

# U.S. General Services Administration

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Committee on Environment and Public Works
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GSA and Federal Courthouses:
Management, Renovation, and Construction Issues
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Good afternoon Chairman Boxer, Ranking Member Inhofe, and Members of the Committee. My name is Susan Brita, and I am the Deputy Administrator at the U.S. General Services Administration (GSA). I appreciate being invited here today to discuss GSA's capital investment and management of U.S. Courthouses. The Federal courts play a critical role in the constitutional framework of American democracy. Local, state and Federal courthouses are traditional landmarks that date back to the founding of the Nation. GSA is proud to construct and modernize courthouses worthy of that role.

We help the Judiciary carry out its mission by constructing courthouses that allow the Courts to adjudicate cases expediently and impartially on behalf of the American people. GSA constructs courthouses that are economic, sound, and prestigious, worthy of the American people they represent for years to come. As the Government's real property expert, GSA develops asset strategies to manage our building portfolio effectively.

The Edward A. Garmatz Federal Building and U.S. Courthouse in Baltimore, Maryland, is a long-term, core asset, but requires future capital reinvestment and modernization to ensure continued efficient use and operation. GSA is developing a plan that balances this modernization need with the investment needs of other Federal buildings and courthouses across the Federal inventory.

*GSA: The Federal Government's Asset Manager*

As the steward of more than 1,500 federally owned buildings and the Federal Government's landlord, GSA helps more than 100 Federal agencies achieve their missions by constructing and renovating facilities that help them carry out their missions productively and efficiently.

GSA has developed a strong partnership with the Federal Judiciary by assisting them in achieving their mission of ensuring fair and impartial administration of justice by providing welcoming, safe, and functioning courthouses. Since Congress began funding a nationwide courthouse construction program approximately 20 years ago, GSA has delivered high quality buildings and courthouses that support the Courts' unique needs while enhancing the buildings' surroundings. Since the program's inception, GSA has completed construction on 68 new courthouses or annexes. In total, Congress has authorized and appropriated approximately $7.6 billion for this new construction program.

GSA constructs and modernizes facilities for projects authorized and appropriated by Congress. GSA prioritizes these projects by considering a variety of critical asset management factors, such as asset condition, customer need, utilization, and return on

investment. Particularly in this budget climate, GSA must carefully evaluate and select projects most in need of Federal funds.

*Constructing New Courthouses*

Federal courthouses comprise close to 25% of GSA's federally owned portfolio. In selecting courthouse construction projects, GSA works closely with the Federal Judiciary to develop requirements to meet their needs. Since 1996, the Judiciary has used a 5-year plan to prioritize new courthouse construction projects.



**New U.S. Courthouse in Austin, Texas**

The Court's 5-year plan considers projected needs for space, projected growth in judgeships, and security concerns. GSA relies on this plan in developing its priorities for portfolio management and incorporates projects into GSA's Capital Investment and Leasing Program for Congressional authorization and appropriation.

GSA continually works to improve the design and construction of our Federal buildings and courthouses. We have taken a strong leadership role to improve the efficiency and sustainability of our inventory, including our courthouses, and recently announced that all of our new construction projects designed after October 2010 will achieve Leadership in Energy and Environmental Design (LEED) Gold ratings.

Improving the design and construction of our Federal buildings and courthouses also requires close coordination with tenant agencies. GSA is committed to working with our customers to reduce their environmental footprint and their energy costs, which require us to, among other things, minimize total square footage and optimize their utilization of space.

*Courthouse Repair and Alterations*

While the Courts prioritize new courthouse construction, GSA determines which courthouses are priorities for repair and alteration needs. GSA weighs the

reinvestment needs and existing opportunities within its portfolio when selecting modernization projects. These criteria consist of many components, including customer need, physical condition of the building, energy efficiency, timing of project schedule and delivery, asset utilization, lease avoidance, historic significance, and the project's return on investment.

If GSA determines a courthouse is in need of a major modernization, and the Courts have not determined it to be a candidate for new construction, it is prioritized within our full inventory, including courthouses, Federal buildings, and Land Ports of Entry. The project will then be considered in a future GSA Capital Investment and Leasing Program. GSA will continue to perform a wide variety of minor repair and alteration projects so that our building inventory remains safe and functional.

Given the recent budget limitations, GSA and the Judiciary have prioritized courthouse projects where existing courtroom space is insufficient to meet the needs of the courts. This fiscal year, GSA received little funding for major repair and alteration projects. Our major and basic repair and alteration program was cut by approximately 60% from the President's FY 11 request. Therefore, GSA must be even more diligent in evaluating and selecting projects for our Capital Investment and Leasing Program. Without additional funding, projects not on this priority list will move to future fiscal years.

*Edward A. Garmatz Federal Building and U.S. Courthouse*



**Edward A. Garmatz Federal Building and U.S. Courthouse**

The Edward A. Garmatz Federal Building and U.S. Courthouse in Baltimore, Maryland was completed in 1976 and totals 514,607 gross square feet. The building's primary tenants are the U.S. District Court, the U.S. Bankruptcy Court, and the U.S. Court of Appeals, which together comprise 77% of the rentable square feet. The remaining tenants are the U.S. Attorneys, the U.S. Marshals, the U.S. Trustees, and GSA.

The Garmatz Courthouse is a long-term, core asset in GSA's inventory. This means that it is a building satisfying a long-term Federal need and that it is a facility we intend to retain for 15 years or longer within the inventory. The Garmatz Courthouse is classified as a performing asset. In this case, that means that the courthouse generates more

revenue than operating expenses, but its reinvestment needs are greater than 10 percent of its replacement value. So future capital reinvestment is necessary to ensure it continues to operate and function efficiently. In the last 5 years, GSA has spent nearly $5 million in building improvements, including repairing the mechanical systems, roof, façade, and interior spaces.

According to the Judiciary, the Garmatz Courthouse has sufficient courtroom space and security features, including secure circulation that separates judges and prisoners and a vehicle sally-port. Although GSA recognizes a future need to modernize the Garmatz Courthouse, we are unable to do so until other priorities within our portfolio are addressed and funding is available.

Although the construction of a new Baltimore courthouse is not on the Courts' 5-year construction plan, GSA has identified the Garmatz Courthouse as needing modernization due to the building's current condition and reinvestment needs and future renovation is dependent upon available funding. This future renovation need must be considered against the needs of GSA's other aging facilities.

*Conclusion*

Thank you for inviting me to appear before you today. I appreciate the opportunity to discuss GSA's management of the Federal courthouse construction and modernization program and I welcome your questions.