



United States Senate Committee on
HOMELAND SECURITY
& GOVERNMENTAL AFFAIRS
RANKING MEMBER THOMAS R. CARPER
MINORITY STAFF REPORT
DECEMBER 2016



DHS HEADQUARTERS CONSOLIDATION at St. ELIZABETHS:

BETTER RESULTS FOR LESS MONEY



EXECUTIVE SUMMARY

More than ten years ago then-Secretary of Homeland Security Michael Chertoff first proposed building a consolidated headquarters for the Department of Homeland Security at St. Elizabeths. Congress first appropriated funding for St. Elizabeths in 2006, with construction beginning in 2009.

Builders have made substantial progress constructing the consolidated headquarters. In 2013, for example, the Coast Guard moved into its new headquarters at St. Elizabeths. Renovations of the “Center Building,” which will house the Secretary and other key leadership staff are well underway and will be ready for occupancy in 2018. Congress has also appropriated funding for necessary infrastructure improvements, an addition to the Center Building, and reconfiguration of the Coast Guard building to accommodate more staff.

Progress, however, has been limited due in part to inadequate funding. As a result, the Obama Administration proposed a new scaled back plan, called the Enhanced Plan, for the headquarters consolidation project in 2015. The new plan would reduce the overall project costs by more than \$800 million, accelerate the project completion by five years, from 2026 to 2021, and save \$1.2 billion over thirty years. Congress has supported the new Enhanced Plan, fully funding the President’s budget request in 2016, which paid for the first segment of the new plan.



The Center Building, the most historic building on the campus dating to the American Civil War has been gutted and when completed will house the secretary and key leadership staff in 2018.

Photo: Grunley Construction

To date, St. Elizabeths has received nearly two-thirds of total funding needed and only three years of additional funding, including FY 2017 funding, is required to finish the project. Lack of sufficient funding over the past several years has already delayed construction and increased costs. Agencies estimated that by 2012 insufficient funding for St. Elizabeths had delayed the project completion by more than 10 years and increased costs by \$1.1 billion. It is essential that Congress fully fund the President’s FY 2017 budget request for St. Elizabeths to avoid further delays and cost overruns and keep delivery of St. Elizabeths under the Enhanced Plan on time and on budget. Failure to provide full funding in FY 2017 will delay construction and waste roughly \$70 million due to increased construction costs and additional rent expenses due to the delay.

As demonstrated in a 2014 report on St. Elizabeths by then Chairman Carper’s Majority Committee staff, a consolidated headquarters will improve the Department’s ability to accomplish its mission and save taxpayer money in the long run. With most of the funding already appropriated, now is the time to fully fund the President’s FY 2017 request, instead of delaying the construction for a year and running up unnecessary expenses.

The report makes the following recommendations:

- **Congress should fully fund the Fiscal Year 2017 President's budget request.**
 - The project only requires funding for three more years, including FY 2017. The delays associated with failure to fully fund the project in FY 2017 will force the government to pay roughly \$70 million in unnecessary expenses which would not be incurred if the construction was funded so it could remain on schedule.

- **If Congress is not able to fully fund the project in Fiscal Year 2017 or if the federal government remains under a Continuing Resolution, DHS and GSA should be provided maximum flexibility to make the most efficient use of the funding provided.**

- **The new Administration should make sure finishing DHS's headquarters consolidation project at St. Elizabeths remains one of the highest construction priorities given how the project will improve the Department's ability to accomplish its mission and save taxpayer money in the long run.**
 - The Administration should also examine current construction projects and consider a reprogramming or transfer request if additional monies are available and could be moved without causing undue hardship on the existing project.

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I. Funding the DHS Headquarters at St. Elizabeths

In 2006, then-DHS Secretary Michael Chertoff introduced a Master Housing Plan to consolidate more than 50 DHS offices located in the Washington, DC area, onto an underutilized piece of federal property in Southeast, Washington, DC, known as the “St. Elizabeths” campus. The new proposed campus would reduce the number of DHS facilities in the DC area from 50 to less than ten.²

Congress first appropriated funding for the St. Elizabeths headquarters consolidation project in 2006,³ with construction beginning in 2009. The first segment to be completed on the campus was the Douglas A. Munro Coast Guard Headquarters Building in 2013. In FY 2014 and FY2015, Congress provided funds for⁴ construction at the Center Building, the most historic building on campus, which will house the Secretary and key leadership staff; the renovation is well underway and is projected to be completed in 2018. In FY 2016, Congress appropriated funding for construction of a new addition to the Center Building as well as renovation of nearby existing buildings and reconfiguration of the Munro building.⁵ Funding requested in FY 2017 would construct a new building for a Federal Emergency Management Agency (FEMA) headquarters and renovate a few buildings to complete the Center Building Complex.⁶

In short, the St. Elizabeths project is well underway and is approaching the final stages. The project requires funding for only three more years, including this fiscal year (FY 2017). To date, the project has received \$2.3 billion or nearly two-thirds of the \$3.7 billion needed for completion. Congress should fully fund the President’s FY 2017 budget request for the Department of Homeland Security’s headquarters consolidation project at St. Elizabeths in order to prevent increasing costs and unnecessary expenses that would come with a delay in funding.

“We are working right now in a DHS headquarters that is frankly wholly inadequate for our mission. It was supposed to be temporary 12 years ago and it’s still there, and we still work there and there are huge, huge drawbacks to the ability of my leadership to conduct our oversight of a 225,000 person workforce in our current headquarters. We’ve made an investment in St. Elizabeth’s and the more we put into it now, the less expensive it will be and the less time it will take to eventually get there.”

— Secretary Jeh Johnson, Statement before Senate Appropriations Subcommittee on Homeland Security, February 24, 2016

The Enhanced Plan: A New Vision for the DHS Headquarters Consolidation Project

The initial plan for a consolidated DHS headquarters was intended to house approximately 14,000 staff, utilizing 4.5 million square feet of space at a total cost of \$3.4 billion.⁷ Construction began in 2009 and was originally estimated to be completed in 2016. However, since the consolidation was first proposed, sequestration and tightening budgets resulted in appropriations totaling \$1.6 billion less than what was requested.⁸ This shortfall in funding greatly slowed construction and led to increased costs. By 2015, the total cost of the project escalated to \$4.5 billion with a new completion date of 2026, which was \$1.1 billion more and ten years longer than the initial plan.⁹

To address the rising cost of the project and the fact that the original plan would not be completed before certain leases expired on other Department facilities, DHS and the General Services Administration (GSA) developed a revised plan for continued construction at St. Elizabeths. This new plan was called the “Enhanced Consolidation Plan” (the “Enhanced Plan”) and was included in the President’s FY 2016 budget request.¹⁰ The Enhanced Plan would reduce the cost of the construction project by an estimated 20 percent or \$800 million, bringing the total cost down from \$4.5 billion to \$3.7 billion and would accelerate delivery of the project by five years from 2026 to 2021.¹¹

Much of the savings in the Enhanced Plan was found by: (1) improving the utilization of space from the original plan of 230 square feet per person to 155 square foot per person; (2) forgoing the development of the East campus; and (3) increasing the number of employees housed on the campus by 3,000, for a total of 17,000 by leveraging telework and other mobile work policies.¹² The Enhanced Plan is projected to save taxpayers \$1.2 billion (present value) over 30 years in comparison to the best-case alternative of consolidating leases as they expire.¹³

	Plan of Record	Enhanced Plan	Results
People Housed	14,000	17,000	21% increase
Campus seats	14,000	12,800	9% decrease
USF/Person	230	155	33% decrease
Campus size	4.5 M GSF	3.6 M GSF	20% decrease
Campus Area	West and East	West only	East potential for future federal projects
Cost Estimate	\$4.5 B	\$ 3.7 B	20% decrease
Schedule	FY2026	FY2021	5 years faster

Figure 1: *St. Elizabeths Plan of Record vs The Enhanced Plan.*

Source: DHS Headquarters Consolidation Enhanced Plan, February 2015

Funding for the Enhanced Plan

Funding for the development and construction of St. Elizabeths comes from appropriations provided to GSA and DHS. GSA funding is included in the Financial Services and General Government Appropriations bill and is used for infrastructure investments at the site and the construction and rehabilitation of the buildings. DHS funding is included in the Homeland Security Appropriations bill and is used for the tenant buildout and outfitting of the interior of the buildings.

The Administration estimates the total project cost for the Enhanced Plan at \$3.7 billion.¹⁴ To date, Congress has appropriated funding for approximately two-thirds of the project—a combined \$2.3 billion for DHS and GSA (See Appendix). Pursuant to current estimates, Congress would need to provide roughly \$1.4 billion over the next three years to finish the Enhanced Plan on budget and on time—by 2021. The following map shows funding schedule by fiscal year of the Enhanced Plan.

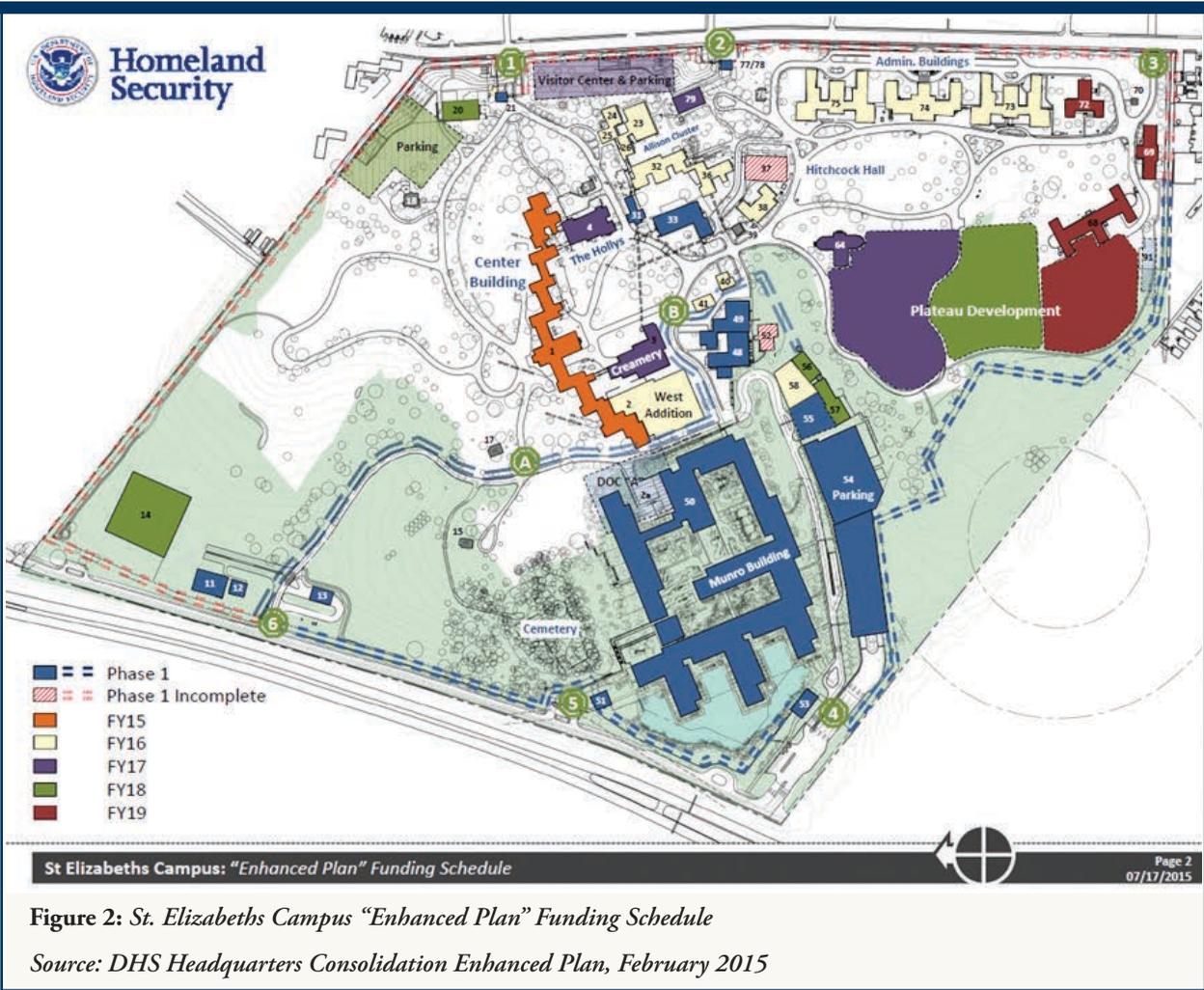


Figure 2: St. Elizabeths Campus "Enhanced Plan" Funding Schedule

Source: DHS Headquarters Consolidation Enhanced Plan, February 2015

Congress fully funded the President's FY 2016 budget request of \$215.7 million for DHS and \$341.6 million for GSA for the first segment of the Enhanced Plan.¹⁵ This funding was for construction of the Center Building West Addition, renovation of several existing buildings, completion of the buildout of the Department Operations Center and reconfiguration of the Coast Guard Munro building to allow for additional staff.¹⁶ See the yellow portions in Figure 2.

The President's FY 2017 budget request sought \$225.6 million for DHS and \$266.6 million for GSA to fund the second segment of the Enhanced Plan, shown in purple in Figure 2. This funding would be used primarily for the construction of a new federally-owned headquarters for FEMA, which would consolidate two existing commercially-leased locations for FEMA in the National Capital Region. In addition, the President's budget request would fund the renovation of the Center Building Complex buildings (known as the Hollys/Creamery) which would house additional headquarters staff, including the U.S. Citizenship and Immigration Services Ombudsman and DHS Privacy Officer.

In May 2016, the Senate Appropriations Committee included full funding in its Homeland Security Appropriations bill for the DHS portion of the project, whereas the House Appropriations Committee's bill included only \$99.6 million of the \$225.6 million requested for DHS in the President's budget.¹⁷ Neither the Senate nor House Financial Services and General Government appropriations bills included any funding for the GSA portion of the project.¹⁸ At the time of publication of this report, the final funding bills for FY 2017 have not yet been passed and the Federal government continues to operate under a continuing resolution.

Future funding in FY 2018 and 2019 is planned for new headquarters offices at St. Elizabeths for Immigration and Customs Enforcement (ICE) and Customs and Border Protection (CBP), with a portion of CBP remaining at the Ronald Reagan Building.¹⁹



St. Elizabeths Center Building Rendering

Source: Goody Clancy

Failure to Fully Fund the St. Elizabeths Project in FY 2017 Will Result in Increased Costs and Schedule Delays

Lack of sufficient and predictable funding over the past several years has already delayed construction and increased costs for the project. DHS and GSA have estimated that insufficient funding for St. Elizabeths has delayed project completion by more than 10 years and increased costs by \$1.1 billion.²⁰ These increases were mostly due to basic inflationary costs in the construction industry, as well as the loss of efficiencies that could have been gained by working on certain construction projects simultaneously.²¹

Failure to provide full funding to each agency in FY 2017 would cause the project to suffer even more delays and further increased costs. GSA has estimated that a one year delay in construction if full funding was not received in FY 2017 would result in \$28.8 million in increased construction costs, assuming an inflationary increase of 3.5 percent.²² GSA further estimates that extending the project one year will require another year of program management and overhead cost at approximately \$5 million, and an additional \$1 million to stabilize the existing structures on the St. Elizabeths campus.²³ Finally, GSA estimates that a one-year delay would cost an additional \$8 million because a delay would make construction execution and sequencing more difficult, resulting in a one percent premium added to the costs.²⁴

DHS has estimated that if full funding is not provided in FY 2017 and each of the remaining segments of the Enhanced Plan are delayed by one year, the rent costs for FEMA, USCIS Ombudsman, the Privacy Office, ICE, and CBP will increase by approximately \$21 million.²⁵ Further, in FY 2017, DHS would need to either recompetite the expiring leases or obtain expensive, short-term lease extensions for FEMA, the USCIS Ombudsman, and the Privacy Office until full funding is obtained, with an annual adverse impact of \$6 million.²⁶

In sum, if no funding is provided in FY 2017, the completion date would be delayed by one year; and GSA and DHS costs would increase by \$42.8 million and \$27 million, respectively, for a combined total of nearly \$70 million.

After nearly ten years of appropriating funds for St. Elizabeths, only three more years of funding is needed to complete the project. Any further delays in funding will only drive up future costs. It is essential that Congress fully fund the President's FY 2017 budget request for St. Elizabeths to avoid further delays and cost overruns and keep delivery of St. Elizabeths under the Enhanced Plan on time and on budget. If Congress is not able to fully fund the project in FY 2017 or if the federal government remains under a Continuing Resolution, DHS and GSA should be provided maximum flexibility to make the most efficient use of the funding provided.

II. Finishing What We Started: The Importance of Completing St. Elizabeths

In 2014, Senator Tom Carper, the Chairman of the Senate Homeland Security and Governmental Affairs Committee, and his staff, issued a report that examined the importance of completing St. Elizabeths. The report, *Security and Savings: The Importance of Consolidating the Department of Homeland Security at St. Elizabeths*, concluded that finishing the Department of Homeland Security's headquarters at St. Elizabeths would strengthen our national security by improving DHS's ability to carry out its mission, while saving the taxpayer hundreds of millions by eliminating costly leases.²⁷ This remains true today. In fact, under the new Enhanced Plan, projected savings would increase from \$700 million over the next 30 years to \$1.2 billion.²⁸ As threats continue to grow and become more complex, it is imperative that the Department of Homeland Security has a consolidated headquarters where senior leadership can quickly come together and coordinate timely operations in a comprehensive manner. And it is always important to save taxpayer money, especially in a constrained or declining budget environment.

St. Elizabeths Would Enhance our Nation's Security

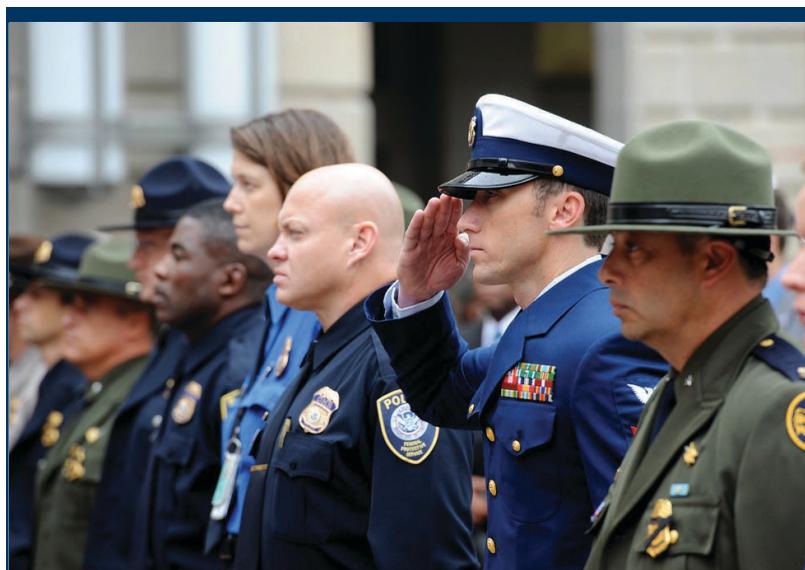


Photo: USCG

Leaders in Congress and the Executive branch have repeatedly argued that having DHS offices spread throughout the Washington, DC metropolitan area makes it harder for the Department to effectively work together, manage crisis, and carry out its vital mission.²⁹ Indeed, over the last two years, the Department of Homeland Security has had to address a number of major security events that have required the response and actions of multiple DHS entities, including the Orlando night club shooting, the surge of unaccompanied minors along the southwest border, the presence of Ebola in the United

States, and the protection of His Holiness, Pope Francis. Having a consolidated headquarters would build stronger cohesion across the Department and enable DHS to better address the myriad security challenges that our nation will continue to face.

Improving Department Cohesion and Mission Performance

Each of the Department’s former Secretaries—Secretary Tom Ridge, Secretary Michael Chertoff and Secretary Janet Napolitano—have recognized that the location of DHS entities across the DC metro area hinders the Department from effectively carrying out its mission.³⁰ In discussing the problems with the Department’s current headquarters, Secretary Jeh Johnson stated, “[w]e are working right now in a DHS headquarters that is frankly wholly inadequate for our mission. It was supposed to be temporary 12 years ago and it’s still there, and we still work there and there are huge, huge drawbacks to the ability of my leadership to conduct our oversight of a 225,000 person workforce in our current headquarters.”³¹

To help address this challenge, every Secretary of Homeland Security has developed a strategy to unify the Department’s broad missions into a cohesive entity. In 2014, Secretary Jeh Johnson announced an initiative, known as the “Unity of Effort,” with a goal to bring about more cooperation and collaboration amongst DHS components and ultimately help the Department carry out its mission more effectively. St. Elizabeths, according to DHS officials, is a part of this initiative.³² For example, bringing together multiple DHS components at St. Elizabeths with the Department’s central leadership will further the Secretary’s initiative, as well as those of his predecessors. It will foster cohesion and help drive cultural change to ensure that the Department is working as one entity to achieve common goals. Indeed, Secretary Jeh Johnson’s Unity of Effort initiative calls on the formation of several “joint” programs, where leaders and staff from multiple agencies physically come together to train, plan, or carry out operations.³³ A consolidated headquarters will help facilitate these joint activities and enhance the experience for all personnel involved, while improving morale and mission performance through well-coordinated operations.

Improving Crisis Management

DHS is responsible for addressing a wide range of crises from natural disasters to man-made threats, making a well-coordinated and timely response imperative. Former Secretary Chertoff was among the first to recognize the critical need for a centralized, co-located headquarters for DHS stating that “to support the incident management and command and control requirements of our mission, the Department clearly needs to consolidate executive leadership and operational management in a secure setting.”³⁴ Shared space allows for regular information sharing and collaboration and can help an organization build confidence that is invaluable during a crisis, when timely access to information is critical.



DHS National Operations Center

Photo: DHS

According to Admiral Thad Allen, the former Commandant of the U.S. Coast Guard and a lead federal official for the responses to Hurricanes Katrina and Rita and the Deepwater Horizon oil spill, the most important aspect for promoting a unity of effort within the Department is ensuring that DHS has a unified command center capable of handling a major crisis.³⁵ The Department's National Operations Center will be moved to St. Elizabeths and co-located with similar headquarters centers from the Coast Guard, Customs and Border Protection (CBP), Immigration and Customs Enforcement (ICE), Transportation Security Administration (TSA), Federal Emergency Management Agency (FEMA), Domestic Nuclear Detection Office (DNDO), and Citizenship and Immigration Services (CIS), thus increasing information sharing amongst the Department's components.³⁶ The DHS National Operations Center will become a unifying information hub during a crisis situation, providing immediate situational awareness and a common operating picture for the Secretary and component leadership.³⁷

St. Elizabeths Continues to be a Good Investment for Taxpayers

St. Elizabeths: A Case Study in Real Property Management Reform

The consolidation of DHS at St. Elizabeths serves as a prime example of how the Bush and Obama Administrations have used real property management reforms to improve agency performance, reduce waste, and save taxpayer dollars.

Beginning in 2004, the Administrations of Presidents Bush and Obama made improvements to government-wide real property management through a series of directives. Most recently the Obama Administration issued the National Strategy for the Efficient Use of Real Property. The National Strategy imposes three requirements for agencies to improve federal real property management: freeze growth in the federal real property footprint; measure the costs and utilization of real property assets; and reduce the federal real property footprint. This strategy directs agencies to continue the freeze the footprint policy established in 2010, to analyze their office and warehouse spaces, to improve the quality of real property data, to accelerate the disposal of excess and unutilized property, and to execute opportunities to improve space utilization.

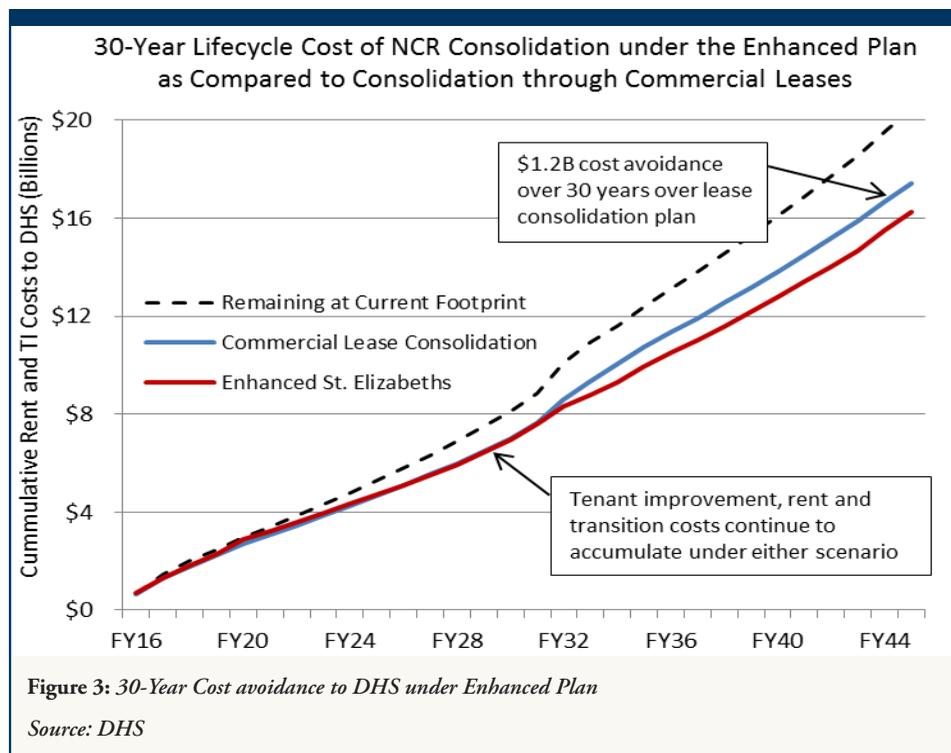
The Enhanced Plan would consolidate nearly 31,000 DHS personnel currently housed in more than 50 locations in the National Capital Region to approximately six to nine locations³⁸ (the bulk of which would be at St. Elizabeths). This is not only a wise investment for our nation's security, but for the American pocket book as well. Indeed, the Enhanced Plan would generate even more savings in the long-term than initially projected.³⁹ Simply put, the project will deliver better results for less money for the American taxpayer.

Savings from Ownership Instead of Renting

The Enhanced Plan for St. Elizabeths will consolidate DHS leased space into government-owned space and will save taxpayer dollars in the long term. Currently, 69 percent of the Department's leases expire between FY 2016 and FY 2020.⁴⁰ Thus, it is critically important to fully fund the Enhanced Plan to keep the project on schedule. If DHS personnel are unable to move to St. Elizabeths, DHS must pursue short-term leases at higher costs or recompet and build out new commercially-leased space.⁴¹ The least expensive alternative *by far* is to finish constructing St. Elizabeths under the current timetable in FY 2021.

The consolidation project makes use of underutilized property already owned and operated by the federal government. Rehabilitating and reusing government property to house DHS will save money

in the long term when compared to housing the components of DHS indefinitely in leased space in the National Capital Region. The March 2015 DHS and GSA business case analysis of the Enhanced Plan concluded that if the government stopped work on St. Elizabeths, DHS would have to consolidate leases as they expire and would need to obtain new leases for 10-15 locations with a projected total cost of \$17.4 billion over 30 years. In comparison, completing the Enhanced Plan would result in a total cost of \$16.2 billion over 30 years, thus, saving \$1.2 billion in the first thirty years.⁴² Figure 3 shows these savings.⁴³



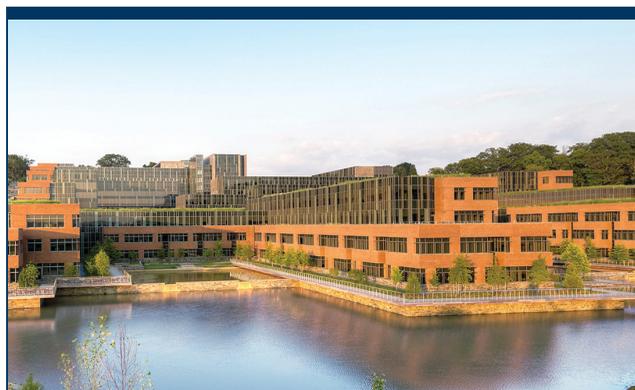
Savings from Sustainability

The DHS headquarters consolidation at St. Elizabeths has placed sustainability, including energy efficiency at the heart of the project. This has led to additional savings. For example, several completed buildings on the campus have achieved Leadership in Energy and Environmental Design (LEED) Gold and Silver certified ratings.⁴⁴ GSA and DHS have set a target of LEED Gold certification⁴⁵ for all campus buildings which is impressive considering the historic nature of the buildings on the campus and their associated historic preservation requirements.

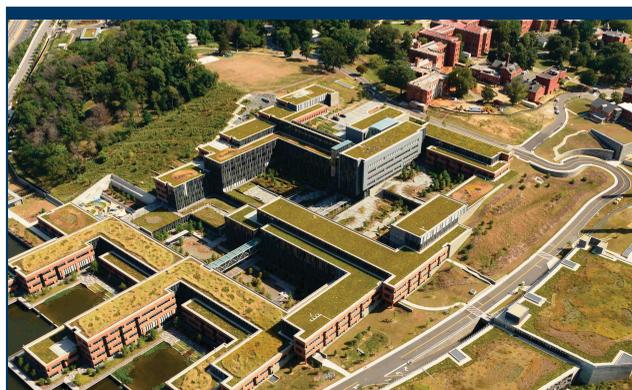
For example, the U.S. Coast Guard Headquarters features one of the largest green roofs in the world at over 500,000 square feet. This design increases energy efficiency, extends the life of the roofing system,⁴⁶ and provides for better management of storm water runoff.⁴⁷

Other sustainability measures at the site will reduce power consumption, improve water consumption, reduce storm water runoff, and reduce carbon emissions.⁴⁸ For example, when compared with the

regional total power consumption average, to date St. Elizabeths has achieved an approximate total savings of \$100,000 per month.⁴⁹ This is due to more efficient equipment, more natural light in offices, and better insulation of the building's exterior, with such improvements as green roofs.⁵⁰ According to GSA, each additional million ground square foot of new construction will produce additional savings of approximately \$50,000/month in total power consumption when compared with the regional average.⁵¹ For example, the Cafeteria/Kitchen complex contributes to power saving by reducing power consumption through the use of 90 photovoltaic panels and 34 solar thermal panels.⁵² The solar panels save 27,660 kwh/year and the thermal panels save 1,729 therms/year respectively.⁵³ Advanced lighting controls in the Munro Building, Department Operations Centers and Building 31, as well as in all new buildings going forward, will reduce powered lighting intensities during daylight hours and provide better control over lighting systems for the buildings operations group, reducing annual power consumption.⁵⁴



U.S. Coast Guard Munro Building - Retention Pond
Photo: Perkins and Will Architects



U.S. Coast Guard Munro Building - Green Roofs
Photo: USCG

Benefits for the Local Community

Economic Development and Supporting the Local Community

In addition to the mission benefits for DHS and the cost savings for the American taxpayer, DHS consolidation at St. Elizabeths is an economic development opportunity for the local community. St. Elizabeths is located in the District of Columbia's Ward 8, the Ward with the highest unemployment rate in the city.⁵⁵ The site supports jobs in the local community through an opportunities center that accepts employment applications, which are then made available to the contractors working on the DHS headquarters consolidation at St. Elizabeths, as well as with contractors working on other federal projects. The Center is designed to raise awareness about project objectives, employment and business opportunities, and other community benefits.⁵⁶

The project has already provided economic opportunities for local residents. For example, DC residents comprised an average of 22 percent of workers on the Coast Guard headquarters construction project,

even though DC has only 10 percent of the region’s population and at least 26 small businesses won contracts during Coast Guard headquarters construction, half of them District businesses.⁵⁷ Further, GSA reports that DC residents hold more than one-fifth of all the construction jobs on site, along with dozens of small businesses providing services to the general contractors. As of the summer 2016, the project provided jobs for 10,853 individuals, 1,858 of whom were District of Columbia residents and 368 of whom were Ward 8 residents.⁵⁸ When completed, the new DHS headquarters will continue to provide economic benefits to the area as a result of the thousands of workers who will be brought to the neighborhood, and who are expected to spend money on food, entertainment, and supplies. Contracting and other firms that do business with DHS are likely to seek office space nearby as well.⁵⁹



Douglas A. Munro Coast Guard Headquarters Building

Photo: Perkins and Will Architects

III. Conclusion and Recommendations: The Path Forward

The Enhanced Plan for the DHS headquarters consolidation project at St. Elizabeths reduces the overall project costs and increases efficiencies at the site, accelerates the final delivery date of the project by five years, and increases projected savings over the next 30 years to \$1.2 billion. Although budgets are tight, it is essential for Congress to fully fund the President's FY 2017 budget request for St. Elizabeths. A one year delay resulting from failure to provide full funding in FY 2017 will force the taxpayers to incur roughly \$70 million in unnecessary expenses due to increased construction costs and additional lease expenses over the course of a one year delay. The consolidation project will allow DHS to better complete its mission and save money. Now is the time to fund the President's FY 2017 budget request to keep construction of Enhanced Plan on time and on budget.

The report makes the following recommendations:

- **Congress should fully fund the Fiscal Year 2017 President's budget request.**
 - The project only requires funding for three more years, including FY 2017. The delays associated with failure to fully fund the project in FY 2017 will force the government to pay roughly \$70 million in unnecessary expenses which would not be incurred if the construction was funded so it could remain on schedule.

- **If Congress is not able to fully fund the project in Fiscal Year 2017 or if the federal government remains under a Continuing Resolution, DHS and GSA should be provided maximum flexibility to make the most efficient use of the funding provided.**

- **The new Administration should make sure finishing the DHS's headquarters consolidation project at St. Elizabeths remains one of the highest construction priorities given how the project will improve the Department's ability to accomplish its mission and save taxpayer money in the long run.**
 - The Administration should examine current construction projects and consider a reprogramming or transfer request if additional monies are available and could be moved without causing undue hardship on the existing project

Appendix: Funding History for DHS Headquarters Consolidation (\$\$ in Millions)

Fiscal Year	GSA Request	DHS Request	GSA Appropriation	DHS Appropriation
2006	\$38	\$0	\$38	\$0
2007	\$312.6	\$50.2	\$6.4	\$0
2008	\$346.6	\$120	\$0	\$0
2009	\$347	\$120	\$347	\$100
2009—American Recovery Reinvestment Act	—		\$450	\$200
2010	\$0	\$0	\$0	\$0
2011	\$380.3	\$287.8	\$30	\$77.2
2012	\$217.7	\$159.6	\$37.3	\$55.9
2013	\$0	\$89	\$0	\$28.9
2014	\$261.5	\$105.5 ¹	\$155	\$35
2015	\$251	\$58	\$144	\$48.6 ³
2016	\$380	\$215.7	\$341.7 ²	\$215.7 ⁴
2017	\$266.6	\$225.6	Senate: \$0 House: \$0	Senate: \$225.6 House: \$99.6

¹ Includes \$12.8M for DHS operational support costs

² GSA reprogrammed \$38M from other projects to bring total funds available in FY16 to \$380M

³ Includes \$15.3M for operational support costs and \$33M for development costs.

⁴ Includes \$15.3M for operational support costs and \$182.7M for development costs.

Source: Adapted from GSA & DHS Total Development Funding Summary by fiscal year.

Endnotes

1. Department of Homeland Security Headquarters Consolidation Enhanced Plan Slide Deck, February 2015 (on file with Minority staff).
2. Department of Homeland Security, *Department of Homeland Security National Capital Region Housing Master Plan: Building a Unified Department*, October 1, 2006, p. 1 (on file with Minority staff).
3. *Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006* (Public Law 109—115—November 30, 2005).
4. *Consolidated Appropriations Act, 2014* (Public Law 113 – 76 – January 17, 2014); *Department of Homeland Security Appropriations Act, 2015* (Public Law 114 – 4 – March 4, 2015).
5. *Consolidated Appropriations Act, 2016* (Public Law 114 – 113 – December 18, 2015).
6. Department of Homeland Security, Congressional Budget Justification: FY 2017, “Budget Request and Supporting Information: Departmental Management and Operations, Procurement, Construction, and Improvements, and Operations and Support,” February 2016.
7. Id.
8. Government Accountability Office, *DHS and GSA Need to Strengthen the Management of DHS Headquarters Consolidation*, GAO-14-648, September 19, 2014, p. 9-10.
9. Id.
10. Department of Homeland Security, *Congressional Budget Justification: FY 2016*, “Budget Request and Supporting Information: Department Management and Operations, DHS Headquarters Consolidation Project,” February 2015, p. 6-8.
11. Department of Homeland Security Headquarters Consolidation Enhanced Plan Slide Deck, February 2015 (on file with Minority staff).
12. Currently, 69 percent of DHS leases within the National Capital Region will expire between FY 2016-FY2020. See attachment to letter from DHS Secretary Jeh Johnson and GSA Administrator Dan Tangherlini to Chairman Thomas R. Carper, “Department of Homeland Security Headquarters Consolidation Locations,” September 18, 2014, Enclosure 1 (on file with Minority staff).
13. Department of Homeland Security Headquarters Consolidation Enhanced Plan Slide Deck, February 2015 (on file with Minority staff).
14. Department of Homeland Security, *National Capitol Region Real Property Strategic Plan: Business Case Analysis: Joint GSA/ DHS Real Property Strategic Plan for DHS Headquarter organizations, incorporating a revised St. Elizabeths construction plan and updated workplace standards* (Revised March 3, 2015) (on file with Minority staff).
15. *Consolidated Appropriations Act, 2016* (Public Law 114—113 – December 18, 2015).
16. Id.
17. U.S. Senate, Committee on Appropriations, *Department of Homeland Security Appropriations Act, 2017* (S. 3001), 114th Congress, 2016; U.S. House of Representatives, Committee on Appropriations, *Department of Homeland Security Act, 2017* (H.R. 5634), 114th Congress, 2016.
18. U.S. Senate, Committee on Appropriations, *Financial Services and General Government Appropriations Act, 2016*, (S. 1920), 114th Congress, 2015; U.S. House of Representatives, Committee on Appropriations, *Financial Services and General Government Appropriations Act, 2017* (H.R. 5482), 114th Congress, 2016.
19. Department of Homeland Security Headquarters Consolidation Enhanced Plan Slide Deck, February 2015 (on file with Minority staff).
20. Government Accountability Office, *DHS and GSA Need to Strengthen the Management of DHS Headquarters Consolidation*, GAO-14-648, September 19, 2014, p. 16.

21. Department of Homeland Security, *National Capitol Region Real Property Strategic Plan: Business Case Analysis: Joint GSA/ DHS Real Property Strategic Plan for DHS Headquarter organizations, incorporating a revised St. Elizabeths construction plan and updated workplace standards* (Revised March 3, 2015).
22. Letter from GSA Associate Administrator Lisa Austin to Ranking Member Thomas R. Carper, June 9, 2016 (on file with Minority staff).
23. Id.
24. Id.
25. ICE and CBP buildings would also be delayed by a year thus resulting in increased rent costs. See letter from Secretary Johnson to Ranking Member Thomas R. Carper, June 30, 2016 (on file with Minority Staff).
26. Id.
27. U.S. Senate, Committee on Homeland Security and Governmental Affairs, *Security and Savings: The Importance of Consolidating the Department of Homeland Security's Headquarters at St. Elizabeths*, 2014, available at: http://www.govexec.com/media/gbc/docs/pdfs_edit/091912cc1.pdf.
28. Department of Homeland Security Headquarters Consolidation Enhanced Plan Slide Deck, February 2015 (on file with Minority staff).
29. General Services Administration, "GSA: Data Shows Why Fully Funding St. Elizabeths Enhanced Plan in FY16 is the Right Decision," news release retrieved at: <http://www.gsa.gov/portal/content/118958>, June 12, 2016; see also U.S. Senate, Committee on Homeland Security and Governmental Affairs, *Security and Savings: The Importance of Consolidating the Department of Homeland Security's Headquarters at St. Elizabeths*, 2014, available at: http://www.govexec.com/media/gbc/docs/pdfs_edit/091912cc1.pdf.
30. U.S. Senate, Committee on Homeland Security and Governmental Affairs, *Security and Savings: The Importance of Consolidating the Department of Homeland Security's Headquarters at St. Elizabeths*, 2014.
31. Testimony of Secretary Johnson, hearing before the U.S. Senate Committee on Appropriations Subcommittee on Homeland Security, *Department of Homeland Security Appropriations for 2017*, February 24, 2016.
32. Testimony of Chris Cummiskey, Acting Under Secretary for Management at the Department of Homeland Security, hearing before the U.S. House of Representatives Committee on Homeland Security's Subcommittee on Oversight and Management Efficiency, *Oversight of the DHS Headquarters Project at St. Elizabeths: Impact on the Taxpayer*, September 19, 2014.
33. Testimony of Undersecretary for Management Russell Deyo and Deputy Undersecretary for Management Chip Fulghum, hearing before the U.S. Senate Committee on Appropriations Subcommittee on Homeland Security, *DHS Management and Acquisition Reform*, March 16, 2016. See also *National Defense Authorization Act for Fiscal Year 2017*, (S. 2943), 114th Congress, 2016.
34. Department of Homeland Security, *Department of Homeland Security National Capital Region Housing Master Plan: Building a Unified Department*, October 1, 2006, p. 1.
35. Committee staff interview, former Commandant of the USCG Thad Allen (retired), August 15, 2014.
36. Department of Homeland Security, *National Capitol Region Real Property Strategic Plan: Business Case Analysis: Joint GSA/ DHS Real Property Strategic Plan for DHS Headquarter organizations, incorporating a revised St. Elizabeths construction plan and updated workplace standards*, (Revised March 3, 2015).
37. Id.
38. Id.
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40. Testimony of Chris Cummiskey, Acting Under Secretary for Management at the Department of Homeland Security, hearing before the U.S. House of Representatives Committee on Homeland Security's Subcommittee on Oversight and Management Efficiency, *Oversight of the DHS Headquarters Project at St. Elizabeths: Impact on the Taxpayer*, September 19, 2014.

41. Letter from Secretary Johnson to Ranking Member Thomas R. Carper, June 30, 2016 (on file with Minority Staff).
42. Department of Homeland Security, *National Capitol Region Real Property Strategic Plan: Business Case Analysis: Joint GSA/DHS Real Property Strategic Plan for DHS Headquarter organizations, incorporating a revised St. Elizabeths construction plan and updated workplace standards*, (Revised March 3, 2015).
43. Department of Homeland Security, *How Can Congress Save \$1.2 Billion*, brochure July 2016 (on file with Minority staff).
44. LEED-certified buildings are more resource efficient. They use less water and energy and reduce greenhouse gas emissions and save money over time. For more information about LEED-certified buildings, see <http://www.usgbc.org/leed>.
45. General Services Administration, *DHS St. Elizabeths Campus: Sustainability Summary*, July 11, 2011 (on file with Minority staff).
46. Green roofs extend the life of the roofing membranes and assemblies. It can be expected that green roofs will extend the life of the roofing systems, perhaps doubling the life of the assembly, saving the government the costs of roofing replacement, as well as saving interim costs in items like water leak repairs normally encountered as roofing systems age. See General Services Administration, *St. Elizabeths West Campus Sustainability and Cost Savings*, August 30, 2016.
47. General Services Administration, *DHS St. Elizabeths Campus: Sustainability Summary*, Version 1.1, July 11, 2011.
48. General Services Administration, *DHS St. Elizabeths Campus: Sustainability Summary*, Version 2, February 15, 2012.
49. General Services Administration, *St. Elizabeths West Campus Sustainability and Cost Savings*, August 30, 2016. To calculate this figure GSA reports that the energy coast per square foot of GSA-managed building projects across the Nations Capitol Region was compared to energy per square foot at GSA.
50. Id.
51. General Services Administration, *DHS St. Elizabeths Campus: Sustainability Summary*, July 11, 2011 (on file with Minority staff).
52. Id.
53. Id. Photovoltaic panels collect solar energy for use as electricity whereas solar thermal panels modify heat absorption by the building, helping to cut down on power needs for heating and cooling.
54. Id.
55. General Services Administration, *DHS Headquarters is Largest Construction Project in GSA History*, <http://www.gsa.gov/portal/content/133423>
56. General Services Administration, *GSA Development of St. Elizabeths Campus Opportunities Center*, <http://www.stelizabethsdevelopment.com/community-activities.html>
57. Congresswoman Eleanor Holmes Norton, Winter 2013 Newsletter, <https://norton.house.gov/sites/norton.house.gov/files/Winter%2013%20Newsletter.pdf>
58. General Services Administration, *Opportunities Center Newsletter*, Volume 7, Issue 11-Summer 2016. (on file with Minority staff).
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United States Senate Committee on
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RANKING MEMBER THOMAS R. CARPER
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