

Freezing the Footprint

Posted by [Danny Werfel](#) on March 14, 2013 at 12:56 PM EDT

The Administration has made it a priority for Federal agencies to dispose of unneeded properties and make more efficient use of the Government's real estate assets. As the next step in this effort, today, OMB is issuing [guidance](#) to direct agencies to implement a "Freeze the Footprint" policy for Federal real estate.

Under today's new guidance, all CFO-act agencies are required to develop plans that will serve as the basis for agency actions to restrict the growth in their office and warehouse inventories. Agencies will also be required to develop internal controls related to square footage growth and facilitate increased communication between agency Chief Financial Officer and Real Property Management offices. These changes will further improve the management of the Federal Government's real property assets.

This effort builds upon on the Administration's ongoing work to sell unneeded Federal properties. For example, in October 2012, GSA sold the Naval Weapons Industrial Reserve Plant in Dallas for \$357,500 and the Government was able to realize over \$27 million in savings by requiring the new owner to complete the necessary environmental remediation. And in November 2012, GSA sold a 1.39 acre Norfolk, VA, multi-building property, that had been declared excess by the Department of Defense (DOD), to the City of Norfolk for \$1.1 million to become administrative and training offices for the Norfolk Sheriff's Department. More information on these and other Federal properties that have been sold can be viewed on the [White House Excess Assets page](#).

Today's guidance also expands on the President's 2010 directive to agencies to identify cost savings through better real estate management. In the directive, the President set an ambitious goal of eliminating \$8 billion in real estate costs by 2012: \$5 billion in savings through DOD's Base Realignment and Closure Commission (BRAC) process and \$3 billion in non-BRAC savings. By the end of FY 2012 Federal agencies identified over \$3.5 billion in non-BRAC real estate savings through disposals, space management, and sustainable energy and innovative real property management practices. In addition, DOD identified \$5.1 billion in real-estate savings related to BRAC. An update on agency efforts to achieve the President's \$8 billion goal is available on [Performance.gov](#).

Agencies have made tremendous progress in making their real estate inventories more efficient, however, we know there is still more work to be done. As we develop new initiatives to spur progress in managing Federal real estate, we will be incorporating “lessons learned” from the implementation of the President’s goals to date. We look forward to further reducing the size and cost of the Government’s real estate inventory in the years ahead.

Danny Werfel is Controller of the Office of Management and Budget