

Welcome to the Public Buildings Reform Board

Public Hearing - Charleston, South Carolina

We will start at 10:00am EST



The Gaillard Center | January 29, 2026



PUBLIC BUILDINGS REFORM BOARD

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Program

1. About the Board

Meet the Board members

Why Congress created the Board

The deferred maintenance challenge

PBRB's Mission

2. Opportunity of Adaptive Reuse

3. Southeastern Properties

4. Public Comments and Remarks



United States Custom House, between 1900-1920.

Detroit Publishing Company Photograph Collection, courtesy of the Library of Congress.

Our Board



Dan Mathews
Board Member,
Former PBS
Commissioner



Jeffrey Gural,
Board Member,
Chairman GFP Real
Estate LLC (Former
Newmark Holdings)



David Winstead
Board Member,
Former PBS
Commissioner



Mike Capuano
Board Member,
Former
Representative,
Boston, MA



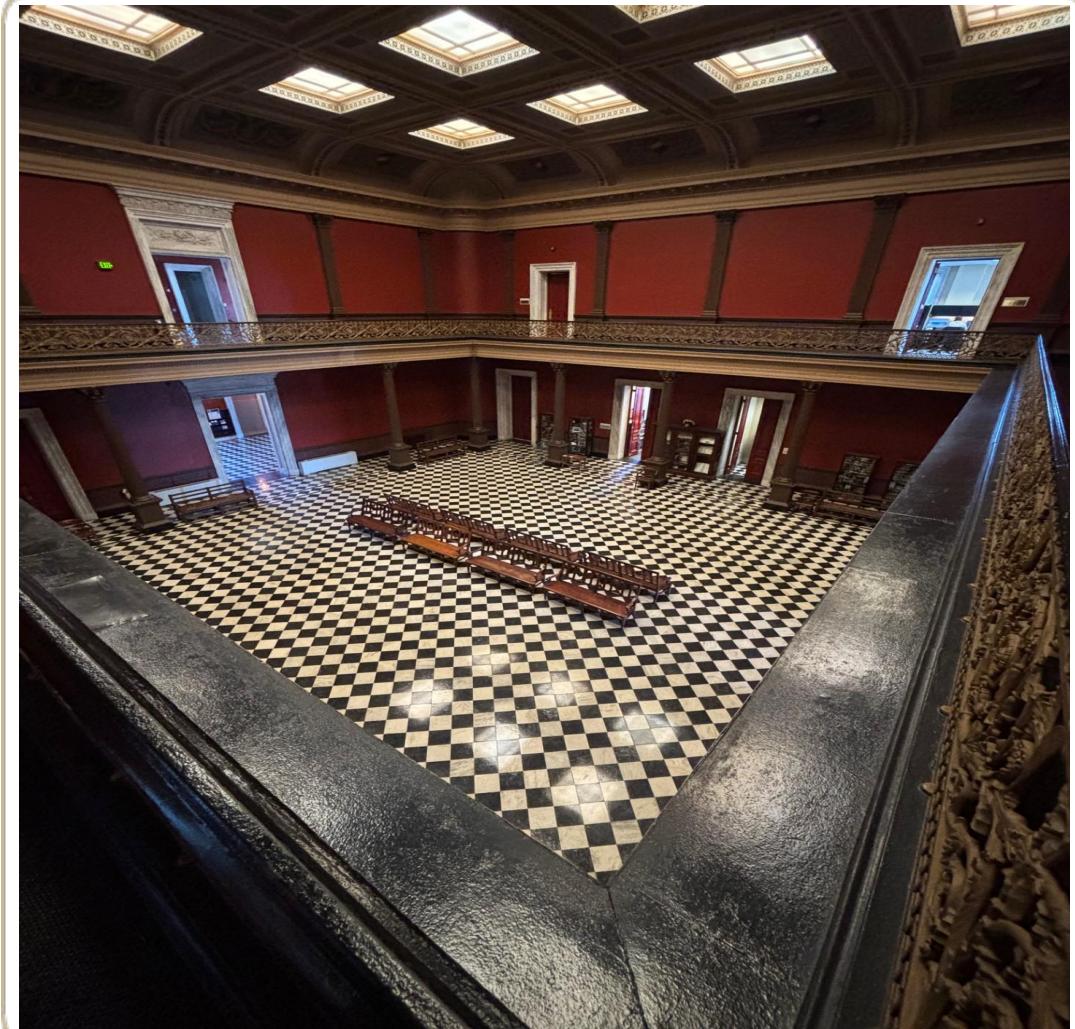
Nick Rahall
Board Member,
Former Representative,
West Virginia



D. Talmage Hocker
Acting Chairman,
Appointed Board
Member,
CEO The Hocker
Group, LLC

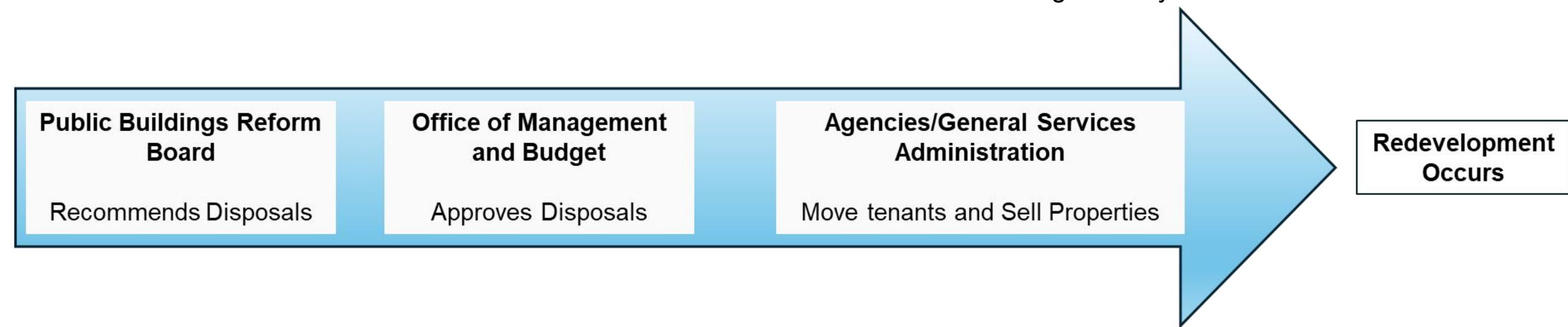
Congress authorized the Board to make recommendations

The Public Buildings Reform Board (PBRB or Board) was created by the Federal Assets Sale Transfer Act (FASTA) to provide expertise and recommendations to the Federal government and Congress on how to reduce the costs of the federal real property portfolio, while giving back to local communities, making appreciable gains in energy and carbon emission goals, sending sales proceeds back to the Treasury while also providing agencies and their employees with modern, updated workspaces.



The Board looks for underutilized, high value, or high capital liability assets

- The PBRB does not sell properties nor determine the relocation for any existing tenants, nor does it determine the future use of the property.
- The PBRB is not part of the DOGE, nor is it part of the General Services Administration – the landholding agency for most non-DoD federal office space.
- The two primary criteria the Board uses for identifying a federal property is the building's attendance and deferred maintenance capital liabilities. Criteria such as the valuation of a property, the return on investment from a divestiture, political and stakeholder support, economic impact and historic preservation requirements of local communities all constitute factors the Board takes into advisement during its analysis.



The Cost of Inaction



\$50B+

Estimated Deferred Maintenance Across the GSA Portfolio



Across the nation, federal buildings face billions in deferred maintenance and repairs.

The cost per person for this poorly maintained office space is skyrocketing. Fewer workers are using increasingly expensive properties.

These costs burden taxpayers and hinder agency missions. The PBRB is tasked with identifying properties where disposal is more fiscally responsible than continued upkeep.

The Board's Mission



- Q Identify:** Find underutilized, vacant, and unneeded federal properties.
- 📋 Analyze:** Assess properties with high deferred maintenance and operating costs.
- ➡ Recommend:** Advise on the sale, disposal, or redevelopment of these assets.
- ⬇ Reduce:** Lower federal real estate costs and reduce the government's footprint.
- 🏢 Reinvest:** Return properties to local communities for economic growth and reinvestment.

A Story of Transformation

We are meeting today just blocks from a prime example of this mission in action.

- **The Dewberry**, was formerly the **L. Mendel Rivers Federal Building**.
- Commissioned in the 1960s, it served the government for 35 years as home to the Army Corps of Engineers
- After damage from Hurricane Floyd in 1999, it sat vacant for nearly a decade.



Then and Now



1965



2026

From Federal to Community Asset



Adaptive Reuse Success

The L. Mendel Rivers building was sold by the GSA in 2008.

Through private investment, it was transformed from a vacant liability into a vibrant hotel, preserving its historic mid-century architecture.

This is the goal of '**adaptive reuse**'—returning a property to productive use, creating jobs, and adding to the local tax base.



A Replicable Blueprint

Private Investment

Initial Acquisition: Developer John Dewberry acquired the vacant building from GSA with a \$15 million bid at auction in 2008.

Final Renovation Cost: The comprehensive renovation and redevelopment of the building ultimately cost approximately \$77 million.

Public Impact

- Over \$680K + annual property tax
- 2% accommodations tax levied on Dewberry's average daily rate
~\$400/night
- Sales tax levied on food & beverage
- Job creation – hotel staff

A New Opportunity

PBRB Identified Issues

- Underutilized and not achieving Highest and Best Use
- Historic Landmark - Closed to the public
- Deferred maintenance liabilities

Adaptive Reuse of U.S. Custom House

Maintain historic integrity

- Generate sale proceeds for U.S. taxpayer
- Rehome federal tenants to newer and functionally optimized space
- Advocate reuse that enhances engagement with public and surrounding community
- Create economic gains for the City of Charleston and local businesses





Open for Public Remarks

*Rendering from City of Charleston - East Market Street improvement plan (8/29/25)

Opportunities currently under consideration

Building	City / State	Size - GSF	Year Built	30 Year NPV Savings	Challenges	Opportunity
Savannah Custom House	Savannah, GA	25,946	1852	\$14,752,020	Exorbitantly high employee cost to house	Highest and best use; Shed liabilities
Juliette Gordon Low Federal Building	Savannah, GA	239,098	1985	\$36,699,482	Underutilization; Deferred maintenance liabilities	Right-size federal footprint; Shed liabilities
Charles E. Bennett Federal Building	Jacksonville, FL	317,556	1967	\$73,847,643	Underutilization; Vacancy; Deferred maintenance liabilities	Very high commercial office vacancy offering competitive rates; Shed liabilities; Right-size federal footprint
Paul Rogers Courthouse; AUTEC Federal Building	West Palm Beach, FL	176,042	1972	\$69,129,853	Deferred maintenance liabilities; Environmental concerns	High sale proceeds potential; Highest and best use; Shed liabilities
Strom Thurmond Complex; Matthew Perry Parking Deck	Columbia, SC	456,734	1979	\$257,281,103	Underutilization, Vacancy, Deferred maintenance liabilities	Right-size federal footprint; Shed liabilities; Activate submarket
Total				\$451,710,101		

Underutilization fosters inefficiency



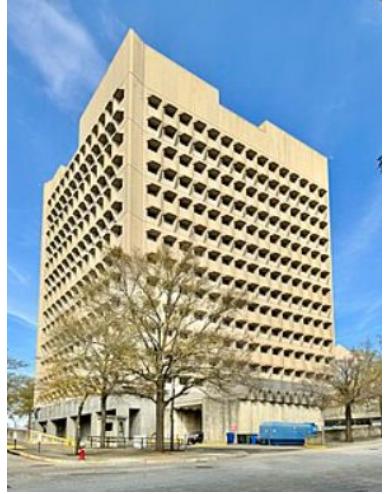
U.S. Custom House - Savannah

- Underutilized (occupancy data unavailable to date)
- Estimated \$158K annual cost per employee for operations and one-time deferred maintenance repairs
- Seek an alternative use for this building providing greater activation with the surrounding historic landscape and achieve highest and best use
- Consolidate Customs and Border Patrol employees into optimized commercial leased space
- Addition to local tax roles

Juliette Gordon Low Federal Building “B”

- 2024 utilization data showed 9% average and 17% maximum daily occupancy
- Significant deferred maintenance liabilities
- Leverage the USE IT Act to obtain actual current daily occupancy data to understand the true federal space need to be replicated in commercial lease.
- Generate proceeds through sale

Shedding Liabilities is a win for Taxpayers



Strom Thurmond Federal Building

- Underutilized (occupancy data not available)
- High vacancy (**38%**)
- Significant deferred maintenance liabilities
- Leverage USE IT Act occupancy data to generate true federal space needs to replicate in commercial leases

Strom Thurmond Courthouse

- High vacancy (**100%**)
- Significant deferred maintenance liabilities
- Eliminate operational expenses and liabilities via sale



Matthew J. Perry, Jr. Parking Deck

- Only 15% of parking used for federal vehicles
- Significant deferred maintenance liabilities
- Mission-driven parking need will be eliminated via sale of Strom Thurmond complex

Office Markets are still recovering from COVID



Charles E. Bennett Federal Building

- High vacancy (20%)
- Underutilization (occupancy data unavailable to date)
- Significant deferred maintenance
- Fundamentally challenged commercial lease market offering generational opportunity to replicate federal space by leveraging lessor up-front funding of move and build-out costs
- Generate sale proceeds and shed taxpayer liabilities all while capitalizing on strong lessor demand for long term federal tenancy to produce an optimized federal footprint in functionally efficient space
- Add new property to local tax rolls

High Value property sales can fund replication costs and future consolidation recommendations



Paul G. Rogers Federal Building and U.S. Courthouse

- Significant deferred maintenance liabilities
- Costly environmental abatement
- High-value property
- Opportunity to leverage underlying land value to produce new Courts housing solution while eliminating liabilities



AUTEC Federal Building

- Significant deferred maintenance liabilities
- High-value property
- Public facing SSA office can be rehomed in alternative commercial lease funded via sale proceeds

Public Remarks & Questions

We welcome your input.

To contact the Board, please email: fastainfo@pbrb.gov

END
