

Public Buildings Reform Board

FY 2023 Congressional Justification



PUBLIC BUILDINGS REFORM BOARD

March 25, 2022

Appropriations Language

For carrying out the provisions of the Federal Asset and Sale Transfer Act of 2016 (P.L. 114 - 287), as amended, the Public Buildings Reform Board is requesting \$4,000,000 to remain available until expended.

Program Description

Mission

The Federal Assets Sale and Transfer (FASTA) Act of 2016 (Public Law 114–287), enacted in December 2016, authorizes the Public Buildings Reform Board. The Public Buildings Reform Board (PBRB) is an independent Federal agency, established to expedite the sale of unneeded and/or underutilized federal real estate and maximize value for the Federal government. The purpose of the FASTA legislation is to:

- (1) Continue the consolidation of the footprint of Federal buildings and facilities;
- (2) Continue to maximize the utilization rate of Federal buildings;
- (3) Continue to reduce the reliance on leased space;
- (4) Identify underutilized candidate properties appropriate for selling or redeveloping to obtain the highest and best value for the taxpayer;
- (5) Continue to reduce the operating and maintenance costs of Federal civilian real properties;
- (6) Examine the possibilities for reducing redundancy, overlap, and costs associated with field offices;
- (7) Determine how to create incentives for Federal agencies to achieve greater efficiency in their inventories of civilian real property;
- (8) Expedite the sale or disposal of Federal civilian real properties under the authorities of FASTA;
- (9) As a natural result of the above, assist Federal agencies in achieving the Government’s sustainability goals by reducing excess space, inventory, and energy consumption, as well as by leveraging new technologies.
- (10) Address the Administration’s goals for producing equity through examination of untapped possibilities existing in the disposition process;
- (11) Address the Administration’s goals for ensuring Tribal consultation in the property disposition process.

Board and Staff Members

Mary Phillips, Board Member*
David Winstead, Board Member
Nick Rahall, Board Member
David Talmage Hocker, Board Member

* performing the duties of the Chairperson

Results of FY22

The PBRB devoted FY2022 to analyzing properties identified through agency consultations and a comprehensive review of the Federal Real Property Profile (FRPP) for submission in its 'First Round' report. FASTA directs the PBRB to submit a list of properties for sale, consolidation, or other cost-saving actions of up to \$2.5 billion for its First Round. The focus of the Board's efforts was necessarily on sales of Federal properties in order to generate revenues to fund investments needed to facilitate sales, consolidations, etc. for the 'Second Round'. Candidate properties were vetted for anticipated return to the taxpayer, complexity, resource requirements, and scheduling. A particular emphasis was placed on stakeholder input.

The PBRB submitted a list of 15 properties to the Office of Management and Budget (OMB) in its First Round report on December 27, 2021. On January 26, 2022, OMB disapproved the submission, requesting more information with respect to financial planning, scheduling, and stakeholder outreach, as well as additional coordination with the General Services Administration (GSA). The PBRB intended to address OMB's concerns and resubmit the report. However, one of the PBRB's Board Members resigned in the interim, leaving the Board without a quorum and therefore unable to resubmit its recommendation list.

The Board is hopeful that a fifth Board Member will be appointed soon, so that the Board may conduct business. The balance of this fiscal year will be spent working closely with GSA and other agencies on both First and Second Round properties.

FY2023 Goals

In FY 2023, the PBRB will begin work on properties for the Second Round. FASTA requires the PBRB to submit a list of properties with a total expected value not to exceed \$4.75 billion no earlier than 3 years after the transmittal of the first report. A number of candidates were identified through the First Round analysis of FRPP data, but were pushed to the Second Round due to their level of complexity. The PBRB will begin vetting these properties in earnest in FY23, and supplement them with additional projects identified by GSA and other Federal agencies. The PBRB expects significant interests from landholding agencies due to evolving space requirements of the post COVID era.

The FASTA process continues to rely upon the Asset Fund as the key to success for agencies to engage in serious contemplation of major consolidation.. The Government Accountability Office identified the disposal of federal real properties as a 'high risk' area in 2003 because of challenges related in part to the disposal of unneeded properties. In extensive and continuing discussions with agency officials, the PBRB has found that the greatest deterrent toward enhanced facilities

efficiency is the lack of appropriations available for enabling the creation of new and more efficient spaces required by consolidations. Securing funding for the Asset Fund remains one of the single most important factors in the success of the PBRB's work.

Summary of the Request

The Public Buildings Reform Board's budget request for FY 2023 reflects the Board's continued commitment to faithfully execute the Federal Assets Sale and Transfer Act of 2016 (FASTA) by bringing value to the American taxpayer through the disposition of underutilized federal real property. The agency budget request includes mission critical funding to support the pivotal strategic activities and due diligence tasks necessary to successfully identify and recommend candidate properties. With careful consideration, the Board formally requests \$4.0M¹ in appropriations in FY 2023 for the following mission critical activities:

- \$2.3M for professional service contracts to analyze the expansive federal real property portfolio, identify assets viable for disposition, and perform extensive due diligence to ensure disposals maximize value to the taxpayer
- \$1.25M for potential reimbursement of executive branch agencies for detailee staff
- \$630,000 for salaries and benefits of Board Members and the Executive Director
- \$140,000 for agency overhead services procured from federal partners
- \$50,000 for travel expenses to ensure all assets recommended for disposal meet the FASTA criteria and provide valuable opportunities for maximizing returns to the taxpayer

Obligations for Object Classification, Public Buildings Reform Board Salaries and Expense Account

¹ The Board will use anticipated carryover balances from FY 2022 to fully fund FY 2023 mission activities

		FY 2023 Obligations
11.1	Full-Time Permanent	171,495
11.3	Other than Full-Time Permanent	344,961
11.8	Other Personnel Compensation	1,250,000
12.1	Civilian Personnel Benefits	90,000
21.0	Travel and Transportation of Persons	50,000
25.0	Advisory and Assistance Services	2,240,035
	Insurance Claims and Indemnities	250,000
99.9	Obligations, Appropriated	
	<i>Subtotal PC&B</i>	<i>1,862,456</i>
	<i>Subtotal, Non-labor</i>	<i>2,540,035</i>
	Total Obligations	4,396,491