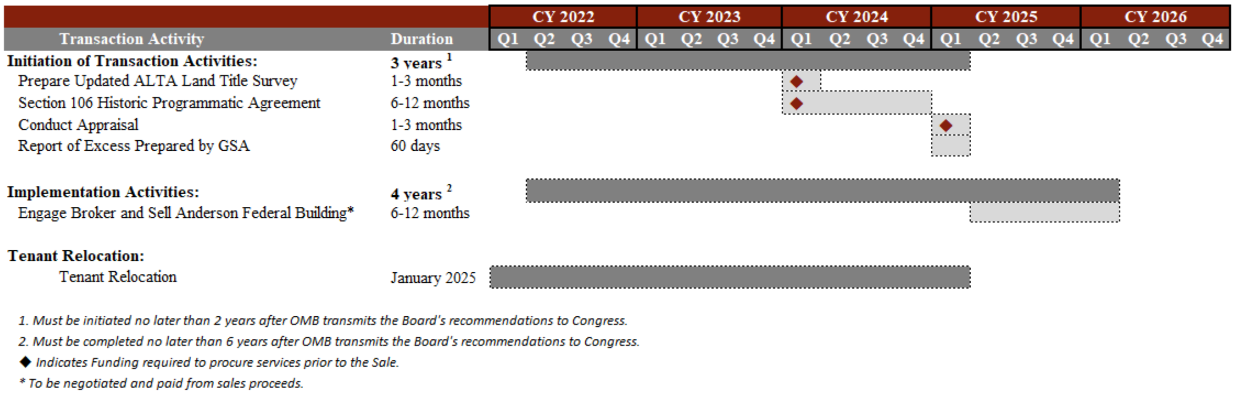
Schedule and Next Steps

The next steps are for the Federal Government to conduct an appraisal, update the ALTA Land Title Survey, and complete a Section 106 Historic Programmatic Agreement in a manner that emphasizes the Government's responsibility to maximize the value of the Property. Due to the Property's historic designation, certain exterior and interior features would need to be preserved. Once these activities are completed, the Property can be sold, with the relevant historic conditions as necessary and appropriate. The sale of the Property is projected to be accomplished within four years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

According to GSA the occupying agencies' relocation will occur in January 2025. Costs related to this relocation will not be funded by the Assets Proceeds and Space Management Fund since the decision to relocate was made prior to the Board's review. GSA's Portfolio Management and Customer Engagement has also verified with each impacted region that agencies have been given or will be given adequate time to budget for their relocations and are not expecting assistance from the Asset Proceeds and Space Management Fund.

[1] "Title 17, Zoning", City of Port Angeles City Code, May 29, 2021, 17.24.041.
[2] Ibid, 17.24.010.

Exhibit 1. Transaction Timeline



Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding Agency, GSA, recommended this Property for FASTA consideration. GSA reviewed the recommendations and provided its support on December 6, 2021. Other stakeholder engagements include a meeting with the City of Port Angeles on August 10, 2021. PBRB had a call with the staff of Representative Derek Kilmer (WA-6) on August 23, 2021. PBRB also notified the offices of Senator Maria Cantwell and Senator Patty Murray. The Lower Elwha Klallam Tribe has been contacted via email.

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the Richard B. Anderson Federal Building is **50.6%,** which equates to a "**medium**" grade relative to other candidate properties (Less than 50 = ""Low""; 50 to 60 = ""Medium""; Above 60 = ""High"")."

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	0	Low Net Financial Impact	Expected to return low proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	1	Moderate Cost Reduction	Long-term costs savings to taxpayers through disposition.
	Disposition Value	0	Low Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Facility is currently underutilized with approximately over 1,000 USF per person.

	Mission Alignment	1	Current Property Partially Aligns	Location supports operational needs but facility does not.
	Consolidation Opportunity	0	No Nearby Federal Agencies	There are no nearby federal agencies to support consolidation into or out of the Property.
	Lease Reduction	0	Increases Leased Space	Occupants plan to relocate to leased space as this best meets needs of agency.
	Energy Reduction	1	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current facility is aging and new leased space may marginally improve energy performance.
Implementation	**Marketability**	1	Multiple Investor Offers Expected	Proximity to ferry and Olympic National Park, and historic reuse potential is expected to attract investor interest.
	Agency Concurrence	2	Reporting & Using Agency Support	Landholding agency GSA and occupants SSA and DHS both support FASTA consideration.
	Schedule	2	High Schedule Certainty	No significant risks to completing sale within the 6-year timeframe specified by FASTA.
	Site Risks	2	No Site Risks	Historic considerations are unlikely to significantly impact disposition value.
	Data Availability	2	No Major Studies Remaining	Asset Business Plan and Environmental Reports completed. No Environmental Assessment required.
Community*	**Stakeholder Risks**	2	No Known Stakeholder Concerns	No concerns have been raised in discussion with stakeholders.
	Local Benefits	1	Some Positive Benefits	Disposition would return Property to local tax rolls.
	Local Negative Impacts	2	No or Limited Negative Impact	Federal employees would be relocated elsewhere in the City.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	SSA services would be relocated elsewhere in the City and remain accessible.
	Tribal Nations	1	Tribal Nations Contacted	Initial contact with Tribal Nation.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	1.01
% of Maximum Grade	50.6%

Rosa Parks Federal Building

333 Mount Elliott Street, Detroit, Michigan

Property Overview

The Rosa Parks Federal Building ("Property" or "Building") is located at 333 Mount Elliott Street in Detroit, Michigan. The General Services Administration ("GSA") owns the Property which is fully occupied by the Department of Homeland Security Bureau of Immigration and Customs Enforcement ("ICE").

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	Department of Homeland Security
Total Building Size	Three buildings totaling 59,230 GSF
Year Built	1933, 1962 (Annex)
Site Size	3.1 acres
Surrounding Land Use	Multifamily, Recreation, Retail
Current Zoning	SD4: Riverfront Mixed Use
Congressional Rep.	Brenda Lawrence (MI-14)
Cost Avoidance	$3,500,000
FASTA Grade	63.3% (High)

The Property is a 3.1-acre parcel consisting of a 44,120 gross square foot ("GSF") office building and two outbuildings on a former U.S. Marine Hospital.[1] The Property was formerly known as the United States Immigration Station and was renamed in 2005 for Rosa Parks, a civil rights pioneer who lived in Detroit.[2] The original three-story brick office building was built in 1933 and an attached glass and steel office addition was added in 1962. The original portion of the brick office building as well as a single-story brick boiler house built in 1932 is listed on the National Register of Historic Places ("NRHP"). A single-story brick garage housing 20 indoor parking spaces built in 1934 is not NRHP-eligible.[3]

The Rosa Parks Federal Building is located in the Rivertown neighborhood of Detroit one block north of the Detroit River. The Property is zoned SD4: Riverfront Mixed Use and is located in an Opportunity Zone. Adjacent uses include a shopping center, waterfront condos and apartments, a U.S. Coast Guard facility, and recreational uses associated with the Detroit Lighthouse and Mount Elliot park. The Property is outside of the central business district and office metrics do not support office reuse.

The Property does not meet the tenant agency's square footage needs. In addition to its footprint in the Rosa Parks Federal Building, ICE Enforcement and Removal Operations also occupies leased space in an adjacent building at 333 Mt. Elliott Street and federally-owned space in the Patrick V. McNamara Federal

[1] National Register of Historic Places Registration Form, April 12, 2013, 8.
[2] MI0000DI Asset Business Plan, July 31, 2020, 1-2.
[3] Integra Realty Resources, "Appraisal of Real Property", December 16, 2019, 4-5.

Building at 477 Michigan Avenue. GSA plans to consolidate all three locations into the GSA-owned Federal Building at 985 Michigan Avenue.[4]

Recommendation

The Board recommends the sale of the Property under FASTA authority. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: Sale at fair market value will generate funds to facilitate future disposals and consolidations and will avoid significant future capital investments and future operations and maintenance costs. It will also place this soon-to-be unutilized federal property on local tax rolls to generate tax revenue, sooner than in the typical disposal process.

This recommendation accomplishes at least eight FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "reducing the reliance on leased space," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "reducing redundancy, overlap, and costs associated with field offices," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government's sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below.

As part of the sale process, the Board recommends that GSA obtain comprehensive community input from historic preservation, real estate, local government, and local interest groups to determine the highest and best use for the Property and determine the extent of any necessary historic preservation covenants. This process will help to inform the future highest and best use of the Property and provide for the highest return to the Government during the sale process.

Cost Avoidance

Sale of this Property results in long-term costs savings to taxpayers of approximately $3,500,000.

Cost avoidance estimates the long-term savings to taxpayers over a 30-year period. It is calculated by comparing the Net Present Value of all occupancy and ownership costs in the Board's recommended scenario—disposing of the Property and moving to federally-owned space—to the status quo scenario of retaining the Building with its current occupancy.

Schedule and Next Steps

The next steps are for the Federal Government to conduct an appraisal, prepare an updated ALTA Land Title Survey, as well as complete the Section 106 historic preservation process with the Michigan State Historic Preservation Officer ("SHPO"). A Section 110 survey has already been completed and disposal costs assume that the SHPO will require a Programmatic Agreement for future use to limit the adverse effect of disposal on historic properties. Estimated disposal and renovation costs in this analysis assume the most restrictive historic covenants the SHPO is likely to request for multifamily adaptive reuse. Once this is completed the Property can be sold, with the relevant historic conditions as necessary and appropriate. The sale of the Property is projected to be accomplished within two years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

According to GSA the occupying agency's relocation will occur by July 2022. Costs related to this relocation will not be funded by the Assets Proceeds and Space Management Fund since the decision to relocate was made prior to the Board's review. GSA's Portfolio Management and Customer Engagement has also verified with each impacted region that agencies have been given or will be given adequate time

[4] MI0000DI Asset Business Plan, July 31, 2020, 2.

to budget for their relocations and are not expecting assistance from the Asset Proceeds and Space Management Fund.

Exhibit 1. Transaction Timeline

Transaction Activity	Duration
Initiation of Transaction Activities:	**1 year** [1]
Prepare Updated ALTA Land Title Survey	1-3 months
Perform Section 106 Historic Preservation Impact Assessment and Develop Programmatic Agreemen	6-12 months
Conduct Appraisal	1-3 months
Report of Excess Prepared by GSA	60 days
Implementation Activities:	**2 years** [2]
Engage Broker and Sell Rosa Parks Federal Building*	6-12 months
Tenant Relocation	
Tenant Relocation to 985 Michigan Avenue	July 2022

1. Must be initiated no later than 2 years after OMB transmits the Board's recommendations to Congress.
2. Must be completed no later than 6 years after OMB transmits the Board's recommendations to Congress.
◆ Indicates Funding required to procure services prior to the Sale.
** To be negotiated and paid from sales proceeds.*

Stakeholder Engagement

The Board conducted outreach to stakeholders. The landholding agency, GSA, recommended this Property for FASTA consideration. GSA reviewed the recommendations and provided its support on December 6, 2021. GSA is working with relevant parties to transfer the Rosa Parks name to another federal facility.

PBRB held a meeting with the City of Detroit on September 15, 2021, which included staffers for Senator Debbie Stabenow and Senator Gary Peters. PBRB also notified the office of Representative Brenda Lawrence (MI-14) of the proposed disposal. The Tribal Directory Assessment Tool was consulted and no Tribal Nation interests were identified.[5]

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the Rosa Parks Federal Building is **63.3%**, which equates to a **"high"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	1	Moderate Net Financial Impact	Expected to return moderate proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	1	Moderate Cost Reduction	Long-term costs savings to taxpayers through disposition.
	Disposition Value	1	Moderate Disposition Proceeds	Estimated Fair Market Value before disposition costs.

[5] "Tribal Directory Assessment Tool", accessed September 1, 2021, https://egis.hud.gov/tdat/.

Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Facility is fully utilized but includes over 331 USF per person.
	Mission Alignment	2	Current Property Does Not Align	Location and facility do not support operational needs as bureau is spread across multiple locations.
	Consolidation Opportunity	2	No Nearby Federal Agencies	ICE would consolidate from the three locations (Rosa Parks FB, adjacent lease, and PV McNamara FB) into one federally-owned location 985 Michigan Avenue.
	Lease Reduction	2	Decreases Leased Space	Larger ICE relocation plan includes moving one leased location into federally-owned space.
	Energy Reduction	1	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current facility is aging, and new leased space may marginally improve energy performance.
Implementation	**Marketability**	2	Significant Investor Bidding Expected	Proximity to waterfront and excess footprint around unique historic Property may drive investor interest.
	Agency Concurrence	2	Reporting & Using Agency Support	Landholding agency GSA and occupant DHS both support FASTA consideration.
	Schedule	2	High Schedule Certainty	No significant risks to completing sale within the 6-year timeframe specified by FASTA.
	Site Risks	1	Some Site Risks	Historic status requires further coordination but is unlikely to significantly impact disposition value.
	Data Availability	2	No Major Studies Remaining	Asset Business Plan, Section 110, and Environmental Reports completed. No Environmental Assessment required.
Community*	**Stakeholder Risks**	1	Some Stakeholder Concerns	Stakeholders may be interested in ensuring building name is transferred to another federal facility.
	Local Benefits	1	Some Positive Benefits	Disposition would return Property to local tax rolls.
	Local Negative Impacts	2	No or Limited Negative Impact	Federal employees would be relocated elsewhere in the City.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	No current public use.

	Tribal Nations	0	Tribal Nations Not Contacted	No tribal interests were identified.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	1.27
% of Maximum Grade	63.3%

San Antonio Federal Building West

727 East César E. Chávez Boulevard, San Antonio, Texas

Property Overview

The San Antonio Federal Building West ("Building" or "Property") is located at 727 East César E. Chávez Boulevard in San Antonio, Texas. The General Services Administration ("GSA") owns the Property which is composed of the San Antonio Federal Building West, the Durango Parking Lot, and the Indianola Parking Lot. These three subject parcels total 5.7 acres and are part of the larger San Antonio Federal Complex that also includes the John H. Wood Courthouse and the Adrian Spears Judicial Training Center, which are not included in this recommendation. The Building is 180,230 gross square feet ("GSF") with 163,060 rentable square feet ("RSF") and the two surface lots include approximately 600 parking spaces.

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	Multiple Agencies
Total Building Size	180,230 GSF 163,060 RSF
Year Built	1975
Site Size	5.7 acres
Surrounding Land Use	Commercial uses
Current Zoning	D: Downtown District
Congressional Rep.	Lloyd Doggett (TX-35)
Cost Avoidance	$19,600,000
FASTA Grade	72.8% (High)

The Property is located in Hemisfair Park near San Antonio's Central Business District, adjacent to the Convention Center and Tower of the Americas, and across the freeway from the Alamodome. The adjacent John H. Wood Courthouse and the Adrian Spears Judicial Training Center are designated in the National Register for Historic Places. The San Antonio Federal Building West (constructed in 1975) is eligible for evaluation for the historic register in 2025, however the Board recommends not seeking historic designation. The underlying parcel is nonetheless subject to City Council approval for design, new construction, demolition, or alterations given its location in the Hemisfair Historic District.

In 2011, the GSA and the City of San Antonio agreed to exchange the John H. Wood Courthouse and the Adrian Spears Judicial Training Center for the former City Police Headquarters site to build a new Federal Courthouse. Court-related tenants in the Building will move when the new Courthouse is complete in approximately April 2022, resulting in approximately 85,000 GSF of vacant space. The remaining employees from other agencies will be relocated elsewhere by January 2025.

The parcel with the Building is zoned D: Downtown District, and is within the Hemisfair Historic District. The Downtown District allows for a wide range of retail, office, mixed use, hospitality, and service uses, with no height or density restrictions. The current parking lot parcels are zoned O-2: High Rise Office District, which permits office, parks, or schools, and accessory uses, such as parking structures.

Office development in this area of downtown has been largely inactive with more activity focused northwest of downtown. Projects such as the former Pearl Brewery to the north and the recently purchased Lone Star development to the south are attractive mixed-use projects. Given the Property's proximity to civic and tourist destinations, the Property's location is currently most suitable for hospitality, with other infill uses possible in the future.

Recommendation

The Board recommends the sale of the Property under FASTA authority. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: Sale at fair market value will generate funds to facilitate future disposals and consolidations and will avoid significant future capital investments and future operations and maintenance costs. It will also place this soon-to-be unutilized federal property on local tax rolls to generate tax revenue, sooner than in the typical disposal process.

This recommendation accomplishes at least seven FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "reducing redundancy, overlap, and costs associated with field offices," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government's sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below.

Cost Avoidance

Sale of this Property results in long-term costs savings to taxpayers of approximately $19,600,000.

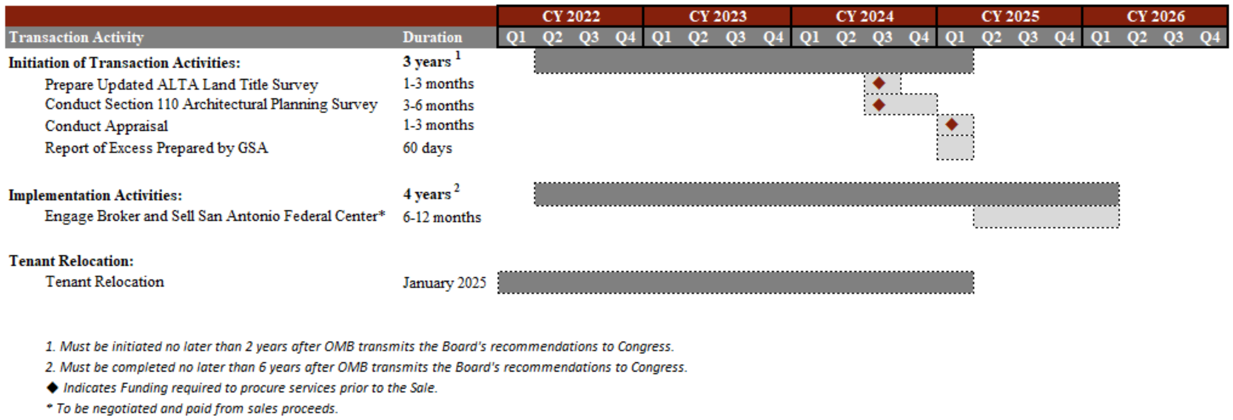
Cost avoidance estimates the long-term savings to taxpayers over a 30-year period. It is calculated by comparing the Net Present Value of all occupancy and ownership costs in the Board's recommended scenario—disposing of the Property and moving to the new Courthouse—to the status quo scenario of retaining the Building and parking parcels with its current occupancy.

Schedule and Next Steps

The next steps are for the Federal Government to perform a Section 110 Architectural Planning Survey, conduct an appraisal, and update the ALTA Land Title Survey. There is stone artwork on the front exterior of the Building. The Fine Arts committee will need to be notified and potentially included in the sale covenant. If it is necessary to relocate the art, there may be additional costs. Once these activities are completed the Property can be sold, with the relevant conditions as necessary and appropriate. The sale of the Property is projected to be accomplished within four years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

According to GSA, the occupying agencies' relocation is expected to be completed in January 2025. Costs related to this relocation will not be funded by the Assets Proceeds and Space Management Fund since the decision to relocate was made prior to the Board's review. GSA's Portfolio Management and Customer Engagement has also verified with each impacted region that agencies have been given or will be given adequate time to budget for their relocations and are not expecting assistance from the Asset Proceeds and Space Management Fund.

Exhibit 1. Transaction Timeline



Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding Agency, GSA, recommended this Property for FASTA consideration. GSA reviewed the recommendations and provided its support on December 6, 2021. Stakeholder engagements have included a meeting with the City of San Antonio on August 31, 2021. PBRB contacted the office of Senator John Cornyn. PBRB also notified the offices of Representative Lloyd Doggett (TX-35) and Senator Ted Cruz. The Tribal Directory Assessment Tool was consulted and no Tribal Nation interests were identified.[1]

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the San Antonio Federal Building West is **72.8%,** which equates to a **"high"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	2	High Net Financial Impact	Expected to return high proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	1	Moderate Cost Reduction	Long-term costs savings to taxpayers through disposition.
	Disposition Value	2	High Disposition Proceeds	Estimated Fair Market Value before disposition costs.

[1] "Tribal Directory Assessment Tool", accessed September 1, 2021, https://egis.hud.gov/tdat/.

Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Facility is currently underutilized with over 2000 USF per person.
	Mission Alignment	2	Current Property Does Not Align	Location and facility do not support operational needs.
	Consolidation Opportunity	2	Many Nearby Federal Agencies	There are many nearby federal agencies to support consolidation into or out of the Property.
	Lease Reduction	0	Increases Leased Space	Occupants plan to relocate to leased space as this best meets needs of agency.
	Energy Reduction	1	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current facility is aging and new leased space may marginally improve energy performance.
Implementation	**Marketability**	2	Significant Investor Bidding Expected	Prime location in major investment market.
	Agency Concurrence	2	Reporting & Using Agency Support	Landholding agency GSA and occupants support FASTA consideration.
	Schedule	1	Some Schedule Certainty	Courthouse construction timeline is not expected to exceed the 6-year timeframe specified by FASTA
	Site Risks	1	No Site Risks	Limited site risks aside from rezoning of surface lots from O-2: High-Rise Office District.
	Data Availability	2	No Major Studies Remaining	Asset Business Plan, Surveys, Site Plans, Feasibility Study, and Environmental Reports available. No Environmental Assessment required.
Community*	**Stakeholder Risks**	2	No Stakeholder Concerns	No significant stakeholder concerns raised.
	Local Benefits	1	Some Positive Benefits	Disposition would return Property to local tax rolls.
	Local Negative Impacts	2	No or Limited Negative Impact	Federal employees would be relocated elsewhere in the City.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	Public services are not featured at this Property.

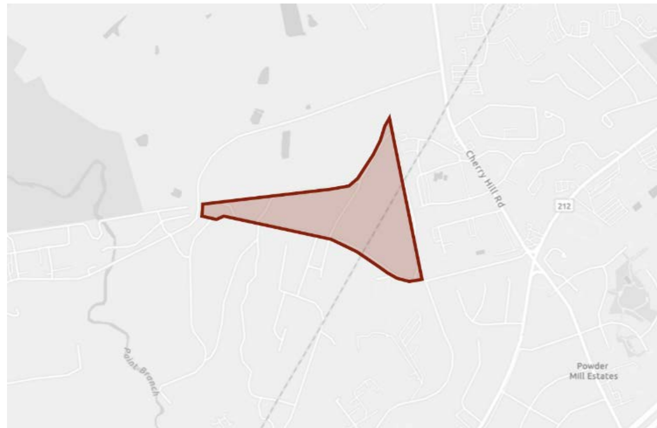
	Tribal Nations	0	Tribal Nations Not Consulted	No specific Tribal Interests were identified.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	1.46
% of Maximum Grade	72.8%

White Oak Parcel K

Coffman Road, Calverton, Maryland



Property Overview

White Oak ("Site" or "Campus") Parcel K ("Property") is located north of Coffman Road in Calverton, Maryland, approximately 10 miles northeast of Washington, DC. The General Services Administration ("GSA") owns the Property which is occupied by the Department of Health and Human Services. The Property is a 41.22-acre vacant parcel in the northeastern portion of the 710-acre Campus. The occupied western portion of the Campus at 10903 New Hampshire Avenue in Silver Spring, Maryland includes approximately 1,200 Food and Drug Administration ("FDA") employees in 13 office and laboratory buildings.

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	None
Total Building Size	No buildings
Year Built	N/A
Site Size	41.22 acres
Surrounding Land Use	Residential, Public Uses
Current Zoning	RE-2: Residential, R-O-S: Reserved Open Space
Congressional Rep.	John Sarbanes (MD-03) Anthony Brown (MD-04)
Cost Avoidance	Negligible
FASTA Grade	61.1% (High)

GSA acquired the Campus from the Department of Defense in 1993 through the Base Realignment and Closure Act to consolidate facilities and create a new center for the FDA. While the Property is within the boundaries of the Naval Ordinance Laboratory National Register Eligible ("NRE") District Boundary, Parcel K includes no historic resources according to past study. GSA completed an updated Master Plan in 2018 which was approved by the National Capital Planning Commission. Portions east of the Paint Branch waterway including the Property were not included in the Master Plan’s preferred alternatives for future expansion of FDA facilities.

Areas surrounding the Property were used as an Air Force and Naval testing facility. As a result, the Navy has remediated groundwater and soil contamination on the Site per its obligations under BRAC and continues to monitor contamination. While several concrete and steel dilapidated structures remain south of the Property, Parcel K in the Master Plan (also known as "Area 500" in Navy documents) is mostly forested land and does not contain any significant existing structures. The Navy conducted remediation of groundwater and soil contamination on the Property and continues to monitor for the presence of contaminants.

The Property is adjacent to multifamily and single-family residential development. Land values are generally lower than other suburban areas of Montgomery County but are supported by proximity to Washington, D.C., and limited supply in the market. Most of the Property is in Montgomery County and is currently zoned RE-2: Residential. A smaller portion of the Property is in Prince George's County and is currently zoned R-O-S: Reserved Open Space. A developer would most likely access the Property via Coffman Road in Prince George's County. Across FDA Boulevard north of the Property is the planned Viva White Oak development, a 300-acre mixed-use development with planned life sciences, residential, office and retail uses that is an economic development priority for Montgomery County. The White Oak Science Gateway Master Plan was approved by the Montgomery County Planning Board in 2014 and site plan approvals are under review; however, construction has not yet commenced.

Recommendation

The Board recommends the sale of the Property under FASTA authority. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: Sale at fair market value will generate funds to facilitate future disposals and consolidations and will avoid future operations and maintenance costs. It will also place this unutilized federal property on local tax rolls to generate tax revenue, sooner than in the typical disposal process. Redevelopment of this Property could also add momentum to the adjacent development of the Viva White Oak project which would benefit the local economy.

This recommendation accomplishes at least six FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," and "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties." Adherence to legislative and other goals is quantified in FASTA Grading further below.

Cost Avoidance

While there are some operating costs incurred by GSA to monitor and maintain the vacant land and remaining structures composing the Property, cost avoidance to the taxpayer through disposition is assumed to be **negligible**. The Navy will continue to incur periodic environmental monitoring costs following disposition of the Property.

Schedule and Next Steps

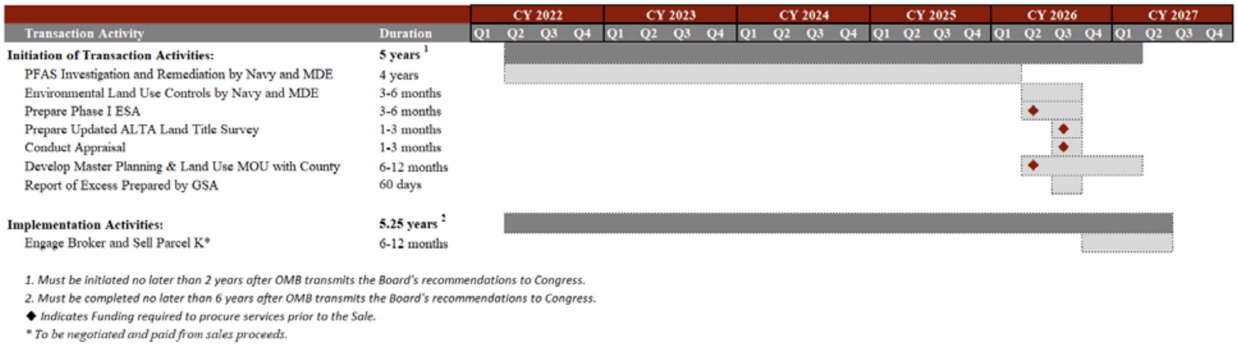
The next steps are for the Federal Government to perform an ALTA Land Title survey, conduct an appraisal, and develop a land-use memorandum of understanding ("MOU") or similar coordination with Montgomery County and Prince George's County to facilitate redevelopment. Engagement with local jurisdictions may incorporate Parcel K into Montgomery County's existing White Oak Master Plan or otherwise indicate either County's support for specific uses. No further historic studies are anticipated, however coordination may be needed with the Maryland State Historic Preservation Office to revise the Naval Ordinance Laboratory NRE District Boundary to exclude at least Area 500 as no historic resources remain.

In addition to allowing Naval Facilities Engineering Systems Command ("NAVFAC") to complete its upcoming five-year monitoring cycle for the Property, an updated Phase I and potentially Phase II Environmental Site Assessment may be needed to confirm that there are no additional areas of concern requiring remediation. NAVFAC is also beginning investigation of newly identified contaminant of concern perfluoroalkyl and polyfluoroalkyl substances (PFAS) from prior burning activities on Sites 3, 5, and 7 within the Property.

The estimated disposal value of the Property assumes residential use is acceptable based on available information documented in existing Records of Decision. Groundwater use is prohibited in most of Parcel K and residential use is prohibited on a portion of the Property in Prince George's County. However, GSA and the Maryland Department of the Environment ("MDE") may include land use controls ("LUC") that restrict residential uses or other future owner activity based on potential contamination. NAVFAC and MDE will be completing their site investigation, remedial investigation, remedial design, remediation and/or any required controls related to PFAS contamination which will take approximately four years. These LUCs may reduce the estimated Disposition Proceeds and Net Financial Impact for this Property.

Once these activities are complete, the Property can be sold. The sale of the Property is projected to be accomplished within five and one-quarter years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

Exhibit 1. Transaction Timeline



Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding agency, GSA, recommended this Property for FASTA consideration. The Board met with staff from the offices of Senator Ben Cardin on September 17, 2021, Senator Chris Van Hollen on September 8, 2021 and Representatives John Sarbanes (MD-03) on August 24, 2021 and Anthony Brown (MD-04) on September 9, 2021.

PBRB has coordinated with Prince George’s County and Montgomery County officials regarding zoning and priorities for economic development. PBRB has also held numerous meetings with NAVFAC and Maryland State environmental representatives for the Property. PBRB staff has also contacted Army representatives. PBRB staff also contacted the Tribal Historic Preservation Officers for the Eastern Shawnee Tribe of Oklahoma, the Delaware Nation-Oklahoma and the Delaware Tribe of Indians. The Delaware Tribe requested further information on the disposal process for FASTA properties and the Maryland properties being considered.

The Maryland-National Capital Park and Planning Commission ("M-NCPPC") has expressed interest in acquiring the Property as a Public Benefit Conveyance for parks and recreation. PBRB staff met with these officials on December 3, 2021, and December 16, 2021. The Board recommended that M-NCPPC submit a formal request to OMB expressing interest in a Public Benefit Conveyance pursuant to FASTA Section 14(f)(3).

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for White Oak Parcel K is **61.1%**, which equates to a **"high"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	1	Moderate Net Financial Impact	Expected to return moderate proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	0	Low Cost Reduction	Some operating costs incurred to monitor and maintain the vacant land.
	Disposition Value	1	Moderate Disposition Proceeds	Estimated Fair Market Value before disposition costs.
Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Unutilized vacant land.
	Mission Alignment	2	Current Property Does Not Align	Considered excess and is not required for the FDA mission.
	Consolidation Opportunity	N/A	Not Applicable	Vacant land with no occupants to relocate or buildings to receive other federal employees.
	Lease Reduction	N/A	Not Applicable	Vacant land with no occupancy.
	Energy Reduction	N/A	Not Applicable	Vacant land with no associated energy costs.
Implementation	**Marketability**	2	Significant Investor Bidding Expected	Property is near a major investment market in Washington, D.C. and should attract investor interest for location in Montgomery County.
	Agency Concurrence	2	Reporting & Using Agency Support	GSA owns the Property and has recommended it for FASTA. consideration. FDA did not feature Property in its recent Master Plan.
	Schedule	1	Moderate Schedule Certainty	Coordination on environmental study is only risk to completing sale within the 6-year timeframe specified by FASTA.
	Site Risks	0	Many Site Risks	Previous soil/groundwater contamination may limit uses or add risk to prospective developers.
	Data Availability	1	Some Major Studies Remaining	Past environmental studies and remediation have been completed; however, monitoring is ongoing and additional PFAS review is required.
Community*	**Stakeholder Risks**	1	Some Stakeholder Concerns	Need to coordinate between two County jurisdictions for future entitlements, as well as between GSA and NAVFAC for environmental jurisdiction.
	Local Benefits	2	High Positive Benefits	Disposition would return Property to local tax rolls and support the White Oak Science Gateway Master Plan and

				County economic development priorities.
	Local Negative Impacts	2	No or Limited Negative Impact	FDA operations will not be affected.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	Site is not currently open to the public.
	Tribal Nations	1	Tribal Nations Contacted	Contacted the Tribal Historic Preservation Officers for the Delaware Nation-Oklahoma, Eastern Shawnee Tribe of Oklahoma, and the Seneca-Cayuga Nations.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	1.22
% of Maximum Grade	61.1%

William L. Beatty Federal Building & Courthouse

501 Belle Street, Alton, Illinois

Property Overview

The William L. Beatty Federal Building and Courthouse ("Building" or "Property") is located at 501 Belle Street in Alton, Illinois. The Property is in the historic district in downtown Alton and is north of St. Louis, Missouri. The downtown has direct access to St. Louis via a bridge over the Mississippi River. The General Services Administration ("GSA") owns the Property, which is occupied by the Office of Surface Mining and Regulation Enforcement ("OSMRE") and the Social Security Administration ("SSA").

Property Summary	
Landholding Agency	General Services Administration
Occupying Agencies	Office of Surface Mining and Regulation Enforcement, Social Security Administration
Total Building Size	31,805 GSF 29,191 RSF
Year Built	1972
Site Size	1.9 acres
Surrounding Land Use	Commercial and industrial uses
Current Zoning	C-4: Downtown Commercial
Congressional Rep.	Bryan Steil (WI-1)
Cost Avoidance	$2,000,000
FASTA Grade	45.6% (Low)

The two-story Building is 31,805 gross square feet ("GSF") and 29,191 rentable square feet ("RSF"). The Building has a partial basement and 36 surface parking spaces on the west and north sides. Surrounding the Property is a two-foot retaining wall constructed of the original stone from the Gulf, Mobile, and Ohio Railroad Depot, previously located on the Property. The Building was built in 1972 as a Federal construction project and redesignated in October 2002 as the William L. Beatty Federal Building and United States Courthouse after the late U.S. District Court Judge. Due to the Building's age, it may be eligible for listing in the National Register of Historic Places.

The Building has had low or negative Funds from Operation over the last several years, in part because SSA is a trust fund agency, resulting in decreased cash flow in the Building's funds from operation of approximately $68,000 each year. The August 2020 Asset Business Plan notes that the Building has struggled financially for more than ten years[1] and has not met its financial performance metrics. While the Building currently only has six percent vacancy, the tenant space requirements have decreased, which will result in 35% vacancy if the tenants were to rightsize their space. Additionally, there are no Federal tenants in the immediate area who could backfill any extra space from re-stacking existing tenants. The neighborhood surrounding the Property has many vacant buildings, including a boarded-up industrial building across the street, owned by the City. The Property is zoned C-4: Downtown Commercial, which

[1] IL0206 Asset Business Plan, August 3, 2020, 2.

permits continued office use. Recent sales transactions have primarily been retail buildings in the commercial corridor along Broadway Street, to the south of the Property, moving east.

Recommendation

The Board recommends the sale of the Property to the Alton School District under FASTA authority. To maximize taxpayer return, a real estate broker should be engaged for this transaction.

Why FASTA: The Alton School District has expressed strong interest in acquiring the property for use as offices. Selling the Property to the Alton School District, at fair market value and without title restrictions, will benefit the School District. If the parties do not agree on terms for the sale to the School District, the Board recommends the Property go to public sale. Sale at fair market value will generate funds to facilitate future disposals and consolidation, and will avoid future capital investments and future operations and maintenance costs, sooner than in the typical disposal process.

This recommendation accomplishes at least six FASTA objectives outlined in P.L. 114-287 Section 2, including "consolidating the footprint of Federal buildings and facilities," "maximizing the utilization rate of Federal buildings and facilities," "selling or redeveloping high value assets that are underutilized to obtain the highest and best value for the taxpayer and maximize the return to the taxpayer," "reducing the operating and maintenance costs of Federal civilian real properties," "facilitating and expediting the sale or disposal of unneeded Federal civilian real properties," and "assisting Federal agencies in achieving the Government’s sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies." Adherence to legislative and other goals is quantified in FASTA Grading further below. Additionally, the Board has the authority to recommend the transfer of Property to a state or local government that is not subject to certain conditions, provisions, and restrictions of other laws or regulations identified in FASTA Section 14(e).

GSA Implementation: FASTA authorizes GSA’s Administrator to implement PBRB recommendations. Specifically, GSA has the authority to implement the PBRB recommendation approved by OMB, utilizing GSA’s conveyance authorities, in GSA’s discretion, consistent with Section 14(d) which will permit a conveyance "for less than fair market value, for no consideration at all, or in a transaction that mandates the exclusion of other market participants."

Cost Avoidance

Sale of this Property results in long-term costs savings to taxpayers of approximately **$2,000,000**.

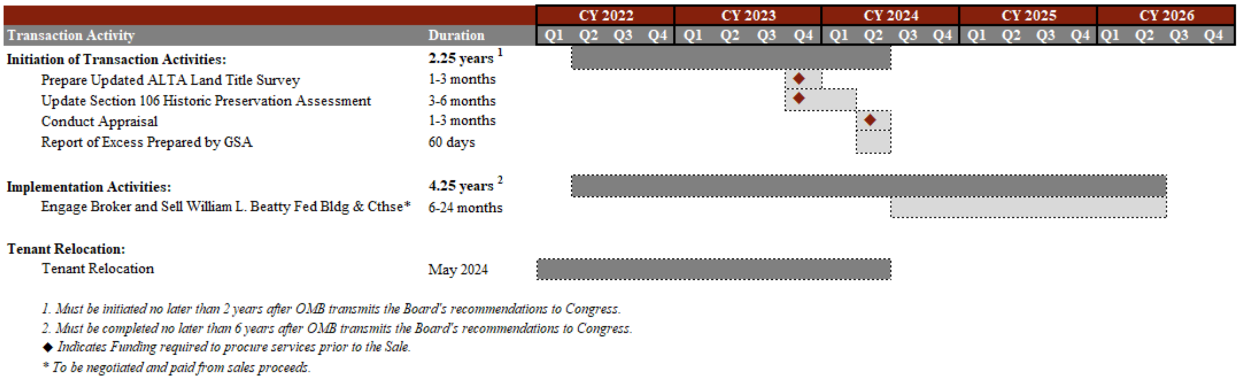
Cost avoidance estimates the long-term savings to taxpayers over a 30-year period. It is calculated by comparing the Net Present Value of all occupancy and ownership costs in the Board’s recommended scenario—disposing of the Property and moving to leased space—to the status quo scenario of retaining the Building with its current occupancy.

Schedule and Next Steps

The next steps are for the Federal Government to update the prior Historic Preservation Assessment, conduct an appraisal, and update the ALTA Land Title Survey. Once this is completed the Property can be sold, with the relevant historic designations as appropriate. The vacant Property in a soft market will be difficult to sell and thus the timeline reflects a more lengthy marketing period. The sale of the Property is projected to be accomplished within four and one-quarter years of recommendation. Initiation of the transaction activities in Exhibit 1 may be shifted up to one quarter, consistent with the OMB approval process.

According to GSA, OSMRE’s relocation will occur in January 2024 and SSA’s relocation will occur in May 2024. Costs related to this relocation will not be funded by the Assets Proceeds and Space Management Fund since the decision to relocate was made prior to the Board’s review. GSA's Portfolio Management and Customer Engagement has also verified with each impacted region that agencies have been given or will be given adequate time to budget for their relocations and are not expecting assistance from the Asset Proceeds and Space Management Fund.

Exhibit 1. Transaction Timeline



Stakeholder Engagement

The Board conducted outreach to stakeholders. The Landholding Agency, GSA, recommended this Property for FASTA consideration. GSA reviewed the recommendations and provided its support on December 6, 2021. Other stakeholder engagements included a call with the City of Alton on August 26, 2021.

The Alton School District has expressed interest in acquiring the Property and toured the property on October 28, 2021. PBRB had a call with the staff of Representative Mike Bost (IL-12) on September 9, 2021. PBRB also notified the offices of Senator Tammy Duckworth and Senator Richard Durbin. The Tribal Directory Assessment Tool was consulted and no Tribal Nation interests were identified.[2]

FASTA Grading

FASTA Grading incorporates legislative and advisory criteria into a quantitative process to evaluate candidate properties. There are 18 criteria across four categories that contribute to a successful recommendation; in the First Round, the Board has applied additional weight to Financial and Community categories. The Board assigns a score of 0, 1, or 2 for each factor and calculates a 0 to 100% grade reflecting the maximum achievable grade for either occupied or vacant property. Properties are removed from further evaluation if their score is below 40% or the Board encounters a significant barrier that prevents disposition or consolidation.

The Final FASTA Grade for the William L. Beatty Federal Building and Courthouse is **45.6%** which equates to a **"low"** grade relative to other candidate properties (Less than 50 = "Low"; 50 to 60 = "Medium"; Above 60 = "High").

Exhibit 2. Final FASTA Grade

Category	Factor	Grade (0 to 2)		Detail
Financial*	**Net Financial Impact**	0	Low Net Financial Impact	Expected to return low proceeds to the Asset Management and Space Proceeds Fund.
	Cost Reduction	1	Moderate Cost Reduction	Long-term moderate cost savings to taxpayers through disposition.
	Disposition Value	0	Low Disposition Proceeds	Estimated Fair Market Value before disposition costs.

[2] "Tribal Directory Assessment Tool", accessed September 1, 2021, https://egis.hud.gov/tdat/.

Efficiency	**Asset Utilization**	2	Above 300 SF per Person or Vacant Land	Facility is currently underutilized with approximately 490 USF per person.
	Mission Alignment	1	Current Property Partially Aligns	Location is appropriate for SSA mission, but facilities do not support operational needs.
	Consolidation Opportunity	0	Few Nearby Federal Agencies	There are no nearby federal agencies to support consolidation into or out of the Property.
	Lease Reduction	0	Increases Leased Space	SSA and OSMRE plan to relocate to leased space as this best meet needs of the agencies.
	Energy Reduction	1	Unchanged, Somewhat Improved, or Unknown Energy Performance	Current facility is aging, and new leased space may marginally improve energy performance.
Implementation	**Marketability**	0	Limited or No Investor Interest	Downtown Alton is outside typical investment markets with limited recent investment or development in the vicinity.
	Agency Concurrence	2	Reporting & Using Agency Support	Landholding agency GSA and occupant SSA both support FASTA consideration.
	Schedule	2	High Schedule Certainty	No significant risks to completing sale within 6-year timeframe specified by FASTA.
	Site Risks	2	No Significant Known Site Risks	Some historic preservation and asbestos issues to address prior to disposition, however these are not expected to impact value.
	Data Availability	2	No Major Studies Remaining	Asset Business Plan, Site Plans, and Asbestos Report completed. No Environmental Assessment required.
Community*	**Stakeholder Risks**	2	No Significant Known Stakeholder Concerns	Significant interest from Alton School District in acquiring Property, however recommendation aligns with these interests.
	Local Benefits	1	Some Positive Benefits	Transfer to the School District would not return Property to local tax rolls but supports City of Alton priorities for community services.
	Local Negative Impacts	2	No or Limited Negative Impact	SSA employees would be relocated elsewhere in the City.
	Access to Agency Services	1	Unchanged Public Access or No Current Use	SSA services would be relocated elsewhere in the City and remain accessible.

	Tribal Nations	0	Tribal Nations Not Consulted	No specific Tribal Interests were identified.

**Board has assigned 2x weight to Financial and Community categories*

Final FASTA Grade	
Weighted Average Grade*	0.91
% of Maximum Grade	45.6%

PBRB

PUBLIC BUILDINGS REFORM BOARD

Appendix II. Property Screening Methodology and Approach Report

Table of Contents

A. Glossary

Term	Definition
Asset	Owned, leased, and otherwise managed Federal real property assets within and outside the United States, including improvements on Federal land.
Community Grading Category	One of four FASTA Grading categories with factors indicating community support and benefits.
Condition Index	FRPP field derived from the following calculation: Condition Index = [1 – Repair Needs ($) / Replacement Value ($)] * 100.
Core MSA	Metropolitan Statistical Areas ranked in the Top 60 by total population or are in the Top 200 by total population and ranked in the Top 50 in either population growth, gross domestic product ("GDP") growth, or employment growth.
Efficiency Grading Category	One of four FASTA Grading categories with factors indicating potential improvements to building utilization and mission alignment.
Excess/Surplus Scoring Category	Indicators that an agency may be open to disposing of space and/or relocating employees. One of three scoring categories in the Property Screening Tool.
FASTA candidate identification process	The process by which properties are identified, evaluated, and considered for recommendation to OMB utilizing the Property Screening Tool, FASTA Grading Tool, and Financial Accounting System.
FASTA Grading Process	Assigns a 0-2 score to each of 18 different criteria in four categories, indicating a property's degree of alignment with FASTA legislative, OMB, PBRB, and Presidential priorities. Properties are graded twice, receiving a Preliminary FASTA Grade before due diligence and a Final FASTA Grade before submission to OMB.
Final FASTA Grade	Updated FASTA Grade is used to prioritize recommendation and funding for properties after due diligence is complete and a recommended action selected. The grade is from 0-100% based on the maximum achievable score for the property as vacant land or including one or more occupied buildings.
Federal Assets Sale & Transfer Act ("FASTA")	Federal Assets Sale & Transfer Act of 2016 (P.L. 114-287 or "FASTA").
Field	Asset's location, land, building, or structure attributes.
Filtering Process	The process by which the over one million assets in the FRPP are reduced to exclude properties unlikely to qualify for FASTA or unlikely to generate significant value for taxpayers. A Scoring Process is then applied to the remaining properties.
Financial Accounting System	An evaluation approach based on four Financial Accounting Tools (Use and Development Program, Property Valuation Model, Scenario Comparison Model, and FASTA Grading) to evaluate properties from both a quantitative and qualitative approach.
Financial Grading Category	One of four FASTA Grading categories, with factors indicating the potential return to taxpayers.
Geographic Information Systems ("GIS")	A digital application used to gather, manage, and analyze data using spatial location and organized visual layers of information.

High Value Asset ("HVA") Round	The 2019 High Value Asset List comprised of real properties sourced primarily from agency recommendations legislated by FASTA.
Historically Underutilized Business Zones ("HUBZone")	Program to increase employment opportunities, investment, and economic development for small businesses. HUBZones are distressed rural and urban communities with low median household income, high unemployment, or both.
Implementation Grading Category	One of four FASTA Grading categories, with factors indicating general risks and potential barriers to implementing within the specified legislative timeframe.
Installation	FRPP field defined as a complex or facility comprised of one Asset or multiple Assets generally at one location.
Cost Avoidance Scoring Category	Indicator of high current or future costs. One of three scoring categories in the Property Screening Tool.
Federal Real Property Profile ("FRPP")	The Government-wide real property database reported annually by Reporting Agencies. FRPP serves as the foundational dataset for the Property Screening Tool.
Market Value Scoring Category	Indicators of potentially high-value market value or investor interest in a property or subset of a property. One of three scoring categories in the Property Screening Tool.
Metropolitan Statistical Area ("MSA")	A core area with a substantial population with significant economic and social integration within the core.
New Markets Tax Credit	Program incentive for community development and economic growth through tax credits that attract private investment to distressed communities.
Opportunity Zone	An economically distressed community where new investments may be eligible for preferential tax treatment.
Preliminary FASTA Grade	FASTA Grade used to prioritize properties for further due diligence based on available information and most likely recommended action at the time of grading. The grade is from 0-100% based on the maximum achievable score for the property as vacant land or including one or more occupied buildings.
Property	Grouped asset records for a particular location, facility, or campus. Every Property includes one or more Assets reported under the same Installation ID and is located within the same MSA. Each Property identified in the Preliminary Screening List will be evaluated holistically, including the potential reuse, sale, or consolidation of (1) portions of land, (2) individual buildings, or (3) the Property in full.
Property Screening	An approach for efficiently identifying FASTA candidates for further evaluation.
Property Screening Tool (the "Tool")	Tool for assessing and prioritizing Federally owned assets through both filtering and scoring processes.
Property Screening Score	The score of an Asset or installation following the scoring of three categories with weighting.
Property Valuation Model ("Valuation Model")	Financial Accounting System Tool to estimate a FASTA candidate Property value based on a likely program determined by the Use and Development Program.
Real Property Use	FRPP field indicating the asset’s predominant use in one of the following categories: building, land, or structure.

Replacement Value	FRPP Field defined as the cost required to design, acquire, and construct an asset to replace an existing asset of the same functionality, size, and in the same location using current costs, building codes, and standards.
Scenario Comparison Model	Financial Accounting System Tool to explore the financial impact of disposition related to different Federal ownership or occupancy scenarios.
Scoring Process	Process for prioritizing assets and installations in the Tool that could be FASTA candidates for disposal or consolidation.
Scoring Weighting	The weighting of three categories (Surplus/Excess, Market Value, and Cost Avoidance) in the Tool. Each of these categories is weighted in calculating the asset's Property Screening Score. A series of indicators (sub-weights) are weighted and averaged within each category to calculate a score.
Status Indicator	FRPP field indicating whether an asset or installation is reported as surplus or excess.

B. Executive Summary

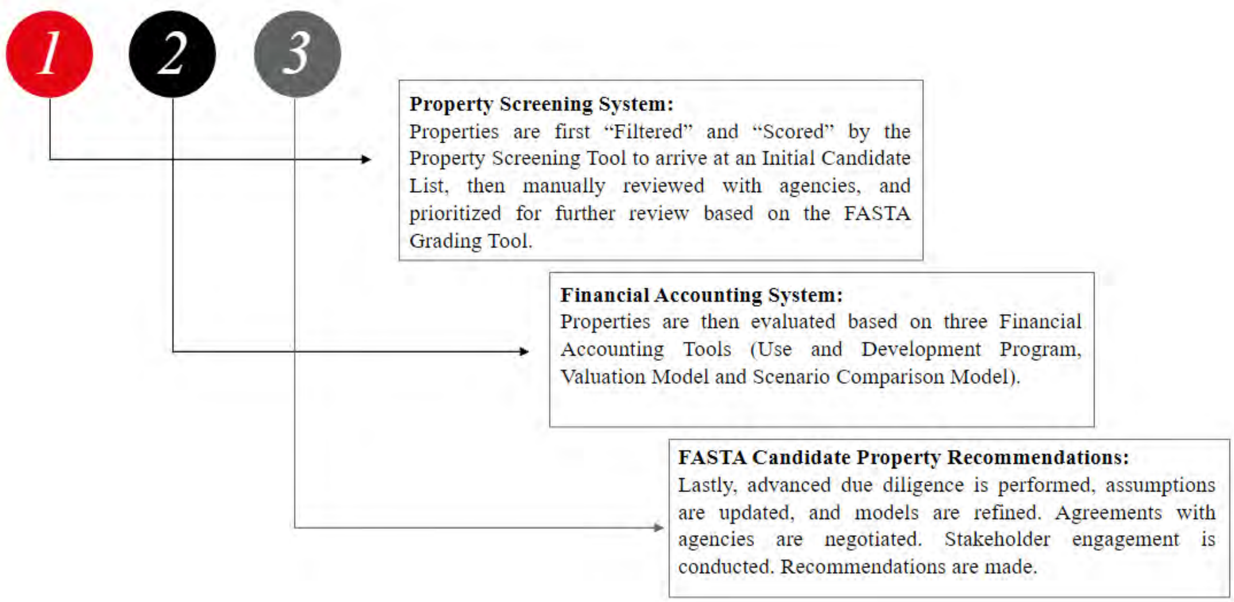
Overview

Purpose

The Public Buildings Reform Board ("PBRB") was established as an independent agency under the Federal Assets Sale & Transfer Act of 2016 (P.L. 114-287 or "FASTA") to identify opportunities for the Federal Government to reduce its inventory of civilian real property and thereby reduce costs. In December 2019, PBRB submitted its HVA recommendations to the Office of Management and Budget ("OMB"). With these twelve properties now in various phases of disposal, PBRB's next goals are to identify two additional rounds of recommended properties: a First Round of up to $2.5 billion in total value by no later than December 2021 and a Second Round of up to $4.75 billion in total value by no sooner than December 2024.

Under FASTA 12(e) requirements, PBRB developed a rigorous process for analyzing the Federal civilian real property portfolio to identify First and Second Round recommendations. This report builds on the PBRB FASTA Candidate Identification Process shown in Exhibit 1 and documents the methodology and approach to the first key phase of analysis: the Property Screen and Preliminary FASTA Grading. This process enabled PBRB to examine a portfolio of over one million assets and generated a prioritized list of targeted properties for further evaluation. After evaluation, these properties may ultimately be recommended for disposal, consolidation, or other action.

Exhibit 1: FASTA Candidate Identification Process



Guiding Principles

The goal of the Property Screening approach undertaken by PBRB is to identify candidates for further evaluation out of the over one million assets in the FRPP. Eight principles anchor the PBRB's screening process:

- **Analyze the entire Federal civilian real property portfolio:** The screening process was uniformly applied across the civilian agency real property portfolio (as it is represented in the FRPP).
- **Follow Transparent Process:** Used a standardized identification process that can be updated as data improves from further due diligence, agency data validation, and subsequent versions of FRPP, and documented all decisions to include and exclude properties.
- **Prioritize Agency Participation:** Ensured that agency feedback is incorporated throughout the process, including seeking comments on potential FASTA properties and suggestions for additional properties as early as possible.

- **Support Policy Goals:** In addition to evaluating how well a property action would support the goals of FASTA, assessed the potential to meet other Federal Government policy priorities, including Executive Orders and OMB Priorities.
- **Utilize Investor Perspective:** Assessed properties from an investor perspective to assess the likelihood of value through disposal or consolidation. This included examining both core and growing commercial real estate markets.
- **Avoid Over-Filtering:** In the initial Property Screen, used a two-step process that removed properties that are unlikely to be appropriate for FASTA (filtering) while prioritizing those that remain (scoring).
- **Address Data Gaps:** Designed logic, criteria, and analyses to specifically accommodate the significant challenges and data gaps in the baseline FRPP, the dataset which is the foundation of the Property Screen.
- **Incorporate Outside Data:** Used third-party data and GIS analysis to complement FRPP and incorporated criteria likely to be considered by investors.

Methodology

Property Screening Tool

The goal of the two-step Property Screening process was to quickly identify and remove assets that are least likely to be appropriate for FASTA through filtering, then isolate and prioritize those assets that could be FASTA candidates for disposal or consolidation through scoring.

First, the FRPP dataset was filtered to remove properties most unlikely to qualify or generate value for taxpayers while taking care not to remove unique cases in which an atypical asset may be appropriate for further review under FASTA. Approximately two percent of all Federal assets passed this Property Screen filter, with the majority removed due to military use or leased status. The following criteria were used to identify properties that pass through the initial filter:

- **Non-Geographic Criteria:** This included only assets whose Real Property Use is not excluded by FASTA (such as Military, National Parks, and U.S. Postal Service) and which are currently owned by the Federal Government.
- **Geographic Criteria:** Using MSAs included major population and growth centers that are likely to attract investors.
- **Add-Backs:** This ensured that properties and geographies identified by agencies for potential disposition are considered in scoring despite not meeting one or more filter criteria.

Second, once the FRPP dataset was filtered to remove unlikely assets from consideration, scoring criteria are applied on the balance of assets across three categories. An asset received a score of up to 10 in each category. Individual fields were weighted according to the importance of that field in predicting a potentially successful FASTA candidate.

- **Excess and Surplus (40%):** Scored assets based on the likelihood that a property is viewed as appropriate for disposition by the occupying agency.
- **Market Value (40%)**: Scored assets based on potential investment criteria, including location and property characteristics.
- **Cost Avoidance (20%)**: Scored assets based on the likelihood that the Federal Government may avoid substantial costs in vacating the space.

After the Tool was run on the full FRPP 2019 dataset, the top 750 highest-scoring properties were selected for further review. This target was selected to ensure that enough properties could be evaluated and narrowed to meet the First Round and Second Round total transaction value objectives, assuming attrition of properties during later stages of review. After starting with the full federal civilian portfolio, these properties are most likely to receive reporting agency support and meet the goals set by FASTA legislation.

Manual Review and Agency Validation

After the initial screening of properties, PBRB conducted a manual quality control check of each property followed by soliciting feedback from Reporting Agencies on the properties' appropriateness for FASTA. Before sharing the Property List with reporting agencies, the highest-scoring properties were evaluated against a pre-determined list of removal criteria that may have been missed by the Tool due to limited or unique data, including:

- FASTA Criteria Exclusion; or
- Low Likelihood of Successful Disposition.

Following the manual review of the 750 highest-scoring properties resulting from the Tool, 414 properties were sent to agencies for comment. Each Reporting Agency received a detailed spreadsheet with properties identified as Potential FASTA Properties and Unlikely FASTA Properties that require confirmation before removal. Agencies were asked to comment on each property's current utilization and FASTA suitability, validate the property data summarized from FRPP, and comment on their ongoing strategic efforts related to real property. Reporting Agencies provided commentary in spreadsheet form, and one or more calls were held with agency representatives to discuss their properties. Following this discussion, 76 properties were identified for further review. Of these 76 properties, 12 were not initially scored highly by the Tool but were recommended by Reporting Agencies outside of those properties sent to them.

FASTA Grading Tool

After feedback from Reporting Agencies, the 76 identified properties were evaluated using a FASTA Grading Tool that assessed a property's potential to support FASTA, OMB, PBRB, and Presidential priorities. Each property received a 0-2 score under 18 different criteria in four categories, which assessed the Financial, Efficiency, Implementation, and Community impact of a potential recommendation. The weights of the Financial and Community grading categories were doubled to reflect the Board's priorities for the First Round.

The FASTA Grading Tool was used on two separate occasions to prioritize properties:

- **Preliminary FASTA Grade:** The FASTA Grading Tool was first used to prioritize properties for further due diligence based on available information and most likely recommended action at the time of grading.
- **Final FASTA Grade:** FASTA Grades were then updated after due diligence and financial analysis were complete, and a recommended action was selected to prioritize properties for OMB recommendation and funding.

As discussed in the Financial Accounting Methodology and Approach Report, candidate properties identified in the Property Screening process generally received further due diligence. In some cases, properties recommended by agency stakeholders fell from consideration due to ongoing or recent transactions, data corrections, site constraints, legal constraints, or errors in agency submission.

FASTA Rounds

Properties that received the highest Preliminary FASTA Grade were generally pursued in the First Round (December 2021). For the Second Round (December 2024), PBRB may continue due diligence on properties not selected in the HVA Round or First Round or adjust its identification methodology to focus on specific opportunities or data gaps observed in the First Round.

Exhibit 2: Resulting Properties from Manual Review

Action	Criteria	Properties
Federal Portfolio	Started with all FRPP 2019 assets	410,426
Property Screen	Applied filter criteria and scoring criteria of the Tool to all FRPP assets and identified the highest-scoring properties for further review.	750
Manual Review	Conducted a manual review of the top 750 highest-scoring properties; removed if the property did not meet FASTA legislative exclusions or was unlikely to be disposed or consolidated.	414
Agency Review	Received feedback from Reporting Agencies on resulting properties regarding utilization and appropriateness for FASTA.	76
Preliminary FASTA Grading	Conducted Preliminary FASTA Grade of all recommended properties to select properties for further due diligence.	76
Due Diligence	Conducted further due diligence on properties with the highest Preliminary FASTA Grade, including stakeholder coordination and financial analysis.	57

Final FASTA Grading	Once due diligence was complete, updated the Final FASTA Grade with recommended action and new data collected.	15
Recommendations	**Prioritized properties with the highest Final FASTA Grade for OMB recommendations and funding.**	15

Data Management

While FRPP is a large and comprehensive dataset, it was never developed to be an asset management tool, so its value for performing a comprehensive portfolio analysis is limited. This is because many relevant property data fields are not within the scope of FRPP, and there are differences among agencies in how data is reported, how much data is reported, how properties are grouped, and how certain subjective fields are self-reported.

Additional third-party data points were incorporated into the Property Screening dataset to facilitate due diligence and financial analysis. This underlying data is stored in a centralized database and connected to the PBRB System of Record, a Salesforce database, and the central repository for Board data.

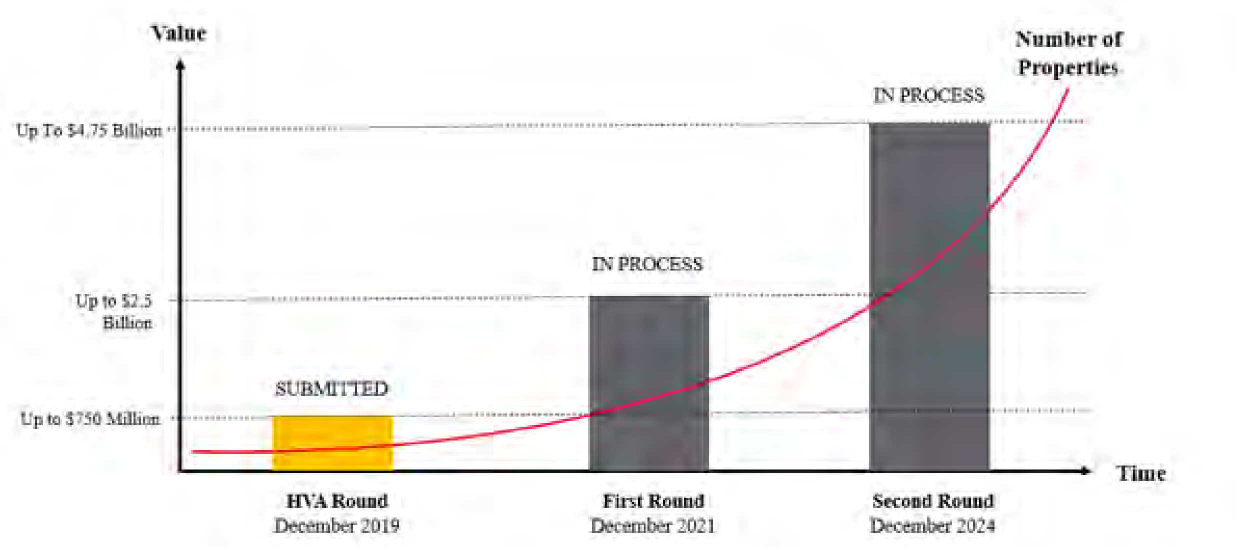
C. Methodology and Approach

Introduction

While the 2019 HVA list was primarily sourced from agency recommendations, the First and Second Rounds required a more detailed analysis. This is due to the large monetary goals of the program and the complexity of the process to identify suitable FASTA opportunities. In addition, the property identification and selection criteria processes required the use of massive national datasets, a rigorous standardized process, disciplined data usage, and repeated and understandable processes.

This section introduces the objectives, data sources, methodology, and process used in developing the Property Screening System to identify candidate installations and assets for further due diligence.

Exhibit 3: Anticipated Lifecycle Value of FASTA Portfolio Analysis



FASTA Candidate Selection Process

Building upon the FRPP dataset, PBRB developed the Property Screening System to identify potential FASTA candidates for further evaluation and due diligence. Given the size of the Federal real property portfolio and the time provided in the FASTA legislation before recommendations must be submitted, this screening system must efficiently and cost-effectively reduce the size of the dataset. It must also provide a process to address challenges with data completeness and data integrity to avoid "over-filtering" the dataset and potentially eliminating high-value opportunities.

Given known challenges in the FRPP data and the complexity of land valuation and building reuse analyses, the Tool was not intended to provide a preliminary valuation of installations. Rather, the Tool provides a standardized process to screen FRPP assets for further assessment. This was accomplished by separating the Tool into two steps, Filter criteria and Scoring criteria, further described below.

Exhibit 4: Property Screening Tool Components

	Filter Criteria	**Scoring Criteria**
Criteria Type	"*Rule Out*"	"*Rule In*"
Why Use	Removed assets from candidacy based on disqualifying features	Assets passing filter screens were scored based on features likely to result in successful disposition

Relevant datasets were collected into a centralized database to begin the screening process, including prior due diligence and the most recent FRPP dataset. Additional third-party datasets were then identified for inclusion to provide additional information. Spatial calculations were then performed to determine in which MSA and real estate markets the properties belonged.

After all national-level data was collected, reviewed, and entered into the database, the Tool applied a series of algorithms to generate a subset of assets and installations ranked on the likelihood of FASTA appropriateness. These criteria were refined by reviewing summary statistics, testing known installations against the results, and adjusting algorithms and weighting.

The top-scoring properties were exported for evaluation teams to conduct manual checks, local data integration, and valuation. It was assumed that many properties were removed from consideration at various stages in the evaluation process due to low value or likelihood of disposition. Further detail for this process can be found in Addendum III. A Use and Development Program was subsequently developed for each installation and entered in the Valuation Model. A preliminary value was then calculated for each property in the Property Screening List.[1]

Throughout the evaluation process, key stakeholders, including relevant reporting agencies, were engaged. This direct agency coordination and input was intended to:

- Confirm the accuracy of existing data;
- Identify additional information critical for evaluating FASTA viability;
- Facilitate agency needs;
- Understand existing mission-related tasks and relocation requirements;
- Better understand the project and community context; and
- Identify and respond to key disposal risks.

Finally, a Preliminary FASTA Grade was assigned to a property to help inform which properties to prioritize for detailed due diligence. FASTA Grading was based on 18 criteria across four categories that reflect legislative, OMB, PBRB, and Presidential priorities. Although not all information was available at Preliminary FASTA Grading, properties were scored based on available data.

[1] See Financial Accounting Methodology and Approach Report, Public Buildings Reform Board, December 2021.

D. Property Screening Tool

Introduction

The filtering process examined over one million assets in the FRPP to remove those unlikely to qualify or be deemed viable as disposal candidates, then isolated and prioritized those installations that could be FASTA candidates for disposal or consolidation.

A two-phased scoring and filtering approach avoided several potential errors inherent in approaches based solely on filters or targeted reviews by not "over-filtering" the portfolio. For instance, while FRPP included a field for FASTA candidacy, roughly 70% of assets in the database were self-reported as ineligible for FASTA. For instance, USGS Building 9G in San Francisco was recommended by the U.S. Geological Survey for consolidation and reported as ineligible for FASTA due to "Conservation" use. In some cases, agencies classified nearly all their assets, primarily comprising office buildings and other underutilized buildings, as ineligible. In other cases, the "Agency/Bureau" reason was provided without a clear purpose. This means a filter based on this field would eliminate an unknown number of assets that may be judged appropriate for FASTA following further due diligence.

Exhibit 5: Use of Scoring Rather Than Filters

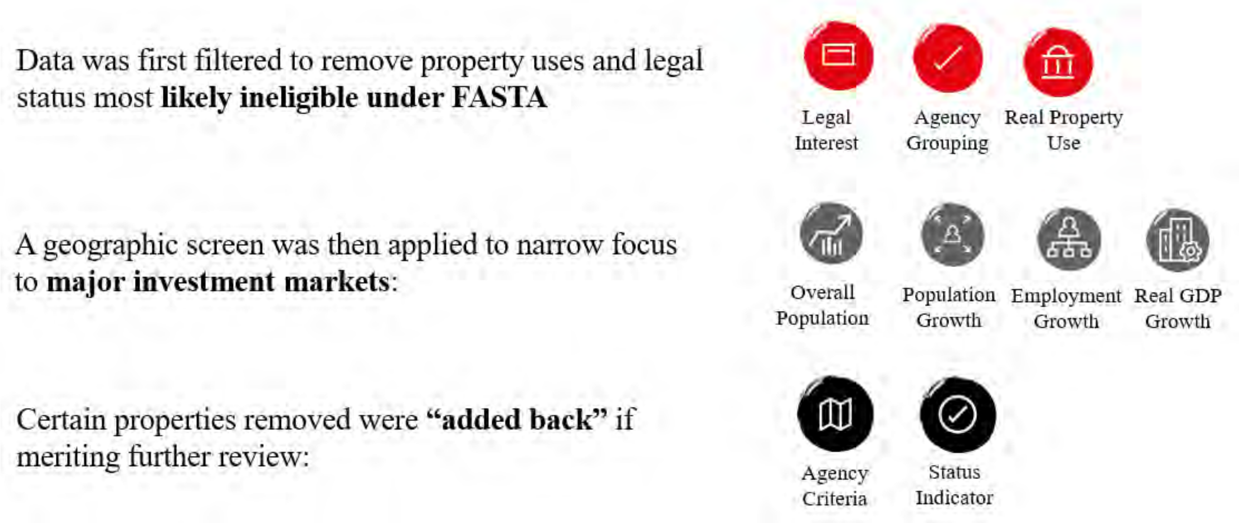
Avoid Removing	Reason	PBRB Approach
Replacement cost threshold	May overlook market value, as potential land use may dramatically differ from current use	Market-based approach to portfolio analysis, approximating value ranges through real-time market data and likely development program
Portions of larger installations	May fail to identify opportunities such as parking lots or vacant land at the edge of an installation	Identify properties in Core MSAs with possible excess land for redevelopment
Small properties	May fail to identify small parcels in dense urban areas with a high value per FAR SF	Use parcel size as scoring criterion and verify with local data, rather than filter excluding certain parcel sizes
Specialized uses	May overlook adaptive reuse possibilities	Use current and surrounding uses to estimate likely development program, while excluding uses with high "all-in" move costs
Assets with low utilization	May overlook high-value assets whose utilization data is inaccurate	Apply as scoring rather than filter and verify utilization with agencies.

Filter Criteria

Overview

Such factors can be controlled using other available data. For example, a keyword search in the Installation Name field can identify properties such as parks and recreation areas for removal, rather than filtering based on the Reason for FASTA Exclusion field. As another example, a filtering method based upon replacement cost would not account for potential redevelopment of the property and change in use and exclude assets without a replacement value submitted in FRPP. While replacement cost may be a valuable metric in certain analyses, it would not be appropriate as a filter. Instead, local market data was used to help PBRB determine the likely use and value for the property. The following table summarizes the criteria used in filtering.

Exhibit 6: Filters Selected



Eligibility Filters

The first set of filters removed installations in the FRPP dataset that were unlikely to be FASTA candidates. Specifically, the filters addressed legal interest status, use designations, disposal status, and location. While there may be significant cost-saving opportunities from lease consolidation, the Tool focused first on owned assets that can "anchor" a greater consolidation effort through disposition and relocation. Next, the filter removed installations under the Military Agency Grouping, which were exempt under FASTA. The filter also removed a small number of assets in FRPP that have already been disposed.

Additionally, Real Property Uses were removed that were specifically ineligible under FASTA or unlikely to be valued by investors. Examples of excluded assets include roads and bridges, flood control, air traffic control towers, National Parks and Forests, and Native American reservations. The asset may still be reviewed in scoring when such uses were collocated on an installation with land or other more common uses. However, if these uses comprised the entire installation, the property would be removed.

These Legal Interest, Agency Grouping, and Real Property Use eligibility filters reduced the total number of assets in the FRPP dataset from 1,048,575 to 56,448 and reduce the number of installations from 410,426 to 5,761.

Market Filters

The next set of filters prioritized installations in markets that were likely to attract investor interest in a disposition. Operationally, this filter reduced FRPP to installations located in MSAs with the largest populations and/or MSAs meeting one of the following growth filter categories: population growth, employment growth, or real GDP growth. Primary markets such as New York City, Los Angeles, and Chicago were not experiencing the high growth some secondary markets were experiencing, such as Charleston, SC; Colorado Springs, CO; and Midland, TX. The following logic was embedded in the screening process to account for both:

- If the population of an MSA was ranked in the Top 60 across all MSAs, it passed through the population and growth filters. These MSAs included roughly 190 million people or 58.1% of the U.S. population.
- If the population of an MSA was ranked in the Top 200 across all MSAs and one of three growth filters (population, employment, or real GDP) was ranked at 50 or higher, then those installations passed through the population and growth filters.

The first population filter reduced the total number of assets in the FRPP dataset from 56,448 to 15,323 and the number of installations from 5,761 to 1,303. Including the high-growth MSAs incorporated an additional 33 MSAs resulting in 18,780 assets and 1,591 installations.

"Add Back" Filters

Finally, the Tool "added back" assets or installations that agencies and PBRB have already identified as potentially appropriate for disposition. Such an approach incorporated prior due diligence into the candidate identification process and ensured that these installations were scored before being ruled out.

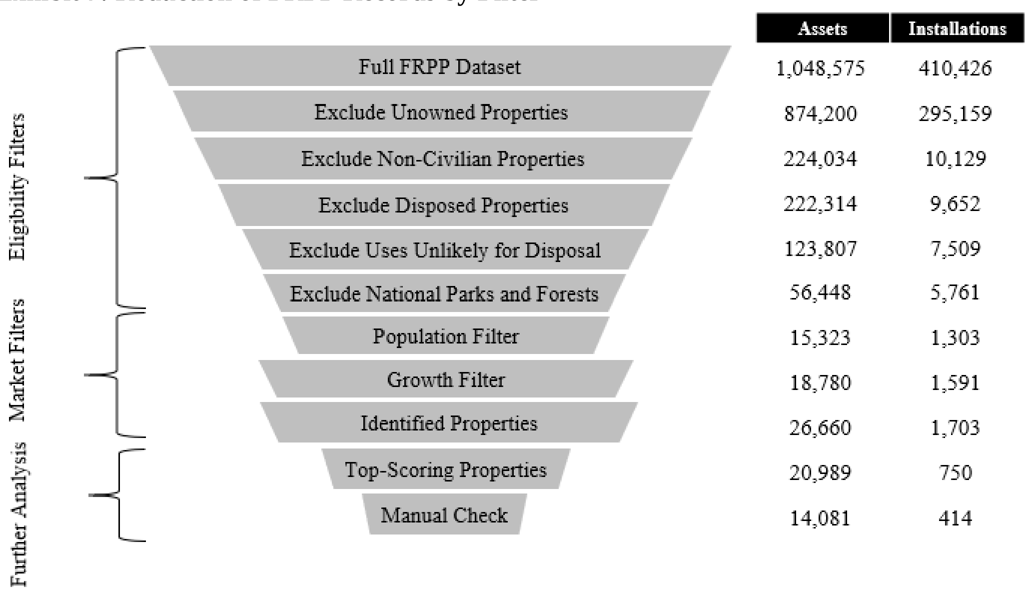
The criteria for this category come from various sources, including Agency Efficiency Plans, Agency FASTA Recommendations, and Reports of Excess and Surplus Designation. In some cases, specific assets were identified as agency-recommended candidates. In other cases, specific regions or Real Property Use types were identified as agency priorities for consolidation.

7,880 assets and 112 installations were added to the filtered dataset using these prior lists and agency criteria. A summary of eligibility, market and add-back criteria is included below.

Results

With all filters applied, the total number of assets is reduced to 26,660 and installations reduced to 1,703. These assets and installations passed the filter then proceeded to scoring. A summary table for the contributing data for filters is provided in Addendum I at the end of this document.

Exhibit 7: Reduction of FRPP Records by Filter *



As a proof-of-concept evaluation of the screening process, PBRB ran the High Value Assets through the screening process to "test" the criteria and filters. When the Eligibility and Market filters were applied to the prior HVA round:

- Nine of twelve High Value Assets passed both Eligibility and Market filters and would score highly in the Scoring process; and
- Three High Value Assets would be removed by Market filters, as their locations fall outside of typical investment markets.

These results reflected the different approaches and opportunities targeted between the HVA round and the First and Second Rounds: The High Value Assets recommended by PBRB in December 2019 were sourced primarily by agencies who recommended them for disposition. In contrast, to meet the much higher total value targets in the First and Second Rounds, PBRB analyzed the full federal civilian real property portfolio in FRPP. Thus, while the Tool was designed to pull forward any additional agency recommendations for further due diligence, it also focused on investment markets most likely to return significant value to taxpayers.

Exhibit 8: Filters Applied Retrospectively to HVA Round

Property Name	City	Passes Filter	Reason
500 Plainfield Avenue	Edison	Yes	
3100 Meadowview Road	Sacramento	Yes	
Idaho National Lab-Idaho Falls REC	Idaho Falls, ID	**No**	Non-core MSA
SLAC National Accelerator Laboratory	Menlo Park, CA	Yes	
NIST Site Gaithersburg	Gaithersburg, MD	Yes	
1055 Clermont St.	Denver, CO	Yes	
NMFS SWFSC Pacific Grove	Pacific Grove, CA	**No**	Non-core MSA
Chet Holifield Fed Building	Laguna Niguel, CA	Yes	
Ronald Reagan Federal Building	Harrisburg, PA	**No**	Non-core MSA
Federal Archives & Records Center	Seattle, WA	Yes	
Auburn Wareyard	Auburn, WA	Yes	

Scoring Criteria

Overview

The filtering process resulted in 26,660 assets that cannot all be individually assessed for disposition due to the FASTA legislative timeframe, data limitations, and large target values. After filters removed unlikely candidates, the purpose of the scoring process was to prioritize remaining installations based on additional data fields that indicate the likelihood of FASTA candidacy.

Scoring Criteria was split into three categories: surplus and excess, market value, and cost avoidance. An asset received a score of up to 10 in each category based on a set of four or more weighted fields. Scoring was developed by applying the following key concepts:

- **Data Field**: Scoring fields were less likely to have clear "threshold" or "benchmark" requirements compared to filters, making them more appropriate to compare assets within the larger dataset.
- **Data Category**: Data fields were grouped into categories to answer questions about the asset relative to FASTA (surplus and excess, market value, and cost avoidance, discussed in further detail below).
- **Weighting**: Each field within a data category received a weight based on its importance relative to other fields in that category, inclusive of general data completeness. Weightings were assigned, taking both data content and completeness into account. Fields with lower weights were judged to be less predictive of FASTA candidate likelihood than other fields or to have limitations in data completeness or accuracy across the full database that led them to be included but contributed less to the overall score.
- **Nulls**: All scoring criteria accounts for gaps in data so that data completeness for a given asset or percentile rank calculation did not distort results. Each Scoring Field had specific criteria addressing null values (i.e., "0") and other outliers. Null values generally defaulted to the median value for the data field to not increase or decrease a score based upon missing information.
- **Data Type**: Fields were either continuous (full range from 0 to 10 based on percentile rank) or categorical/binary (specific scores tied to an enumeration list). Continuous fields were scored on percentile rank relative to other installations and thus had scores to the hundredth decimal place. Categorical or binary fields were assigned whole numbers for specific values, such as a 10 for "Yes," 0 for "No," and 5 for "Null."
- **Value Range**: The maximum and/or minimum value assigned to a field may be intentionally limited; for instance, a possible range of 2 to 8 instead of 0 to 10. This is done when a negative result (such as Null, zero, or "No") was not as predictive of FASTA candidacy as a positive result (such as a high numeric value or "Yes"). By reducing the difference between high-scoring and low-scoring assets, we limited the possibility that results can be skewed, particularly with self-reported FRPP data.

A property's final score was an average of the three scoring categories—the higher the property score, the higher the likelihood the property was assessed for disposal.

Exhibit 9: Scoring Categories and Weighting

Scoring Category	Weight	Description	Data Fields
Surplus/Excess	40%	Indicators that the agency may be open to disposing of space and/or relocating employees.	Status indicator, prior list, agency criteria, utilization, implied SF/person, duplicate agency, nearby agency, field office co-location, FASTA exclusion.
Market Value	40%	Indicators of potentially high market value or investor interest in property or subset of property.	Market size, market growth, acres, assets/installation, downtown proximity, replacement value, transit proximity, interstate/port proximity, airport proximity, Opportunity Zone.
Cost Avoidance	20%	Indicators of significant current or future costs are avoided associated with the property.	Construction year, future capital expenditures, tenant satisfaction condition index.
Total Score	**100%**	**Total of three categories and weighting.**	**N/A**

Some fields appear as both Filter Criteria and Scoring Criteria because these fields serve as both threshold and relative criteria to differentiate between installations. These include Status Indicator (whether a property is reported as surplus or excess), Prior List (whether a property has received prior due diligence), Market Size (large MSAs), and Market Growth (growing MSAs).

In the following section, each of the three scoring categories is described in more detail. A summary table for the contributing data and weighting is provided in Addendum II at the end of this document.

Surplus and Excess Category

The Surplus and Excess scoring category assembles available data to answer the following question: Is the property likely to be considered for disposition or relocation by the reporting agency? This category includes eight contributing Scoring Fields, which are listed in the table below. This category prioritizes installations that appear underutilized or unutilized, have undergone prior due diligence, or are near opportunities for co-location. The maximum score an installation can receive in this category is 10.

The Surplus and Excess scoring category also identifies which installations have been proactively identified by agencies as marked for disposal or FASTA candidates. For instance, "From fiscal years 2017 through 2019, [the General Services Administration (GSA)] and OMB sent data calls to all applicable agencies to identify potential disposal candidates. As part of these data calls, GSA developed guidance—based on requirements outlined in FASTA—for how agencies should identify potential disposal and consolidation candidates…15 agencies submitted a total of 28 disposal candidates and 82 consolidation candidates." [2]

Installations that received prior due diligence by agencies and PBRB received up to half of the weight of this Data Category. This allowed agency plans to be included, built upon past work, and indicated a lower likelihood of barriers in the coordination process. Assets reported as unutilized or underutilized received the next highest weight at 15.0%, as they may have helped identify consolidation or disposition opportunities. Proximity to leased or owned assets by the same agency or other agencies made up another 30.0% of the weighting, as they indicated a potential relocation target should the installation or asset be disposed. Other criteria received lower weight as they were determined to have some, but low, predictive ability of whether an agency would consider the asset's disposition.

Surplus and Excess scores ranged from 0.8 to 8.1, with a median score of 2.2, considerably lower than the median of other Data Categories due to the categorical or binary nature of many Scoring Fields (either a property is included or is not included). One of the highest-scoring installations in this category is the Argonne National Lab in the Chicago metropolitan area. Not only is this installation marked for disposal and identified in prior lists, but it also has several

[2] Draft GAO Statement of Facts for the Public Buildings Reform Board (the Board) on Federal Asset Sales and Transfer Act (FASTA) Federal Real Property Disposal Recommendations, September 2020.

unutilized assets, and the property is close to other assets owned or leased by the Department of Energy and other agencies.

One of the lowest-scoring properties in this category is the Social Security Administration's Cesar M. Chavez Memorial Building in Denver, CO. This building appears fully utilized and is not on any prior list for excess or due diligence.

Exhibit 10: Surplus and Excess Scoring

Scoring Field	Criteria	Weight
Status Indicator	Installations that scored highest are those marked as "Report of Excess Accepted" or "Report of Excess Submitted," followed by "Determination to Dispose" or "Surplus". This indicates willingness from the agency to dispose of the property.	25%
Prior List	If an installation has undergone some level of due diligence, it received a higher score as the installation has already been marked for further assessment.	25%
Utilization	An installation that is unutilized or underutilized received a higher score as this may indicate likeliness for consolidation.	15%
Duplicate Agency Space	If a nearby location is owned or leased by the same agency, the more likely an opportunity for relocation. Installations with high scores indicate that the property is located between 1 and 40 miles of another property occupied by the same agency.	10%
Nearby Agency Space	The more assets occupied by other agencies within 15 miles, the more likely an asset may have a co-location opportunity.	10%
Implied SF/Person	If an asset has a low implied space efficiency, calculated by building square footage over Federal employee count, it received a higher score.	5%
Agency Criteria	If an agency has identified a specific property type, location, or property in its Efficiency Plans, it received a higher score.	5%
FASTA Disposal Exclusion	If an agency has identified an installation as eligible for FASTA, the installation received a higher score. Self-identification of this field indicates a willingness to coordinate on FASTA but is not dispositive of FASTA eligibility.	5%

Market Value Category

The Market Value scoring category assembles available data to answer the following question: Does the property have features likely to be considered valuable by investors?

This category includes nine contributing Scoring Fields, including overall market strength, property size, Opportunity Zone location, and proximity to downtown cores, airports, ports, or interstate exits. Like the Surplus and Excess category, the maximum score for this category and its subfields is 10.

The Scoring Fields contributing the most to the Market Value scoring category are Market Size (based on population) and Market Growth (based on growth rate controlled by population), which combine for 35.0% of the total market value category. Investors are generally more attracted to properties in primary markets. However, secondary and tertiary markets typically will have the highest growth rates. Both size and growth are included to account for both large metro areas and tertiary markets. Using MSAs, PBRB can avoid gaps in market data for certain localities given the wide geographic range of Federal civilian assets in FRPP.

Acres, Replacement Value, Proximity to Downtown Core, and Proximity to Airport were assigned the next highest weight at 10.0% each. While Acres data in FRPP is limited, it was important to recognize larger properties that may represent more appealing land redevelopment opportunities. Similarly, Replacement Value was considered low weighting to recognize properties currently valued in the 75th percentile of the portfolio. Other criteria receive lower weight as they were determined to have some, but low, predictive ability of whether an investor would be interested in acquiring the asset.

Market Value scores ranged from 1.5 to 9.6, with a median score of 4.5. One of the highest-scoring properties in this category is the Federal Center South property owned by GSA at 4735 E Marginal Way S in Seattle, Washington. This property is in the 15th largest MSA by population and the 14th fastest growing MSA by GDP. While it is a single-asset installation without Acreage or Replacement Value reported, it is close to downtown, ports, fixed-rail transit, and the Seattle-Tacoma International Airport. It is also in a Designated Qualified Opportunity Zone.

One of the lowest-scoring properties in this category is the Department of Labor property at 3 Campus Street, Wauconda, WA. This property is in north-central Washington and does not meet most investors' population criteria and amenities. While included in prior due diligence, it did not have Acres reported due to gaps in what the submitting agency provided.

Exhibit 11: Market Value Scoring

Scoring Field	Criteria	Weight
Market Size	The larger the market location, the higher the score a property received.	20%
Market Growth	The faster the growth a market is experiencing, the higher the score a property received.	15%
Acres	Installations comprising more acres scored more highly since they are larger opportunities for disposal or subdivision.	10%
Replacement Value	While replacement value does not reflect highest and best use, properties with high replacement value scored more highly to ensure they receive further consideration.	10%
Proximity to Downtown Core	In addition to focusing on core MSAs, the scoring also evaluates within an MSA for proximity to downtown. Properties within 10 miles of a downtown core scored the highest.	10%
Proximity to Airport	The closer a property is to an international airport, the more valuable a property is considered. Properties within 10 miles of an international airport scored the highest.	10%
Proximity to Interstate Exit or Port	The closer a property is to interstate exit or port, the more valuable a property is considered. Properties within 2 miles of an interstate exit or within 5 miles of a port scored the highest.	5%
Assets per Installation	The more assets a property contains, the higher the score received because a property with many assets is more valuable than properties with fewer assets. This field is weighted less to avoid valuing properties with many small assets too highly versus properties with a few large assets.	5%
Policy Zones	If a property is located within an Opportunity Zone, the property received the highest score. If a property is in a HUB or New Market Tax Credit Zone, the property received a slightly lower score. This field is weighted less as a property located in these policy zones is not guaranteed to receive investor interest or be financially viable.	5%

Cost Avoidance Category

The Cost Avoidance scoring category assembles available data to answer the following question: Could the property, if disposed, accrue additional value from avoided future costs?

To facilitate evaluating properties based on the legislated FASTA Criteria, PBRB examined the breadth and completeness of multiple data points. As such, this category includes four contributing Scoring Fields. Additional fields such as Annual Operating Costs and Tenant Satisfaction Score were tested but ultimately removed due to low data completeness. However, the final Scoring Fields capture known capital expenditures, cost efficiency, and the likelihood of functional obsolescence.

Estimated Repair Needs and Estimated Repair Needs per SF fields addresses both installations that have the highest overall repair needs and properties with high capital cost inefficiency for their size. These two fields translate most directly to cost avoidance and thus received the most weight.

The other two fields addressed are Asset Construction Year and Condition Index. Asset Construction Year ranks the property's age, and the Building Condition Index is a calculated field in FRPP. While building age and condition are not direct indications of potential cost avoidance, they can still indicate functional obsolescence and tenant satisfaction and are thus weighted slightly lower.

Cost Avoidance scores range from 2.8 to 9.3, with a median score of 6.5. One of the highest-scoring properties in this category is the National Interagency Fire Center in Boise City, ID. This installation has an average asset age of 41 years and repair needs of over $58.0 million, or $207.0 per building SF. One of the lowest-scoring properties in this category is the Department of State property at 1801 N. Lynn St. in Arlington, VA. This property had no Repair Needs reported in FRPP and a perfect Condition Index. Despite the low Cost Avoidance score, the property ranked highly due to a high Market Value score.

Exhibit 12: Cost Avoidance Scoring

Scoring Field	Criteria	Weight
Estimated Repair Needs	Disposing properties with significant future capital outlays contributes to Total Value similarly to proceeds from sale. This field is weighted the most heavily as it is the closest indicator of cost avoidance.	35%
Estimated Repair Needs per SF	While absolute repair needs are important for identifying large cost avoidance opportunities, smaller properties with disproportionately high Repair Costs per SF are also worthy of consideration for disposal.	25%
Asset Construction Year	While not a direct correlation, older properties are more likely to be functionally obsolete and require future investment. The older the building or more recent renovations to a building, the higher the score.	20%
Condition Index	The lower the Condition Index calculated by FRPP, the higher the score, indicating potential occupant dissatisfaction and costs to be avoided.	20%

E. Manual Review and Agency Validation

Manual Review

After the Property Screening Tool, the Property Screening process shifted from an "automated" process of evaluating an entire portfolio, which requires efficiency with an awareness of data limitations, to a "manual" process of evaluating individual properties, which requires verification of data and understanding of property context.

To facilitate a thorough review by reporting agencies, PBRB performed a manual quality control check and reviewed the top-scoring properties. 750 properties were selected for this phase anticipating a high attrition rate of properties being removed following a manual review of FASTA eligibility, with a target of approximately 100 properties that underwent subsequent due diligence.

The target number of top-scoring properties for review was estimated based on the ability to achieve the timeframes and total value targets outlined in FASTA legislation, as well as the ability to:

- Closely review the records and
- Facilitate and obtain prompt responses and input from the reporting agencies.

PBRB sorted the Property List by agency and into three categories: "Removed," "Unlikely," and "Potential" FASTA candidates. The review included installation names and locations, publicly known disposal, or agency actions regarding an installation, and double-checked for FASTA exclusions and potential and perceived national security risks, which may also qualify as a FASTA exclusion.

- **Removed Properties:** Of the 750 top-scoring properties, 92 properties were removed due to certain exemptions determined under FASTA legislation or past disposal actions taken. See Addendum III for a full inventory of reasons considered in this process.
- **Unlikely FASTA Candidates:** In addition, 244 properties were identified as unlikely to be viable for FASTA due to current mission needs or perceived national security risks. These were submitted to agencies to make a "Yes" or "No" decision about whether these properties should proceed to further analysis.
- **Potential FASTA Candidates:** Approximately 414 properties were identified as potential FASTA candidates worthy of further analysis by the PBRB and agencies.

Agency Validation

Upon completing this manual review, PBRB provided the "Potential" and "Unlikely" lists of FASTA candidates to each reporting agency for further evaluation and discussion. 414 properties were sent to agencies following a manual review of the Tool output. These properties do not reflect specific cities or agencies. Still, the entire diversity of the Federal civilian real property portfolio was represented, with 14 reporting agencies, 25 using agencies, and all states but Montana, Vermont, and Wyoming included.

Agencies were asked to evaluate the importance of the identified assets to their mission and comment on the overall facility and staff needs. In addition to FASTA requirements, some agencies may have had additional Federal or related limitations that impact property disposal; for instance, legislation may require an agency to maintain a certain property or services in a region or tied to a specific population.

PBRB held one or more meetings with each reporting agency with properties that resulted from the Tool beginning in January 2021 to finalize an actionable list of properties for further due diligence and evaluation through the Financial Accounting System. Reporting Agencies provided commentary in spreadsheet form. Following discussion, 76 properties were identified for further review:

- Agencies confirmed 51 properties as potentially appropriate for FASTA;
- Twelve additional properties were recommended by Reporting Agencies that were not initially scored highly by the Tool;
- Seven properties were recommended by OMB but not supported by the Reporting Agency; and
- Six properties were identified due to potential for future Reporting Agency support.

F. FASTA Grading

Overview

While the filtering and scoring criteria in the Tool are designed to reflect FASTA legislative criteria, the Tool is based on high-level data in FRPP that needs to be verified with further due diligence and updated to reflect the likely project scope. The Tool also resulted in hundreds of potential properties that must be prioritized so that PBRB can efficiently execute FASTA directives within the timeframes set by legislation.

Given these challenges, the goal of the FASTA Grading Tool was to incorporate legislative and advisory criteria into a quantitative two-step process that selects candidate properties to move from the Property Screening System to the Financial Accounting System:

- First, it established a process to identify properties to evaluate further or not pursue based on available information, whether or not the Reporting Agency recommended the property.
- Second, it established a process to score and grade FASTA criteria, OMB criteria, Presidential Priorities, and PBRB priorities.

The application of the FASTA Grading Tool helped illustrate the differences that led to a certain property being selected for further due diligence or recommendation while a similar property was not selected.

Grading Factors

The FASTA Grading Tool collected criteria from four key sources. In some cases, the priorities of these entities explicitly overlapped. In other cases, an entity may have had a unique priority that PBRB wished to consider:

- Directives from FASTA legislation;
- OMB priorities, including guidance provided directly to PBRB;
- Presidential priorities, including relevant Executive Orders; and
- Additional Priorities from PBRB

There are 18 criteria across four categories from these sources that reflect what would contribute to a successful FASTA recommendation. These factors are shown below. A property received a score of 0, 1, or 2 for each factor based upon the grading criteria shown in Addendum IV.

Exhibit 13: FASTA Grading Factors

Category	First Round Weight	Factor	Source
Financial	2x	Net Financial Impact	FASTA
		Cost Reduction	FASTA
		Disposition Value	PBRB
Efficiency	1x	Asset Utilization	FASTA
		Mission Alignment	FASTA
		Consolidation Opportunity	FASTA
		Lease Reduction	FASTA
		Energy Reduction	FASTA
Implementation	1x	Marketability	FASTA
		Agency Concurrence	PBRB
		Schedule	OMB
		Site Risks	PBRB
		Data Availability	OMB
Community	2x	Stakeholder Risks	PBRB
		Local Benefits	Presidential
		Local Negative Impacts	FASTA
		Access to Agency Services	FASTA
		Tribal Nations	Presidential

Categories were weighted based upon PBRB priorities for a given round. In the First Round, PBRB prioritized recommendations that provided significant taxpayer return and supported local communities; as a result, the Financial and Community categories each received 2x weight when calculating the FASTA Grade in the First Round.

An average score was calculated for each category, and weight was applied to categories. From this calculation, a 0-100% grade was assigned based on the maximum achievable score for the anticipated scope of the project. If the property scope included only vacant land, certain factors, including Consolidation Opportunity, Lease Reduction, and Energy Reduction, were not applicable and were excluded from grading.

Preliminary Grading

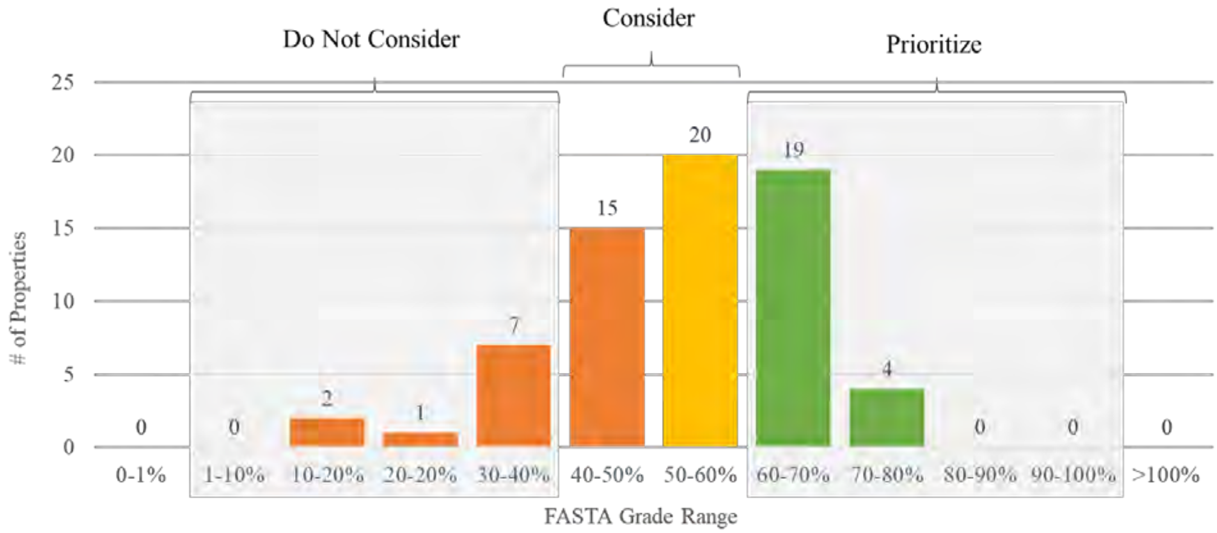
Once candidate properties were identified through the Tool, Manual Review, and Agency Validation, PBRB conducted a grading exercise based upon the above factors. Since information was limited at this stage of due diligence, PBRB made several assumptions around the information retrieved from FRPP and the most likely property action and scope. This required the grade to be updated after the information was collected in due diligence, as discussed in the Final Grading section below.

Once a Preliminary FASTA Grade was developed for each candidate property, the scores were compared, and a decision was made whether to allocate PBRB resources to further due diligence, stakeholder coordination, and financial analysis:

- If a property received a low Preliminary FASTA Grade, PBRB generally pursued no further due diligence or grading in the First Round, although the property may be revisited in the Second Round.
- If a property received a high Preliminary FASTA Grade, PBRB generally assigned the property for further due diligence and updated the Final FASTA Grade once analysis and recommendations were complete.

The distribution of Preliminary FASTA Grades for the 76 initial properties are reflected below. A full summary of each factor and category can be found in Addendum V.

Exhibit 14: Results from Preliminary Grading



Finally, the FASTA Grading Tool was one input in an overall decision-making process that considered the likelihood of successful FASTA action. Properties that received a high Preliminary FASTA Grade may encounter significant barriers that prevent a typical disposition or consolidation. For instance, properties may have deed restrictions limiting what the Federal Government may do with a property, including reversionary clauses to local municipalities in the event the Federal Government ceases to need or use the property. In other cases, environmental concerns may limit the buildable footprint of vacant land to where development becomes infeasible.

Further Analysis

After the Preliminary FASTA Grade, PBRB advanced identified properties to the Financial Accounting System for the next evaluation phase. The Financial Accounting System and structure for the detailed Property Reports are found in the Financial Accounting System Methodology and Approach Report and comprises four tools:

- Use and Development Program;
- Property Valuation Model;
- Scenario Comparison Model; and
- FASTA Grading

To manage resources, PBRB recommended advancing the property to further evaluation at each stage in the evaluation process after the Property Screen. Any decision to remove a property was logged in the System of Record and must meet a previously approved set of reasons found in Addendum III. Potential reasons for removal or deferral to a later round include:

- Excluded by FASTA Criteria;
- Low Likelihood of Disposition;
- Low Likelihood of Value; or
- Corrected Data.

Final Grading

Once due diligence for a property was completed, including stakeholder outreach and financial analysis, its FASTA Grade was updated based upon new information collected during this time and more precise scope and recommended action.

- If a property received a low Final FASTA Grade, PBRB generally considered whether to recommend to OMB in the first round or perhaps later in the process.
- If a property received a high Final FASTA Grade, PBRB prioritized the property for recommendation to OMB and funding from the Asset and Space Management Fund (if necessary).

G. Data Management

FRPP Data

The FRPP, an inventory of buildings, land, and structures owned and leased by the Federal Government, is the foundational database of the Tool. When using FRPP data, it is important to acknowledge and examine the data limitations affecting the screening outcomes. These limitations are broadly known and highlighted in various Government Accountability Office ("GAO") reports.[3]

The January 2021 GAO 21-233 report noted data challenges in the FRPP database, such as incorrectly reported utilization, staffing, and property addresses.[4] Additionally, the reporting methodology can vary by agency. "To cite one example, the National Park Service ("NPS"), GSA, and the Department of Veterans Affairs ("VA") have all used different definitions when reporting on building utilization, which means the data cannot be used to compare agency performance. The FRPP-MS also does not include some of the data elements required by FASTA, such as annual operating costs, as well as other data that GSA collects which might be useful for oversight, such as building repair needs."[5] While additional data should be collected directly from the agencies, "GSA officials noted that the use of the FRPP was intended as a starting point to identify potential disposal candidates."[6] However, incorrect or incomplete information in FRPP may result in missing candidates for further screening.

Some of the data limitations which could have impacted the Property Screening process and mitigation measures are summarized below:

- **Installation and Asset Relationship**: Each installation in FRPP is intended to collect assets within the same location. However, in practice, many Installation IDs have assets spread across multiple cities. In some cases, this is due to agencies submitting disparate assets or installations under one Installation ID. In other cases, Installation IDs are duplicated between agencies. To address this, a separate unique identifier is created to account for these instances. Properties are filtered and scored at the asset level. They are then consolidated at the installation level for further evaluation to ensure that all contributing assets and land combinations are considered.
- **Geolocation:** Either an address or latitude/longitude is required by FRPP. However, many addresses provided are invalid or incomplete, such as a road name with no number. Many latitude/longitude points also fall on street lines and thus cannot be easily matched to parcel data.
- **Land data**: Each installation should have one or more land records associated. However, approximately 31.5% of installations in FRPP evaluated in the Tool do not have an associated land record. This required land data to be incorporated later in the process.
- **Missing Data**: Many fields in FRPP have a wide range of completeness by installation or agency. In some cases, this is because the data is not reported for that record type (i.e., land, asset, or structure). In other cases, the data is not required or is entered as "0" to avoid reporting requirements. The Screening Criteria addressed these nulls and other outliers to avoid skewing the results.

To facilitate comparison, a Data Completeness Score was calculated for each record based on the weighting of available and unavailable data fields to alert PBRB personnel to the quality of the data and potential risks due to missing information. Of the 1,703 installations the Tool scored, only 95 received a data-completeness score greater than 90.0%.

While attention was taken to identify and address gaps and inconsistencies in the FRPP data, most data fields cannot be independently verified, given the large size of the dataset. These potential errors inherent in the FRPP data may lead to distorted scores in some cases. A series of manual checks and coordination with agencies validated important data fields by engaging the reporting agencies during the FASTA candidate identification process. As such, the summary statistics in this document are subject to change based on this updated data.

[3] Government Accountability Office FRPP-topic reports: GAO-20-135; GAO-17-321; GAO-16-275.
[4] GAO 21-233, Federal Real Property: Additional Documentation of Decision Making Could Improve Transparency of New Disposal Process, January 2021, 27.
[5] Federal Real Property Data: Limitations and Implications for Oversight (R46594), Congressional Research Service, November 5, 2020, 2.
[6] GAO 21-233, Federal Real Property: Additional Documentation of Decision Making Could Improve Transparency of New Disposal Process, January 2021, 28.

The Federal Real Property Council ("FRPC") has recommended improvements to data automation, validation, and verification since FY 2014[7] and are still encountering significant challenges. "FRPC working group meetings and documentation shared by many Federal departments and agencies revealed wide variances among the practices with respect to the robustness of management systems and software, real property data verification and validation practices, and real property data quality improvement program maturity."[8] The August 2021 Data Quality Improvement Program Guidance delineates responsibilities between FPRC, Senior Real Property Officer, U.S. Congress, OMB, and GAO, and Federal Stakeholders.[9] Agencies must submit their new data quality plan by FY 2022 Q2.

External Data

Additional data sets were used to accomplish the complex modeling required by the Tool. The database assembled for the Tool provides PBRB personnel with as much relevant information as possible to determine whether a property is appropriate for FASTA and conduct financial analysis as efficiently as possible. The additional supplementary data outputs captured include:

- **Valuation Model Assumptions:** Market rents, vacancy, capitalization rates, and market trends by use.
- **Scenario Comparison Model Inputs:** Nearby Federally owned and leased properties.
- **Development Risk Assessment:** Data completeness, historic designation, flood zone, hazardous materials, and prior industrial use.
- **Policy Goals:** Opportunity Zone, homeless service characteristics, Congressional District and representative, and agency plans.
- **Recommendations:** As appropriate, and as determined over the Screening and Financial Accounting Processes course, reasons for the removal of any asset from analysis workflow.

Specific non-scoring data outputs are described below.

Exhibit 15: Additional (Non-Scoring) Fields Provided to Evaluation Team

Type	Fields Provided to Evaluation Team	Scope
Basic Market Data	• Assigned market and submarket • Additional assignment if no market or submarket data • Rental Growth (Office, Industrial, Multi-family) • Existing Inventory (Office, Industrial, Multi-family) • Delivery Pipeline (Office, Industrial, Multi-family) • Homeless Services Characteristics • Congressional District and Representative	By Asset Location
Preliminary Valuation Model Inputs	• Class A Rents (Office, Industrial, Multi-family) • Average Rents (Office, Industrial, Multi-family) • Vacancy (Office, Industrial, Multi-family) • Cap Rate (Office, Industrial, Multi-family)	By Asset Location
Preliminary Valuation Model Assumptions	• Operating Expense Ratio (Office, Industrial, Multi-family) • Class A-B Development Costs PSF (Office, Industrial, Multi-family) • Class A-B Fit-Out Costs PSF (Office, Industrial, Multi-family)	By Region, Class, or Nationally
Risk Assessment Factors	• Data Completeness Score • Historic Property Designation • Location within 100-Year FEMA Flood Zone • Industrial Use on Installation	By Asset

[7] Agency-Level Federal Real Property Profile Data Quality Improvement Program Guidance, Federal Real Property Council (FRPC) Guidance for Data Verification, Validation, and Certification, August 2021, 7-8.
[8] Ibid, 17-18.
[9] Ibid, 10-11.

Relocation Opportunities	• Nearby owned Federal properties, agency, building SF, utilization, and headcount • Nearby leased Federal properties, agency, building SF, utilization, and headcount	By Asset

System of Record

All collected data is stored in a centralized, secure database with a front-end interface for Board members, PBRB staff, and associated consultants. In addition to documenting all significant decisions, the front-end interface provides individual property lookups, data storage, update functionality, and project management metrics for each property's stage in the evaluation process.

At the submittal of the First Round candidate list by December 2021, a Second Round is to be conducted building on the current analyses and again using the Tool to identify any new FASTA candidates. The Second Round will use updated FRPP information and may include advanced filter and scoring calculations and revisiting properties that are deferred from the First Round due to timeline constraints in due diligence.

H. Addendum

ADDENDUM

I. DETAILED FILTER CRITERIA
II. DETAILED SCORING CRITERIA
III. DOCUMENTATION OF REMOVAL DECISIONS
IV. FASTA GRADING CRITERIA

Addendum I: Detailed Filter Criteria

Exhibit IA: Resulting Properties from Filter Criteria

Field Name	Criteria	Reason	Source	Asset Count	Installation Count
Complete Federal Portfolio	Include all assets in Federal Portfolio	Starting point	FRPP	1,048,575	410,426
Legal Interest	Include if the Legal Interest is Owned	Remove properties that cannot be disposed	FRPP	874,200	295,159
Agency Grouping	Include if Agency Grouping is Civilian	Focus only on civilian assets	FRPP	224,034	10,129
Status Indicator	Exclude if Status Indicator is Disposed	Remove properties that have already been disposed	FRPP	222,314	9,652
Real Property Use	**Exclude buildings or land** with these real property uses: Aviation Security-Related; Border Inspection Station; Comfort Station & Restroom; Communication Systems; Flood Control; Navigation; Forest & Wildlife; Misc. Military Facilities; Mis. Military Land; Monuments & Memorials; Museums; Navigation & Traffic Aids; Parks & Historic Sites; Prisons & Detention Centers; Railroads; Reclamation & Irrigation; Roads and Bridges **Include structures** only with these real property uses: Airfield Pavements; Airfields; Harbors and Ports; Industrial (except for Parking Structures, Research and Development, and Laboratories); Communication Systems	Remove properties that are unlikely to be disposed or cannot be disposed due to the property's use	FRPP	56,448	5,761
Population	Include if Population is Top 60	Major MSAs with potential investor interest	Census	15,323	1,303
Add GDP Growth, Employment Growth, Population Growth	Include if Population = Top 200 AND GDP Growth = Top 50, OR Employment Growth = Top 50, OR Population Growth = Top 50	Growing MSAs with potential investor interest	BEA	18,780	1,591

Add Status Indicator	Include if population = Top 200 AND Status Indicator = Report of Excess Accepted, Report of Excess Submitted, or Determination to Dispose, Surplus AND Civilian, Not Disposed, Not Excluded Uses	Align with existing agency plans where possible	FRPP	20,012	1,640
Add Prior List and Agency Criteria	Include if population = Top 200 AND specific property, city, region, or property use targeted by submitted agency criteria AND Civilian, Not Disposed, Not Excluded Uses Included if a property is identified as receiving prior due diligence from agencies AND Civilian, Not Disposed, Not Excluded Uses	Align with existing agency plans where possible Build upon prior due diligence conducted	Agency Efficiency Plans Agency Data Call	26,660	1,703
Total				**26,660**	**1,703**

Addendum II: Detailed Scoring Criteria

Exhibit IIA: Surplus and Excess Scoring Criteria (40% of Total Score)

Field	Scoring Criteria	Data Type	Reasoning	Weight
Status Indicator	• 10 = Report of Excess Accepted or Submitted • 8 = Determination to Dispose or Surplus • 0 = Cannot Currently Be Disposed, Current Mission Need, Future Mission Need	Categorical	Property has been identified as appropriate for disposition and existing due diligence to utilize.	30%
Prior List	• 10 = Identified as FASTA candidate by agencies or previous PBRB due diligence conducted • 5 = All other prior lists • 0 = Null	Categorical	Higher level of confidence in data and appropriateness for disposition.	30%
Utilization	• 10 = Unutilized • 7.5 = Underutilized • 0 = Utilized, Null	Categorical	If self-reported as unutilized or underutilized, more likely to receive agency support for disposition.	10%
Duplicate Agency Space	• 10 = Two more property owned or leased by the same agency within 40 miles of the asset • 7.5 = One property owned or leased by the same agency within 40 miles of the asset • 0 = No nearby location of the same agency	Categorical	If a nearby location is owned or leased by the same agency, the more likely an asset could be consolidated.	10%
Nearby Agency Space	• 10 = 20 or more other Federal assets within 15 miles • 7.5 = Between 6 and 20 Federal assets within 15 miles • 5 = Between 1 and 5 Federal assets within 15 miles • 0 = No other civilian assets and same property use nearby	Categorical	The more civilian assets located nearby, the more likely an asset could be consolidated.	10%
Agency Criteria	• 8 = Meets agency criteria for efficiency planning, including specific properties, locations, and use types • 0 = No, Null	Categorical	If the proposal aligns with agency efficiency plans, more likely to receive agency support for disposition.	5%
FASTA Disposal Exclusion	• 8 = Yes • 2 = No, Null	Categorical	If self-reported as FASTA eligible, more likely to receive agency support for disposition.	5%

Exhibit IIB: Market Value Scoring Criteria (40% of Total Score)

Field	Scoring Criteria	Data Type	Reasoning	Weight
Market Size	• 0 to 10 = Total Population rank between 1 and 60 • 0 = Null or over 60	Continuous	If a large market, more likely to be investor interest.	20%
Market Growth	• 0 to 10 = Properties above 75th percentile of average growth ranking between GDP, employment, and population, with weighting based on total population rank • 0 = Null or below 75th percentile in Market Growth score	Continuous	If a growing market, more likely to be an investor opportunity.	15%
Acres	• 10 = Total acreage of installation is in 75th percentile or higher • 2 to 8 = Size of property is between the 25th and 75th percentiles • 5 = Null, zero, or no land asset reported • 2 = Total acreage of installation is in the 25th percentile or lower	Continuous	Depending on location, installations with more land may be more valuable or have more individual parcels for disposal.	10%
Replacement Value	• 8 = Replacement Value is in the 75th percentile or higher • 2 = All others	Continuous	While replacement value does not reflect future use, this elevates expensive existing buildings for consideration.	10%
Proximity to Downtown Core	• 10 = Within 10 miles of Downtown Core • 0 = No or Null	Categorical	Within core MSAs, if close to downtown as indicated by mapping.	10%
Proximity to Airport	• 10 = Within 10 miles of an international airport • 0 = No or Null	Categorical	Factor in the desirability of a location for multi-family, industrial, and office	10%
Proximity to Interstate Exit or Port	• 10 = Within 2 miles of Interstate Exit or 5 miles of Port • 0 = Null	Categorical	Factor in the desirability of a location for industrial	5%
Assets per Installation	• 10 = Assets per installation is in the 75th percentile or higher • 2 to 8 = Assets per installation is between 25th and 75th percentiles • 2 = Assets per installation is below 25th percentile	Continuous	Given limited land data in FRPP, estimating the relative size of installation by the number of assets	5%
Zones	• 10 = Qualified Opportunity Zone • 5 = HUB or NMTC Zone • 0 = Null	Categorical	Support policy goals	5%

Exhibit IIC. Cost Avoidance Scoring Criteria (20% of Total Score)

Field	Scoring Criteria	Data Type	Reasoning	Weight
Estimated Repair Needs	• 10 = Repair needs are at 75th percentile or higher • 2 to 8 = Repair needs are between 25th and 75th percentiles • 4 = Null	Continuous	The higher the estimated repair needs, the more costs to be avoided in disposition.	35%
Estimated Repair Needs per SF	• 10 = Repair needs per SF of the building are at 75th percentile or higher • 2 to 8 = Repair needs per SF are between 25th and 75th percentiles • 4 = Null	Continuous	Ensuring that smaller properties with high repair costs per SF are not missed.	25%
Asset Construction Year	• 8 = Year of construction is 1950 or earlier • 0 to 10 = Percent rank by the age of building built after 1950 • 5 = Null or Zero	Continuous	The older the building or latest renovations to a building, the more likely there are unreported costs due to functional obsolescence.	20%
Condition Index	• 0 to 10 = Condition Index from high to low • 5 = Null or zero	Continuous	The lower the condition index calculated by FRPP, the more likely there are unreported costs to be avoided.	20%

Addendum III. Documentation of Removal Decisions

Exhibit IIIA: Reasons for Removing Property from Consideration

Phase Removed	Reason	Sub-Reason
Manual Check Agency Validation	Excluded by FASTA Criteria	• On Military Installation • Public Domain • National Forest or Park • Indian and Native Alaskan • Agriculture • Recreational • Conservation • River • Harbor • Flood Control • Reclamation • Power Project • U.S. Postal Service • Outside the U.S. • Not Federally Controlled
Agency Validation Due Diligence	Data Correction	• Error in Agency Submission • Transaction Ongoing or Completed • Data Correction Impacting Filter or Score
	Transaction Barrier	• Not Developable due to Site Constraints • Not Transferable due to Deed Constraints
	Low FASTA Grade	• Very Low FASTA Grade • Low FASTA Grade and Agency Rejection • Low FASTA Grade and Low-Value Estimate

Addendum IV. FASTA Grading Criteria

Domain	Factor	Source	Description	Grading Rules
Financial	**Net Financial Impact**	FASTA	Potential costs and savings, including the number of years.	0=Low or Negative Net Financial Impact; 1=Some; 2=High
	Cost Reduction	FASTA	Operating costs can be reduced through consolidating, co-locating, reconfiguring space, and other operational efficiencies.	0=Low or No Costs to Reduce; 1=Some; 2=High
	Disposition Value	PBRB	Disposition Proceeds can return to the PBRB Asset Fund to fund ongoing or future projects.	0=Below $1M Proceeds; 1=$1-20M; 2=Above $20M
Efficiency	**Asset Utilization**	FASTA	The utilization rate is being maximized and is consistent with non-governmental industry standards.	0= Below 200 SF/person; 1=200-300 SF/person; 2= Above 300 SF/person or Vacant Land
	Mission Alignment	FASTA	Property (building and/or location) aligns with the current mission of the Federal agency.	0=Aligns; 1=Partially Aligns (Space or Location); 2=Does Not Align
	Consolidation Opportunity	FASTA	Opportunities to consolidate similar operations across multiple agencies or within agencies.	0=Limited Opportunities to Consolidate; 1=Several Nearby Federal Agencies; 2=Large Nearby Federal Footprint
	Lease Reduction	FASTA	Reliance on leasing for long-term space needs can be reduced.	0=Increases Leased Space; 1=No Change in Leased Space; 2=Decreases Leased Space
	Energy Reduction	FASTA	Energy consumption can be reduced.	0=Worse Energy Usage of Agency; 1=Unchanged or Somewhat Improved; 2=Significantly Improved

Implementation	**Marketability**	FASTA	Property could be sold, redeveloped, outleased, or otherwise used to produce the taxpayer's highest and best value and return.	0=Limited Nearby Investment or No Disposition Rec; 1=Some Nearby Dev. or Major Investment Market; 2=Major Investment Market and Nearby Development
	Agency Concurrence	PBRB	Reporting Agency and/or Occupying Agency support the proposed solution.	0=No Reporting or Using Agency Support; 1=One of Reporting, Using, or OMB; 2=Reporting & Using Agency
	Schedule	OMB	Can be executed within the six years required by FASTA after Report of Excess is accepted.	0=Low Schedule Certainty; 1=Moderate Schedule Certainty; 2=High Schedule Certainty
	Site Risks	PBRB	Risk assessment and mitigation may delay FASTA timelines, including environmental, historic, or budget.	0=Many Significant Disclosures; 1=Some Significant; 2=No Significant Known
	Data Availability	OMB	Adequate evaluative information for the public to assess the proposed solution.	0=Redacted Info or Major Studies Needed; 1=Major Studies Underway; 2=Major Studies Complete
Community	**Stakeholder Risks**	PBRB	Stakeholder coordination may delay FASTA timelines, including community, local government, agency, and Congress.	0=Many Significant Stakeholder Interests; 1=Some Significant; 2=No Significant Known
	Local Benefits	Presidential	Biden-Harris Administration's Immediate Priorities, including Racial Equity and Economy are supported.	0=No or Limited Positive Benefits; 1=Some; 2=High
	Local Negative Impacts	FASTA	Economic impact on existing communities in the vicinity of the civilian real property.	0=High Negative Impact; 1=Some; 2=No or Limited
	Access to Agency Services	FASTA	Public access to agency services is maintained or enhanced.	0=Significantly Reduced access; 1=Unchanged or No Current Use; 2=Enhanced by Proposed Solution
	Tribal Nations	Presidential	Regular, meaningful, and robust federal landholder consultation with relevant Tribal Nations.	0=Tribal Nations Not Consulted; 1=Consulted; 2=Solution Shaped by Tribal Nations

PUBLIC BUILDINGS REFORM BOARD

Appendix III. Financial Accounting Methodology and Approach Report

Table of Contents

A. Glossary

Term	Definition
Acquisition Cost	Costs for purchasing an asset.
Annual Rent RSF	Annual rent per Rentable Square Foot of space.
Asset Proceeds and Space Management Fund	Fund established under FASTA for activities related to the implementation of the Board's recommendations. Receives proceeds from dispositions and used to finance Disposal Costs and other actions pursuant to the Board recommendations.
Capital Costs	One-time charges which may include renovation, relocation/move costs, temporary leased space, brokerage commissions, interior fit-out, building acquisition, land acquisition, entitlements, construction costs, capital repairs, and other such costs.
Capital Renewal Expenditures	Costs associated with future recurring capital repairs, replacements, and or renewals.
Capitalization Rate ("Cap Rate")	Calculated as the Net Operating Income divided by the Acquisition Cost or, alternatively, the market value of the property.
Construction Duration	Total duration from acquisition or commencement of construction/renovation to occupancy, including all steps in between, including, but not limited to, design, entitlements, permitting, and construction.
Construction Loan Interest Rate	The interest rate for a construction loan.
Contingency	Additional budget allowance for any unforeseen costs.
Core Factor	The percentage of a building's Gross Square Footage that is not deemed "rentable."
Cost Avoidance	The long-term savings to taxpayers over a 30-year period, calculated by comparing the difference in the Net Present Value of Total Occupancy and Total Ownership Costs between the Recommended scenario and Status Quo scenario. Cost Avoidance does not impact the Asset Proceeds and Space Management Fund.
Discount Rate	Percentage used to discount to Net Present Value of future cash flows.
Disposal Costs	Costs of certain actions or studies required by the Federal Government to dispose of real property. This may include items such as a survey, appraisal, or historic preservation consultation services.
Draw Schedule	Schedule of equity or Construction Loan draws used to fund construction and related costs during the Construction Duration, typically tied to a percentage of construction completed.
Exit Cap Rate	The Cap Rate that reflects the value of a completed, stabilized project when the investor who completed the project "exits" by selling the project to another investor on the open market. This is a market-based metric that is informed by sales of comparable assets.
Financial Accounting Tools (the "Tools")	The set of four tools (Use and Development Program, Property Valuation Model, Scenario Comparison Model, and FASTA Grading),

	used to perform quantitative and qualitative valuations of properties aimed to satisfy the goals and objectives of FASTA.
Fit-Out Costs	Costs for building out space to meet the operational needs of a tenant.
Floor Area Ratio ("FAR")	The ratio of the floor area of a development project to the land area of the development site.
Gross Square Feet ("GSF")	The total square footage of a building, inclusive of all stairwells, elevator shafts, vertical penetrations, building core, etc. Includes the entire volume of a building without regard to whether the space can be occupied or rented.
GSA Disposition Tool/NPV Calculator ("GSA Tool")	Tool used by GSA to calculate Net Present Value.
Hard Cost PSF	Costs for materials and labor on a per-square-foot basis.
Highest & Best Use	The property use, as permitted by the zoning code, that generates the highest Residual Value, based on prevailing key market indicators such as rents, vacancy, Cap Rates, construction costs, etc.
High Value Asset ("HVA") Accounting System	Accounting system used in the High Value Assets Round.
Landlord TI Allowance	Tenant improvement allowance that is paid for by the landlord.
Loan-to-Cost Ratio	The amount a lender is willing to loan relative to actual project costs.
Net Financial Impact	The amount equal to the difference between net disposition proceeds, Disposal Costs, and Total Occupancy Costs or Total Ownership Costs. These proceeds are deposited into the Asset Proceeds and Space Management Fund.
Net Operating Income ("NOI")	The difference between rental revenue and Operating Costs.
Net Present Value ("NPV")	The result of discounting all future cash flows (inflows and outflows) at the Discount Rate. A positive NPV indicates that an investment is generating a yield in excess of the assumed Discount Rate. A negative NPV indicates an investment is generating a yield that is less than the assumed Discount Rate.
Nominal Value	The nominal value is the sum total dollars for a specified timeframe without any discounting.
Operating Costs	Recurring costs for property owners or Tenant Agencies, such as janitorial services, management fees, utilities, taxes, insurance, security, landscaping, snow removal, etc.
Project Costs	Includes costs associated with materials and labor (Hard Costs), fees associated with entitlements, engineering, architecture, and legal services (Soft Costs), and the Project Contingency.
Program GSF	GSF determined by Use and Development Program.
Recommended Scenario	The occupancy or ownership scenario that the Board has recommended for a property.
Rentable Square Feet ("RSF")	Useable Square Feet plus a portion of a building's common space, excluding vertical penetration (stairwells, elevator shafts, etc.) and building core. RSF is the basis for charging tenants rent in most commercial buildings.

Residual Value	The amount an investor is willing to pay to acquire a property, considering development and construction costs, rental income, vacancy allowance, operating expenses, Cap Rates, and prevailing market financing terms, while achieving a market-based return on equity.
Total Occupancy Costs	All costs borne by a Tenant agency associated with its occupied space, either owned or leased, and composed of Operating Costs and Capital Costs.
Total Ownership Costs	All costs borne by the landholding agency associated with owned assets and composed of Operating Costs and Capital Costs.
Soft Costs	Architecture, legal, and other fees associated with pre-construction activities, as well as other activities during the Construction Duration, outside of the general contractor's scope of work.
Status Quo Scenario	The scenario if current occupancy, utilization and/or ownership of a property remains unchanged and only minimum investments are made to address required repairs and maintenance.
Use	Type of real estate use (multi-family, office, industrial, etc.); determined by Use and Development Program.
Usable Square Feet ("USF")	The total area of a building unique to a tenant's footprint and occupancy. Not used in this report but included here to clarify both GSF and RSF.
Vacancy	Unleased space.
Yield Spread	The difference between the going-in Cap Rate (yield on cost) and the prevailing market Cap Rates for comparable properties (Exit Cap Rate).
Yield-on-Cost Approach	The difference between the maximum total project budget and estimated project costs, which results in the residual value.

B. Executive Summary

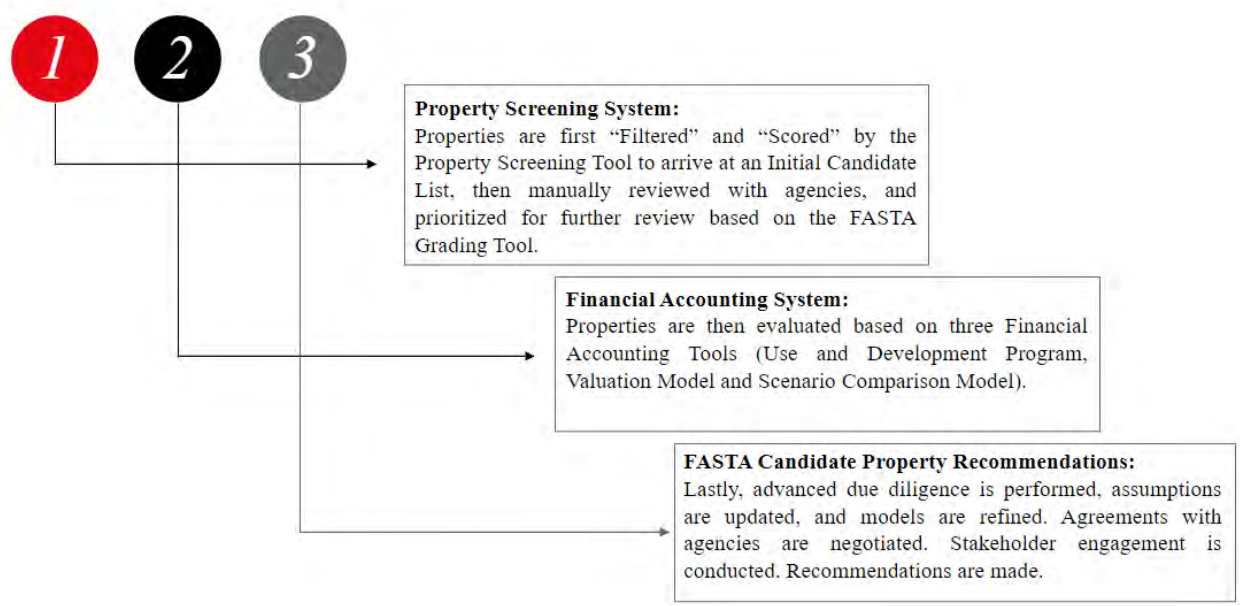
Overview

Purpose

The Public Buildings Reform Board ("PBRB") was established under P.L. 114-287, the Federal Assets Sale & Transfer Act of 2016 ("FASTA"), as an independent agency to identify opportunities for the Federal Government to significantly reduce its inventory of civilian real property and thereby reduce costs. As part of the Board's duties, Section 12(e) of the FASTA legislation states, "…the Board shall identify or develop and implement a system of accounting to be used to independently evaluate the costs of and returns on the recommendations. Such accounting system shall be applied in developing the Board's recommendations and determining the highest return to the taxpayer."[1] Pursuant to FASTA, PBRB has developed a comprehensive financial accounting process for analyzing the Federal real property portfolio to identify First and Second Round recommendations.

The purpose of this report is to document the Financial Accounting System and supporting Tools the Board has created to utilize in its development of First and Second Round FASTA candidate recommendations. In particular, the Tools aid in the objective evaluation of properties from both a quantitative and qualitative approach. The Financial Accounting System was built with the functionality and flexibility to be applied across a variety of real property asset types and market conditions.

Exhibit 1: FASTA Candidate Identification Process



Financial Accounting Tools

The following four elements of the Financial Accounting System are discussed further in this document:

1. The **Use and Development Program**, which establishes the most probable redevelopment program if the property were under private ownership.
2. The **Property Valuation Model ("Valuation Model")**, which develops a preliminary valuation of each property.
3. The **Scenario Comparison Model**, which performs quantitative evaluations of all the likely occupancy/utilization and/or ownership alternatives.

[1] The Federal Assets Sale and Transfer Act (Public Law 114-287) § Section 12 (e) Board Duties (2016).

4. The **FASTA Grading**, which provides a qualitative assessment of a Property's potential to support FASTA, PBRB goals and objectives, Presidential Priorities, and alignment with Office of Management and Budget ("OMB") criteria.

Methodology

Identifying which properties present the most credible disposition opportunities begins with a rigorous methodology to establish a market value estimate of each asset, using the Valuation Model. This model uses market-based inputs from a private developer/owner's perspective to identify the properties that merit further investigation.

Next, a determination is made as to which scenarios (if any) to evaluate in the Scenario Comparison Model. The Scenario Comparison Model is designed to calculate the Net Financial Impact of various renovation and/or relocation scenarios from a landlord's (landholding agency) or tenant's (occupying agency) perspective. The tenant-perspective model is typically used for properties occupied by a single agency, and the landlord-perspective model is typically used for properties occupied by multiple agencies and/or vacant properties. While the type of tenancy is a guideline for using each model, there is no "one size fits all" approach; thus, each project's analysis will be unique.

Disposition may be the only scenario considered in cases of vacant land (for some or all of the property), in cases where current tenants are in the process of relocating, or in certain other cases. In a case where the Government is considering disposition only, the analysis ends after completing the Valuation Model. Note that this is not a definite rule, thus each property's unique characteristics are considered in determining which scenarios should be modeled.

Environmental

The environmental approach taken with the First Round Properties assumes that each property will obtain a categorical exclusion ("CATEX"). The CATEX allows for the property to be sold without reliance on an Environmental Assessment ("EA") or Environmental Impact Statement ("EIS").

Historic

For properties that are on the National Historic Register, our analysis assumes a premium in renovation/redevelopment costs related to those properties. The premium captures the added costs of preservation of the historic elements related to a property. The analysis does not account for each individual historic element but applies the premium to the overall renovation/redevelopment model. As a result, this premium of costs reduces the overall value of the property as well as increases any disposal costs related to the Section 106 process.

Valuation

Following the Property Screening Process, the Valuation Model provides a high-level estimate of the potential market value of each property, using a common set of inputs and assumptions, based on a Use and Development Program supported by local market research. The output of the Valuation Model allows properties to be grouped by their initial valuation, prioritizing higher-valued properties for further due diligence. The properties that advance to the next step in the process undergo a more detailed valuation.

Scenarios

Comparing occupancy/utilization or ownership scenarios for a given property requires a calculation of the Total Occupancy Costs and/or Total Ownership Costs for each property as well as costs associated with potential relocations, capital renewal for renovations, interior fit-out, and other relevant costs. The ultimate objectives of the Tools are to determine the recommended scenario based on the greatest (positive) Net Financial Impact and then to calculate Cost Avoidance to the taxpayer.

The Tools accommodate multiple different occupancy or ownership scenarios, incorporating flexibility to adjust for conditions unique to each property and/or tenant(s). Each property is evaluated according to a customized analysis of one or more occupancy or ownership scenarios based on user/owner priorities, due diligence, and market dynamics. Where appropriate, a range of property transaction structures are evaluated, such as real property exchanges. Leasing is also considered to the extent it does not create a capital lease for the Federal Government.

Tenant Perspective

The occupying agency or agencies are referred to collectively as the "Tenant." There are six different renovation and/or relocation scenarios for properties currently being utilized and occupied, which may involve a disposition of some or all the subject property. The Scenario Comparison Model from the Tenant's Perspective calculates the Net Financial Impact to the occupying agency, whereby any disposition proceeds are used to offset Total Occupancy Costs.

Landlord Perspective

The current property owner is referred to as the "Landlord." The first two scenarios in the Scenario Comparison Model from the Landlord Perspective are the same as the first two scenarios from the Tenant's perspective, but instead, address the Net Financial Impact to the landholding agency rather than the occupying agency. The third scenario is a disposition of the property, either to leased or owned space (Scenarios 3 and 4 from the Tenant perspective) and considers the cost of the relocation from the Landlord's perspective. This model can be used for properties that are either vacant or occupied.

Scenarios

There are six potential ownership or occupancy scenarios that may either apply to the Tenant, Landlord, or both perspectives. These are explained further in the Methodology and Approach Detail.

1. **Scenario 1: Remain in Place – No Renovation**. This is considered the "Status Quo" scenario where the Tenant continues to occupy the space without building modernization.
2. **Scenario 2: Remain in Place – with Renovation**. This assumes the building undergoes renovation to modernize the space.
3. **Scenario 3**: **Relocate to Leased Space**. This assumes the Government disposes of the property and the Tenant relocates to leased space.
4. **Scenario 4**: **Relocate to Owned Space**. This assumes the Government disposes of the property and the Tenant relocates to other Government-owned space.
5. **Scenario 5: Relocate and New Build – Self-Perform**. This assumes the Government disposes of the property and the Tenant relocates to newly constructed Government-owned space.
6. **Scenario 6: Relocate and New Build – Real Property Exchange**. This assumes the Government disposes of the property through a real property exchange with a private developer.

Summary of Findings

The objective of all these screening, valuation and comparative analysis tools is to develop a subset of properties that present the most credible cases for disposition by the Federal Government. The Valuation Model is designed to first produce preliminary "rough order of magnitude" valuations for a large inventory of assets based on high-level market data and investment metrics. This first stage of the Valuation Model is intended to allow the user to efficiently sort and organize assets, providing an understanding of the volume (and collective value) of assets within certain value ranges.

Based on the prioritization of properties into tiers according to value ranges, further due diligence is performed on selected properties to validate assumptions used in the Valuation Model, such as rental rates, operating expenses, zoning regulations, construction costs, Cap Rates, supply and demand dynamics of the local market, and other factors. This second stage of the Valuation Model provides a more in-depth valuation, resulting in the Residual Land Value, which becomes an input in the Scenario Comparison Model. Additional assumptions that inform the Scenario Comparison Model are verified, such as the feasibility of each occupancy alternative, the sufficiency of information concerning the condition of the existing facility, renovation costs, rental rates, and Acquisition Costs for similarly sized blocks of space, and other critical information. Each Financial Accounting System Tool builds upon the results of the previous one. Therefore, updated assumptions resulting from further due diligence or new information that becomes available are updated across all the Financial Accounting System Tools before the final determination of FASTA suitability is made for Board recommendations.

Upon completion of the above financial analysis, the Board reports two metrics for each recommended property:

1. **Net Financial Impact**, which estimates the difference between net disposition proceeds, Disposal Costs (such as additional studies, survey and title work, and environmental or historic remediation), and Total

Occupancy Costs or Total Ownership Costs. The Scenario Comparison Model is used to evaluate the Net Financial Impact to the Federal Government from disposing of a property and leasing/acquiring new space for the agency that vacated the disposed property, as applicable. These proceeds are deposited into the Asset Proceeds and Space Management Fund.

2. **Cost Avoidance**, which estimates the long-term savings to taxpayers over a 30-year period, calculated by comparing the difference in the NPV of Total Occupancy and/or Ownership Costs between the Recommended Scenario and Status Quo Scenario. These values do not impact the Asset Proceeds and Space Management Fund.

C. Methodology and Approach

Overview

Purpose

The guiding principles for the Financial Accounting System are to create standard analyses that perform quantitative and qualitative valuations of properties aimed to satisfy the goals and objectives of FASTA.

The following further explains and documents how the FASTA candidate identification process uses the four Financial Accounting Tools:

1. The **Use and Development Program**.
2. The **Property Valuation Model**.
3. The **Scenario Comparison Model**.
4. The **FASTA Grading**.

Input and Sources for Tools

Federal Inputs

The following information is used in each Tool:

- Information contained in the Federal Real Property Profile ("FRPP") dataset.
- Agency occupancy information.
- Previous studies such as Feasibility Studies, Environmental Baseline Surveys, EIS or EA, Program of Requirements, Facilities Conditions Assessments ("FCA"), and other studies related to the asset, current occupancy, and operating information.

Market Inputs

Market reports from private sector research for the most up-to-date market information for various uses (office, industrial, residential, etc.), including a proprietary database for all the major markets as well as most secondary and tertiary markets around the country for most asset types. This database provides quick access to market-specific information that can be used to inform the Models and aid decision-making. Market inputs for construction costs and financing terms are also gathered, using commonly available industry best practices and information.

- **Market Data:** Third-party sources such as Axiometrics, CoStar, and Real Capital Analytics are used for additional information, as needed.
  - **Axiometrics** is a multi-family research and database platform that provides multi-family development information at the national, market, and submarket levels. The platform provides occupancy, vacancy, market rent, and absorption information at all levels.
  - **CoStar** is a real estate data and analytics platform providing information for all asset types at the national, market, and submarket levels. The database consists of information related to leasing and sales data, as well as specific property and tenant information.
  - **Real Capital Analytics** is a capital markets database providing transactional data – sales price, Cap Rates, brokerage information, and parcel information for real estate investors, appraisers, and lenders. The database enables users to access a specific property or transaction details on the national, market, and submarket levels.
- **Zoning:** Zoning information is available at the City or County level for each jurisdiction. Property-specific zoning information is collected through primary research, which informs the permitted uses, height limit, maximum density, parking ratios, and/or other factors which impact development potential. This information is used to inform the Use and Development Program for the Valuation Model.
- **Adjacent Uses:** To better understand adjacent uses, Google Maps is utilized to view the surrounding area to inform site context, which may be further analyzed with site visits.
- **Acreage Sources:** Site acreage is determined by the following sources:
  - FRPP data if the asset is land;
  - Agencies if the data needs to be validated or provided; or
  - Manual estimates from Google Earth and local parcel data.

Use and Development Program

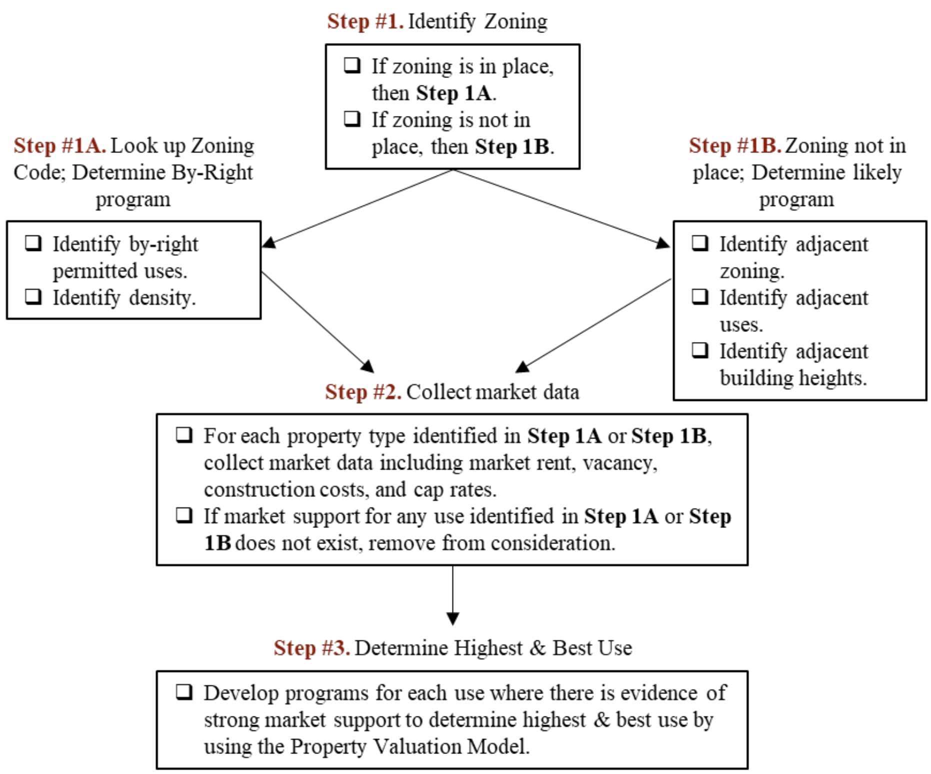
Objective of Tool

The objective of the Use and Development Program is to determine the most probable development program for each property if it were under private ownership. Any investor or developer that purchases property assumes that a particular development program (use and density) would be achievable with that property. The Use and Development Program informs the inputs used in the Financial Accounting System Tools. For example, the Use and Development Program for an office building will be further informed by inputs such as office rents, office construction costs, absorption, office Cap Rate, etc., in the local market. Therefore, determining the program is a prerequisite to estimating value.

Functionality

The process to determine the Use and Development Program follows a sequenced workflow illustrated in Exhibit 2 below:

Exhibit 2: Preliminary Use and Development Program



The Use and Development Program is informed in large measure by the property's zoning. This determination begins with an evaluation of the current zoning of the property and of the immediate surrounding area. If, for example, a property is zoned for commercial or residential use, market support will be assessed for each of the permitted uses (such as office, industrial, multi-family residential, single-family residential, or hotel). If the property does not have zoning or is zoned for Government use, land use will typically be determined by the zoning for the area immediately adjacent to the property, or the existing adjacent uses. Market data is gathered for each permitted use, including rental rates, vacancy, construction costs, financing terms, and Cap Rates. This data is used in the Valuation Model to determine the highest & best use for the property, which comports with the zoning regulations (height, density, lot occupancy, setbacks, parking ratios, etc.). The guiding principle in the Valuation Model generally contemplates either a ground-up development, which may involve demolition of an existing (non-historic) building or, in the case of a historic building, a full renovation of the existing structure. The use type that generates the highest residual value in the Valuation Model is determined to be the highest and best use of the property.

At the culmination of this exercise, if there does not appear to be market support for any of the uses permitted under the zoning code, the property will be removed from the screening exercise, as it is unlikely that there will be an interested buyer.

Property Valuation Model

Objective of Tool

The objective of the Valuation Model is to estimate the potential value of a property based on the most likely program determined by the Use and Development Program Tool. The Property Valuation is informed by current market conditions and a risk-adjusted return on investment from a private owner/investor's perspective, maximizing economic returns through physical improvements to the property. The Valuation Model accounts for the value of the land and improvements while also considering the costs an investor would incur, either in the renovation of existing buildings or through ground-up development. This Tool allows market values to be assigned to the Property List to support conversations with Agencies regarding their properties and likely disposition opportunities. Following the Prioritization of Properties, discussed later in this report, a more in-depth property valuation is performed, which is, in turn, utilized to calculate the Net Financial Impact in the Scenario Comparison Model.

Functionality

Overview

The Valuation Model uses a "yield-on-cost" approach, which real estate investors consider when evaluating potential acquisition and/or development opportunities. The Valuation Model calculates the maximum supportable acquisition value (cost) given current market rental rates, sale values, construction costs, financing costs, Cap Rates, and risk-adjusted returns on investment.

Real estate investments are comprised of Acquisition Costs (the cost to purchase the property) and Project Costs (the cost to renovate, reuse, or redevelop the property). Together, the Acquisition Costs and Project Costs are equal to the Total Project Budget:

$$\text{Acquisition Cost} + \text{Project Cost} = \text{Total Project Budget}$$

The Acquisition Cost represents the (gross) proceeds the Government receives from selling its surplus property and is the output of the Valuation Model:

$$\text{Acquisition Cost} = \text{Total Project Budget} - \text{Project Cost}$$

The Valuation Model solves for the Acquisition Cost by calculating both the Total Project Budget and Project Costs. The latter comes from market inputs and is discussed in more detail in the Market Assumptions section of this report. The Valuation Model calculates the Total Project Budget by projecting the required return on investment to the Project Cost.

The use of the word "project" rather than "property" above is deliberate. Many candidate properties may comprise more than one building or significant undeveloped land. In this case, the Valuation Model allows several projects to be modeled and then added together to estimate a single property's total value. For example:

An installation comprises 50 acres of land with four buildings;

- Out of the 50 acres of land, 35 acres are developable (or "net" acres).
- Each of the four buildings contains 100,000 GSF.
- Building A and Building B are in excellent condition.
- Building C is acceptable.
- Building D is in poor condition.

Given the above, the "property" contains five total "projects":

1. 35-acre land development.
2. Building A renovation and retained for current use.
3. Building B renovation and retained for current use.
4. Building C major renovation and retained for current use or adaptive reuse.
5. Building D adaptive reuse or tear-down and redevelopment.

The Valuation Model treats every single project as a single row in Microsoft Excel, resulting in a streamlined approach to valuation. The example property above, therefore, would comprise five rows. As a result, the Valuation Model allows for the valuation of several projects in rapid succession and the screening of hundreds or thousands of projects, as needed.

Functionality Detail

The Valuation Model comprises six general steps, each occurring in a single row and in the columns noted:

Step 1: Property Overview

The Property Overview includes the name of the project, its installation or address, city, and submarket from the System of Record. The submarket entry instructs the Model to pull key inputs from the appropriate submarket for that project, essentially automating the data input process.

Step 2: Program

The program includes inputs for use, land size, vertical square footage, and the number of stories. These inputs generated from the Use and Development Program are then used to calculate FAR, lot coverage, and depending on the Core Factor, the NSF or RSF. FAR and lot coverage is included for reference but is not used further in the Model. These inputs are used at a high level during the preliminary screening and financial accounting. During the subsequent, detailed financial accounting phase, these inputs will be refined based on a more in-depth review of entitlements, zoning, etc.

Step 3: Income

Given market inputs, the Model projects the NOI by taking annual rent per square foot, applying a standard vacancy allowance, deducting operating costs, and multiplying the result by the net square footage of each property.

Step 4: Total Project Budget

As noted, the Model calculates the maximum Total Project Budget an investor can bear, given the required return on investment. The Model assigns an "exit Cap Rate" to the property, which represents the yield at which the initial investor who purchases the property from the Government (Investor 1) may expect to sell the stabilized property to another investor seeking more low-risk properties (Investor 2).

Cap Rate is a risk-adjusted rate of return that is specific to an individual property. The equation for a Cap Rate is:

$$\frac{\text{NOI}}{\text{Property Value (Purchase Price)}} = \text{Cap Rate}$$

For example, if Investor 2 is willing to purchase a stabilized property for \$100.0 million from Investor 1, and the property's stabilized NOI is \$5.0 million, the Cap Rate is 5.0%:

$$\frac{\$5{,}000{,}000}{\$100{,}000{,}000} = 0.05$$

The Cap Rate is used to estimate the Property Value (Purchase Price) given a projected (stabilized) NOI using the following derivative equation:

$$\frac{\text{NOI}}{\text{Cap Rate}} = \text{Property Value (Purchase Price)}$$

For example, suppose there is a property generating \$5.0 million in NOI in a stabilized year in a market where similar properties have traded at a Cap Rate of 5.0%. If Investor 2 agrees with the market Cap Rate and is willing to accept a 5.0% return on investment, then the property's value to Investor 2 is \$100.0 million.

$$\frac{\$5{,}000{,}000}{0.05} = \$100{,}000{,}000$$

Suppose another investor (competing with Investor 2) perceives a higher level of risk in that property. Perhaps they believe that the property would require more significant mechanical upgrades than Investor 2. In this case, the competing investor may disagree with Investor 2's assumed Cap Rate of 5.0% and value of $100.0 million. Given the higher risk, the competing investor may instead ascribe a 6.0% Cap Rate to the property. As a result, the competing investor would only be willing to pay $83.3 million for the property, rather than $100.0 million:

$$\frac{\$5,000,000}{0.06} = \$83,333,333$$

By contrast, suppose yet another investor (also competing with Investor 2) perceives a lower risk in the property. Perhaps they believe that the property's current tenants will renew their leases at much higher rental rates after their current leases expire. This other competing investor may believe that the Cap Rate should be 4.5%. As a result, that investor is willing to pay $111.1 million for the property:

$$\frac{\$5,000,000}{0.045} = \$111,111,111$$

Therefore, higher Cap Rates indicate higher risk and lower property values for a given amount of income. Lower Cap Rates indicate lower risk and higher property values for the same amount of income. Cap rates differ by market, location, use type, quality/condition of the asset, and, particularly, the risks inherent to that asset.

The Valuation Model first assigns an exit Cap Rate to a project. Again, this exit Cap Rate is the Cap Rate at which Investor 1 may sell a completed project to Investor 2. However, Investor 1 is taking on considerably more risk than Investor 2, as Investor 2 is purchasing an asset that is renovated and fully leased (stabilized). However, Investor 1 assumes risks throughout each stage of the project and will require a higher rate of return than Investor 2 to account for the risks of entitling, financing, constructing, and leasing the asset.

Investors targeting higher-risk projects assess the likely Exit Cap Rate at which they can sell an asset once completed. To then account for the project-related risk, they will increase that Exit Cap Rate by a certain amount: the "Yield Spread." The Yield Spread is added to the Exit Cap Rate to calculate a target "Going-in" Cap Rate – also known as the "yield-on-cost." The latter two terms are interchangeable, and hence the "Yield-on-Cost" Approach is used in the Valuation Model.

Investors typically express this Yield Spread in terms of "basis points," whereby one basis point equals one-hundredth of a percent or one percent of one percent. For example, an investor believes that they can sell a project, once completed, at a 5.0% Exit Cap Rate. To account for the project-related risks, Investor 1 ascribes a 200-basis-point Yield Spread (2.0%) above the Exit Cap Rate or 7.0%.

Using the above example, Investor 1 believes they can sell the stabilized project to Investor 2 at a 5.0% Cap Rate. At this Cap Rate, Investor 2 purchases the stabilized project for $100.0 million.

$$\frac{\$5,000,000}{0.05} = \$100,000,000$$

Investor 1 believes that their risk justifies a Yield Spread of 200 basis points. Therefore, Investor 1 targets a 7.0% going-in Cap Rate (or Yield-on-Cost). As a result, Investor 1 is only willing to bear a Total Project Budget of $71.4 million (including both Acquisition Costs and Project Costs):

$$\frac{\$5,000,000}{0.05} = \$100,000,000 \frac{\$5,000,000}{0.07} = \$71,428,571$$

Step 5: Project Cost

Step 5 begins with the project's Hard Costs per square foot, which are representative of the local market, product type, and extent of construction (ranging from renovation to new construction). Soft Costs and Contingency are added to calculate a total cost-per-square-foot, and this value is multiplied by the project's total GSF to calculate the total construction budget.

Financing costs are also included in the Project Cost. Most investors will endeavor to finance a portion of the Total Project Budget by borrowing funds through a construction loan and entering into partnerships with third-party equity investors. The lender sets the terms of the construction loan, which are incorporated in the Valuation Model. The loan-to-cost ratio (the size of the loan relative to the total construction budget) and interest rate vary by the asset type.

The Valuation Model then assumes that, during the construction period, the (interest-only) debt service is capitalized by the overall project financing. Thus, the project bears the additional cost of the construction loan interest ("capitalized interest") until the construction loan is repaid by permanent financing. The Model calculates the capitalized interest by referencing the construction period ("duration") of the project, an estimate of the average outstanding balance on the construction, using the following equation:

$$\text{Capitalized Interest} = \text{Loan Amount} \times \text{Interest Rate} \times \text{Construction Duration} \times \text{Average Outstanding Loan Balance}$$

The Valuation Model then adds loan fees and closing costs to the capitalized interest to calculate total financing costs. The total financing costs are then added to the construction budget to calculate the Total Project Budget.

Step 6: Valuation

Finally, the Valuation Model references the Total Project Budget, the Project Costs and then calculates the difference to derive the Acquisition Cost (Purchase Price), which is expressed both in total dollars as well as dollars per GSF (of the redeveloped property).

Assumptions

Market Assumptions

The Valuation Model uses the following assumptions, which differ by asset type or asset type and submarket. Some of the assumptions are from the Federal Government data such as land area, building area, building condition score, current operating costs, deferred maintenance, and others for an initial determination to renovate or redevelop.

Exhibit 3: Valuation Model Market Assumptions

Assumption	Explanation	Varies by Asset Type	Varies by Submarket
Core Factor	The ratio of NSF/USF to GSF.	X	
Operating Costs	Costs for utilities, insurance, and taxes.	X	
Vacancy	Unleased space.	X	
Soft Costs	Architecture, legal, and other fees associated with construction.	X	
Contingency	Additional budget allowance for unforeseen factors.	X	
Loan-to-Cost Ratio	Amount a lender is willing to loan relative to actual project costs.	X	
Construction Loan Interest Rate	Interest rate for a construction loan.	X	
Construction Duration	Duration of construction.	X	
Yield Spread	Spread of exit cap (discuss above) to calculate going-in cap/yield-on-cost.	X	
Draw Schedule	Project completion by quarter.	X	
Use	Multi-family, office, or industrial; determined by	X	X

	program development exercise.		
Program GSF	Determined by program development exercise.	X	X
Annual Rent PSF	Rent per net square foot.	X	X
Exit Cap	Cap rate determining sale value of asset (explained above).	X	X
Hard Cost PSF	Costs for materials and labor on a per-square-foot basis.	X	X

The example below outlines a project valuation – a 180,000 SF new construction multi-family development in Phoenix - organized by step. *Note that all inputs are placeholders only and do not reflect actual market dynamics*. The steps are:

Exhibit 4: Valuation Model Workflow Example

Step 1: Project Overview

Project	Installation or Address	City	Submarket Data
Example Project #1	3951 Western Way	Phoenix	Phoenix Urban

Step 2: Program

Use	Land SF	Program GSF	Stories	FAR	Lot Coverage	Core Factor	Program NSF
Multi-family	87,120	270,000	5	3.10	62.0%	1.10	245,455

Step 3: Income

Annual Rent PSF	OpEx (% Rent)	Vacancy	NOI PSF	NOI
$27.00	30.0%	5.0%	$ 17.55	$4,307,727

Step 4: Maximum Project Budget

Exit Cap	Spread (BP)	Going-in Cap	Maximum Project Budget
4.5%	200	6.5%	$66,272,727

Step 5: Project Cost

Hard Cost PSF	Soft Cost	Contingency	Total Cost PSF	Total Constr. Budget	LTC	Loan
$165	30.0%	10.0%	$236	$63,706,500	70.0%	$44,594,550

Step 5: Project Cost (cont'd)

Interest Rate	Constr. Period (Qtr)	Avg. Balance	CAP-I	Closing Costs	Total Fin. Cost	Total Project Cost
4.50%	6	16.7%	$222,973	2.0%	$1,114,864	$64,821,364

Step 6: Valuation

Maximum Project Budget	Total Project Cost	Maximum Acquisition Cost (Value)	Value Per Land SF
$66,272,727	$64,821,364	$1,451,364	$ 17

Prioritization of Properties

In order to value a large number of properties efficiently, the Valuation Model inputs are high-level, representing a typical property of the specified use in a given submarket. Acknowledging the potential variation values that may result following further due diligence, the values derived in the Model are grouped into the following ranges:

Tier	Range
High	> $30 million
Med/High	$20 million - $30 million
Medium	$10 million - $20 million
Low/Med	$5 million - $10 million
Low	$1 million - $5 million
Not Significant	< $1 million

Financial Scenario Comparison Model

Objective of Tool

The Scenario Comparison Model presents the overall quantitative revenue/cost implications of all likely occupancy/utilization and/or ownership alternatives in terms of Total Occupancy Costs and/or Total Ownership Costs, net of any proceeds received through a disposition, or income that may be generated through leasing a portion of the asset/building to a commercial user. Comparing scenarios requires a calculation of the Total Occupancy Costs and/or Total Ownership Costs for each property as well as costs associated with potential relocations, capital renewal for renovations, interior fit-out, and other relevant costs. The ultimate objectives of the Tool are to determine the recommended scenario based on the greatest (positive) Net Financial Impact and to calculate Cost Avoidance to the taxpayer.

This Tool accommodates multiple different occupancy or ownership scenarios, incorporating flexibility to adjust for conditions unique to each property and/or Tenant(s). Each property is evaluated according to a customized analysis of one or more occupancy or ownership scenarios based on user/owner priorities, due diligence, and market dynamics. Where appropriate, a range of property transaction structures are evaluated, such as real property exchanges. Leasing is also considered to the extent it does not create a capital lease for the Federal Government. To provide an equitable ("apples to apples") comparison, an analysis period of 30 years is modeled; however, acknowledgment is made that the GSA's lease term typically is 15-20 years.

Functionality

Overview

The Tool was developed using a standardized template for entering current market data as well as current and historic property operating and Capital Costs to generate analyses to understand the revenue and cost implications for each occupancy or ownership scenario. The assumptions used for the Scenario Comparison Model borrow primarily from the Valuation Model, ensuring consistent and accurate data between the two Tools. The Scenario Comparison Model utilizes the property/site Residual Land Value from the Valuation Model to account for the site disposition revenue.

The Tool has two parts: 1) Revenues and 2) Occupancy or Ownership Costs which, when combined, produce a Net Financial Impact for each scenario under consideration:

Revenues: The revenues considered in the Scenario Comparison Model may include: asset Disposition Proceeds (net of Disposal Costs); temporary revenue opportunities (short-term leases, progressive site disposition); and other sources of revenue that may be generated through monetization of the existing land, facilities, or both. Disposition Proceeds are informed by the Valuation Model, thus linking the two assessments together into a cohesive analysis.

Total Occupancy Costs or Total Ownership Costs: All costs incurred by a user/owner associated with (either owned or leased) and are composed of Operating Costs and Capital Costs.

1. **Operating Costs**: All ongoing (recurring) costs of occupancy or ownership, which may include typical operating expenses such as utilities, cleaning/janitorial, landscaping, snow removal, maintenance and repairs, security, and rental/lease payments.
2. **Capital Costs**: One-time costs as well as non-recurring interval costs, which may include renovation, relocation/move costs, temporary leased space, interior construction/fit-out, building acquisition, land acquisition, entitlements, construction costs, as well as capital repairs and other capital renewal associated with owned facilities.

Net Financial Impact: The difference between Revenues and Total Occupancy Costs and/or Total Ownership Costs for a particular scenario.

Cost Avoidance: The long-term savings to taxpayers over a 30-year period, calculated by comparing the difference in the NPV of Total Occupancy Costs and/or Total Ownership Costs between the Recommended scenario and Status Quo scenario. Cost Avoidance does not impact the Asset Proceeds and Space Management Fund.

Scenarios

Six occupancy alternatives have been established, to determine which scenario produces the lowest Total Occupancy Cost and the greatest Net Financial Impact from the Tenant's perspective. Applying the Scenario Comparison Model from the Tenant's perspective can determine the Net Financial Impact for any or all of the six scenarios. Applying the Model from the Landlord's perspective would focus on the Total Ownership Cost and Net Financial Impact of the first two scenarios, plus a third scenario which would reflect only disposition and relocation to leased or owned space.

Scenario 1: Remain in Place – No renovation. This scenario is often considered the "Status Quo Scenario", whereby the Tenant agency/agencies continues to occupy the same space they currently occupy (to the extent that this is physically feasible) and continues incurring operating expenses as well as recurring capital renewal associated with owned space. When considering this scenario from a Landlord's perspective, only the rental revenue, operating costs passed through to the Landlord, and capital expenditures are considered. This scenario may or may not include the disposition of some excess vacant, unused property.

Scenario 2: Remain in Place - with Renovation. This scenario assumes the existing space is renovated, which may involve temporary tenant relocation on-site to swing space, or off-site (possibly to temporarily leased space) until the renovation is complete. At this point, the Tenant would move back into the renovated space. This scenario may result in the Tenant occupying less space, by either improving efficiency through reconfiguration and/or downsizing.

From the Landlord's perspective, the renovated building would be reconfigured to improve efficiency and modernized to not only extend its useful life but also to improve its income-generating potential, through higher rents, in line with other similar buildings in the market. The renovated building may be used to consolidate multiple agencies or multiple locations for the same agency into one facility. This scenario may or may not include disposition of some excess vacant, unused property.

Scenario 3: Relocate to Leased Space. This scenario assumes that the Government disposes of the existing property, and the Tenant(s) occupying the building would relocate to a newly leased space. Capital Costs would include relocation costs and any costs to fit out the new space beyond the Landlord's Tenant Allowance. Operating Costs for this scenario would consist of typical operating expenses.

Scenario 4: Relocate to Owned Space. This scenario assumes that the Government disposes of the existing property. As a result, the Tenant occupying the building would relocate to new space that the Government may already own or to space that would be purchased using Government funding. Capital Costs would include relocation costs, any costs to fit out the new space, cost to acquire the space (as applicable), and recurring capital renewal associated with owned space. Operating Costs for this scenario would include typical operating expenses.

Note: From the Landlord's perspective, either Scenario 3 or Scenario 4 would have the same impact and are thus considered a single scenario. Any costs to relocate the Tenant(s), if the relocation has not previously been approved, would be borne by the Landlord.

Scenario 5: Relocate and New build - Self-Perform. This scenario assumes that the Government disposes of the existing property. As a result, the Tenant occupying the building would relocate to a new facility, constructed from the ground up, designed to meet the specific programmatic needs of the agency. This scenario may or may not include the acquisition of land, depending on whether there is any existing Government-owned land available on which to develop the new building. The Federal Government is responsible for all Project Costs. Capital Costs would include relocation costs, development and construction costs, interior Fit-Out Costs, and recurring capital renewal associated with owned space. Operating Costs for this scenario would include typical operating expenses.

Scenario 6: Relocate and New build - Real Property Exchange. This scenario assumes that the Government disposes of the existing property through a real property exchange with a private developer. As a result, the Tenant occupying the building would relocate to a new facility, constructed from the ground up, by the private developer, which the Federal Government then would own.

Functionality Detail

The Tenant-perspective Model is organized into five tabs: Index, Scenario Overview, Summary, Inputs, and Cash Flow. The Index tab serves as the Title/Cover page and includes links to each of the other four tabs of the Model. The Scenario Overview tab provides the user with a narrative description of each of the scenarios, the costs to the agency, sources of income, strengths, and challenges. The Summary tab provides the user with a high-level overview of the Model's key output metrics, including total relocation/occupancy costs, disposition proceeds, and the Net Financial Impact for all six scenarios. These figures represent the cumulative total over a 30-year period, expressed both in terms of nominal dollars[2] as well as in NPV.[3]

The Inputs tab contains all the assumptions required to perform the Scenario Comparison analysis. The assumptions are organized according to the following uniform manner for each of the six scenarios:

Disposition: The Tool can account for disposition of up to five parcels/properties for each scenario. More can be added as needed, depending on the nature of the property and the outputs of the Valuation Model. Users may prescribe disposition(s) timing that is specific to each scenario. This will be used if portions of an asset are divided up into multiple sites for separate dispositions.

Program: The program represents the GSF of the existing building which the agency currently occupies in the case of Scenario 1, whereas in the remaining scenarios (Scenario 2 through 6), the GSF is right-sized to reflect the specific program needs of the agency.

An efficiency factor of 30% is applied to the currently occupied space, resulting in the estimated occupied space. The efficiency factor is used to recognize the evolution of workspace and technology to require fewer square feet per person, as well as the increasing mobility of the workforce that allows for full or partially remote work with a focus on collaborative space in the office. As more information is known over the next several years about remote work, office work, and changing workplace environments, this factor should be further refined.

Capital Cost: These costs represent one component of Total Relocation/Occupancy Costs. Capital Costs are one-time costs associated with temporary or permanent relocation, temporarily leased space, interior fit-out, renovation, new construction, land acquisition, building acquisition, and/or deferred maintenance. Cost due to previously approved or in-process relocation of agencies in the building is not included in the Capital Cost; relocation costs that would occur only if the recommendation is approved are included.

There are times where the GSA or agency has recently completed a FCA or Environmental Studies; in these cases, we would review and consider those reports.

Operations: This includes a range of information related to the ongoing expenditures that would be incurred by the agency on a monthly and/or annual basis, which may include rent/lease payments, operating expenses (i.e., utilities, janitorial, common area maintenance, and others), as well as an allowance for capital repair and replacement reserves.

The Landlord-perspective Model is organized into a Summary tab and individual tabs for each of the scenarios. Each contains the assumptions for Program, Capital Cost, and Operations, as described above, and the resulting cash flow for the scenario.

[2] The nominal value is the total for the timeframe without any adjustments that is being evaluated. In the case of the Scenario Comparison Model, it is a 30-year cash flow analysis, therefore the nominal value is a 30-year total.

[3] NPV is the result of discounting all the cash inflows and outflows and then combining all their present values. This means that the original outflow (often the investment made at the present time) is a deduction from the other present values. A positive NPV indicates that an investment is earning more than the discount rate. A negative NPV indicates an investment is earning less than the discount rate but may be earning a positive rate.

Assumptions

Federal Assumptions

Some information is provided from the Federal Government, such as occupancy information (program, costs, and others). If available, prior reports regarding deferred maintenance, current operating expenses, capital renewal, relocation information, and space requirements are used.

Market Assumptions

A wide range of sources for specific market-level information is used for the Scenario Comparison Model. Market information such as market rental rates, Cap Rates, and construction costs data are derived from private sector research, which tracks major markets and secondary markets around the country, thus using this first-hand data is best to inform the Scenario Comparison Model.

The Scenario Comparison Model uses the following assumptions, which differ by asset type or asset type and submarket:

Exhibit 5: Scenario Comparison Model Assumptions

Assumption	Explanation	Varies by Asset Type	Varies by Submarket
Operating Costs	Costs for utilities, insurance, and taxes.	X	
Hard Cost PSF	Costs for materials and labor on a per-square-foot basis.	X	X
Soft Costs	Architecture, legal, and other fees associated with construction.	X	
Vacancy	Unleased space.	X	
Fit-Out Costs	Costs for building out the space for the user.	X	X
Landlord TI Allowance	Tenant improvement allowance that is paid for by the landlord.	X	X
Construction Loan Interest Rate	Interest rate for a construction loan.	X	
Construction Duration	Duration of construction.	X	
Capital Renewal	Allowance for future maintenance or improvements.	X	
Program GSF	Determined by program development exercise.	X	X
Annual Rent PSF	Rent per net square foot.	X	X
Discount Rate	Rate used to discount to NPV of cash flows.	X	
Acquisition Cost	Costs for purchasing a new asset.		X

The example below outlines the Tenant-perspective scenario comparison of a hypothetical tenant currently occupying a 516,000 SF building.

Note that all inputs are only placeholders and do not reflect actual market dynamics.

Exhibit 6: Scenario Comparison Model Example

Step 1: Blue font represents input details for each scenario:

Scenario 1: Remain in Place (no renovation)		
Disposition	**Sell?**	**Year**
Parcel 1	No	1
Parcel 2	No	1
Parcel 3	No	1
Parcel 4	No	1
Parcel 5	No	1
Program		
Existing Building SF		515,900
Capital Cost		
Year 1 Amount (Deferred Maintenance)		$ -
Funding of Capital Cost		
N/A		
Operations		
OpEx/SF/Year		$ 12.00
Recurring Capital Expenditures		
Recurring Frequency (Years; 1 = recurring CR&R reserve)		1
Recurring Amount ($ psf, total)	$ 2.00	$ 1,031,800

Scenario 2: Remain in Place (w/ renovation)		
Disposition	**Sell?**	**Year**
Parcel 1	No	1
Parcel 2	No	1
Parcel 3	No	1
Parcel 4	No	1
Parcel 5	No	1
Program		
Total Building SF		515,900
Capital Cost		
Renovation Costs PSF	$300	$154,770,000
Temporary Lease Cost (if applicable)	$2	$1,000,000
Relocation Cost (if applicable)	$0	$0
Total Cost	$302	$155,770,000
Construction Period (Years)		1
Funding of Capital Cost		
Funding Strucutre		One-Time Payment
Amortization Period (years)		30
Interest Rate		0.00%
Operations		
OpEx/SF/Year		$ 8.00
Recurring Capital Expenditures		
Recurring Frequency (Years; 1 = recurring CR&R reserve)		1
Recurring Amount ($ psf)	$ 2.00	$ 1,031,800

Scenario 3: Relocate & Lease		
Disposition	**Sell?**	**Year**
Parcel 1	Yes	1
Parcel 2	Yes	1
Parcel 3	No	1
Parcel 4	No	1
Parcel 5	No	1
Program		
Total Building SF		300,000
Capital Cost		
Fit-Out Cost PSF	$ 197	$59,100,000
Landlord TI Allowance	$ 80	$24,000,000
Tenant's Portion of Fit Out Cost	$ 117	$ 35,100,000
Relocation Cost	$ 7	$ 2,000,000
Total Cost	$ 124	$ 37,100,000
Construction Period (Years)		1
Funding of Capital Cost		
Funding Strucutre		One-Time Payment
Amortization Period (years)		30
Interest Rate		0.00%
Operations		
Gross Rent/SF/Year		$ 25.00
Opex/SF/Year		$ -
Recurring Capital Expenditures		N/A
Recurring Frequency (Years; 1 = recurring CR&R reserve)		N/A
Recurring Amount ($ psf)		N/A

Scenario 4: Relocate & Buy		
Disposition	**Sell?**	**Year**
Parcel 1	Yes	1
Parcel 2	Yes	2
Parcel 3	No	1
Parcel 4	No	1
Parcel 5	No	1
Program		
Total Building SF		300,000
Capital Cost		
Building Acquisition Cost	$ 500	$ 150,000,000
Construction Cost - Interior Fit Out	$ 197	$ 59,100,000
Subtotal: Acquisition & Construction Cost	$ 697	$ 209,100,000
Relocation Cost	$7	$ 2,000,000
Total Cost	$ 704	$ 211,100,000
Construction Period (Years)		1
Funding of Capital Cost		
Funding Strucutre		One-Time Payment
Amortization Period (years)		30
Interest Rate		0.00%
Operations		
Opex/SF/Year		$ 10.00
Recurring Capital Expenditures		
Recurring Frequency (Years; 1 = recurring CR&R reserve)		1
Recurring Amount ($ psf)	$ 2.00	$ 600,000

Scenario 5: Relocate & New Build Self-Perform		
Disposition	**Sell?**	**Year**
Parcel 1	Yes	1
Parcel 2	Yes	2
Parcel 3	No	1
Parcel 4	No	1
Parcel 5	No	1
Program		
Total Building SF		300,000
Number of Floors		5
Building Footprint (SF/Floor)		60,000
Required SF/Parking		400
Required Parking per Code		750
Average SF/Parking Space (Incl. Circulation)		300
Surface Parking SF		225,000
Minimum Land SF for Construction		285,000
Capital Cost		
Construction Cost - Core and Shell	$ 469	$140,700,000
Construction Cost - Interior Fit Out	$ 50	$15,000,000
Subtotal: Construction Cost	$ 734	$ 220,270,642
Relocation Cost	$ 7	$ 2,000,000
Total Cost	$ 741	$ 222,270,642
Construction Period (Years)		1
Funding of Capital Cost		
Funding Strucutre		One-Time Payment
Amortization Period (years)		30
Interest Rate		0.00%
Operations		
Opex/SF/Year		$ 8.00
Recurring Capital Expenditures		
Recurring Frequency (Years; 1 = recurring CR&R reserve)		1
Recurring Amount ($ psf)	$ 2.00	$ 600,000

Scenario 6: Relocate & New Build / Lease Construct		
Disposition	**Sell?**	**Year**
Parcel 1	Yes	1
Parcel 2	Yes	2
Parcel 3	No	1
Parcel 4	No	1
Parcel 5	No	1
Program		
Total Building SF		300,000
Number of Floors		5
Building Footprint (SF/Floor)		60,000
Required SF/Parking		400
Number of Parking Spaces		750
Average SF/Parking Space (Incl. Circulation)		300
Surface Parking SF		225,000
Minimum Land SF for Construction		285,000
Capital Cost		
Construction Cost - Core and Shell	$ 469	$140,700,000
Construction Cost - Interior Fit Out	$ 50	$15,000,000
Subtotal: Construction Cost	$ 734	$ 220,270,642
Relocation Cost	$ 7	$ 2,000,000
Total Cost	$ 741	$ 222,270,642
Construction Period (Years)		1
Funding of Capital Cost		
Lease-Construct		
Target Yield-on-Cost		5.0%
Master Lease Payment	$ 11,113,532	$ 37.05
Master Lease Payment Escalation	No	2.00%
Operations		
Opex/SF/Year		$ 6.00
Recurring Capital Expenditures		N/A
Recurring Frequency (Years; 1 = recurring CR&R reserve)		N/A
Recurring Amount ($ psf)		N/A

Universal Inputs	
Escalation	2.0%
Discount Rate	1.7%
Disposition Proceeds (net of Transaction Costs)	
Parcel 1	$ 121,250,000
Parcel 2	$ 121,250,000
Parcel 3	$ 121,250,000
Parcel 4	$ 121,250,000
Parcel 5	$ 121,250,000

Note: The Discount Rate is taken from OMB's website, as referenced in OMB Circular A-94, Appendix C, Revised November 2020.

The Disposition Proceeds inputs are derived from the Valuation Model and entered in the table above, located on the "Inputs" tab of the Scenario Comparison Model.

Step 2: Review the Cash Flow Summary for each of the scenarios evaluated and compare the scenarios (for this example, the cash flow summary for only Scenario 1 is displayed below):

	Years 1-5	Years 6-10	Years 11-15	Years 16-20	Years 21-25	Years 26-30	30-Year Total	NPV
Scenario 1: Remain in Place (no renovation)								
Occupancy Costs								
Operating Expenses	($32,217,172)	($35,570,361)	($39,272,553)	($43,360,072)	($47,873,023)	($52,855,685)	($251,148,865)	($190,650,000)
Capital Expense: Year 1	$0	$0	$0	$0	$0	$0	$0	$0
Capital Expense: Recurring	($5,369,529)	($5,928,393)	($6,545,425)	($7,226,679)	($7,978,837)	($8,809,281)	($41,858,144)	($31,780,000)
Subtotal: Occupancy Costs	($37,586,700)	($41,498,754)	($45,817,978)	($50,586,750)	($55,851,860)	($61,664,966)	($293,007,009)	($222,430,000)
Disposition Proceeds: Parcel 1	$0	$0	$0	$0	$0	$0	$0	$0
Disposition Proceeds: Parcel 2	$0	$0	$0	$0	$0	$0	$0	$0
Disposition Proceeds: Parcel 3	$0	$0	$0	$0	$0	$0	$0	$0
Disposition Proceeds: Parcel 4	$0	$0	$0	$0	$0	$0	$0	$0
Disposition Proceeds: Parcel 5	$0	$0	$0	$0	$0	$0	$0	$0
Total Disposition Proceeds / Income	$0	$0	$0	$0	$0	$0	$0	$0
Net Financial Impact: Scenario 1: Remain in Place (no renovation)	**($37,586,700)**	**($41,498,754)**	**($45,817,978)**	**($50,586,750)**	**($55,851,860)**	**($61,664,966)**	**($293,007,009)**	**($222,430,000)**

Step 3: Compare all applicable scenarios related to relocation/occupancy costs and disposition proceeds to determine the Net Financial Impact.

30-YEAR TOTAL (UNDISCOUNTED)

Scenarios	Occupancy Costs						Income		
	Operating Costs		Capital Costs						
	Rent	OpEx	Construction / Renovation / Deferred Maintenance	Recurring CapEx	TOTAL OCCUPANCY COSTS	+	Disposition Proceeds	=	Net Financial Impact
Scenario 1: Remain in Place - No Renovation	N/A	($251,148,865)	$0	($41,858,144)	($293,007,009)		$0		($293,007,009)
Scenario 2: Remain in Place - With Renovation	N/A	($163,305,376)	($155,770,000)	($40,826,344)	($359,901,721)		$0		($359,901,721)
Scenario 3: Relocate to Leased Space	($296,760,594)	$0	($37,100,000)	$0	($333,860,594)		$242,500,000		($91,360,594)
Scenario 4:Relocate to Owned Space	N/A	($118,704,238)	($211,100,000)	($23,740,848)	($353,545,085)		$242,500,000		($111,045,085)
Scenario 5: Relocate and New Build-Self-Perform		($94,963,390)	($222,270,642)	($23,740,848)	($340,974,880)		$242,500,000		($98,474,880)
Scenario 6: Relocate and New Build- Real Property Exchange	N/A	($71,222,543)	N/A	($322,292,431)	($393,514,974)		$242,500,000		($151,014,974)

30-YEAR TOTAL (NPV)

Scenarios	Occupancy Costs						Income		
	Operating Costs		Capital Costs						
	Rent	OpEx	Construction / Renovation / Deferred Maintenance	Recurring CapEx	TOTAL OCCUPANCY COSTS	+	Disposition Proceeds	=	Net Financial Impact
Scenario 1: Remain in Place - No Renovation	N/A	($190,650,000)	$0	($31,780,000)	($222,430,000)		$0		($222,430,000)
Scenario 2: Remain in Place - With Renovation	N/A	($123,040,000)	($153,170,000)	($30,760,000)	($306,970,000)		$0		($306,970,000)
Scenario 3: Relocate to Leased Space	($223,590,000)	$0	($36,480,000)	$0	($260,070,000)		$238,440,000		($21,630,000)
Scenario 4: Relocate to Owned Space	N/A	($89,440,000)	($207,570,000)	($17,890,000)	($314,900,000)		$236,450,000		($78,450,000)
Scenario 5: Relocate and New Build-Self-Perform		($71,550,000)	($218,560,000)	($17,890,000)	($308,000,000)		$236,450,000		($71,550,000)
Scenario 6: Relocate and New Build- Real Property Exchange	N/A	($53,660,000)	N/A	($248,560,000)	($302,220,000)		$236,450,000		($65,770,000)

The example below outlines the landlord-perspective scenario comparison of an occupied 50,000 SF building.

Note that all inputs are only placeholders and do not reflect actual market dynamics.

Exhibit 7: Scenario Comparison Model Example

Step 1: Blue font represents input details for each scenario:

Retain and Lease Existing Buiding As-Is for Federal Tenants

Program	
Total GSF	50,000
Efficiency	90%
Office RSF	45,000

Federal Tenant / Lease Info - OFFICE				
Tenants	RSF	Lease Commence	Term	Downtime
Tenant 1	30,000	1	30	0
Tenant 2	10,000	1	30	0
Tenant 3	5,000	1	30	0
Tenant 4				

Capital Costs	$ / PSF	Total
Deferred Maintenance	$40	$2,000,000

Assumptions	Office
Rental Rate (Full Service PSF)	$30.00
Operating Expenses PSF	$12.00
Annual Escalation	2.00%
Recurring CapEx	$2.00
Deferred Maintenance	$2,000,000
Average Lease Duration	30
Discount Rate	1.70%

Retain, Renovate, and Lease Existing Buiding for Federal Tenants

Program	
Total GSF	50,000
Efficiency	90%
Office RSF	45,000

Federal Tenant / Lease Info - OFFICE				
Tenants	RSF	Lease Commence	Term	Downtime
Tenant 1	30,000	1	30	0
Tenant 2	10,000	1	30	0
Tenant 3	5,000	1	30	0
Tenant 4				

Renovation Costs	$ / PSF	Total
Hard Costs (Inc. Contingen	$500	$25,000,000
Soft Costs (Inc. in Hard Co	$100	$5,000,000
Total Development Costs	$600	$30,000,000

Assumptions	Office
Rental Rate (Full Service PSF)	$50.00
Operating Expenses PSF	$8.00
Annual Escalation	2.00%
Recurring CapEx	$2.00
Renovation Cost	$30,000,000
Average Lease Duration	30
Discount Rate	1.70%

Dispose and Relocate to Leased/Owned Space

Assumptions	Office
Relocation Cost	$2,000,000
Disposition Proceeds	$15,000,000
Discount Rate	1.70%

Step 2: Review the Cash Flow Summary for each of the scenarios evaluated and compare the scenarios (for this example, the cash flow summary for only Scenario 1 is displayed below):

CASH FLOW	NPV	Total	1	2	3	4	5	6	7	8	9	10
Rental Revenue												
Office												
Tenant 1	$27,716,132	$36,511,271	$900,000	$918,000	$936,360	$955,087	$974,189	$993,673	$1,013,546	$1,033,817	$1,054,493	$1,075,583
Tenant 2	$9,238,711	$12,170,424	$300,000	$306,000	$312,120	$318,362	$324,730	$331,224	$337,849	$344,606	$351,498	$358,528
Tenant 3	$4,619,355	$6,085,212	$150,000	$153,000	$156,060	$159,181	$162,365	$165,612	$168,924	$172,303	$175,749	$179,264
Tenant 4	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal: Revenue	$41,574,198	$54,766,907	$1,350,000	$1,377,000	$1,404,540	$1,432,631	$1,461,283	$1,490,509	$1,520,319	$1,550,726	$1,581,740	$1,613,375
Operating Expenses	($16,629,679)	($21,906,763)	($540,000)	($550,800)	($561,816)	($573,052)	($584,513)	($596,204)	($608,128)	($620,290)	($632,696)	($645,350)
NOI (Combined)	**$24,944,519**	**$32,860,144**	**$810,000**	**$826,200**	**$842,724**	**$859,578**	**$876,770**	**$894,305**	**$912,192**	**$930,435**	**$949,044**	**$968,025**
Capital Costs												
Renovation	($1,966,568)	($2,000,000)	($2,000,000)									
Recurring CapEx	($3,079,570)	($4,056,808)	($100,000)	($102,000)	($104,040)	($106,121)	($108,243)	($110,408)	($112,616)	($114,869)	($117,166)	($119,509)
Total Capital Costs	**($5,046,139)**	**($6,056,808)**	**($2,100,000)**	**($102,000)**	**($104,040)**	**($106,121)**	**($108,243)**	**($110,408)**	**($112,616)**	**($114,869)**	**($117,166)**	**($119,509)**
Net Cash Flow	$19,898,380	$26,803,336	**($1,290,000)**	**$724,200**	**$738,684**	**$753,458**	**$768,527**	**$783,897**	**$799,575**	**$815,567**	**$831,878**	**$848,516**

Step 3: Compare all applicable scenarios related to relocation/occupancy costs with the disposition proceeds to determine the Net Financial Impact.

The inputs for the disposition proceeds are derived from the Valuation Model and discounted by the same Discount Rate as the cash flows.

Note: The Discount Rate is taken from OMB's website, referenced in OMB Circular A-94, Appendix C, Revised November 2020.

30 Year NPV Discounted - Retain and Lease Existing Buiding As-Is to Federal Tenants

	Occupancy Costs						Income			
	Operating Costs		Capital Costs							
	Rent	OpEx	Construction / Renovation / Deferred Maintenance	Recurring CapEx	TOTAL OWNERSHIP COSTS	+	Disposition Proceeds	Income from leased space (less commission)	=	Net Financial Impact
Retain As-Is	N/A	($16,629,679)	($1,966,568)	($3,079,570)	($21,675,818)		N/A	$41,574,198		$19,898,380

30 Year NPV Discounted - Retain, Renovate, and Lease to Federal Tenants

	Occupancy Costs						Income			
	Operating Costs		Capital Costs							
	Rent	OpEx	Construction / Renovation / Deferred Maintenance	Recurring CapEx	TOTAL OWNERSHIP COSTS	+	Disposition Proceeds	Income from leased space (less commission)	=	Net Financial Impact
Retain and Renovate	N/A	($11,086,453)	($29,498,525)	($3,079,570)	($43,664,548)		N/A	$69,290,329		$25,625,781

30 Year NPV Discounted - Disposition and Relocation

	Occupancy Costs						Income			
	Operating Costs		Capital Costs							
	Rent	OpEx	Construction / Renovation / Deferred Maintenance	Recurring CapEx	TOTAL OWNERSHIP COSTS	+	Disposition Proceeds	Income from leased space (less commission)	=	Net Financial Impact Pre-Disposal Costs
Disposition and Relocation	N/A	N/A	($1,966,568)	N/A	($1,966,568)		$14,749,263	N/A		$12,782,694

The Scenario Summary of the Model provides a high-level look at the Total Occupancy Costs or Total Ownership Costs, Disposition Proceeds, and ultimately the Net Financial Impact associated with each of the six scenarios under consideration, both in terms of Nominal (undiscounted) dollars as well as NPV over a 30-year period. Total Occupancy or Ownership Costs are represented as negative numbers because they are the cash outflows by the Federal Government. Alternatively, Disposition Proceeds are positive numbers because they are cash inflows to the Federal Government. The Net Financial Impact is positive to the extent that Disposition Proceeds exceed Total Occupancy or Ownership Costs. This indicates that for each scenario, disposing of some or all the existing property would provide positive cash flow to the Government.

For each property where disposal is part of the Recommended Scenario, there are a number of potential Disposal Costs. These include studies, such as a Phase I / Phase II Environmental Site Assessment or an EIS, a Historic Preservation Assessment, or a Section 106 Historic Preservation Programmatic Agreement, or other actions such as groundwater remediation. The cost of each of these items is deducted from the Net Financial Impact Pre-Disposal, resulting in the Net Financial Impact to be deposited into the Asset Proceeds and Space Management Fund. The time that each of the items may take to accomplish is included in the projected disposition timeline.

Cost Avoidance

Cost Avoidance represents the long-term savings to taxpayers over a 30-year period, calculated by comparing the difference in the NPV of Total Occupancy and Ownership Costs between the Recommended Scenario and Status Quo Scenario. Cost Avoidance does not impact the Asset Proceeds and Space Management Fund.

If the property consists of vacant land or unoccupiable structures, Cost Avoidance is not reported for the property. Administrative or maintenance expenses are assumed to be negligible in this analysis.

Total Occupancy Costs or Total Ownership Costs of the Status Quo scenario include all costs required for the Tenant(s) to remain in the property at its current occupancy at its current rate, including required repairs but not including modernization. Total Occupancy or Ownership Costs in the Recommended scenario include an assumed efficiency in occupied space, market gross rental rates, and move and fit-out expenses incurred in relocating current occupants. If a Lease Prospectus has been approved, the approved floor area and rental rates are used in the Recommended Scenario.

Notably, the Cost Avoidance calculation does not include Disposition Proceeds or Disposal Costs to prepare the property for disposition, as these are unrelated to Total Occupancy or Ownership Costs and are thus included in Net Financial Impact.

Exhibit 7. Items Included in Total Occupancy or Ownership Costs (Cost Avoidance Tool)

Item	Description
Rent	Rent paid in current and new building
Operating Expenses	Operating expenses paid in current and new building
Third-Party Rent	Rent collected by landholding agency for owned buildings, as applicable
Known Deferred Maintenance	One-time, near-term capital expenditure needs for current building
Future Capital Expenses	Additional budget needed to maintain current building
Move Expenses	Expense to relocate to new building
Fit-Out Cost	Expense to fit out new building (hard costs, soft costs, FF&E)

These items are projected over a 30-year analysis period with a standard annual escalation of 2%. The calculated Total Occupancy or Ownership Costs for each scenario are then discounted to the present day and compared to determine Cost Avoidance.

For the Recommended Scenario, an efficiency factor of 30% is applied to the currently occupied space. The efficiency factor is used to recognize the evolution of workspace and technology to require fewer square feet per person, as well as the increasing mobility of the workforce that allows for full or partially remote work with a focus on collaborative space in the office. As more information is known over the next several years about remote work, office work, and changing workplace environments, this factor should be further refined.

Known Deferred Maintenance includes known repair needs identified by the landholding agency in the Asset Business Plan, approved Lease Prospectus, or other estimate. These are assumed to occur in a single tranche in the fourth year of the analysis to reflect typical GSA Prospectus requests. Future Capital Expenses are estimated at $2.00 per square foot per year, a conventional reserve assumption that is generally sufficient for expected capital reinvestment over the typical lifecycle of a modern building. This value is applied annually to address uncertainty in the timing of ongoing capital expenditures over the analysis period.

Move expenses are estimated at $2,000 per person. Fit-out costs vary by market and are estimated using private sector research. If a specific figure for move or Fit-Out Costs has been provided by the landholding agency, it will be used in place of the assumptions.

FASTA Grading

This Tool provides a qualitative assessment of each property to accompany the quantitative Tools in the rest of the Financial Accounting System. The FASTA Grading relies on risks that are categorized by market, property, alignment with FASTA goals and objectives, alignment with OMB criteria, and alignment with Presidential Priorities. The FASTA Grading evaluates 18 factors in four evaluation domains: Financial, Efficiency, Implementation, Community. Each factor is given a score of 0-2, and the weighted score is used to prioritize the evaluation of properties within the First Round. Detail on each of the factors and grading process is contained in the Property Screening Methodology and Approach report.

Exhibit 8: FASTA Grading Factors

Domains	Weight	Factor	Source
Financial	2x	Net Financial Impact	FASTA
		Cost Reduction	FASTA
		Disposition Value	PBRB
Efficiency	1x	Asset Utilization	FASTA
		Mission Alignment	FASTA
		Consolidation Opportunity	FASTA
		Lease Reduction	FASTA
		Energy Reduction	FASTA
Implementation	1x	Marketability	FASTA
		Agency Concurrence	PBRB
		Schedule	OMB
		Site Risks	PBRB
		Data Availability	OMB
Community	2x	Stakeholder Risks	PBRB
		Local Benefits	Presidential
		Local Negative Impacts	FASTA
		Access to Agency Services	FASTA
		Tribal Nations	Presidential

D. Conclusion

The Financial Accounting System is a collection of robust Tools that are used collectively to evaluate properties. These Tools provide a continuous and iterative process whereby each Tool builds upon another to develop the First Round FASTA candidate property recommendations. The Use and Development Program and preliminary valuations using the Valuation Model are used to prioritize the Property List by organizing the properties into value tiers. The inputs are then validated and further refined in the Valuation Model and the Scenario Comparison Model. All of these Tools inform decisions for further due diligence and analysis, leading to formal recommendations.

The process of evaluating and recommending properties is continuous. For the First Round candidate property recommendations, due to OMB in December 2021, the resulting detailed candidate property reports include the disposition strategy recommendation, timelines, agency next steps, and funding considerations.

Exhibit 9: FASTA Expected Timeline

1	**November 2020:** Establish Property Screening Tool and Financial Accounting System.	*First Round FASTA Candidate Property Recommendations*
2	**January 2021:** Conduct Agency Meetings, Assign Market Values to Property List, Refine Property List.	
3	**January – September 2021:** Utilize Financial Accounting System to Evaluate Properties and Complete Draft Property Reports on a Rolling Basis.	
4	**January – September 2021:** Conduct Advanced Due Diligence, Site Visits, Update Assumptions.	
5	**September – December 2021:** Finalize First Round FASTA Candidate Property Recommendations.	
6	**December 2021:** Submit First Round FASTA Candidate Property Recommendations to OMB.	

E. Addendum

ADDENDUM

I. SCREENSHOTS OF PROPERTY VALUATION MODEL
II. COMPARISON OF 2020 FINANCIAL ACCOUNTING SYSTEM, 2019 HVA ACCOUNTING SYSTEM, AND GSA DISPOSITION TOOL/NPV CALCULATOR

Addendum I: Screenshots of Property Valuation Model

Property Valuation Model (Preliminary Valuation)

Step 1: Project Overview			
Project	**Installation or Address**	**City**	**Submarket Data**
Example Project #1	3951 Western Way	Phoenix	Phoenix Urban
Example Project #2	3609 Dover Drive	Naperville	Chicago Suburban
Example Project #3	2792 Pattern Place	Seattle	Seattle Suburban
Example Project #4	5589 Houston Highway	Los Angeles	Los Angeles
Example Project #5	9050 Houston Highway	Chicago	Chicago Urban
Example Project #6	14539 Houston Highway	Chicago	Chicago
Example Project #7	9539 Saturn Circle	Seattle	Seattle Urban
Example Project #8	10936 Pattern Place	Phoenix	Phoenix
Example Project #9	2688 Pattern Place	Los Angeles	Los Angeles
Example Project #10	11210 Houston Highway	Seattle	Seattle

Step 2: Program							
Use	**Land SF**	**Program GSF**	**Stories**	**FAR**	**Lot Coverage**	**Core Factor**	**Program NSF**
Multifamily	87,120	270,000	5	3.10	62.0%	1.10	245,455
Industrial	62,728	370,826	10	5.91	59.1%	1.00	370,826
Office	265,621	2,242,675	9	8.44	93.8%	1.15	1,950,152
Industrial	240,623	1,611,100	10	6.70	67.0%	1.00	1,611,100
Industrial	305,869	802,013	9	2.62	29.1%	1.00	802,013
Industrial	44,582	78,318	6	1.76	29.3%	1.00	78,318
Multifamily	76,801	27,603	4	0.36	9.0%	1.10	25,094
Multifamily	367,354	3,005,102	9	8.18	90.9%	1.10	2,731,911
Office	44,687	69,193	6	1.55	25.8%	1.15	60,168
Office	412,163	837,007	3	2.03	67.7%	1.15	727,832

Step 3: Income				
Annual Rent PSF	**OpEx (% Rent)**	**Vacancy**	**NOI PSF**	**NOI**
$ 27.00	30.0%	5.0%	$ 17.55	$ 4,307,727
$ 34.00	-	-	$ 34.00	$ 12,608,084
$ 34.00	30.0%	10.0%	$ 20.40	$ 39,783,104
$ 33.00	-	-	$ 33.00	$ 53,166,300
$ 29.00	-	-	$ 29.00	$ 23,258,377
$ 36.00	-	-	$ 36.00	$ 2,819,448
$ 15.00	30.0%	5.0%	$ 9.75	$ 244,663
$ 40.00	30.0%	5.0%	$ 26.00	$ 71,029,684
$ 23.00	30.0%	10.0%	$ 13.80	$ 830,316
$ 32.00	30.0%	10.0%	$ 19.20	$ 13,974,378

Step 4: Maximum Project Budget

Exit Cap	Spread (BP)	Going-in Cap	Supportable Cost (Max. Project Budget)
4.50%	125	5.75%	$ 74,916,996
4.50%	100	5.50%	$ 229,237,891
4.50%	125	5.75%	$ 691,880,076
4.50%	100	5.50%	$ 966,660,000
4.50%	100	5.50%	$ 422,879,582
4.50%	100	5.50%	$ 51,262,691
4.50%	125	5.75%	$ 4,255,008
4.50%	125	5.75%	$ 1,235,298,846
4.50%	125	5.75%	$ 14,440,278
4.50%	125	5.75%	$ 243,032,656

Step 5: Project Cost

Hard Cost PSF	Soft Cost	Contigency	Total Cost PSF	Total Constr. Cost Before Financing	LTC	Loan
$ 165	30.0%	10.0%	$ 236	$ 63,706,500	70.0%	$ 44,594,550
$ 196	30.0%	10.0%	$ 280	$ 103,935,111	75.0%	$ 77,951,333
$ 176	30.0%	10.0%	$ 252	$ 564,436,444	65.0%	$ 366,883,689
$ 159	30.0%	10.0%	$ 227	$ 366,315,807	75.0%	$ 274,736,855
$ 172	30.0%	10.0%	$ 246	$ 197,263,117	75.0%	$ 147,947,338
$ 192	30.0%	10.0%	$ 275	$ 21,502,990	75.0%	$ 16,127,243
$ 198	30.0%	10.0%	$ 283	$ 7,815,513	70.0%	$ 5,470,859
$ 172	30.0%	10.0%	$ 246	$ 739,134,888	70.0%	$ 517,394,422
$ 199	30.0%	10.0%	$ 285	$ 19,690,252	65.0%	$ 12,798,664
$ 172	30.0%	10.0%	$ 246	$ 205,870,242	65.0%	$ 133,815,657

Constr. Interest Rate	Constr. Period (Qtr)	Avg. Balance	CaPi	Closing Costs	Total Fin. Cost	Total Project Development Cost
4.50%	6	16.7%	$ 668,918	2.0%	$ 1,560,809	$ 65,267,309
4.25%	4	25.0%	$ 2,484,699	2.0%	$ 4,043,725	$ 107,978,837
5.00%	8	12.5%	$ 3,439,535	2.0%	$ 10,777,208	$ 575,213,652
4.25%	4	25.0%	$ 8,757,237	2.0%	$ 14,251,974	$ 380,567,781
4.25%	4	25.0%	$ 4,715,821	2.0%	$ 7,674,768	$ 204,937,886
4.25%	4	25.0%	$ 514,056	2.0%	$ 836,601	$ 22,339,591
4.50%	6	16.7%	$ 82,063	2.0%	$ 191,480	$ 8,006,993
4.50%	6	16.7%	$ 7,760,916	2.0%	$ 18,108,805	$ 757,243,693
5.00%	8	12.5%	$ 119,987	2.0%	$ 375,961	$ 20,066,213
5.00%	8	12.5%	$ 1,254,522	2.0%	$ 3,930,835	$ 209,801,077

Step 6: Valuation			
Supportable Cost (Max. Project Budget)	Total Project Development Cost	Maximum Acquisition Cost (Land Value)	Value Per Land SF
$ 74,916,996	$ 65,267,309	**$9,649,687**	**$111**
$ 229,237,891	$ 107,978,837	**$121,259,054**	**$1,933**
$ 691,880,076	$ 575,213,652	**$116,666,423**	**$439**
$ 966,660,000	$ 380,567,781	**$586,092,219**	**$2,436**
$ 422,879,582	$ 204,937,886	**$217,941,696**	**$713**
$ 51,262,691	$ 22,339,591	**$28,923,100**	**$649**
$ 4,255,008	$ 8,006,993	**($3,751,986)**	**($49)**
$ 1,235,298,846	$ 757,243,693	**$478,055,153**	**$1,301**
$ 14,440,278	$ 20,066,213	**($5,625,934)**	**($126)**
$ 243,032,656	$ 209,801,077	**$33,231,580**	**$81**

Property Valuation Model (Residual Value)

Step 1: Refine Assumptions (Multifamily Residential Use as an example)

DEVELOPMENT ASSUMPTIONS

Development Costs	Basis	$	%	Spreading
Hard Costs				
Base Building	$/GSF	$300.00		Even Spread
Parking: Below Grade	$ / space			Even Spread
Parking: Above Grade	$ / space	$20,000.00		Even Spread
Soft Costs				
All-In Soft Costs	% of HC		20.00%	Even Spread

Core Factor and Parking Criteria		
Core Factor	*Common Areas*	10.00%
Parking Requirement	*spaces / unit*	1.00
Parking Space Size	*GSF / space*	350
Parking Ratio: Below Grade	*% of total parking*	0.00%
Parking Ratio: Above Grade	*% of total parking*	100.00%

FINANCING ASSUMPTIONS

Construction Loan	
Loan-to-Cost (LTC)	65.00%
Interest Rate	5.00%
Underwriting Fee	1.00%
Repayment	PERMANENT LOAN REFINANCE

Permanent Loan		
Interest Rate		5.00%
Amortization Term		30
DCR: Required Minimum		1.20
Underwriting Fee		1.00%
Sizing Limitation		MAXIMUM
Sizing NOI	STABILIZATION	~~30~~

REVENUE AND OPERATING EXPENSE ASSUMPTIONS

Unit Type	% of total units	Unit GSF	Basis	Rental Rate
Studio	19.00%	500	*$ / unit / month*	$1,700.00
1 BDRM	69.00%	650	*$ / unit / month*	$2,100.00
2 BDRM	4.00%	975	*$ / unit / month*	$3,000.00
HISTORIC	8.00%	900	*$ / unit / month*	$2,800.00
Parking Space Rental Rate			*$ / space / month*	$75.00
Pre-Lease				50.00%

Expenses	Basis	$	%
All-In Op Ex	*% of GRI*		25.00%
Vacancy Rate *(stabilized)*	*% of All Revenue*		5.00%

PROJECT SCHEDULE, VALUATION AND DISPOSITION ASSUMPTIONS

Project Schedule	Begin Month	Duration
Land Acquisition	1	
Pre-Development Period	1	12
Construction Period	13	20
Lease up Period	33	8
Stabilization / Holding Period	41	12
Disposition	53	

Valuation and Disposition	%
Cap Rate: Terminal	5.50%
Sales Costs	1.00%

Step 2: Solve for residual value (Land Acquisition) based on the target yields

USES

Development Costs	**$ / Unit**	**$ / GSF**	**$ / NRSF**	**Total**
Land Acquisition	$4,021	$6.15	$6.83	$1,500,000
Total Hard Costs	$222,696	$340.59	$378.43	$83,065,590
Total Soft Costs	$44,539	$68.12	$75.69	$16,613,118
Total Fees	$0	$0.00	$0.00	$0
Total Underwriting Fees	$4,172	$6.38	$7.09	$1,556,146
Capitalized Interest: Bonds	$0	$0.00	$0.00	$0
Construction Loan Interest	$12,015	$18.38	$20.42	$4,481,724
Operating Deficit	$0	$0.00	$0.00	$0
Total Uses	**$287,444**	**$439.61**	**$488.46**	**$107,216,578**

SOURCES

Development Funding Sources	**$ / Unit**	**$ / GSF**	**$ / NRSF**	**Total**
Equity	$100,605	$153.86	$170.96	$37,525,802
NOI Prior to Stabilization	$10,301	$15.75	$17.50	$3,842,306
Construction Loan	$176,537	$269.99	$299.99	$65,848,469
Total Sources	**$287,444**	**$439.61**	**$488.46**	**$107,216,578**
Reconciliation to Equity	$0	$0.00	$0.00	$0
Total Sources Used for Development	**$287,444**	**$439.61**	**$488.46**	**$107,216,578**

PERMANENT DEBT FINANCING

Permanent Loan Detail	
Loan Principal: Actual	$90,405,525
Loan Principal: Maximum	$90,405,525
DCR: Minimum Achieved	1.20
LTV: Actual	71.15%
LTV: Maximum	71.15%

DEVELOPMENT PROGRAM & SCHEDULE

Development Program	
GSF	243,889
NRSF	219,500
Total Units	373.00
Studio	71.00
1 BDRM	257.00
2 BDRM	15.00
HISTORIC	30.00
Parking Spaces: Below Grade	0.00
Parking Spaces: Above Grade	373.00

Project Schedule	Begin	End
Closing	January-22	January-22
Pre-Development Period	January-22	December-22
Construction Period	January-23	August-25
Lease up Period	September-24	May-25
Stabilization / Holding Period	May-25	May-26
Disposition	May-26	N/A

VALUATION & YIELDS

Valuation & Project Yields		
NOI: Stabilized (Without Inflation)	January-22	$6,988,556
NOI: Stabilized (With Inflation)	May-25	$6,988,556
Asset Value: Stabilized (Without Inflation)	January-22	$127,064,659
Asset Value: Stabilized (With Inflation)	May-25	$127,064,659
Asset Value: Disposition (With Inflation)	May-26	$127,064,659
Going-In Cap Rate (Without Inflation)		6.52%
Going-In Cap Rate (WITH Inflation)		6.52%
Exit Cap Rate (Assumed)		5.50%
Net Profit		$25,129,559
Equity Multiple		1.67
IRR		**19.31%**

Addendum II: Comparison of First Round Financial Accounting System, HVA Accounting System, and GSA Disposition Tool/NPV Calculator

As part of the preparation for this report, both the HVA Accounting System and the GSA Tool were reviewed in detail. Both the prior and current Federal analytical Tools have been used to analyze disposition opportunities and financial impacts for Government projects.

HVA Accounting System

The December 2019 HVA Report that PBRB submitted to OMB estimated a "value of transaction," which the report defined as "the sum of the estimated proceeds and estimated costs." The report noted that it used the following sources of information to estimate the "value of transaction" for a particular property:

- Appraisals;
- Broker opinions of value;
- Consultation with local markets 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 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.

By comparison, the 2020-2021 First Round Financial Accounting System Tools described in this report follow a similar approach in that the "sum of the estimated proceeds" is then compared against the "estimated costs." In the case of this updated analysis, the "sum of the estimated proceeds" is similar to the output of the Valuation Model, and the "estimated costs" are like the output of the Scenario Comparison Model. The later analysis will incorporate elements of the property valuation and FASTA criteria, which compare to the items noted in the 2019 HVA Accounting System. Both Models use similar inputs compared to the 2019 HVA Accounting System (e.g., market rent data, zoning information, demolition costs, and others) and are similar in approach. However, there are important exceptions, both in what tools and methods are used and in their applications.

The previous 2019 HVA Accounting System relied heavily on appraisals, consultation with local brokers, and comparable sales. Even Broker Opinions of Value ("BOV") mostly rely on these secondary sources, comprising mainly comparable sales, referencing appraisals, and consulting with local brokerage professionals. However, this analysis is more comprehensive, incorporating submarket-specific, property-specific primary research data, which is then incorporated into the Valuation Model. As described above, this Model estimates value by fashioning an actual development that a buyer may undertake after having purchased property from the Federal Government through this effort. That is, it uses market inputs to generate an estimate based on a real-world development program. As a result, the valuation exercise results from primary research and robust financial modeling beyond secondary sources of information.

Second, the Scenario Comparison Model also stands in contrast to the previous 2019 HVA Accounting System in its comprehensiveness. Whereas the previous 2019 HVA Accounting System would recommend one scenario per property if there were an active Government footprint present, the Scenario Comparison Model contemplates several potential renovation and relocation options. The additional scenarios provide a range of potential Net Financial Impacts to the Government (what the 2019 HVA Accounting System called the "value of transaction"). The previous 2019 HVA Accounting System and the Scenario Comparison Model address cost savings, but the Scenario Comparison Model then factors future operating costs for a relocated agency.

Finally, the Use and Development Determination and Valuation Model will both be applied as part of early screening efforts. By contrast, the 2019 HVA Accounting System used only secondary sources as part of early valuation efforts (as noted), and any determination of a development program was used only to gauge overall feasibility and complexity, **not** to inform value.

GSA Disposition Tool/NPV Calculator

The GSA Tool is a financial analysis tool created to meet the requirements of OMB Circular A-94. The Circular provides general guidance for conducting benefit-cost and cost-effectiveness analysis and guidance for discount rates when evaluating Federal programs.

Remaining consistent with OMB, the Scenario Comparison Model uses the same discount and inflation rates.

A review and comparison of the GSA Tool suggest there are three key differences from the Scenario Comparison Model:

1. The GSA Tool factors in the reversion value for assets the Federal Government owns when evaluating a renovation scenario. The GSA Tool takes the as-is building value and adds the cost of renovation to establish the total base value of the building. This base value is then depreciated annually (for a duration equal to the analysis period) and is deducted from the Gross Cost of the renovation scenario. Additionally, the value of the land is inflated annually, at a rate prescribed by OMB Circular A-94, for the duration of the analysis period, then discounted back to current dollars, again using a discount rate prescribed by OMB Circular A-94 and deducted from the Gross Cost of the renovation scenario. Essentially, the reversion value is the value of the land (as inflated at the OMB inflation rate and then discounted at the OMB discount rate) plus the depreciated building value.
2. In the lease scenario, the GSA Tool factors in the Government's potential forgone income tax revenue, which results from a private building owner being able to depreciate a building.
3. The GSA Tool incorporates a Lease Cost Avoidance calculation from the Landholding Agency, GSA, perspective.

The renovation scenario uses the NPV of cash flows based on market data along with the estimated renovation costs, which looks at the property as a whole rather than the depreciated building reversion and land separately. Secondly, the perspective of the Scenario Comparison Model is either that of the landholding agency or of the occupying tenant. The impact of income tax revenue from private ownership does not directly impact the value of the scenarios. Finally, Cost Avoidance for consolidating additional tenants is not part of the landholding agency's Net Financial Impact in the Scenario Comparison Model or the current agency occupant(s); instead, it would impact those agencies looking at consolidation. The Cost Avoidance calculation in the Scenario Comparison Model estimates the difference to the taxpayer of Total Occupancy or Ownership costs between the Status Quo Scenario and the Recommended Scenario.

Exhibit IIA. Comparison of Accounting Systems

	2020-2021 First Round Financial Accounting System	2019 High Value Asset Accounting System	GSA Disposition Tool/NPV Calculator
Uses localized and recent market data to inform the analysis.	Yes.	Rent only.	Yes.
Performs analysis from the perspective of an investor who acquires property because of FASTA.	Yes.	No.	No.
Supports the ability to efficiently assess hundreds or thousands of properties as part of early screening efforts.	Yes.	No.	No.
Supports the ability to analyze multiple relocation or renovation scenarios.	Yes.	No.	No; renovation or lease only.
Supports the ability to quickly add or remove scenarios depending on the specific nature of a candidate property.	Yes.	No.	No.
Relies on secondary sources of information (appraisals and others.).	No, but it can be used to cross-reference.	Yes.	No.
Accounts for operating cost savings of relocation scenarios.	Yes, and it is calculated across scenarios, factoring in the cost of occupying new space.	Yes, but only for the subject property and does not factor in a new location's costs.	Yes.
Accounts for a reversion value for assets the Federal Government owns when evaluating renovation.	No, not relevant to the analysis.	No.	Yes.
Factors in tax revenue implications.	No	No.	Yes; however, it only estimates the impact on forgone Federal income tax revenue.
Factors in lease cost avoidance for agencies leasing space in other properties that might consolidate into the subject property.	No, not relevant to the analysis.	No.	Yes.