



Preserving America's Heritage

**Leveraging Federal Historic Buildings Working Group Meeting
January 23, 2020 – GSA Presentation**

Highlights

Guidance (e.g. standardized criteria) is needed regarding outleasing and consideration of variables such as location, market conditions, federal occupancy and future need, deferred maintenance, revenue potential, historic status, public accessibility, etc.

Best-practices should be developed with regard to agency expenditure of Section 111 lease proceeds, to address issues such as qualified staff involvement, standardized proposal review and procurement, project selection and consideration of effects, localized project management, and regular reporting.

Targeted full or partial-building outleases can address deferred maintenance needs and capital improvements not covered by appropriated funds, and combining federal and private tenants in the same upgraded building can also improve overall tenant satisfaction and building utilization rates.

Market trends may present opportunities for increased revenue from 111 leasing. Agencies should try to explore opportunities with low administrative burden and high revenue potential (e.g. parking lots, small rooftop antennas, 5G buildout).

Inter-agency partnerships may help address agency outleasing and portfolio management needs for various services (e.g. real estate market analysis, marketing, lease negotiation, project management for tenant improvements, due diligence and environmental, 'blanket purchase' agreement, and brokerage).

More information is needed with regard to larger outleases; project expectations, tenant selection, and financing qualifications should be explored with experienced developers, the National Park Service Tax Credit Services program, and other parties such as the National Trust for Historic Preservation's National Trust Community Investment Corporation (NTCIC).

More information is needed regarding outleasing and exchange budget scoring policies, by the Office of Management and Budget (OMB).

More information is needed regarding standardization of budget activities/accounting for processing 111 lease proceeds.

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