PBRB

PUBLIC BUILDINGS REFORM BOARD

Second Round Report

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

May 2025

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Introduction

This is the Public Building Reform Board's (PBRB, or the Board) Second Round Report. The Board was created by Congress to streamline the process for disposals, recommend various federally owned or leased properties for disposal, reduce the operating and maintenance costs of federal assets, and provide more efficient and economical uses of real property. In this round, the Board recommends the following 11 properties for consolidation and disposal.

- 4700 River Road, Riverdale, MD
- 7th and D St S.W., 301 7th St S.W., Washington, DC
- James V. Forrestal, 1000 Independence S.W., Washington, DC
- Wilbur J. Cohen, 330 Independence S.W., Washington, DC
- Albuquerque Lease Consolidation, Albuquerque, NM
- Brickell Plaza, 900 Brickell Plaza, Miami, FL
- Captain F. Williams Coast Guard, 408 Atlantic Ave, Boston, MA
- Estes Kefauver, 801 Broadway, Nashville, TN
- La Branch, 2320 LaBranch St, Houston, TX
- Peachtree Summit, 401 W. Peachtree St, Atlanta, GA
- William O. Lipinski, 844 N. Rush St, Chicago, IL

The Board recommends these properties because they are extremely underutilized and require billions of dollars to modernize, which cannot be justified given the availability of far more cost-effective alternatives. The Board estimates that the dispositions and consolidations of these properties in this round will save the taxpayers $5.4 billion and generate an estimated $346 million in sales proceeds. These estimates include consideration of the costs associated with relocating employees and disposing of the properties. Relocating the federal employees from these properties to other locations will provide them with more cost-effective, energy-efficient, and healthier work environments.

Section 1: Purpose of the Report

This is the Public Building Reform Board's (PBRB, or the Board) Second Round Report, and makes recommendations for 11 property divestments and consolidations across the federal real property portfolio.

Our report is separated into three sections. The first describes the current context of federal real property, the PBRB's analytical efforts, and the overarching rationale for properties recommended in this report. This section also contains our observations and recommendations for a more effective federal property dispositions process. The second portion of the report includes the PBRB's list of recommendations for dispositions and consolidations in this round. The third section of the report previews properties the Board has slated for analysis for its next round.

To assist the reader with the terminology used across this report, the Board prepared a series of appendices: "Appendix 1: Glossary" to clarify terminology which aligns to the First Round Report published in 2021; "Appendix 2: Federal Agency" to navigate acronyms; "Appendix 3: Recent Laws and Executive Orders Relevant to the PBRB's Work" for additional background.

Context, Analysis, and Overarching Rationale for Report Recommendations

The PBRB was established in 2019 as a bipartisan, independent agency under the Federal Assets Sale and Transfer Act of 2016 (P.L. 114-287 or FASTA). The Board's mission is to identify opportunities for the reduction and consolidation of the federal real property inventory and to reduce costs to the American taxpayer. The Board also provides Congress and the American public with information and practical solutions to move toward a more efficient and effective management of federal real estate.

In preparing this second round report, the PBRB analyzed over 50 properties and recommended the consolidation and disposition of 11 properties, encompassing a reduction of 7.1 million square feet. It also identified approximately $5.4 billion in cost avoidance options over 30 years.

There are several important benefits to the Board's recommendations:

1. While not required by law, the recommended divestments in this report are all able to be funded from the sale of previously recommended properties and will not require new taxpayer inputs. The FASTA legislation was created to enable the sales proceeds from the High Value Round to support future rounds of sales, and funds from previously sold properties were deposited into an account, the Asset Proceeds and Space Management Fund (Asset Proceeds account), for this purpose. The Board has worked diligently with the General Services Administration (GSA) and the Office of Management and Budget (OMB), to ensure that this list of recommended property dispositions will be able to be fully funded from that account. While the Board could make a much more extensive set of recommended divestments, the list contained in this report is based upon the amount that is expected to be accrued in the Asset Proceeds account. Many properties on this list have already been announced for upcoming disposition by GSA, and the Board has selected these properties in order to support GSA's efforts and allow access to the Asset Proceeds Fund to implement those sales.
2. The Board has reached out to Federal and local officials, federal agencies, and local stakeholders

to understand the potential effects of any recommended divestments. FASTA mandates that the Board work with all relevant stakeholders to understand the effects of a potential divestment and to incorporate those considerations into decision-making for recommendations. In all cases, the Board believes that the enclosed list supports federal, state and local goals, returning a "triple bottom line" benefit:

a. Buildings that represent massive, deferred maintenance liabilities to the American taxpayer and which do not contribute taxes to the local tax base can be put into service through redevelopment and contribute to local communities.

b. Federal workers can move into better spaces that may be safer, more modern, and better supportive of their mission while costing taxpayers significantly less. In some cases, federal workers may be moved into leased properties, filling previously vacant space.

c. Reducing the federal footprint will shrink the massive cost in day-to-day operations and eliminate the enormous deferred maintenance that is accruing to the American taxpayer.

3. The list does not overwhelm any one market in response to nationwide comments about the ability of commercial real estate markets to absorb the federal portfolio dispositions. The Board has studied many properties in markets around the country, none more so than in Washington D.C. No two markets are the same, and each requires careful analysis. In general, however, the post-COVID real estate market remains soft, and the Board heard from stakeholders around the country that large volumes of divestments would be deleterious to those markets and likely lower the purchase price and value of the federal properties the Board was recommending. Therefore, the list in this set of recommendations is built with the understanding that the Board's subsequent round of recommendations may offer more properties in the same markets at a future time and spur additional action by land-holding agencies.

The Board has been preparing this set of recommendations during a period of significant change and uncertainty in the federal real property portfolio. Most notably, COVID and a change in administrative policies have had a significant impact on the use and future of the federal real property portfolio. Furthermore, recent legislation and Presidential Executive Orders have placed a focus on getting agencies to collect and report better occupancy data, establishing reasonable utilization targets for federal properties, and effecting agency consolidations. For a full list of relevant recent legislation and Presidential Executive Orders, see Appendix 3. Further, recently introduced legislation would relocate 30% of employees of federal executive agencies who are based in the Washington D.C. area and reduce office headquarters by 30%.[1] The Board recognizes that all of these initiatives combined reinforce the need for sound and well-thought-out recommenfdations for disposition. While many more properties could be recommended than the properties in this set of recommendations, the Board has determined that FASTA demands that a careful analysis of relevant factors like occupancy and headquarters location information. Therefore, the list of properties in this report has been tailored to allow for data reporting and decision making to solidify enough for the Board to make solid subsequent recommendations.

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[1] S. 23 "Drain the Swamp Act", S.23 - 119th Congress (2025-2026): DRAIN THE SWAMP Act | **Congress.gov** | Library of Congress.

Finally, the Board recognizes the confusion that might occur given the recommendations being made within this report, recent potential disposition announcements by GSA, and the federal government downsizing. Therefore, to clarify and distinguish the Board's work from other federal efforts:

- The Board has no purview over the federal workforce size, location, or function.
- The Board is not a part of the Department of Government Efficiency (DOGE) nor is it a part of GSA. The Board is an independent entity created by Congress in 2016.
- GSA's Public Building Service has a broad function to manage and sell a portion of federal real estate, and it does not necessarily consult with the Board on all of its decisions and actions.
- The Board has no authority to sell federal real estate, nor dictate the use of the property once it has been sold. The Board's recommendations are submitted to OMB, and once OMB has reviewed our recommendations, they decide which recommendations to approve and which to reject, finally, they send their approval notice to Congress and to GSA. GSA has the authority to sell all of the properties in this set of recommendations with the exception of a lease consolidation.

In assessing which properties to recommend for sale, the Board has a mandated set of minimum criteria in FASTA. PBRB works with commercial real estate firm Jones Lang LaSalle (JLL) to analyze and identify the costs associated with the current federal real estate portfolio in selected markets and models the cost savings that could be achieved through various actions, such as consolidations into leased spaces and dispositions. The PBRB publishes its criteria, which include an analysis of taxpayer return on investment, political and stakeholder support, operations and maintenance reduction, cost saving potential, economic impact, and more, along with its findings and recommendations.

The PBRB's activities to date

This is the third report required by the Board's authorizing legislation. The first report, called the High Value Asset Report, was approved by OMB in January 2020, and recommended 12 properties for disposal, of which 10 have been sold (as of the date this report was submitted) for a total of $193 million. Another of those properties is under agreement and is expected to produce another $130 million. Pursuant to the FASTA legislation, those funds were deposited in an account known as the Asset Proceeds and Space Management Fund and are now available for GSA's use to facilitate additional disposals recommended by this Board. Use of the funds does require Congressional approval. The return of 12 properties to the tax base of those communities and the improved workspaces for the federal agencies are additional benefits of this program.

The second report, titled the First Round Report, recommended 15 properties to OMB for dispositions worth an additional $275 million and was submitted to OMB in December 2021.

Finally, the Board issued an Interim Report to Congress in March 2024 that detailed the Board's findings that federal properties were notably underused by federal agencies. All three of the Board's previous reports can be found on the PBRB website: **https://www.pbrb.gov**.

Recommendations from the Board's Independent Analysis of Federal Building Portfolio Management

The current portfolio is space and cost-inefficient. As we reported in our March 2024 "Interim Report to Congress" many GSA-owned federal office buildings are over 50 years of age, are significantly less efficient than modern buildings, and require extensive renovations and reconfiguration before they can receive additional tenants. This means that GSA is faced with managing an oversupply of office space with significant age-related deferred maintenance costs, which could only be optimized to a level far below contemporary commercial property, given the designed inefficiency of the space. Additionally, the cost of construction has increased by approximately 18% since 2019, which causes an enormous amount of capital to be required to address existing conditions. Although billions are required to address long-deferred maintenance issues and to modernize offices to support agency missions, GSA's appropriations have not been sufficient to meet these needs for more than a decade.

Data Issues

Data collection is inadequate, allowing agencies to obfuscate the inefficiencies. The PBRB used federal data provided by agencies as well as the federal repository known as the Federal Real Property Profile Management System (FRPP). The Board found the data to be inaccurate and incomplete, especially lacking attendance and realistic capital repair and maintenance cost data. The Board is pleased to note that recent legislation and an executive order have demanded significant improvements to the federal data set, and looks forward to using this improved data for its next round of recommendations.

No attendance data: Several agency officials reported to the Board that their agency was unwilling to share attendance data because the data might be supplied to Congress and the public. As previously noted, legislation passed in January of 2025 provides relief to this issue by directing GSA, OMB, and federal agencies to standardize the collection and public disclosure of daily occupancy data. The Board expects that this will provide insights into previously unknown use patterns and opportunities for consolidations and divestments.

Lack of accurate maintenance costs and accruing liabilities data: The agencies' estimates of costs related to maintenance liabilities were often found to be inadequate and inaccurate. Because of this, it is impossible to accurately quantify the total sum of liabilities accruing for individual properties across the federal footprint. The prospectus process demands that GSA request funds for repairs, and it takes at least two years to prepare such estimates. Because the maintenance backlog is so huge, GSA only requests a portion of the required funds to maintain a property, which results in the ongoing degradation of the entire portfolio's condition even while funds are sought to make improvements to it. The Board has made good-faith estimates for the purposes of our analysis related to this report.

Funding Issues

GSA's operational funds should be aligned with taxpayers' interests. Agencies located in GSA owned properties pay rent to GSA. Those rental payments are used to fund GSA's routine operations. This situation understandably creates a disincentive to downsize and actually incentivizes GSA to retain buildings which may not suit federal needs or reduce costs to taxpayers.

The Board has found that GSA's analysis and decision making for retaining properties is heavily weighted and based upon whether the property is providing a revenue stream to GSA's Federal Buildings Fund (FBF). This situation leads the Board to suggest that Congress review this aspect of GSA's funding and consider alternative proposals that would remove unintended and inappropriate incentives related to building ownership and maintenance.

The Federal Buildings Fund is deeply flawed and must be addressed. GSA collects rents from agencies and flows those rents into its Federal Buildings Fund (FBF). GSA then requests authority to spend those funds from Congress during its budget formulation. Congress routinely authorizes a smaller portion of spending than the FBF receives, creating a situation where receipts are not paying for building upkeep, and where day-to-day operational needs are in direct competition with capital needs in terms of major repair or new building acquisition. A significant flaw is the FBF structure, whereby GSA is required by law to charge Federal agencies fair market rent. The FBF collects prevailing commercial rents rather than projected costs of long-term capital replacement or expansion needs despite the condition of the buildings. Many Federal buildings are massive, historic, aging, and require more per square foot to maintain than the average commercial office space. So, the input to the FBF has never been adequate, and over the past 50 years, the deteriorating condition of the inventory bears out this problem. The FBF is not constructed to address the long-term capital requirements of the Federal government's portfolio. The fund is insufficient to address expansion and contraction requirements of the Federal workforce, building obsolescence and planned renewal or emergency capital requirements related to code or life and safety upgrades.

Benefits Drive Urgent Need for Federal Consolidations Process Rules

The federal disposal process is slow and outmoded and must be reformed. Currently, GSA sells most properties by simply listing the availability of the property on their website, setting parameters for receiving qualified bids for their auction, and then waiting until they decide the bids should be closed. The Board found that this auction system is grossly inadequate for marketing and management of dispositions of federal properties, particularly larger complex properties. Specific observations:

- Agencies have reported that GSA takes far too long to achieve a disposal, and at times reverses decisions, even though agencies have spent millions of dollars to modernize their spaces with the expectation of remaining in place.

- The PBRB notes that the Federal Communications Commission auction for spectrum was revised and modernized by two professors of economics who went on to win the Nobel Prize for the revisions.[2] The two professors created an auction system that raised prices incrementally, creating a more accurate valuation of the assets. GSA should consider conducting a similar analysis with outside experts in the auction process to modernize its method of sales.

- The PBRB conducted a roundtable with selected national commercial real estate firms to explore issues and solutions related to the GSA auction method. The results of this round table are found in the box below.

Results from the PBRB Roundtable on GSA's auction process for real estate

The PBRB convened executives from national commercial real estate firms involved in real property brokerage and who also had experience with GSA's auction process in September 2024. The discussion focused on the GSA auction process for real property. A summary of the comments is provided below.

1. Attendees noted that the current auction process was not effective for large and complicated real estate transactions. Its limitations most likely resulted in financial losses for taxpayers because it does not address uncertainties surrounding redevelopment and is not typical for engagement of the commercial real estate sector. It may be suitable for assets that are income-producing or are lower in land value and overall lower risk.
2. The auction process limited the number of potential buyers, reducing competition and likely delivering lower returns.
3. Commercial firms use brokers who are knowledgeable about the market and who can help find suitable buyers, enable broad interest and participation in a sales process, and drive value. Brokers can also assist with non-traditional methods of sales such as exchanges or partnerships. Brokers are incentivized to find a solution for any transaction issues and receive commission as compensation for a sale.
4. GSA does not place a priority on addressing zoning and entitlement of properties prior to sale. This means a property may go to auction with no zoning, creating significant risk for a purchaser. Preliminary work on addressing zoning, historic preservation and environmental issues can be crucial for a productive sale of a property and to quickly repurpose the property while placing the property back on local tax rolls.
5. Federal funding guarantees could assist with overcoming challenges in property sales.

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2 National Science Foundation. (2020, October 23). 'The Greatest Auction Ever' – Q&A with Paul Milgrom, 2020 Nobel laureate. **https://www.nsf.gov/science-matters/greatest-auction-ever-qa-paul-milgrom-2020-nobel**

Independent Real Property Analysis and Recommendations

For this Second Round Report, the PBRB independently analyzed over 50 properties and as a result, recommends the consolidation and disposition of 11 properties encompassing a reduction of 7.1 million square feet for this report and identified approximately $5.4 billion in cost avoidance options over 30 years.

The Board's repeated analyses demonstrate that current market conditions offer federal agencies a unique opportunity to relocate to leased spaces that are often of higher quality than existing federal offices, potentially generate revenue for local communities, support federal sustainability goals, and can be optimally configured to better serve agencies' needs. This advantageous situation is not permanent.

Current Real Estate Market Conditions Present Unique Opportunities

The PBRB conducted its analysis during a period of decline in commercial real estate valuation across the country. Based on trends from the Fourth Quarter of 2024, research by JLL, the Board’s consultant, found that the 2025 macroeconomic outlook includes:

- Investors continuing to closely monitor inflation and jobs reports for indications as to the Federal Reserve’s go-forward path.
- Renewed focus on the volatility of the 10-year US Treasury note since the mid-2024 September low.
- Monitoring the Federal Reserve actions as it ratchets down its expectations for rate cuts; now projecting just two cuts in 2025.
- Changes and concerns around tariffs, geopolitics, and trade drive price uncertainty.

Despite some of the macroeconomic volatility, there are positive trends specific to the national US Office market which include:

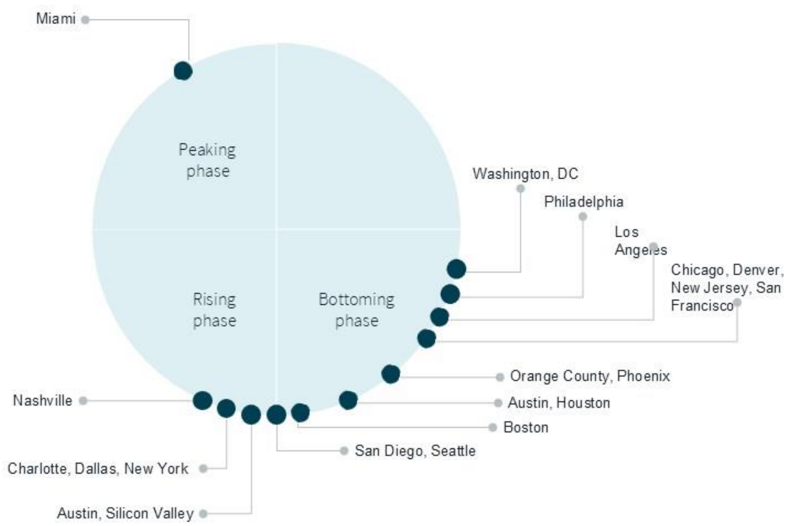
- Tenant demand has nearly returned to pre-pandemic levels in many markets
- Net absorption flips positive for first quarter since 2021
- Rent momentum remains broadly positive
- New supply will become even more scarce in 2025
- Hybrid employers still requesting more office attendance

To further support the Board in assessing market opportunities, JLL analyzed major national markets and tertiary markets with a large amount of federal property, at various times from 2023 to 2025. Given the federal portfolio is predominantly office, JLL focused on identifying opportunities and trends across the office market. The JLL Property Clock (below) is a visual tool that compares markets based on their position within the real estate cycle. Markets are plotted based on four parts of the natural real estate cycle: rising, peaking, falling, and bottoming. JLL uses data including office leasing volume, net absorption, vacancy, new construction, rents, and property values to guide the placement of markets. The left side of the clock (rising and peaking phases) indicates the market is experiencing strong demand and limited supply, which favors the landlord, while the right side (falling and bottoming) indicates softer supply-demand conditions that favor tenants.

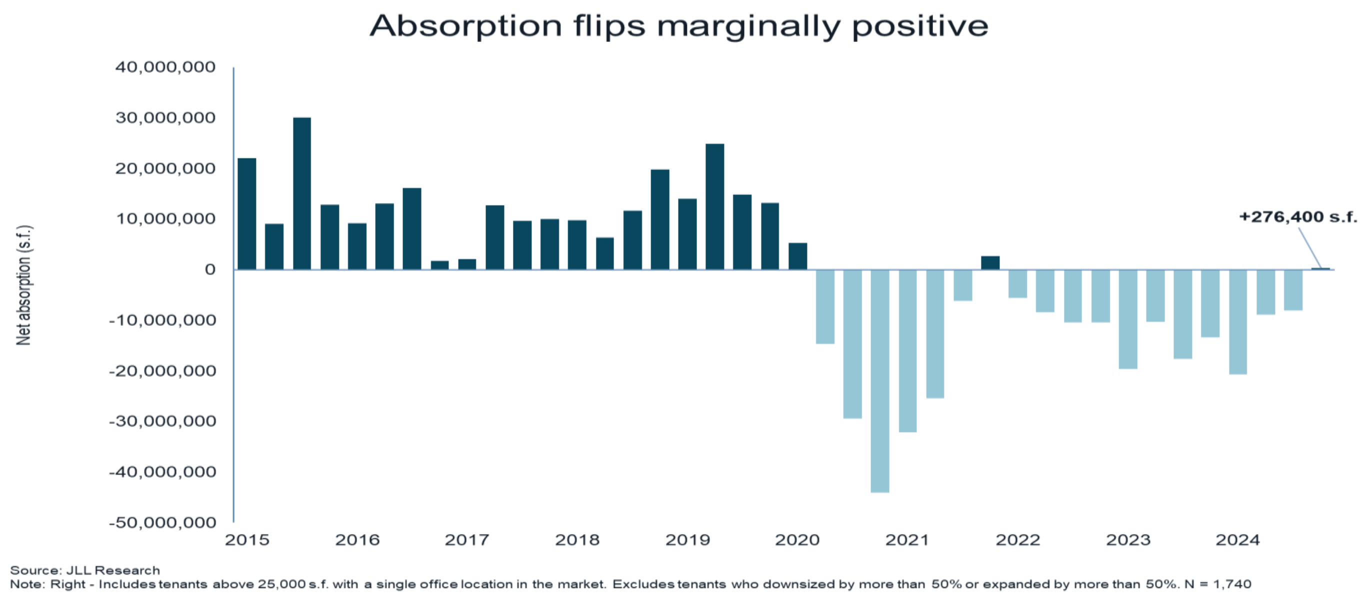
This Property Clock further reinforces the volatility within the office sector and the bifurcation of trends across asset classes based on building vintage, quality, and ability to address changing office demands.

Office market recovery is uneven across geographies

Market	12mo Net Absorption (% inventory)	Total Vacancy	Direct Rent (p.s.f.)	U/C Pipeline (% inventory)
Atlanta	-1.7%	26.9%	$33.80	0.3%
Austin	0.4%	25.2%	$51.75	3.9%
Boston	-0.9%	22.5%	$45.44	0.9%
Charlotte	0.3%	22.4%	$34.47	0.2%
Chicago	-0.9%	26.9%	$38.83	0.5%
Dallas	-0.4%	26.0%	$34.69	1.2%
Denver	-1.3%	25.9%	$35.48	0.6%
Houston	-0.2%	26.3%	$22.44	0.4%
Los Angeles	-0.9%	28.2%	$48.72	1.0%
Miami	0.8%	15.9%	$64.78	2.1%
Minneapolis	-1.4%	24.4%	$31.46	0.5%
New Jersey	-0.2%	27.0%	$31.26	0.2%
New York	1.1%	15.8%	$80.15	0.9%
Orange County	0.5%	18.5%	$34.23	0.0%
Philadelphia	0.3%	16.9%	$35.51	0.2%
Phoenix	-1.1%	20.7%	$29.08	0.4%
San Diego	0.1%	23.9%	$31.01	0.5%
San Francisco	0.0%	22.2%	$26.78	0.0%
Seattle	-0.2%	14.0%	$39.63	0.8%
Silicon Valley	-2.5%	35.4%	$73.39	0.0%
Washington, DC	-0.7%	23.8%	$49.38	1.6%
United States	**-0.4%**	**23.2%**	**$42.65**	**0.7%**



The Board's nationwide property assessment since 2023 has revealed elevated vacancy rates and soft market rents, particularly in underperforming buildings. This presents an opportunity for the federal government to secure improved leased spaces. Declining absorption rates, reflective of broader occupier downsizing trends, coupled with the "Flight to Quality" movement, are creating a favorable market for government agencies. As private companies upgrade to premium properties, they vacate good-quality spaces. Timely action could allow agencies to capitalize on these market dynamics, securing competitive rental rates in desirable locations.



The condition of the commercial market affected the PBRB analysis in both positive and negative ways.

The positive aspects of the market conditions became evident during the analysis PBRB used to examine alternative scenarios for tenant agencies.

- It became clear, for example, that office lease rates in certain markets were so low that moving federal tenants out of outdated buildings, which in some cases are unsafe and inefficient, and into Class A prime lease properties was cost-effective.
- In certain markets, should the federal government have the upfront funding today to acquire and fit out new spaces, GSA could purchase newer assets and "trade-up" its office stock.

Negative aspects of the current market impacted how the PBRB considered the sales of federal properties and modeled the potential value of properties.

- In some cases, where the Board was initially expecting high value for a property, the market has become so saturated with similar assets that the building itself had little to no value and valuation estimates reverted to land values or may even require a subsidy to a purchaser to redevelop.
- In the case of Washington D.C., the properties are so significant in their location (monumental core of Washington), square footage and acreage that careful planning must be undertaken to enable successful redevelopment and maximize taxpayer benefits over time. Fortunately, there are several examples of past, successful efforts to follow. The L'Enfant and McMillan Plans created the grand vision for the monumental core, while the Southeast Federal Center project transformed 55 acres of underutilized and obsolete properties into one of the most vibrant and tax-generating submarkets in Washington.

Benefits Drive Urgent Need for Federal Consolidations and Divestment

The PBRB analysis identified significant benefits to be achieved through reductions of space.

1. **Federal divestment from underutilized properties provides cities and towns with opportunities for increased tax revenues.** Cities rely in part on commercial real estate taxes for income, which they do not collect from federally owned buildings. In a 2023 Urban Institute and Brookings Institute study,[3] Boston ranked as the city with the highest dependency on commercial real estate for tax revenues -- at 33% as a share of total revenues. Washington D.C., on the other hand, relies on commercial property taxes for 11% of its total revenues. Declines in commercial real property value post-COVID are predicted to cause significant issues for cities. With falling revenue from property taxes, city-provided services decrease, making the city less attractive which, in turn, lowers demand for commercial properties. The same study found that Washington D.C.'s tax revenue might experience a decline of between $1.7 and $2 billion (or between 6 and 6.7 percent of revenues) in 2031 as compared to 2023.[4] This was the highest shortfall for any city in the study. The Board recognizes the urgency of this issue for all cities, and notes that federal divestments could have negative effects on local commercial markets given the drop in values and high office vacancies. However as commercial real estate values stabilize over time, federal properties could provide opportunities for tax income once they are converted to commercial uses. The Board acknowledges that timing is critical in the decision-making process for the recommendations in this report.
2. **Federal real properties are the single largest energy consumer in the nation.** Federal divestment from excess capacity can promote achievement of federal energy saving and carbon reduction goals of net-zero emissions from all federal buildings by 2045. The Board notes that residential and commercial buildings represent approximately 35% of the total national carbon dioxide emissions, and electrifying buildings is key to reducing greenhouse gas (GHG) emissions from existing buildings.[5] While it seems obvious that consolidations should promote the achievement of energy consumption and carbon emissions goals, the analysis is complicated by the sheer amount of variables involved. For example, it may not make sense to move federal employees from a relatively energy efficient property into an owned property that is not efficient. Leasing presents an opportunity for the achievement of federal goals as consolidations roll out, but the ability to comparatively assess specific properties in a market for hypothetical energy consumption and carbon footprint was beyond the Board's capabilities and timeline.

To begin to understand the carbon savings potential, PBRB engaged the architecture firm Gensler to analyze potential adaptive reuse suitability and GHG savings. JLL and Gensler studied a sampling of 16 buildings in nine cities under consideration. The assessment used a proprietary compatibility tool to evaluate over 30 data points for each building, focusing on five main categories: Floor Plate, Building Form, Services, Context, and Envelope. These categories were weighted to produce an overall

3 The Urban Institute and the Brookings Institution, Tax Policy Center. (2024, May 1). The future of commercial real estate and city budgets. **https://taxpolicycenter.org/sites/default/files/publication/165853/the-future-of-commercial-real-estate_new_430_final.pdf**.

4 Ibid.

5 Office of the Federal Chief Sustainability Officer. (n.d.). Federal Building Performance Standard. Sustainability.gov. Retrieved March 13, 2025, from **https://www.sustainability.gov/archive/biden46/federalbuildingstandard.html**.

Compatibility Score, with a determined threshold for a viable residential conversion. Some of the buildings studied are not included at this time in the Board's final recommendation but represent the possibility of adaptive reuse. Of the 16 assets, seven scored above the threshold for a suitable conversation, and four buildings scored slightly below. Buildings scoring below indicate potential suitability but further due diligence is required. Across the sampling of all 16 assets, PBRB found a potential greenhouse gas savings of 543M LBSCO2, equivalent to the carbon footprint of burning 49,830 barrels of oil, which could be achieved and almost 7,880 new housing units created. While financial performance analysis conducted by the PBRB demonstrates that nearly any alternative course of action will create cost efficiencies in the billions, there may be energy savings which create preferences for one alternative over another. Of the 16 assets assessed the GHG savings would be approximately 139M LBSCO2 which is roughly equivalent to the carbon dioxide emissions from burning about 338,301 barrels of oil and these savings are detailed throughout the report.

3. **Board recommendations and future consolidation efforts can offer agencies the opportunity to create healthier, safer, and operationally supportive workspaces.** The Board noted that in several buildings it examined, life and safety issues were part of the required deferred maintenance. The low utilization of large federal properties has been noted to cause Legionella outbreaks as water has stagnated in plumbing systems.[6] Other properties the Board studied have antiquated heating and cooling systems, out-of-date electrical systems, elevators that are continually out of service and require replacement, window deterioration, and have not undergone hazardous material abatement.
4. **Investments today will pay off.** The biggest benefit of taking urgent action now is that investments made today through this Second Round Report will generate **$1.8 billion in Operating Expense Savings (excluding agency rent)** and **$5.4 billion in Cost Avoidance** over 30 years. The payback period for these consolidations is two (2) years after taking the one-time capital cost subtracting the sale proceeds and dividing by the Year 1 operating expense (excluding agency rent).

There are many options for consolidating federal agencies, each of which needs to be considered on a case-by-case basis. Land and building swaps, build-to-suit arrangements, leasing, and even lease-to-purchase all present compelling financial cases in today's market.

The Board's recommendation is to consolidate and dispose of 11 federal assets, thereby reducing the portfolio by 7.1 million square feet resulting in approximately $5.4 billion in cost avoidance options over 30 years. Current market conditions present unique opportunities for the federal government to secure improved spaces at competitive rates, while also addressing the pressing issues of an aging and inefficient property portfolio. As already noted, GSA's capital liabilities far exceed its ability to generate future capital, meaning that renovations and energy upgrades should only be considered as short-term steps in a longer, more strategic shift in the federal portfolio. Further work is needed to determine the best way forward, using all available transaction and financing options to initiate these crucial changes and realize the significant benefits outlined in the Board's recommendations.

The optimization metrics for the portfolio assets identified in this study are depicted in the table below.

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6 U.S. General Services Administration Office of Inspector General. (2023, September 20). Alert memorandum: PBS must take immediate action to address the risk of Legionella contamination in GSA-controlled buildings (Memorandum Number A230072-1). **https://www.gsaig.gov/sites/default/files/audit-reports/A230072-1%20Final%20Memorandum.pdf.**

Metric	Amount
GSF Exited *(Gross Square Feet exited)*	7,096,443
Year 1 Op. Ex. Savings *(Current year operating expense)*	$52,053,900
30 Year Op. Ex. Savings *(Year 1 Op. Ex. Savings increased by 3% annually and discounted by 2%)*	$1,823,039,888
Sale Proceeds *(Estimated sales proceeds from the sale of the asset)*	$346,350,000
Deferred Maintenance Avoided *(Current amount of GSA-designated deferred maintenance within the asset)*	$1,620,002,524
One-Time Capital Expenditures *(One-Time Costs to Move and Prepare New Space)*	$458,586,536
Payback period Yrs. *(Capital Costs minus the Sale Proceeds divided by Year 1 Operating Expense Savings)*	2
Total Savings 30 years *(NPV of Status Quo scenario – NPV of site disposition. Status quo is defined as the agency remaining in place, operating expenses increasing at 3% annually and all deferred maintenance is cured)*	$5,434,549,116

**Full modernization of the 11 asset portfolio would have a cost of $3.7B.*

Criteria Used for Independent Analysis

Criteria	Description
Taxpayer Return	Estimated Disposition Proceeds
Operations and Maintenance Reduction	Description of impact to O&M and anticipated reductions
Utilization Rate Maximization	Description of anticipated efficiencies, which may include the extent to which the current UR exceeds non-Government standards.
Cost Saving Potential	Described as Cost Avoidance, Payback Period, or Deferred Maintenance/Avoided Reinvestment Costs
Reliance on Leasing	Yes/No
Mission Alignment/Agency Input	Alignment with agency and bureau consolidations
Economic Impact	Anticipated impacts include the potential for the redevelopment of site(s) to support economic activity
Energy Consumption	Anticipated impacts to energy consumption, which may include vacating an aging asset and/or increasing density/occupancy in existing asset

Criteria	Description
Access to services	Public facing services impacted
Full Modernization Costs	Calculated using historical project costs in Washington, D.C. per USF and adjusted based on a locality factor. Includes full modernization and tenant improvement buildout, including design and M&I. Does not take into consideration the condition of the property or any projects recently completed
Deferred Maintenance	Immediate Capital Repairs or Reinvestment Costs amount
One-Time Capital Expenditure-Capital Improvements	NPV of upfront modernization costs, anticipated prospectus amount, reinvestment costs, or costs provided by GSA
Stakeholder Input	Notifications sent to Senators and Representative
Tribal Outreach	Notifications sent

Building off the previous two rounds of submissions, the PBRB developed and refined the following criteria for identifying properties for analysis. Utilizing the "Scenario Comparison Model", the model calculates the Net Financial Impact[7] of various renovation and/or relocation scenarios from the singular federal government perspective.

The objective of the financial model is to determine the recommended scenario based on the greatest (positive) Net Financial Impact and then to calculate Cost Avoidance to the taxpayer. Cost Avoidance estimates the long-term savings to taxpayers over a 30-year period, by comparing the difference in the NPV of Total Occupancy and/or Ownership Costs between the Recommended Scenario and Status Quo Scenario. Status quo is defined as the agency remaining in place, operating expenses increasing at 3% annually and all deferred maintenance is cured. The Cost Avoidance values do not affect the Asset Proceeds and Space Management Fund. The assumptions and methodology are described in the section below in greater detail for the Second Round recommendations.

The PBRB notified and met with or sought meetings with the staff from each Member's office for the Senate and the House of Representatives for property in their district and listed in this report. The Board also sent notification emails to Native American tribes for each of the properties listed. Due to the importance of these recommendations, the Board members attended site visits for most of the properties recommended in this report.

7 Public Buildings Reform Board. (2021, December 27). First round report recommendations pursuant to the Federal Assets Sale and Transfer Act of 2016. Net Financial Impact is defined in the Appendix III. Financial Accounting Methodology and Approach Report as "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".

Given the vast size of the federal real property portfolio, the Board utilized prior analyses and properties identified from the earlier FASTA rounds. This review of assets yielded two refined approaches to evaluating the federal real property inventory:

- **Sites submitted by agencies:** The Board did not receive any recommendations from agency data calls as required in Section 11 of FASTA. However, the US Department of Agriculture did engage with the Board in developing the recommendation for the lease consolidation in Albuquerque, New Mexico.
- **Market Portfolio Approach:** For growing markets, markets with a major federal presence, or costly markets (pre-pandemic), the Board chose to evaluate federally controlled properties in the downtown central business districts. This yielded results for Boston, Miami, Atlanta, and the National Capital Region (NCR).

Accounting methodology

In the First Round Appendix III. Financial Accounting Methodology and Approach Report submitted to the Office of Management and Budget (OMB), the Board developed a glossary of terms and a robust financial accounting methodology. This financial methodology was used for all the property evaluations, including the NCR portfolio.

The main components of the Scenario Comparison Model are:

1. **Operating costs**
    - *Current location expenses:* Cost the government is currently paying to occupy the Property based on GSA or tenant agency information.
    - *Estimated new location expenses:* Estimated costs the government would pay to occupy the Property once renovated or to occupy a new leased or owned space (applicable to certain scenarios and where known). This represents the operating expenses when in owned space, or the total lease payment when in leased space. These costs were utilized when comparing the Status Quo scenario but in the final recommendation in this report, estimates of capital costs were provided by GSA and are used in the final analysis.
    - *Escalations:* For future operating costs an annual 3% escalation was utilized to account for higher future operating costs.
2. **One-Time Capital Expenditure-Capital Improvements**
    - *One-time capital costs:* Move, fit out, or renovation expenses identified for initial implementation of each scenario, which would modernize and address deferred maintenance of the facility. The Status Quo scenario includes immediate capital repairs identified in the Action Plan or Asset Business Plan. These costs are generated from market estimates or provided by GSA and tenant agencies.
    - *Recurring capital costs:* Future annual costs attributable to capital expenditures, like a capital reserve, representing a smoothed capital plan over the hold period. These costs are estimated based on historic values and market estimates.

- *Escalations:* For future capital costs an annual 3% escalation was utilized to account for capital cost inflation.

3. **Disposition value**
   - The assumed value that each property recommended for disposition could be sold for, either at the point of disposition or at the end of the hold period in the analysis, based on comparable sales and market indicators, a land residual, or return on cost analysis, where feasible.
   - Disposal costs are estimated to include additional studies or actions, such as procuring a title report, completing additional feasibility analyses, and marketing to enable the successful sale of the site(s).

Together these factors result in the Net Financial Impact and Cost Avoidance of each Strategy.

The Board used cost savings metrics, such as evaluating the Net Financial Impact of each strategy and assessing the long-term savings to taxpayers over a 30-year period. This involved comparing the difference in the Net Present Value of Total Occupancy and Total Ownership Costs between the Recommended scenario and Status Quo scenario, which is known as Cost Avoidance. By analyzing these factors, the Board assessed the likely success of the portfolio strategies.

Recommendations

Section Two – FASTA Second Round Recommendations

- 4700 River Road, Riverdale, MD
- 7th and D St S.W., 301 7th St S.W., Washington, DC
- James V. Forrestal, 1000 Independence S.W., Washington, DC
- Wilbur J. Cohen, 330 Independence S.W. Washington, DC
- Albuquerque Lease Consolidation, Albuquerque, NM
- Brickell Plaza, 900 Brickell Plaza, Miami, FL
- Captain F. Williams Coast Guard, 408 Atlantic Ave, Boston, MA
- Estes Kefauver, 801 Broadway, Nashville, TN
- La Branch, 2320 LaBranch St, Houston, TX
- Peachtree Summit, 401 W. Peachtree St, Atlanta, GA
- William O. Lipinski, 844 N. Rush St, Chicago, IL

Section 2: Second Round FASTA Recommendations

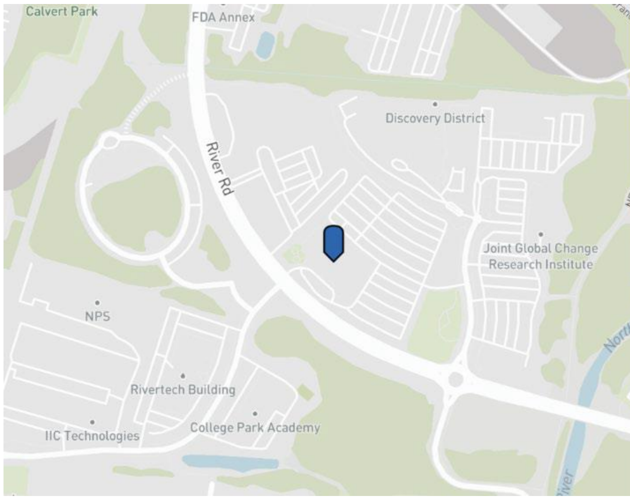
Recommendations Summary

Metric	Amount
GSF Exited *(Gross Square Feet exited)*	7,096,443
Year 1 Op. Ex. Savings *(Current year operating expense)*	$52,053,900
30 Year Op. Ex. Savings *(Year 1 Op. Ex. Savings increased by 3% annually and discounted by 2%)*	$1,823,039,888
Sale Proceeds *(Estimated sales proceeds from the sale of the asset)*	$346,350,000
Deferred Maintenance Avoided *(Current amount of GSA-designated deferred maintenance within the asset)*	$1,620,002,524
One-Time Capital Expenditures *(One-Time Costs to Move and Prepare New Space)*	$458,586,536
Payback period Yrs. *(Capital Costs minus the Sale Proceeds divided by Year 1 Operating Expense Savings)*	2
Total Savings 30 years *(NPV of Status Quo scenario – NPV of site disposition. Status quo is defined as the agency remaining in place, operating expenses increasing at 3% annually and all deferred maintenance is cured)*	$5,434,549,116

The metrics that were utilized to quantify the savings of the portfolio consolidation are shown in the table above. After the optimization of the portfolio, the footprint would be reduced by disposing of 7,096,443 GSF by exiting all sites deemed disposition sites. This would reduce the annual operating expenses by $52,053,900. Over a 30-year period, using 3% annual escalations for all operating costs and then discounting the total by 2% annually, the 30-year Operating Expense Savings would total $1,823,039,888.

One-Time Capital Expenditures for the sites to accommodate all employees would cost $458,586,536. The payback period for this consolidation is computed by One-Time Capital Expenditures minus the Sale Proceeds divided by Year 1 Operating Expense Savings equating to two (2) years. A 30-year NPV analysis shows that optimizing the portfolio would result in savings of $5,434,549,116. This calculation assumes annual cost escalations of 3% and a discount rate of 2%.

4700 River Road, Riverdale, MD



Source: Costar and ESRI

4700 River Road, Riverdale, MD 20737

Overview

4700 River Road (MD1872ZZ) was constructed in 1994 by the private sector and leased to GSA for the use of USDA's Animal and Plant Health Inspection Service and was purchased by GSA for their continued use. The 4700 River Road building has become obsolete by the development of the George Washington Carver Center. 4700 River Road currently houses approximately 1,044 FTEs from the USDA's Animal and Plant Health Inspection Service. In July 2024, GSA announced that USDA will relocate its staff to the George Washington Carver Center which is also located in Beltsville Maryland. This consolidation would lead to a reduction of 339,692 GSF and save approximately $23 million in reinvestment costs and $3 million in annual operating expenditures. USDA plans to move by the spring of 2026 and consolidate into George Washington Carver Center.

Site	Agency Occupants	Background	Gross SF (GSF)	Rentable SF (RSF)	Useable SF (USF)
4700 River Road	USDA	Built 1994	339,692	339,692	295,327

Sources: GSA Summary Asset Details July 2024 & FRPP

Property Details	
Installation Name	4700 River Road
Address	4700 River Road, Riverdale, MD 20737
Landholding Agency	GSA
Occupying Agencies	USDA
Current Use	Office
Headcount	1,044
Land Area	12.5 acres
Surrounding Use	Office, Institutional, Residential
Congressional Representative	Glenn Ivey
Congressional Jurisdiction	MD-05

Analytical Method

Data Sources	Provided By	Used in Analysis
Asset Business Plans	GSA	✓
Independent Building Engineering Reports	NA	*X*
Agency/Stakeholder Interviews	GSA; Occupying Agencies	✓
Site Visits	GSA; Board	✓
Employee Badge Swipe Data	GSA; Occupying Agencies	✓
Independent Employee Visitation Data	(Anonymous) Cell Phone Data Provider	✓
Funding Request Prospectuses & Authorizations	Published by Congress; publicly available	✓
Federal Real Property Profile Public Dataset	FRPP; publicly available	✓
External Advisor Industry Expertise & Research	JLL	✓
Leading Market Databases	JLL and CoStar	✓

For this review and others, the Board utilized the data sources listed in this chart to inform and drive the analysis of the site.

Suitability

The relocation of the USDA's Animal and Plant Health Inspection Service to the George Washington Carver Center matches the PBRB's criteria for selection for analysis:

Criteria	Description
Taxpayer Return	The sale of this property will generate value and return for the taxpayer through shedding liabilities
Operations and Maintenance Reduction	Eliminates maintenance and operating costs of a redundant asset
Utilization Rate Maximization	Consolidates into modernized assets
Cost Saving Potential	$275M
Reliance on Leasing	No, USDA owns George Washington Carver Campus
Mission Alignment/Agency Input	Aligns with effort to consolidate bureaus and agencies in the same department
Economic Impact	Redevelopment of site will provide economic activity to the area as well as job creation
Energy Consumption	Vacating an aging asset and relocating to a modernized owned space is expected to positively impact sustainability and provide for a more efficient usage of space
Access to services	Agency is not client facing
Full Modernization Costs	$266M
Deferred Maintenance	$23M
One-Time Capital Expenditure-Capital Improvements	$5M
Stakeholder Input	Meeting with Representative Ivey in October 2024; Senator Van Hollen in October 2024. Notification sent in April 2025 to Senator Van Hollen, Senator Alsobrooks, Representative Ivey
Tribal Outreach	Notifications sent March 2025 to Cherokee Nation and Pamunkey Tribe

Recommendation and Cost Avoidance

The Board recommends selling 4700 River Road under the FASTA authority.

The Board recommends this Property be disposed of due to its underutilization, as well as the potential for private sector interest.

Relocating USDA into modernized owned space generates the following benefits:

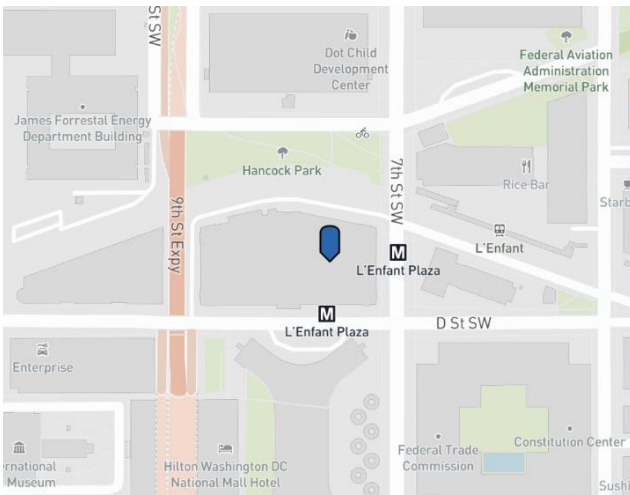
- Provides USDA with an updated, modern, and efficient workspace, and
- Eliminates $23 million of reinvestment needs.

This property has low potential to succeed in conversion to residential use.

Timeline

In coordination with GSA, the Board has assessed that this property can be disposed of within the timeframes established under FASTA.

Federal Office Building - 7th & D, Washington, DC



Source: GSA and ESRI

301 7th Street S.W., Washington DC 20024

Overview

The 7th & D Street S.W. Federal Office Building (DC0031ZZ), located at 301 7th Street S.W. in Washington, DC, was built in 1935. This 11-story Class C asset contains 921,084 gross square feet and features a resurfaced exterior facade and fixed insulated windows installed in 2000. Though commissioned by the Treasury Department in 1929, it is not listed on the National Register of Historic Places. Originally a warehouse, it was converted to offices in the 1950s. The DHS was the last major tenant, occupying about 52% of the space. The building is currently vacant after GSA's regional office relocated to 1800 F Street in 2019. At 85 years old, the property requires $24 million of investments to modernize the building according to GSA provided data. In 2023, the building had operating expenses of $6M on an annual basis. A key challenge for the asset is the aging systems and necessary upgrades.

Site	Agency Occupants	Background	Gross SF (GSF)	Rentable SF (RSF)	Useable SF (USF)
Federal Office Building - 7th & D	Vacant	1935	921,084	845,169	606,203

Sources: GSA Summary Asset Details January 2025 & FRPP

Property Details	
Installation Name	Federal Office Building - 7th & D
Address	301 7th Street S.W., Washington, DC 20024
Landholding Agency	GSA
Occupying Agencies	Vacant
Current Use	Office
Headcount	Vacant
Land Area	3.02 acres
Surrounding Uses	Office, Residential, Hotel
Delegate Representative	Eleanor Holmes Norton
Congressional Jurisdiction	D-DC

Analytical Method

Data Sources	Provided By	Used in Analysis
Asset Business Plans	GSA	✓
Independent Building Engineering Reports	NA	X
Agency/Stakeholder Interviews	NA	X
Site Visits	Board	✓
Employee Badge Swipe Data	NA	X
Independent Employee Visitation Data	NA	X
Funding Request Prospectuses & Authorizations	Published by Congress; publicly available	✓
Federal Real Property Profile Public Dataset	FRPP; publicly available	✓
External Advisor Industry Expertise & Research	JLL	✓
Leading Market Databases	JLL	✓

For this review and others, the Board utilized the data sources listed in this chart to inform and drive the analysis of the site.

Suitability

The disposition of the 7th & D Federal Office Building matches the PBRB's criteria for selection for analysis:

Criteria	Description
Taxpayer Return	The sale of this property will generate value and return for the taxpayer through shedding liabilities
Operations and Maintenance Reduction	Eliminates maintenance and operating costs of a redundant asset
Utilization Rate Maximization	Consolidates bureaus into modernized assets
Cost Saving Potential	$776M
Reliance on Leasing	No
Mission Alignment/Agency Input	Aligns with effort to consolidate bureaus and agencies in the same department
Economic Impact	Sale will lead to proceeds for the taxpayer and redevelopment of site will provide economic activity to the area as well as job creation
Energy Consumption	Vacating an aging asset is expected to positively impact sustainability and provide for a more efficient usage of space
Access to services	Vacant
Full Modernization Costs	$545M
Deferred Maintenance	$244M
One-Time Capital Expenditure-Capital Improvements	$0M
Stakeholder Input	Meeting with Delegate Eleanor Holmes Norton April 2024 and March 2025; Notice sent April 2025
Tribal Outreach	Notifications sent March 2025 to Cherokee Nation and Pamunkey Tribe

Recommendation and Cost Avoidance

The Board recommends selling the 7th & D Federal Building under the FASTA authority.

The Board recommends this Property be disposed of due to its underutilization, as well as the potential for private sector interest.

Disposing of vacant space generates the following benefits:

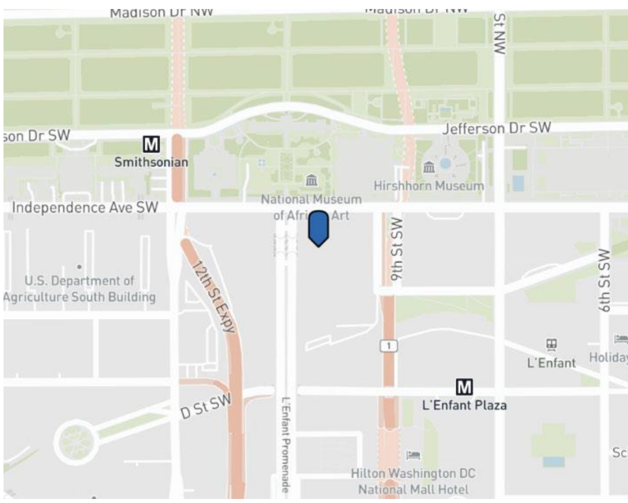
- Disposes of a mostly vacant building, and
- Eliminates $244 million of reinvestment needs.

The property is potentially suitable for conversion to residential use and the building could accommodate 660 housing units. If the building is to go through an adaptive reuse the GHG savings would be approximately 47M LBSCO2, which is roughly equivalent to the carbon dioxide emissions from burning about 115,583 barrels of oil.

Timeline

In coordination with GSA, the Board has assessed that this property can be disposed of within the timeframes established under FASTA.

James V. Forrestal Building, Washington, DC



Source: GSA and ESRI

1000 Independence Avenue S.W., Washington, DC 20585

Overview

The James V. Forrestal Building (DC0093ZZ) is part of a dense federal office area in a prime location directly south of the National Mall and south of several Smithsonian museums in Washington's Southwest quadrant. While not currently listed on the National Register of Historic Places, the 50-year-old building is now eligible for consideration. The facility was constructed between 1965 and 1969 to house DOD personnel before becoming the DOE headquarters in 1977. DOE is currently the sole tenant. The building requires over $379 million in immediate capital repairs and the operating costs exceed $15 million on an annual basis. Over the last 10 years, GSA has been exploring the potential relocation and consolidation options for the DOE to help accomplish the goals of the National Capital Planning Commission S.W. EcoDistrict Plan.

Site	Agency Occupants	Background	Gross SF (GSF)	Rentable SF (RSF)	Useable SF (USF)
Forrestal Building	DOE	Built in 1968	1,808,117	1,445,068	967,662

Sources: GSA Asset Business Plans (ABPs)

Property Details	
Installation Name	James V. Forrestal Building
Address	1000 Independence Avenue S.W., Washington, DC
Landholding Agency	GSA
Occupying Agencies	DOE
Current Use	Office
Headcount	4,898
Land Area	15.9 acres
Surrounding Use	Office, Museum, National Mall, Residential, Hotel
Delegate Representative	Eleanor Holmes Norton
Congressional Jurisdiction	D-DC

Analytical Method

Data Sources	Provided By	Used in Analysis
Asset Business Plans/Action Plan	GSA	✓
Independent Building Engineering Reports	NA	*X*
Agency/Stakeholder Interviews	GSA	*X*
Site Visits	GSA; Board	✓
Employee Badge Swipe Data	NA	*X*
Independent Employee Visitation Data	NA	*X*
Funding Request Prospectuses & Authorizations	Published by Congress; publicly available	✓
Federal Real Property Profile Public Dataset	GSA	✓
External Advisor Industry Expertise & Research	JLL	✓
Leading Market Databases	JLL and CoStar	✓

For this review and others, the Board utilized the data sources listed in this chart to inform and drive the analysis of the site.

Suitability

The relocation of the DOE from the Forrestal Building to another government-owned asset matches the PBRB's criteria for selection for analysis:

Criteria	Description
Taxpayer Return	The sale of this property will generate value and return for the taxpayer through shedding liabilities
Operations and Maintenance Reduction	Eliminates maintenance and operating costs of a redundant asset
Utilization Rate Maximization	Consolidation into owned space with greater efficiency
Cost Saving Potential	$1.2B
Reliance on Leasing	No, agency moving to owned space
Mission Alignment/Agency Input	Aligns with effort to consolidate bureaus and agencies in the same department
Economic Impact	Redevelopment of site will provide economic revitalization, restoration of the L'Enfant Plan streets, as well as job creation and potential for new Smithsonian Museum sites
Energy Consumption	Vacating from an aging asset and agency to be co-located with other government agencies will positively impact sustainability and provide for a more efficient usage of space
Access to services	Agency is not client facing
Full Modernization Costs	$877M
Deferred Maintenance	$379M
One-Time Capital Expenditure-Capital Improvements	$232M
Stakeholder Input	Meeting with Delegate Eleanor Holmes Norton April 2024 and March 2025; Notice sent April 2025
Tribal Outreach	Notifications sent March 2025 to Cherokee Nation and Pamunkey Tribe

Recommendation and Cost Avoidance

The Board recommends selling the James V. Forrestal Building under the FASTA authority.

The Board recommends this Property be disposed of due to its underutilization, as well as the potential for private sector interest.

Relocating the DOE into modernized space generates the following benefits:

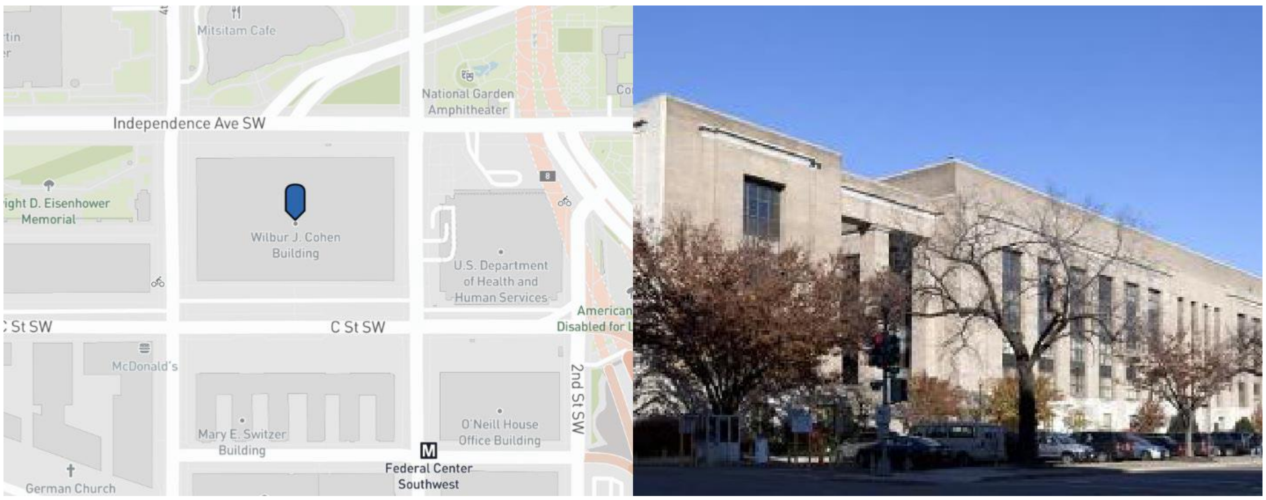
- Provides DOE with an updated, modern, and efficient workspace,

- Eliminates $379 million of reinvestment needs, and
- Reduces operating costs.

Timeline

In coordination with GSA, the Board has assessed that this property can be disposed of within the timeframes established under FASTA.

Wilbur J. Cohen Building, Washington, DC



Source: GSA and ESRI

330 Independence Ave S.W., Washington, DC 20585

Overview

The Wilbur J. Cohen Building (DC0034ZZ) is in Southwest Washington, DC, south of the US National Mall and close to the US Capitol Complex. USAGM is the primary tenant, occupying approximately 70% of the building, and, at the time of publication, is in the process of vacating. The other building tenants are the HHS, occupying over 20% of the building, and a small amount of GSA space. Since the construction of the building 81 years ago, the government has not modernized the facility. As a result, the property needs to upgrade all original systems to prevent major building failures.

As of spring 2025, USAGM will have moved to its new leased location in the Central Business District of DC. Prior to this move, based on available data, the building appears to be underutilized, with attendance data showing average daily use of about 30% of pre-pandemic levels. The Board assumes HHS can consolidate into owned or leased space.

Site	Agency Occupants	Background	Gross SF (GSF)	Rentable SF (RSF)	Usable SF (USF)
Cohen Building	USAGM, HHS	Built in 1939	1,201,918	1,045,264	686,232

Sources: GSA Plans (ABPs)

Property Details	
Installation Name	Wilbur J. Cohen Federal Building
Address	330 Independence Avenue S.W., Washington, DC 20585
Landholding Agency	GSA
Occupying Agencies	USAGM, HHS
Current Use	Office
Headcount	4,100
Land Area	1.8 acres
Surrounding Use	Office, Museum, National Mall, Hotel
Delegate Representative	Eleanor Holmes Norton
Congressional Jurisdiction	D-DC

Analytical Method

Data Sources	Provided By	Used in Analysis
Plans/Action Plan	GSA	✓
Independent Building Engineering Reports	NA	X
Agency/Stakeholder Interviews	GSA	X
Site Visits	Board	✓
Employee Badge Swipe Data	NA	X
Independent Employee Visitation Data	NA	X
Funding Request Prospectuses & Authorizations	Published by Congress; publicly available	✓
Federal Real Property Profile Public Dataset	GSA	✓
External Advisor Industry Expertise & Research	JLL	✓
Leading Market Databases	JLL and CoStar	✓

For this review and others, the Board utilized the data sources listed in this chart to inform and drive the analysis of the site.

Suitability

The relocation of HHS from the Cohen Building matches the PBRB's criteria for selection for analysis:

Criteria	Description
Taxpayer Return	The sale of this property will generate value and return for the taxpayer through shedding liabilities
Operations and Maintenance Reduction	Eliminates maintenance and operating costs of a redundant asset
Utilization Rate Maximization	Consolidation into owned or leased space with greater efficiency
Cost Saving Potential	$843M
Reliance on Leasing	To be determined if agency moves to existing leased or owned space
Mission Alignment/Agency Input	Aligns with effort to consolidate agencies
Economic Impact	Redevelopment of the site will provide economic activity to the area as well as job creation
Energy Consumption	Vacating an aging asset and relocating to a modernized owned space is expected to positively impact sustainability and provide for a more efficient usage of space
Access to services	Agency is not client facing
Full Modernization Costs	$590M
Deferred Maintenance	$200M
One-Time Capital Expenditure-Capital Improvements	$5M
Stakeholder Input	Meeting with Delegate Eleanor Holmes Norton April 2024 and March 2025; Notice sent April 2025
Tribal Outreach	Notifications sent March 2025 to Cherokee Nation and Pamunkey Tribe

Recommendation and Cost Avoidance

The Board recommends selling the Wilbur J. Cohen Building under the FASTA authority.

The Board recommends this Property be disposed of due to its consolidation potential, as well as the potential for private sector interest.

Relocating HHS into modernized owned space generates the following benefits:

- Provides HHS with an updated, modern, and efficient workspace,

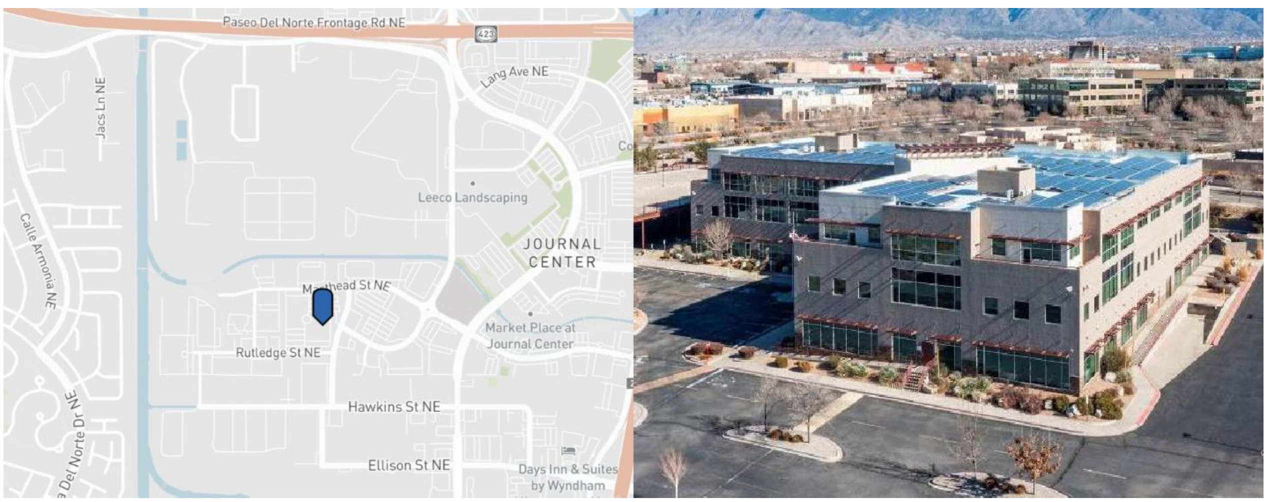
- Eliminates $200 million of reinvestment needs, and
- Reducing operating costs through consolidation.

The property is potentially suitable for conversion to residential use and the building could accommodate 580 housing units. If the building is to go through an adaptive reuse, the GHG savings would be approximately 43M LBSCO2, which is roughly equivalent to the carbon dioxide emissions from burning about 105,658 barrels of oil.

Timeline

In coordination with GSA, the Board has assessed that this property can be disposed of within the timeframes established under FASTA.

Albuquerque Lease Consolidation for USDA, Albuquerque, NM



Source: USDA and ESRI

4000 Masthead Street N.E., Albuquerque, NM 87102

Overview

The USDA is planning to consolidate its leased space in Albuquerque, NM. As of December 2023, three leases (Pan American, San Francisco, and Thomas Sivage) were consolidated into a single lease at Sun Center, expiring in January 2025 with a five-year extension option. The remaining three leases at the 3900 Masthead Building, the 4000 Masthead Building, and the R3 Regional Office are planned to be consolidated into the 4000 Masthead Building.

The USDA plans to exercise the five-year extension option on 4000 Masthead and plans to request to add a new five-year extension option as the USDA does not wish to consolidate into a building with less than 10 years of remaining term. This analysis assumes that the extension option at 4000 Masthead will reset to market-rate terms upon renewal.

The Sun Center leases were consolidated in December 2023 into 89,760 SF through January 20, 2025. At that point, USDA plans to exercise a five-year extension option, consolidating further into 40,000 SF[10]. Consideration for additional future consolidation will be evaluated though may prove difficult, based on the USDA's telework policy[11].

In addition to considering three options for the lease consolidation analysis, the Board also considered a lease-purchase analysis per OMB Circular A-94.

Site	Agency Occupants	Background	Gross SF (GSF)	Rentable SF (RSF)	Usable SF (USF)
3900 Masthead	USDA	Lease expiration: 5/15/26	N/A	92,455	N/A
4000 Masthead	USDA	Lease expiration: 6/30/26 with one remaining renewal option through 6/30/31	N/A	98,720	N/A
R3 Regional Office	USDA	Lease expiration: 12/31/26	N/A	94,783	N/A
Sun Center (as of 12/20/23)	USDA	Consolidated lease expiration: 1/20/25	N/A	89,760	N/A

Sources: GSA Asset Business Plans (ABPs) and USDA's Space Optimization Plan.

Property Details	
Installation Name	Consolidating into 4000 Masthead and Sun Center
Address	4000 Masthead Street N.E. and 100 Sun Avenue N.E., Albuquerque, NM 87109
Landholding Agency	N/A – Leased space
Occupying Agencies	USDA
Current Use	Office
Headcount	1,659
Land Area	4.43 acres & 5.22 acres
Surrounding Use	Office, Retail, Hotel
Congressional Representative	Melanie Stansbury
Congressional Jurisdiction	NM-1

10 USDA Albuquerque Space Optimization Plan, 10/31/23.

11 Managers: five days per two-week period (50%); non-managers two days per two-week period (20%).

Analytical Method

Data Sources	Provided By	Used in Analysis
Asset Business Plans/Action Plan	USDA	✓
Independent Building Engineering Reports	NA	*X*
Agency/Stakeholder Interviews	USDA	✓
Site Visits	NA	*X*
Employee Badge Swipe Data	USDA	Not available; Site observation data by USDA incorporated into USDA Optimization Plan
Independent Employee Visitation Data	NA	*X*
Funding Request Prospectuses & Authorizations	NA	*X*
Federal Real Property Profile Public Dataset	GSA	✓
External Advisor Industry Expertise & Research	JLL	✓
Leading Market Databases	JLL and CoStar	✓

For this review and others, the Board utilized the data sources listed in this chart to inform and drive the analysis of the site.

Lease Consolidation Analysis: The lease consolidation analysis examines the cost avoidance between continuing in the existing leases and consolidating into 4000 Masthead, with additional consolidation of the Sun Center leases.

The USDA does not incur early termination charges by giving at least 120 days' notice for each lease. Therefore, the analysis assumed early termination of lease rights for 3900 Masthead and the Regional Office to consolidate into the 4000 Masthead building.

Suitability

The consolidation of USDA sites in Albuquerque matches criteria for selection for analysis:

Criteria	Description
Taxpayer Return	Not applicable – leased property
Operations and Maintenance Reduction	Average of $8M annual Operating Expense savings
Utilization Rate Maximization	Consolidation into leased space with greater efficiency

Criteria	Description
Cost Saving Potential	$254M
Reliance on Leasing	Consolidates leased space
Mission Alignment/Agency Input	Aligns with effort to consolidate bureaus and agencies in the same department
Economic Impact	Increases occupancy of leased space in the area
Energy Consumption	Anticipates reduction of energy costs associated with leases
Access to services	Agency is not client facing
Full Modernization Costs	Not applicable – leased property
Deferred Maintenance	Not applicable – leased property
One-Time Capital Expenditure-Capital Improvements	$22M
Stakeholder Input	Notifications sent to Senators Heinrich, Senator Lujan and Representative Stansbury May 2025
Tribal Outreach	N/A

Recommendation and Cost Avoidance

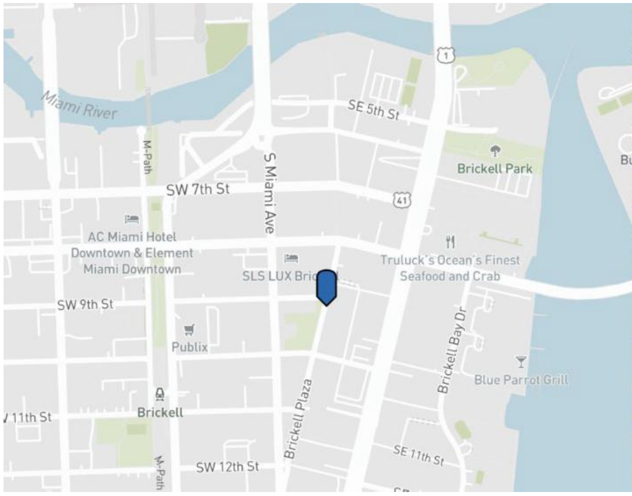
The Board recommends consolidating the USDA Albuquerque leases under FASTA authority. The Board recommends this lease consolidation due to the significant cost savings achieved. Consolidating the USDA Albuquerque leases will provide the following benefits:

- Increases efficiency of leased space, and
- Reduces future rent and operating expenses by $254 million.

Timeline

A reasonable consolidation timeline for the property would be achieved within the timeframes established under FASTA.

Brickell Plaza Building, Miami, FL



Source: GSA and ESRI

909 Brickell Plaza, Miami, FL 33131

Overview

Given the magnitude of unused federal office space and major growth in the Miami market, the PBRB saw potential opportunities for consolidations in the Brickell and Downtown Miami submarkets. In these two submarkets, there are seven owned large federal offices; however, five of these offices have major court functions. Given the recent development activity in the Brickell submarket, PBRB then focused its analysis on a smaller office asset, the Brickell Federal Building (FL0079), which is adjacent to the light rail and is centrally located. While the Building is 50 years old, it has not been determined to be historic.

Site	Agency Occupants	Background	Gross SF (GSF)	Rentable SF (RSF)	Usable SF (USF)
The Brickell Federal Building	DHS, USCG, HUD, USDA, EPA, PBS, NOAA, DOL	Built in 1971	281,473	146,904	116,846

Sources: GSA Asset Business Plans (ABPs).

Property Details	
Installation Name	Brickell Plaza Building
Address	909 Brickell Plaza, Miami, FL 33131
Landholding Agency	GSA
Occupying Agencies	DHS, USCG, HUD, USDA, EPA, PBS, NOAA, DOL

Property Details	
Current Use	Office with above-ground parking
Headcount	625
Land Area	1.4 acres
Surrounding Use	Commercial, Retail, Residential
Congressional Representative	Maria Elvira Salazar
Congressional Jurisdiction	FL-27

Analytical Method

Data Sources	Provided By	Used in Analysis
Asset Business Plans	GSA	✓
Independent Building Engineering Reports	NA	X
Agency/Stakeholder Interviews	GSA; Occupying Agencies	✓
Site Visits	GSA; Board	✓
Employee Badge Swipe Data	NA	X
Independent Employee Visitation Data	NA	X
Funding Request Prospectuses & Authorizations	NA	X
Federal Real Property Profile Public Dataset	FRPP; publicly available	✓
External Advisor Industry Expertise & Research	JLL	✓
Leading Market Databases	JLL and CoStar	✓

For this review and others, the Board utilized the data sources listed in this chart to inform and drive the analysis.

Suitability

The disposal of the Brickell Federal Building in the Brickell submarket, south of Downtown, matches the PBRB’s criteria for selection for analysis:

Criteria	Description
Taxpayer Return	The sale of this property will generate value and return for the taxpayer through shedding liabilities
Operations and Maintenance Reduction	Eliminates maintenance and operating costs of a redundant asset
Utilization Rate Maximization	Consolidates bureaus into modernized assets
Cost Saving Potential	$204M
Reliance on Leasing	Yes, for the acquisition of new space
Mission Alignment/Agency Input	Requested from GSA
Economic Impact	Redevelopment of site will provide economic activity to the area as well as job creation
Energy Consumption	Vacating an aging asset and relocating to a modernized owned space is expected to positively impact sustainability and provide for a more efficient usage of space
Access to services	No known federal tenants are public facing
Full Modernization Costs	$94M
Deferred Maintenance	$30M
One-Time Capital Expenditure-Capital Improvements	$18M
Stakeholder Input	Notifications sent to Senators Rubio and Scott and Representative Salazar April 2024. Notifications sent in April 2025 to Senator Moody, Senator Scott, Representative Salazar
Tribal Outreach	Notifications sent July 2024 to Miccosukee Tribe of Indians, Muscogee (Creek) Nation, Seminole Tribe of Florida

Recommendation

The Board recommends selling the Brickell Plaza Building under the FASTA authority and relocating the tenants to leased space in the area.

The Board recommends this Property be disposed of due to its outstanding capital reinvestment needs, as well as the potential for private sector interest.

Relocating current federal tenants out of the Brickell Plaza Building will provide the following benefits:

- Supplies the federal agencies located in the Brickell Building with ~69K USF of administrative office space,
- Provides agencies with an updated, modern, and efficient workspace,

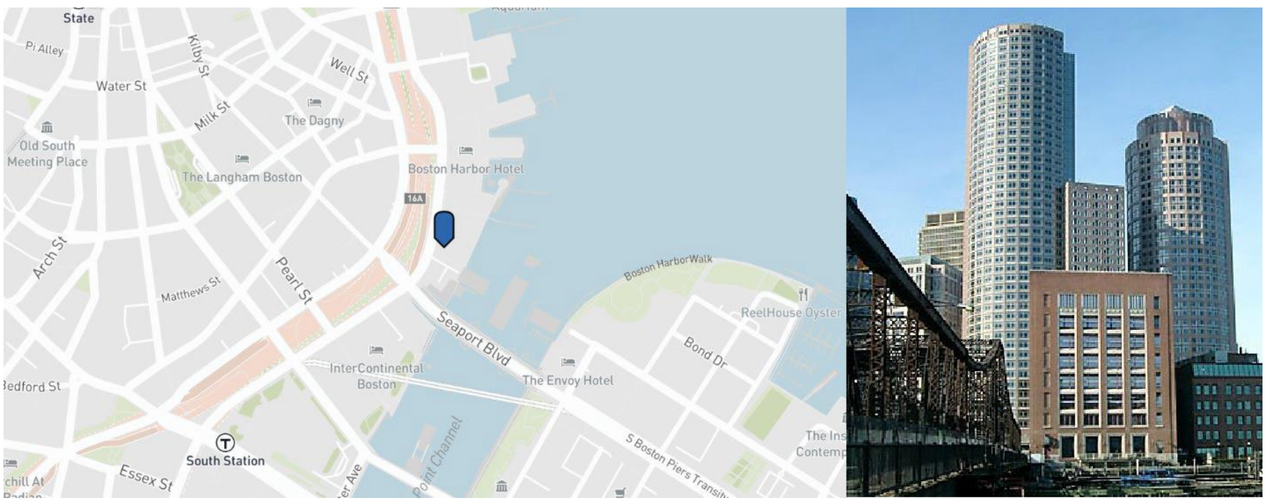
- Eliminates $30 million of reinvestment needs, and
- Does not impact any courts, or court functions, assuming a relocation in the Downtown Miami submarket close to public transit.

This property has low potential to succeed in conversion to residential use.

Timeline

In coordination with GSA, the Board has assessed that this property can be disposed of within the timeframes established under FASTA.

Captain JF Williams Coast Guard Building, Boston, MA



Source: GSA and ESRI

408 Atlantic Avenue, Boston, MA 02110

Overview

The Captain JF Williams Coast Guard Building (Cpt. JF Williams) (MA0011ZZ) was constructed in 1918 and is determined to not be a historic landmark. In November 2023, GSA listed the Cpt. JF Williams building as an underutilized asset that is suitable for disposal. The tenants in this location can be relocated into the owned inventory. Relocating the USCG into government-owned space reduces operating expenses by over $1 million per year as well as avoiding capital liabilities of $28 million.

Site	Agency Occupants	Background	Gross SF (GSF)	Rentable SF (GSF)	Useable SF (GSF)
Cpt. JF Williams Building	USCG, CRS, US Attorney, SSA, FBI, DOD	Built 1918	176,013	134,906	88,383

Sources: GSA Asset Business Plans (ABPs).

Property Details	
Installation Name	Cpt. JF Williams Building
Address	408 Atlantic Avenue, Boston, MA 02110
Landholding Agency	GSA
Occupying Agencies	USCG, CRS, US Attorney, SSA, FBI, DOD
Current Use	Office
Headcount	247
Land Area	0.5 acres
Surrounding Use	Office, Residential, Waterfront
Congressional Representative	Stephen F. Lynch
Congressional Jurisdiction	MA-08

Analytical Method

Data Sources	Provided By	Used in Analysis
Asset Business Plans	GSA	✓
Independent Building Engineering Reports	NA	*X*
Agency/Stakeholder Interviews	NA	*X*
Site Visits	GSA; Board	✓
Employee Badge Swipe Data	NA	*X*
Independent Employee Visitation Data	(Anonymous) Cell Phone Data Provider	✓
Funding Request Prospectuses & Authorizations	Published by Congress; publicly available	✓
Federal Real Property Profile Public Dataset	FRPP; publicly available	✓
External Advisor Industry	JLL	✓

Data Sources	Provided By	Used in Analysis
Expertise & Research		
Leading Market Databases	JLL and CoStar	✓

For this review and others, the Board utilized the data sources listed in this chart to inform and drive the analysis of the site.

Suitability

The relocation of the USCG to an owned portion of the inventory is suitable for FASTA and the selection based on the following:

Criteria	Description
Taxpayer Return	The sale of this property will generate value and return for the taxpayer through shedding liabilities
Operations and Maintenance Reduction	Eliminates maintenance and operating costs of a redundant asset
Utilization Rate Maximization	Consolidates USCG into the existing inventory
Cost Saving Potential	$138M
Reliance on Leasing	No
Mission Alignment/Agency Input	Aligns with effort to consolidate agencies
Economic Impact	Redevelopment of site will provide economic activity to the area as well as job creation
Energy Consumption	Vacating an aging asset in a flood zone and relocating to a modernized space is expected to positively impact sustainability and provide for a more efficient usage of space
Access to services	Agency is not client facing
Full Modernization Costs	$91M
Deferred Maintenance	$28M
One-Time Capital Expenditure-Capital Improvements	$34M
Stakeholder Input	Notifications sent in April 2024 to Senators Markey, Warren and Representative Lynch; Notifications sent to Senators Markey, Warren, and Representative Lynch in April 2025
Tribal Outreach	Notifications sent June 2024 Mashpee Wampanoag Tribe; Wampanoag Tribe

Recommendation and Cost Avoidance

The Board recommends selling the Cpt. JF Williams Building under the FASTA authority.

The Board recommends this Property be disposed of due to its underutilization, as well as the potential private sector interest.

Relocating USCG into modernized, owned space provides the following benefits:

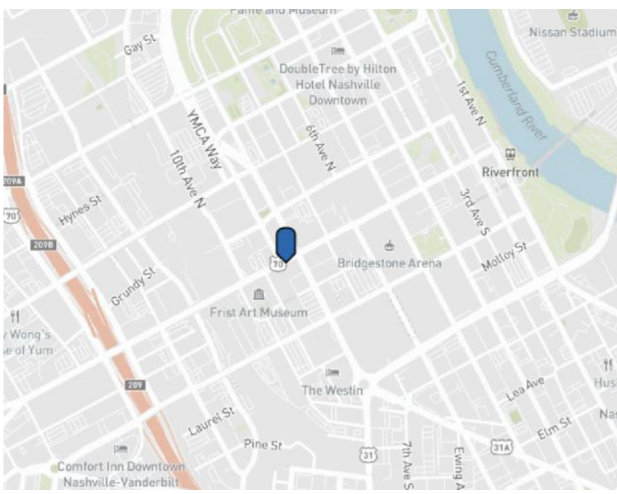
- Provides USCG with an updated, modern, and efficient workspace, and
- Eliminates $28 million of reinvestment needs.

The property is potentially suitable for conversion to residential use and the building could accommodate 110 housing units. If the building is to go through an adaptive reuse the GHG savings would be approximately 8M LBSCO2 which is roughly equivalent to the carbon dioxide emissions from burning about 10,560 barrels of oil.

Timeline

In coordination with GSA, the Board has assessed that this property can be disposed of within the timeframes established under FASTA.

Estes Kefauver Federal Building and Annex, Nashville, TN



Source: Nashville Post and ESRI

801 Broadway, Nashville, TN 37203

Overview

The Estes Kefauver Federal Building (TN0052AA), Annex (TN0111AA), and Parking Deck (TN0112AA) sit on 3.78 acres in the music and entertainment district of Nashville. The three buildings total 824,797 gross square feet and offer 559 covered spaces within the parking deck plus an additional 78 surface parking spaces. The property is within walking distance to several Nashville landmarks, including the Country Music Hall of Fame and the Bridgestone Arena, which seats 20,000.

Major tenants of Estes Kefauver Federal Building and Annex include the IRS, USACE, and the VA. The DOJ and federal court relocated to the newly constructed Fred D. Thompson CT/FB Courthouse in 2021. The Kefauver Federal Building is currently 34% vacant and the Annex is 23% vacant.

In September 2023, the GSA determined that the buildings are excess and plans to dispose of the assets. The properties require significant reinvestment, and relocation will provide agencies with the opportunity to right-size into appropriate space.

Site	Agency Occupants	Background	Gross SF (GSF)	Rentable SF (RSF)	Usable SF (USF)
Estes Kefauver Federal Building	USACE, VA, IRS	Estes Kefauver Federal Building: Built in 1952 and National Register	824,797	569,236	405,601
Annex, and Parking Deck		Listed. Annex: Built in 1974 and National Register Eligible			

Sources: GSA Summary Asset Details October 2022 and FRPP

Property Details	
Installation Name	Estes Kefauver Federal Building and Annex
Address	801 Broadway, Nashville, TN 37203
Landholding Agency	GSA
Occupying Agencies	USACE, VA, IRS
Current Use	Office
Headcount	995
Land Area	3.78 acres
Surrounding Use	Hotel, Entertainment, Commercial
Congressional Representative	Mark E. Green
Congressional Jurisdiction	TN-07

Analytical Method

Data Sources	Provided By	Used in Analysis
Asset Business Plans	GSA	✓
Independent Building Engineering Reports	NA	X
Agency/Stakeholder Interviews	NA	X
Site Visits	GSA; Board	✓
Employee Badge Swipe Data	NA	X
Independent Employee Visitation Data	NA	X
Funding Request Prospectuses & Authorizations	NA	X
Federal Real Property Profile Public Dataset	GSA	✓
External Advisor Industry Expertise & Research	JLL	✓
Leading Market Databases	JLL, CoStar	✓

For this review and others, the Board utilized the data sources listed in this chart to inform and drive the analysis of the site.

Suitability

The disposal of the Estes Kefauver Federal Building and Annex matches the PBRB's criteria for selection for analysis:

Criteria	Description
Taxpayer Return	The sale of this property will generate value and return for the taxpayer through shedding liabilities
Operations and Maintenance Reduction	Eliminates maintenance and operating costs of a redundant asset
Cost Saving Potential	$484M
Reliance on Leasing	Existing tenants likely to relocate into owned or leased space in Nashville.
Mission Alignment/Agency Input	Aligns with effort to consolidate bureaus and agencies in the same department
Economic Impact	Redevelopment of site will provide economic revitalization and opportunity for the developing downtown
Energy Consumption	Vacating from an aging asset and agency to be co-located with other government agencies will positively impact sustainability and provide for a more efficient usage of space

Criteria	Description
Access to services	No known federal agencies are public facing
Full Modernization Costs	$339M
Deferred Maintenance	$295M
One-Time Capital Expenditure-Capital Improvements	$53M
Stakeholder Input	Notifications sent to Senators Blackburn and Hagerty, Representative Green July 2024; Notifications sent to Senators Blackburn and Hagerty, Representative Green in April 2025
Tribal Outreach	Notifications sent in June 2024 to Alabama-Coushatta Tribe of Texas, Cherokee Nation, Coushatta Tribe of Louisiana, Eastern Band of Cherokee Indians, Eastern Shawnee Tribe of Oklahoma, Muscogee (Creek) Nation, Osage Nation

Recommendation and Cost Avoidance

The Board recommends the sale of the Estes Kefauver Federal Building, Annex, and Parking Deck under the FASTA authority.

The Board recommends these properties be disposed due to underutilization and financial burden.

Relocating current federal tenants out of the Estes Kefauver Federal Building, Annex, and Parking Deck will provide the following benefits:

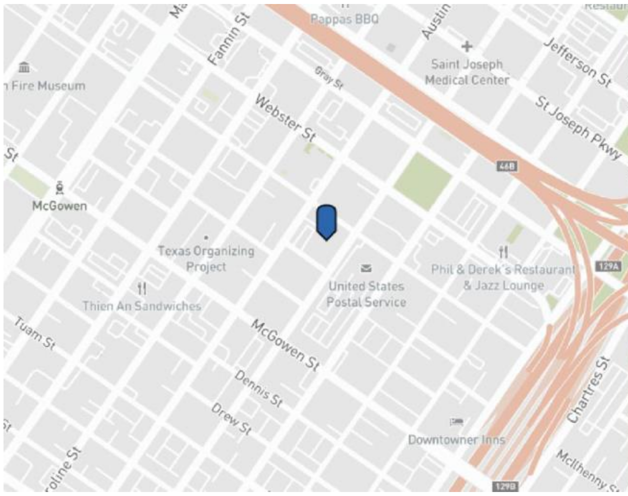
- Provides the current tenants with an updated, modern, and efficient workspace, and
- Eliminates $295 million of reinvestment needs.

The courthouse is potentially suitable for conversion to residential use and the building could accommodate 256 housing units. If the building is to go through adaptive reuse the GHG savings would be approximately 19M LBSCO2 which is roughly equivalent to the carbon dioxide emissions from burning about 57,000 barrels of oil.

Timeline

In coordination with GSA, the Board has assessed that this property can be disposed of within the timeframes established under FASTA.

La Branch Federal Building, Houston, TX



Source: GSA and ESRI

2320 La Branch Street, Houston, TX 77004

Overview

The La Branch Federal Building (TX0701HO), originally constructed in 1946 as a VA building, is a two-story brick structure located in Houston's Midtown area. The building is historically significant and has been determined eligible for the National Register of Historic Places by the Texas State Historic Preservation Office. Currently, it houses federal agency operations, as well as an outlease tenant and a childcare center. The largest tenants include DHS, DOL, and DLA. The building has undergone several recent renovations, including exterior restoration and elevator modernization completed in 2022.

The utilization of the La Branch Federal Building has been decreasing as tenants have been moving out and reducing space needs over the last several years. Building vacancy has reached nearly 30% which is significantly higher than the 15% office vacancy for the area. There are 47 surface parking spaces in a gated lot which is insufficient to support the site and has received complaints from tenants. It has been determined that this site will be disposed via a sale.

Site	Agency Occupants	Background	Gross SF (GSF)	Rentable SF (RSF)	Usable SF (USF)
La Branch Federal Building	USDA, DOE, DOL, DHS, GSA, DLA	Built in 1946, National Register eligible	78,782	75,585	48,438

Sources: GSA Asset Business Plans (ABPs).

Property Details	
Installation Name	La Branch Federal Building
Address	2320 La Branch St, Houston, TX 77004
Landholding Agency	GSA
Occupying Agencies	USDA, DOE, DOL, DHS, GSA, DLA
Current Use	Office
Headcount	35
Land Area	1.4 acres
Surrounding Use	Office, industrial, retail/restaurant, vacant land
Congressional Representative	Vacant at time of publication
Congressional Jurisdiction	TX-18

Analytical Method

Data Sources	Provided By	Used in Analysis
Asset Business Plans	GSA	✓
Independent Building Engineering Reports	NA	X
Agency/Stakeholder Interviews	NA	X
Site Visits	GSA; Board	✓
Employee Badge Swipe Data	NA	X
Independent Employee Visitation Data	NA	X
Funding Request Prospectuses & Authorizations	NA	X
Federal Real Property Profile Public Dataset	GSA	✓
External Advisor Industry Expertise & Research	JLL	✓
Leading Market Databases	JLL and CoStar	✓

For this review and others, the Board utilized the data sources listed in this chart to inform and drive the analysis of the portfolio.

Suitability

The disposal of the La Branch Federal Building matches criteria for selection for analysis:

Criteria	Description
Taxpayer Return	The sale of this property will generate value and return for the taxpayer through shedding liabilities
Operations and Maintenance Reduction	Eliminates maintenance and operating costs of a redundant asset
Utilization Rate Maximization	Consolidates bureaus into modernized assets
Cost Saving Potential	$57M
Reliance on Leasing	No
Mission Alignment/Agency Input	Aligns with effort to consolidate bureaus and agencies in the same department
Economic Impact	Redevelopment or conversion of this property will provide economic activity to the area as well as job creation
Energy Consumption	Vacating an aging asset and relocating to a modernized owned space is expected to positively impact sustainability and provide for a more efficient usage of space
Access to services	No federal tenants are public facing
Full Modernization Costs	$39M
Deferred Maintenance	$3M
One-Time Capital Expenditure-Capital Improvements	$7M
Stakeholder Input	Notification sent to Senators Cornyn, Cruz July 2024; Notification sent to Senators Cornyn, Cruz April 2025
Tribal Outreach	Notifications sent June 2024 to Alabama-Coushatta Tribe of Texas, Apache Tribe of Oklahoma, Commanche Nation, Oklahoma, Coushatta Tribe of Louisiana, Tonkawa Tribe of Indians of Oklahoma, Wichita and Affiliated Tribes (Wichita, Keechi, Waco, Tawakonie), Oklahoma

Recommendation and Cost Avoidance

The Board recommends selling the La Branch Federal Building under the FASTA authority.

The Board recommends this Property be disposed of due to its decreasing utilization, additional subsidy requirement from the Federal Building Fund (e.g., is considered Funds from Operations negative), and insufficient parking spaces.

As of July 2024, GSA has identified a funding gap for the GSA, DHS, DOE, and DLA that will need to be budgeted for in future years.

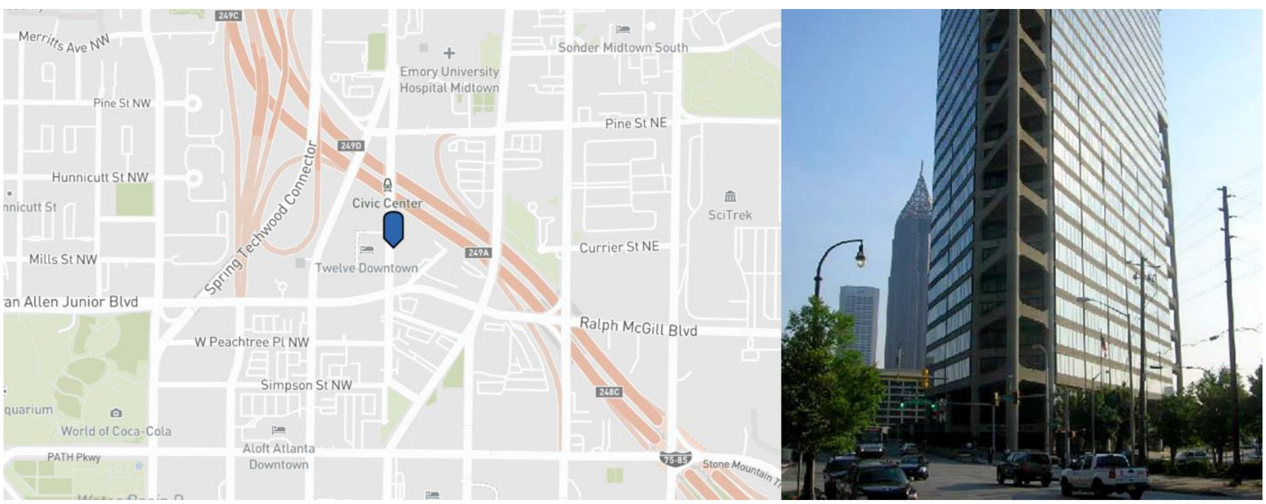
Relocating the agencies into modernized owned space generates the following benefits:

- Consolidates agencies within other federal space,
- Provides agencies with an updated, modern, and efficient workspace, and
- Eliminates $1 million of reinvestment needs and ongoing negative FFO. This property has low potential to succeed in conversion to residential use.

Timeline

In coordination with GSA, the Board has assessed that this property can be disposed of within the timeframes established under FASTA.

Peachtree Summit Building, Atlanta, GA



Source: GSA and ESRI

401 W. Peachtree Street N.W., Atlanta, GA 30308

Overview

The Peachtree Summit Federal Building (Peachtree) (GA0087AD) was constructed in 1976 and is on the northern edge of downtown, proximate to Emory University and the Civic Center Marta Station. The concrete structure is 29-stories above-grade and in addition to housing several federal agencies, the property also includes amenities such as a daycare center, a fitness center, and a cafeteria. Approaching 50 years in service, the building requires over $255 million in repairs and upgrades including HVAC system upgrades, window replacement, electrical wiring upgrades, and renovations to the public areas throughout the building. In the spring of 2024, GSA disclosed to the Board that this is an underutilized asset that is suitable for disposal in the next five to 10 years. The tenants are anticipated to be relocated to the Sam Nunn Building, which is part of the GSA owned inventory.

Site	Agency Occupants	Background	Gross SF (GSF)	Rentable SF (GSF)	Useable SF (GSF)
Peachtree Summit	IRS, PBS, SSA, USSS, ATF, USDA, Commerce, USCIS, EOIR, HHS, DOI, FTC, MSPB, RRB, NLRB, CFPB	Built 1976	855,293	803,989	645,910

Sources: GSA Asset Business Plans February 2023

Property Details	
Installation Name	Peachtree Summit Federal Building
Address	401 W. Peachtree Street, N.W., Atlanta, GA
Landholding Agency	GSA
Occupying Agencies	IRS, PBS, SSA, USSS, ATF, USDA, DOC, USCIS, EOIR, HHS, DOI, FTC, CFPB
Current Use	Office
Headcount	2,265
Land Area	1.2 acres
Surrounding Use	Office, Institutional
Congressional Representative	Nikema Williams
Congressional Jurisdiction	GA-05

Analytical Method

Data Sources	Provided By	Used in Analysis
Asset Business Plans	GSA	✓
Independent Building Engineering Reports	NA	X
Agency/Stakeholder Interviews	NA	X
Site Visits	GSA; Board	✓
Employee Badge Swipe Data	NA	X
Independent Employee Visitation Data	NA	X
Funding Request Prospectuses & Authorizations	Published by Congress; publicly available	✓

Data Sources	Provided By	Used in Analysis
Federal Real Property Profile Public Dataset	FRPP; publicly available	✓
External Advisor Industry Expertise & Research	JLL	✓
Leading Market Databases	JLL and CoStar	✓

For this review and others, the Board utilized the data sources listed in this chart to inform and drive the analysis of the site.

Suitability

The relocation of the Peachtree tenants to an owned portion of the inventory is suitable for FASTA and the selection is based on the following:

Criteria	Description
Taxpayer Return	The sale of this property will generate value and return for the taxpayer through shedding liabilities
Operations and Maintenance Reduction	Eliminates maintenance and operating costs of a redundant asset
Utilization Rate Maximization	Consolidates into the existing inventory
Cost Saving Potential	$707M
Reliance on Leasing	No, existing tenants will move to owned property in the vicinity of Peachtree Summit
Mission Alignment/Agency Input	Aligns with an effort to consolidate agencies
Economic Impact	Redevelopment of the site will provide economic activity to the area as well as job creation, and the additional density in the existing inventory downtown will provide needed foot traffic to the submarket
Energy Consumption	Vacating an aging asset and relocating to a modernized space is expected to positively impact sustainability and provide for a more efficient usage of space
Access to services	Requested from GSA
Full Modernization Costs	$536M
Deferred Maintenance	$255M
One-Time Capital Expenditure-Capital Improvements	$69M

Criteria	Description
Stakeholder Input	Notifications sent to Senators Ossoff and Warnock; Representative Williams April 2024; Agencies notified in March 2024 by GSA; Mayor’s office notified March 2024 by GSA. Notifications sent in April 2025 to Senator Ossoff, Warnock, Representative Wiliams
Tribal Outreach	Notifications sent July 25, 2024, to: Alabama-Coushatta Tribe of Texas; Alabama-Quassarte Tribal Town; Cherokee Nation; Coushatta Tribe of Louisiana; Muscogee (Creek) nation; Osceola, Seminole Tribe of Florida

Recommendation and Cost Avoidance

The Board recommends selling the Peachtree Summit Building under the FASTA authority.

The Board recommends this Property be disposed of due to its underutilization and significant deferred maintenance.

Relocating the agencies into a nearby owned asset generates the following benefits:

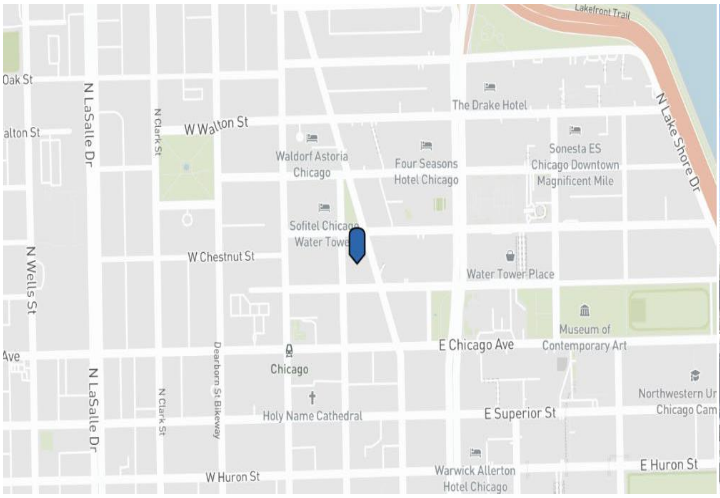
- Provides the agencies with an updated, modern, and efficient workspace, and
- Eliminates $104 million of reinvestment needs.

This property has low potential to succeed in conversion to residential use.

Timeline

In coordination with GSA, the Board has assessed that this property can be disposed of within the timeframes established under FASTA.

William O. Lipinski Federal Building, Chicago, IL



Source: GSA and ESRI

844 N. Rush Street, Chicago, IL 60611

Overview

The Lipinski Federal Building (IL0033ZZ) is in downtown Chicago's Near North Side Community Area. The property was built in 1923 and has been owned by the Federal Government since 1942. It is occupied entirely by RRB except for ground level and mezzanine-level retail and restaurant tenants. A Memorandum of Understanding (MOU) established in 2003 exists between GSA and RRB that "sets forth special pricing policy which allows GSA to bill the RRB a less than commercial equivalent for space and services provided to the RRB's trust fund, therefore, RRB and GSA are incentivized to maintain RRB in federally owned space rather than leased space. The 15-story building is approximately 385,000 SF and is named after former US Representative William O. Lipinski, who represented Illinois' third and fifth congressional districts from 1982 to 2005.

Currently the existing space at the Lipinski Building is underutilized, with RRB only needing to occupy a small portion of the building, if right sized, for the 664 employees. The redevelopment or renovation of the Lipinski Building is subject to various constraints as a historically registered site. The historic designation restricts the potential for redevelopment, as well as having increased costs associated with renovations to preserve historic features. Additionally, there is a significant expense related to addressing immediate capital repairs, and it should be noted that the building does not have any associated parking facilities.

Site	Agency Occupants	Background	Gross SF (GSF)	Rentable SF (RSF)	Usable SF (USF)
Lipinski Building	RRB	Built in 1923 National Register Listed	372,509	352,229 RRB: 281,892	271,171

Sources: GSA Asset Business Plans (ABPs) and GSA's HUD & RRB Consolidation at Ralph H. Metcalfe Federal Building.

Property Details	
Installation Name	William O. Lipinski Federal Building
Address	844 N. Rush Street, Chicago, IL 60611
Landholding Agency	GSA
Occupying Agencies	RRB
Current Use	Office and Retail
Headcount	664
Land Area	0.6 acres
Surrounding Use	Commercial, Residential
Congressional Representative	Danny Davis
Congressional Jurisdiction	IL-07

Analytical Method

Data Sources	Provided By	Used in Analysis
Asset Business Plans/Action Plan	GSA	✓
Independent Building Engineering Reports	NA	X
Agency/Stakeholder Interviews	GSA	X
Site Visits	Board	X
Employee Badge Swipe Data	NA	X
Independent Employee Visitation Data	NA	X
Funding Request Prospectuses & Authorizations	Published by Congress; publicly available	✓
Federal Real Property Profile Public Dataset	FRPP; publicly available	✓
External Advisor Industry Expertise & Research	JLL	✓
Leading Market Databases	JLL and CoStar	✓

For this review and others, the Board utilized the data sources listed in this chart to inform and drive the analysis of the site.

Suitability

The relocation of the RRB matches the PBRB's criteria for selection for analysis:

Criteria	Description
Taxpayer Return	The sale of this property will generate value and return for the taxpayer through shedding liabilities
Operations and Maintenance Reduction	Eliminates maintenance and operating costs of a redundant asset
Utilization Rate Maximization	Consolidates bureaus into modernized assets
Cost Saving Potential	$252M
Reliance on Leasing	No
Mission Alignment/Agency Input	Aligns with effort to consolidate agencies
Economic Impact	Redevelopment or conversion of this property will provide economic activity to the area as well as job creation
Energy Consumption	Vacating an aging asset and relocating to a modernized owned space is expected to positively impact sustainability and provide for a more efficient usage of space
Access to services	No federal tenants are public facing
Full Modernization Costs	$290M
Deferred Maintenance	$163M
One-Time Capital Expenditure-Capital Improvements	$13M
Stakeholder Input	Notifications sent to Senators Durbin, Duckworth and Representative Quigley July 2024; Notifications sent to Senators Durbin, Duckworth and Representative Quigley April 2025
Tribal Outreach	Notifications sent June 2024 to Potawatomi Nation, Oklahoma, Fores Country Potawatomi Community, Wisconsin, Hannahville Indian Community, Michigan, Kickapoo Tribe Oklahoma, Little Traverse Bay Bands of Odawa Indians, Michigan, Menominee Indian Tribe of Wisconsin, Miami Tribe of Oklahoma, Prairie Band Potawatomi Nation

Recommendation and Cost Avoidance

The Board recommends selling the Lipinski Federal Building under the FASTA authority. The Board recommends this Property be disposed of due to its outstanding capital reinvestment needs, as well as the potential for private sector interest.

Relocating the RRB into modernized owned space generates the following benefits:

- Consolidates RRB with a potential of a 70% reduction in space,
- Provides RRB with an updated, modern, and efficient workspace, and
- Eliminates $163 million of reinvestment needs.

The property is potentially suitable for conversion to residential use and the building could accommodate 290 housing units. If the building is to go through an adaptive reuse, the GHG savings would be approximately 22M LBSCO2 which is roughly equivalent to the carbon dioxide emissions from burning about 49,500 barrels of oil.

Timeline

In coordination with GSA, the Board has assessed that this property can be disposed of within the timeframes established under FASTA.

Section 3: Candidates for Analysis for Next Round

Introduction to Analysis for Third Round

The Board's research highlighted numerous sites that we intend to investigate further during our deliberations for our next report, including significant opportunities in the District of Columbia. While the Board's focus remains on national consolidation and disposition, it must navigate fiscal constraints and make prioritization decisions. Effective coordination with OMB and GSA is essential to ensure properties can be positioned for positive economic outcomes.

To promote transparency, the following section presents a list of properties for future consideration. It's important to note that this list is dynamic and subject to change. Additions and removals are likely to occur based on:

- Shifts in federal government agency needs
- Changes in federal staffing requirements
- Evolving national real estate market trends

This flexible approach allows the Board to adapt its recommendations to the changing landscape of federal property management and utilization.

Further, the Board continues to search for opportunities to optimize and reduce the federal government's real estate portfolio and, therefore, has been conducting extensive searches through the **Federal Real Property Profile Management System (FRPP MS)** database for potential Third Round FASTA candidates. The Board plans to work closely with GSA, OMB, and real estate industry leaders to identify additional opportunities. For this next round, the Board is searching for lease consolidations, as well as federally owned assets that are a significant financial burden on the taxpayer, are in disrepair, or have the potential to be repositioned to be of higher and better use in the communities where they are located.

Potential Candidate Sites

Utilizing these criteria, the Board has initially identified 58 sites, totaling 25.9 million square feet, that merit further investigation and consideration. FRPP data, although inconsistently available for many of these sites, indicate that these 58 sites cost the US taxpayer at least $205 million dollars to operate and maintain annually and have at least $4.3 billion dollars in deferred maintenance/capital liabilities (sourced from FRPP data "Repair Needs" or "Estimated Future Capital Investments" and data provided by GSA).

All sites included in this analysis are as follows. Full agency names are in Appendix 2: Federal Agencies.

Candidates for Analysis for Next Round				
Installation Name	**Address**	**Total Square Feet**	**GSA Provided FY23 "Repair Needs" or "Est. Future Capital Investments"**	**GSA Provided FY23 Total Annual Operating & Maintenance Costs**
District of Columbia Potential Next Round Candidates Search				
GSA	1800 F St. N.W., Washington, DC	813,649	$161,000,000	$9,654,170
AG. SOUTH	1400 Independence Ave. S.W., Washington, DC	2,231,968	$1,675,352,415	$11,387,301
FRANCES PERKINS BLDG	200 Constitution Ave., N.W., Washington, DC	1,850,911	$362,971,291	$9,785,360
J EDGAR HOOVER BLDG	935 Pennsylvania Ave., N.W., Washington, DC	2,420,906	$396,000,000	$32,963,566
JAMES L. WHITTEN FB	12th St. and Jefferson Dr., S.W., Washington, DC	516,282	$324,647,585	$4,956,087
ORVILLE WRIGHT	800 Independence Ave., S.W., Washington, DC	1,111,138	$48,897,968	$4,422,647
ROBERT C. WEAVER BUILDING	451 7th St., S.W., Washington, DC	1,369,753	$225,328,297	$18,014,353
THEODORE ROOSEVELT	1900 E St., N.W., Washington, DC	810,833	$34,294,923	$3,999,196
WILBUR WRIGHT	600 Independence Ave., S.W., Washington, DC	421,317	$18,661,348	$3,969,205
D.C. Candidates Totals		**11,546,757 GSF**	**$3,247,153,827**	**$99,151,885**
Installation Name	**Address**	**Total Square Feet**	**FRPP FY23 "Repair Needs" or "Est. Future Capital Investments"**	**FRPP FY23 Total Annual Operating & Maintenance Costs**
Nationwide Potential Next Round Candidates Search				
FEDERAL BUILDING, MOBILE, AL	109 St Joseph St. #2019, Mobile, AL	212,841	$9,635,667	Data Not Available
PHOENIX	518 S 3rd St., Phoenix, AZ	62,460	$11,558,548	$311,549
FRED ACOSTA	901 South Campbell Ave., Tucson, AZ	6,900	$280,309	$40,565
FEDERAL BUILDING - 801 I ST.	801 I St., Sacramento, CA	189,904	Data Not Available	Data Not Available
Irvine	19701 Fairchild Rd, Irvine, CA	143,723	$52,846,066	Data Not Available
RICHARD H CHAMBERS CH	125 S Grand Ave., Pasadena, CA	163,420	$51,946,672	Data Not Available
EDWARD J. SCHWARTZ FOB & CTHS	880 Front St. and, 221 W. Broadway, San Diego, CA	892,678	$13,490,109	Data Not Available
GLENN M ANDERSON FED BLDG	501 W Ocean Blvd, Long Beach, CA	289,527	$10,408,272	Data Not Available
DEPARTMENT OF LABOR Office Building	1903 Santa Fe Ave., Long Beach, CA	6,506	$44,893	$30,714
SAN JOSE: DEPARTMENT OF LABOR Other Institutional Uses Building	3485 E Hills Dr., San Jose, CA	12,500	$50,341	$52,689
FEDERAL BUILDING - 11000 WILSHIRE	11000 Wilshire Blvd, Los Angeles, CA	561,271	$236,000,000	$9,515,511
US CUSTOM HOUSE - SF	555 Battery St., San Francisco, CA	166,686	$13,230,045	Data Not Available
WHITE RIVER NF (Forrest Service Dorm, Visitor Center) Parcel	816 W Hallam St., Aspen, CO	12,466	$2,936,118	$117,445
Eagle, CO	405 W 7th St., Eagle, CO	1,536	$151	$7,877
DFC BLDG 810	West 6th Ave. and Kipling St. Lakewood, CO	685,063	$29,266,641	Data Not Available
WILLIAM R. COTTER FB	135 High St., Hartford, CT	191,445	$2,084,456	Data Not Available

Installation Name	Address	Total Square Feet	FRPP FY23 "Repair Needs" or "Est. Future Capital Investments"	FRPP FY23 Total Annual Operating & Maintenance Costs
Nationwide Potential Next Round Candidates Search				
TIMBERLAKE FED ANNEX	501 E Polk St., Tampa, FL	196,597	$10,612,042	Data Not Available
SAM NUNN ATLANTA FED. CTR.	61 Forsyth St. SW, Atlanta, GA	2,351,204	$153,091,868	$41,303,086
IRS SVC CTR, ATLANTA, GA	4800 Buford Hwy NE, Atlanta, GA	346,924	$13,492,371	$7,276,018
M. L. KING JR. FB	77 Forsyth St. SW, Atlanta, GA	359,959	$1,952,096	$11,249,648
IRS ANNEX	2385 Chamblee Tucker Rd, Chamblee, GA	417,192	$4,709,491	$9,030,016
U.S. CUSTOMHOUSE, SAVANNAH, GA	1–3 E Bay St., Savannah, GA	29,403	$2,396,376	Data Not Available
JULIETTE GORDON LOW, FB	136 Barnard St., Savannah, GA	243,633	$4,385,576	Data Not Available
TURNER: DEPARTMENT OF LABOR Other Institutional Uses Building	2000 Turner Job Corps Rd, Albany, GA	27,000	$6,783,386	$210,817
230 S. STATE ST: GSA	230 S State St., Chicago, IL	25,250	$16,117,157	Data Not Available
JFK FEDERAL BUILDING	15 New Sudbury St., Boston, MA	1,045,566	$61,906,234	$6,488,738
THOMAS P. O NEILL JR. FB	10 Causeway St., Boston, MA	824,246	$32,457,255	$5,439,786
JOHN W. MCCORMACK BUILDING	5 Post Office Sq., Boston, MA	785,006	$2,652,357	$4,776,335
FREDERICK C. MURPHY	380 Trapelo Rd, Waltham, MA	142,307	$2,388,292	Data Not Available
DETROIT MI FEDERAL GARAGE	200 Mt Elliott St., Detroit, MI	8,827	Data Not Available	Data Not Available
HUBERT H HUMPHREY	1480 Snelling Ave N, St. Paul, MN	36,890	$3,085,182	$119,993
GULFPORT	3300 20th St., Gulfport, MS	15,607	$570,747	$75,869
Federal Records Center 100	9700 Page Ave, St. Louis, MO	1,037,145	Data Not Available	Data Not Available
Sammy L. Davis Federal Building	1655 Woodson Rd, Overland, MO	300,000	$52,778,526	Data Not Available
ST LOUIS	4333 Goodfellow Blvd, St. Louis, MO	72,320	$5,474,146	Data Not Available
LAS VEGAS FIELD OFFICE (BLM)	4701 N Torrey Pines Dr., Las Vegas, NV	5,082	Data Not Available	Data Not Available
Bureau of Reclamation Boulder City Office 1	1200 Park St., Boulder City, NV	20,100	Data Not Available	Data Not Available
Bureau of Reclamation Boulder City Office 2	275 Nevada Way, Boulder City, NV	12,130	Data Not Available	Data Not Available
ROBERT A. ROE FB	200 Federal Plaza First Floor, Paterson, NJ	66,854	$6,259,761	Data Not Available
SOUTH BRONX: DEPARTMENT OF LABOR Building	1771 Andrews Ave S, Bronx, NY	10,156	$601,514	$86,952
A J CELEBREZZE FB	1240 East Ninth St., Cleveland, OH	1,471,285	$174,756,770	$9,349,912
ROSEBURG DISTRICT OFFICE: BUREAU OF LAND MANAGEMENT Office Building	777 N.W. Garden Valley Blvd, Roseburg, OR	28,433	$5,607,000	Data Not Available
US CUSTOMHOUSE PHILADELPHIA	200 Chestnut St., Philadelphia, PA	565,959	$70,050,760	Data Not Available
AUSTIN FINANCE CENTER	1619 Woodward St., Austin, TX	85,813	Data Not Available	Data Not Available
Surface Parking Lot Adjacent to San Antonio Federal Building	700 E César E. Chávez Blvd, San Antonio, TX	Data Not Available	Data Not Available	Data Not Available
J. WILL ROBINSON FB	88 W 100 N, Provo, UT	Data Not Available	$20,932,958	Data Not Available
FEDERAL BUILDING NORFOLK	200 Granby St., Norfolk, VA	258,178	$4,146,349	Data Not Available
Jackson Hole Forest Service Parcel 1	340 N Cache St., Jackson, WY	29,692	$500	$282,404
Jackson Hole Forest Service Parcel 2	270-360 Nelson Dr., Jackson, WY	28,708	$65,990	$233,384
Nationwide Potential Next Round Candidates Search Totals		**14,434,262 GSF**	**$1,091,052,992**	**$105,999,307**
All Potential Next Round Candidates Totals		**25,981,019 GSF**	**$4,338,206,819**	**$205,151,192**

Appendix 1: 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.

Term	Definition
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, which 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.
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.

Term	Definition
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	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.

Appendix 2: Federal Agencies

Agency	Acronym
Department of Commerce	DOC / Commerce
Community Relations Services	CRS
Defense Finance and Accounting Service	DFAS
Department of Homeland Security	DHS
Defense Logistics Agency	DLA
Department of Defense	DOD
Department of Energy	DOE
Department of the Interior	DOI
Department of Justice	DOJ
Department of Labor	DOL
Department of State	DOS
Department of Transportation	DOT
Executive Office for Immigration Review	EOIR
Environmental Protection Agency	EPA
Federal Aviation Administration	FAA
Federal Bureau of Investigation	FBI
Federal Trade Commission	FTC
General Services Administration	GSA
Department of Health and Human Services	HHS
Department of Housing & Urban Development	HUD
Internal Revenue Service	IRS
United States Merit Systems Protection Board	MSPB
National Labor Relations Board	NLRB

Agency	Acronym
National Oceanic Atmospheric Administration	NOAA
Office of Personnel Management	OPM
Public Buildings Service	PBS
Railroad Retirement Board	RRB
Small Business Administration	SBA
Social Security Administration	SSA
US Army Corps of Engineers	USACE
US Agency for Global Media	USAGM
US Coast Guard	USCG
United States Citizenship and Immigration Services	USCIS
US Department of Agriculture	USDA
US Secret Service	USSS
Department of Veterans Affairs	VA
Veterans Benefits Administration	VBA

Appendix 3: Recent Laws and Executive Orders Relevant to the PBRB's Work

Name	Date	Relevant Key Provisions
Public Law No: 118-272 – Thomas R. Carper water Resources Development Act of 2024 WRDA Title III, Section 2301 Amendments to the Federal Assets Sale and Transfer Act of 2016.	Enacted January 4, 2025	Extended the PBRB until December 2026.
Public Law No: 118-272 – Thomas R. Carper water Resources Development Act of 2024 WRDA Title III, Section 2302 Utilizing Space Efficiently and Improving Technologies Act.	Enacted January 4, 2025	No later than 60 days after the enactment, GSA and OMB to establish standard methods and technologies for measuring occupancy in federally owned and leased buildings.
		No later than 180 days after the enactment, the heads of Federal agencies worked with GSA to use Personal Identity Verification badge swipe data, and other technologies such as sensors to measure occupancy of owned and leased spaces.
		No later than 1 years after the enactment, and annually thereafter, agencies are to submit to GSA, OMB and the House Committee on Transportation and Infrastructure (House T&I), the Senate Committee on Environment and Public Work (Senate EPW), and the committees on Appropriations of both the House and Senate occupancy and utilization rates of publicly owned and leased space, the methodology for determining occupancy, the utilization percentage of each publicly owned or leased building based on 150 square feet per person, any costs associated with capacity that exceeded occupancy.
		Agencies shall report these findings on a GSA publicly available website unless detrimental to national security.
		No later than one year after enactment and annually thereafter, OMB and GSA shall ensure building utilization in each owned or leased space is no less than 60% on average over a one-year period. For any building with occupancy less than 60%, GSA is to inform the agency of the excess and the associated costs and notify the House T&I Committee and the

Name	Date	Relevant Key Provisions
		Senate EPW Committee and the Appropriations Committees of the excess.
		No later than 90 days after submission of reports of utilization above, each agency is to submit to the inspector general of each agency a report detailing any publicly owned or leased building with a capacity of 500 or more employees that has a utilization rate below 20%, for an investigation by those inspector generals.
		If agencies fail to meet the 60% target, GSA and OMB shall take steps to reduce the space of the tenant agency including consolidating agencies, selling or disposing excess space, and adjusting space requirements.
		Capital investments should be prioritized to the maximum extent practicable to buildings meeting or exceeding building utilization standards, with exceptions.
		No later than one year after the enactment, agencies to submit to the House T&I Committee, the Senate EPW Committee and the Comptroller General of the U.S. a plan to consolidate department and agency headquarters in the National Capital Region that would result in utilization of 60 percent or higher. The consolidation plan shall include details on which agencies are to consolidate into which buildings, details on the sales strategies for owned properties no longer needed in the inventory, a breakdown of any costs associated with the consolidation, and estimated future savings.
		No later than 1 year after the submission of the consolidation plan, GSA and OMB shall begin implementing the plan.
		A "Use it or Lose It Leases Act" amendment that requires agencies to submit an annual report to GSA for monthly occupancy of leased space, utilization of office space, utilization rates, and any other pertinent data. Also, stipulates that any agency occupancy fell below 60 percent space utilization for a 6- month period in any 1-year period, written policies regarding return of unused space were to be put in place.
		No later than 1 year after the enactment, the Comptroller General (GAO) to report on the cost of measuring occupancy and utilization rates and federally leased space, as well as the cost of deploying sensors and technologies.
Public Law No: 118-272 – Thomas R. Carper water Resources Development Act of 2024	Enacted January 4, 2025	No later than 1 year after the enactment, the Comptroller General (GAO) shall review the Public Buildings Service and submit to the House T&I Committee and the Senate EPW Committee a report that reviews the administration and

Name	Date	Relevant Key Provisions
		management of all PBS real estate programs and activities, including current and retrospective staffing levels for 10 years preceding the review, and an analysis of the effectiveness of the oversight structure and management in carrying out the organization's mission.
WRDA Title III, Section 2305 Public Buildings Accountability Act		No later than 1 year after the enactment, the GAO shall review the buildings operations account of the Federal Buildings Fund including all costs associated with conferences, training and travel.
Executive Order: Restoring Common Sense to Federal Office Space Management	April 15, 2025	Allows the Federal Government to locate agencies outside central business districts and outside historic properties and districts.
Executive Order: Making the District of Columbia Safe and Beautiful	March 28, 2025	Tasks the Secretary of Interior to develop and implement a program to beautify and make safe and prosperous the District of Columbia including a beautification plan, restoration of public monuments that had been damaged or inappropriately removed or changed.
Executive Order "Implementing the President's 'Department of Government Efficiency' Cost Efficiency Initiative	February 26, 2025	Within 7 days of the order, agency heads will ensure updated information was entered in the Federal Real Property Profile Management System to ensure a complete and accurate inventory of property.
		Within 30 days, agencies shall identify termination rights they may have under existing leases and in consultation with agency DOGE Team Lead and the GSA, determine whether to exercise the termination rights.
		Within 60 days of the order, GSA was to submit a plan to OMB for the disposition of government-owned real property which the agency deemed no longer needed.