FBI HEADQUARTERS

REVISED NATIONALLY-FOCUSED CONSOLIDATION PLAN

2/12/2018

GSA

FBI HQ Consolidation

OVERVIEW

GSA and FBI are presenting a revised plan for the FBI Headquarters Consolidation project which remains a critical project and high priority.

In response to the Senate Committee on Environment and Public Works hearing on August 2, 2017 and letter from December 1, 2017, the following items are covered:

- **Project Urgency**
- **Revised Strategy**
- **Project Elements + Cost**
- **Recommendation**

GSA and FBI are committed to working closely with Congress to find a viable solution which:

- Meets FBI Critical National Security and Intelligence Operations
- Provides a Good Deal for the Taxpayer

CANCELLED FULL CONSOLIDATION

Note: Conceptual Model Only, Not Based on a Particular Site

DESIGN + CONSTRUCTION: $2.65B

1 HQ Main Operations Building
- SCIF (Sensitive Compartmented Information Facility), RF (Radio Frequency) Shielding + Intrusion Detection Systems
- SIOC (Strategic Information Operations Center)
- Mission Briefing Center
- Blast, Ballistic + CBR (Chemical/Biological/ Radiological) Protection
- Health + Fitness
- Upgraded IT (Information Technology)

2 Central Utility Plant (CUP)
- Island Mode: 72-Hour Back-up Power and Redundant Utility Feeds

3 Visitor Center (VC)
- Remote Visitor Center + Upgraded Access Control Systems

4 Parking Garages

5 Truck Inspection Facility (TIF)
- Remote TIF + Perimeter Security

6 Site Work
- Perimeter Security

Design

Land + GSA + Contingency

Space Utilization:
220 USF (Usable Square Feet) per Person (Existing)
182 USF per Person (Planned)

FBI FIT-OUT: $915M

- Active IT
- Furniture, Fixtures and Equipment (FF&E)
- Security Equipment + Services
- Program Management Office
- Moves
- Decommissioning / Dual Operations
- GSA Reimbursable Work Authorizations Fees

TOTAL COST: $3.57B

FBI HQ Consolidation

CANCELLED FULL CONSOLIDATION: CAMPUS PROGRAM ELEMENTS

The full consolidation program funding strategy was a combination:

JEH Exchange Value

+

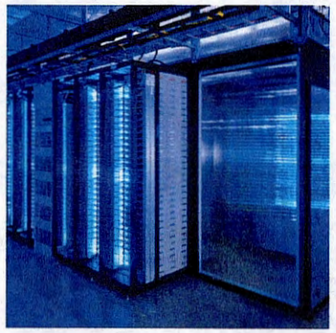
Federal Appropriations

The Exchange Procurement was cancelled in July 2017. It was jointly determined by GSA and FBI that making a contract award without full funding put the Government at risk of cost escalations and the potential reduction in value of the JEH site.

72 Hour Back-up Power + Redundant Utility Feeds

- In an attack against the U.S. Government, the initial national security operations will be hosted from the SIOC.
- Provides continuous operations capabilities until the mission can be moved to a more permanent, stable location if needed.

Upgraded IT (Information Technology)



- FBI requires multiple operations networks at various classification levels and several monitoring networks for mission protection.
- These networks add considerable scope and complexity to the IT infrastructure versus a corporate facility of comparable size.

SCIF, RF Shielding + Intrusion Detection Systems

- A SCIF is a cube with protective layers on all six sides and outfitted with RF (Radio Frequency, electromagnetic radiation) shielding and Intrusion Detection systems to avert surveillance efforts.
- Home of all intelligence operations; prevents classified information from leaking out and stops outside threat from listening into sensitive conversations.

Mission Briefing Center

- Unclassified auditorium to brief non-FBI law enforcement partners on joint operations as well as a large SCIF to support high level SCI briefings between IC partners.
- Designed as dual purpose training and conference area amid operational use to maximize value.
- Unclassified briefing space has been a multi-decade inadequacy of the J. Edgar Hoover (JEH) Building.

Visitor Center, Perimeter Security + Upgraded Access Control Systems

- Visitor Center and upgraded access control system prevents unauthorized personnel intrusion.
- Perimeter barriers protect against vehicle borne threats into the facility.

Strategic Information Operations Center (SIOC)

- Heart of the FBI's operational capability and the nerve-center for managing all operations at both global and national scale.
- Critical operation space with large square foot + technical requirements.
- Integrates cases with U.S. Department of Justice and other IC agencies and partners.
- May host the President and the Attorney General during critical operations.

Blast, Ballistic + CBR Protections

- FBI's symbolism and high security threats due to national security missions mandate enhanced protection.
- To ensure mission continuity, the headquarters must be built with blast and ballistic protection against a classified threat and some mission spaces have to be protected against CBR attacks.

Acronym List

CBR	Chemical Biological Radiological
IC	Intelligence Community
RF	Radio Frequency (electromagnetic radiation)
SCI	Sensitive Compartmented Information
SCIF	Sensitive Compartmented Information Facility
SIOC	Strategic Information Operations Center

URGENCY OF PROJECT

Cost of Inaction:

$84 M Annually

For Construction Escalation Using a Conservative 2% on $2 B + JEH Sustainment Cost

Expensive Operations + Maintenance Cost

- **$142M** Annually for Leases (2.7M SF of Leased Space)
- **$42M** Annual Maintenance Costs for the J. Edgar Hoover Building (JEH)
- **$160M** Potential Emergency Repairs that put FBI Operations at Risk, Probability Increasing Exponentially Each Year of Delay

Delay = Increased Cost

Criteria for Success:

- ✓ **A Headquarters (HQ) Capable of Supporting the FBI National Security + Intelligence Operations**
- ✓ **A Good Deal for the Taxpayer**

Scattered Mission + Inadequate Capacity

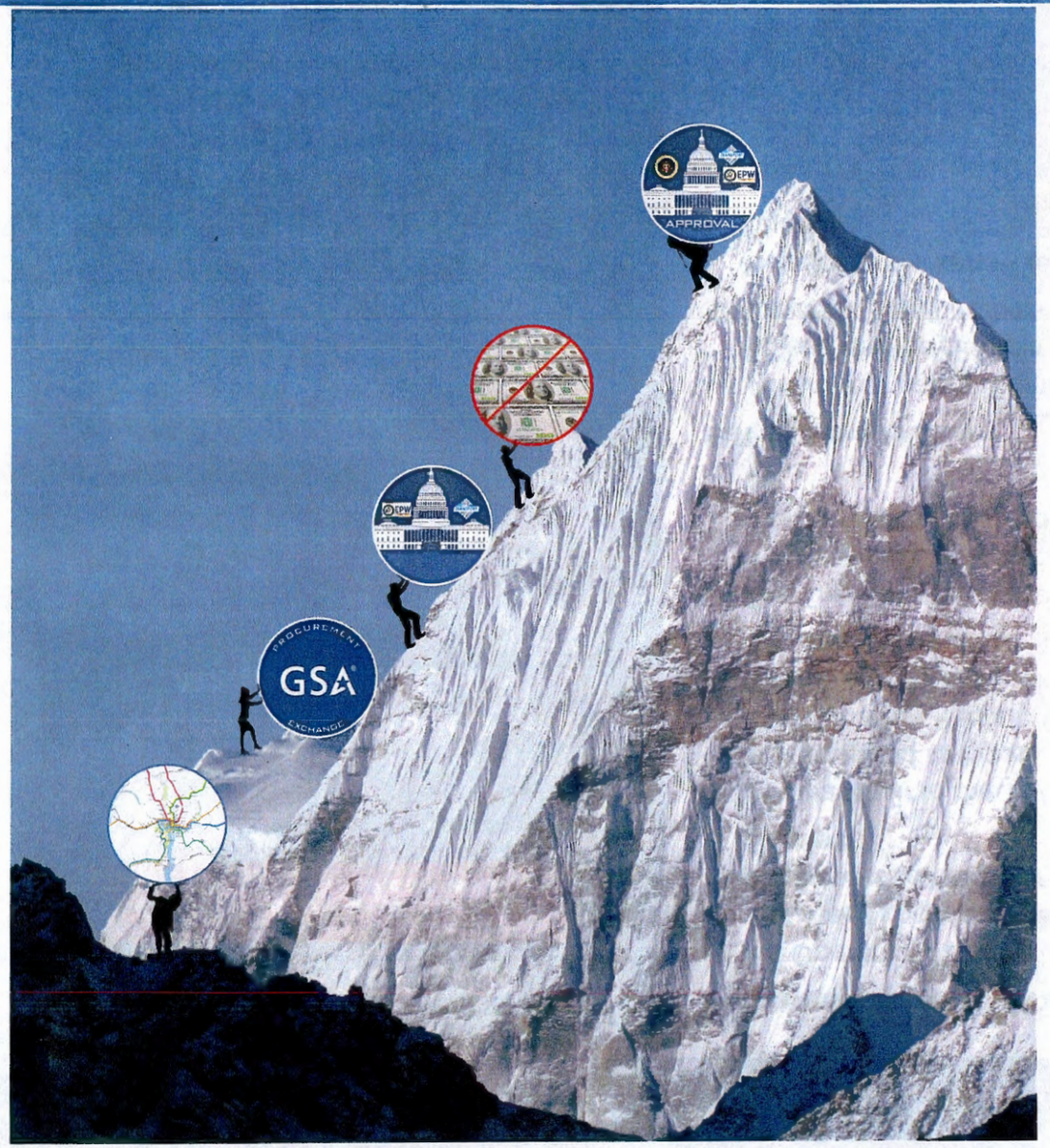
- FBI Operations are Scattered Across JEH and 13 Leased Locations Causing Significant Challenges to Command and Control of Mission Elements
- JEH was Built in the 1960s as a Police Precinct Not Intended to House Operation Centers for 21st Century's Rapidly Changing, Asymmetrical National Security Missions (Intelligence, Terrorism, Cyber)
- The Current Infrastructure does not have Adequate Capacity to Support the Significant Demand of the Operations Space

Failing Infrastructure

- JEH Infrastructure is on a Path to Catastrophic Failure with Key Building Systems Past their Expected Service Lives
- Exterior and Interior Concrete Structure is Failing

FBI HQ Consolidation

REVISED APPROACH TO ACHIEVE ESTABLISHED GOALS



The FBI HQ Program has undergone a number of starts and stops. After multiple years of unsuccessfully pursuing a Fully Consolidated HQ in the National Capital Region (NCR), the FBI along with GSA took the latest restart as an opportunity to re-evaluate all project elements, including:

- **Scope**
- **Location**
- **Cost**
- **Acquisition Strategy**

This re-evaluation resulted in a revised approach which focused on achieving the following goals:

- **Reduce Cost**
- **Explore Viable Acquisition Strategies**
- **Identify an Acceptable Funding Solution between All Stakeholders**

This revised approach presents an opportunity to resolve the long-term goal of delivering a consolidated FBI Headquarters.

FBI HEADQUARTERS – A REVISED, NATIONALLY-FOCUSED CONSOLIDATION

ORIGINAL HQ CONSOLIDATION PLAN
DC Region Focus
(2013-2017)

Govt Owned (J. Edgar Hoover)	5,692
DC Leases (x4)	2,115
VA Leases (x7)	2,413
MD Leases (x2)	188
Subtotal	10,408
Growth (0.2% annually over 10 years)	198
DC Region HQ Staff	**10,606**

REVISED, NATIONALLY-FOCUSED CONSOLIDATION PLAN (2018)

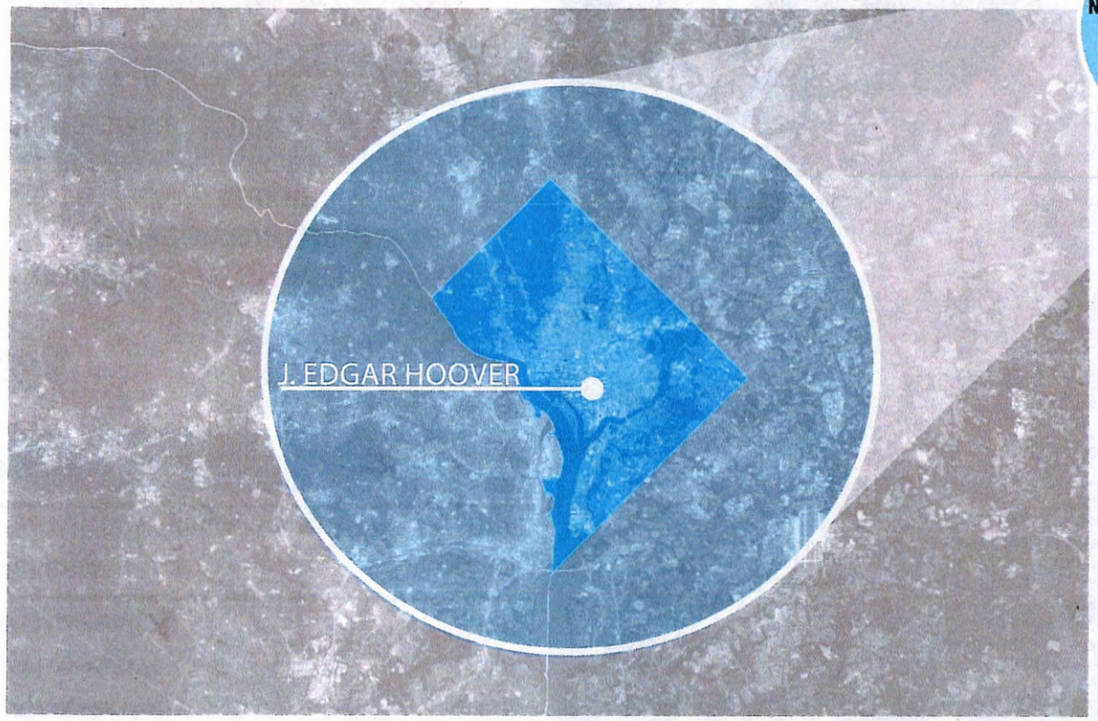
DC Region HQ Staff	**8,300***
National HQ Staff: AL, WV, ID	**2,306***

FBI Reduced its DC Region HQ Program Significantly to Form a Nationally-Focused Portfolio Allowing Greater Mission Resiliency and Flexibility

**Preliminary Estimates - Subject to Revisions*

REVISED NATIONAL CAPITAL REGION STRATEGY

Reutilization of the **federally owned JEH site** will provide the FBI with a headquarters capable of supporting national security and intelligence operations while providing a **good deal for the taxpayer.**



FBI NATIONAL CAPITAL REGION HEADQUARTERS
8,300 Personnel

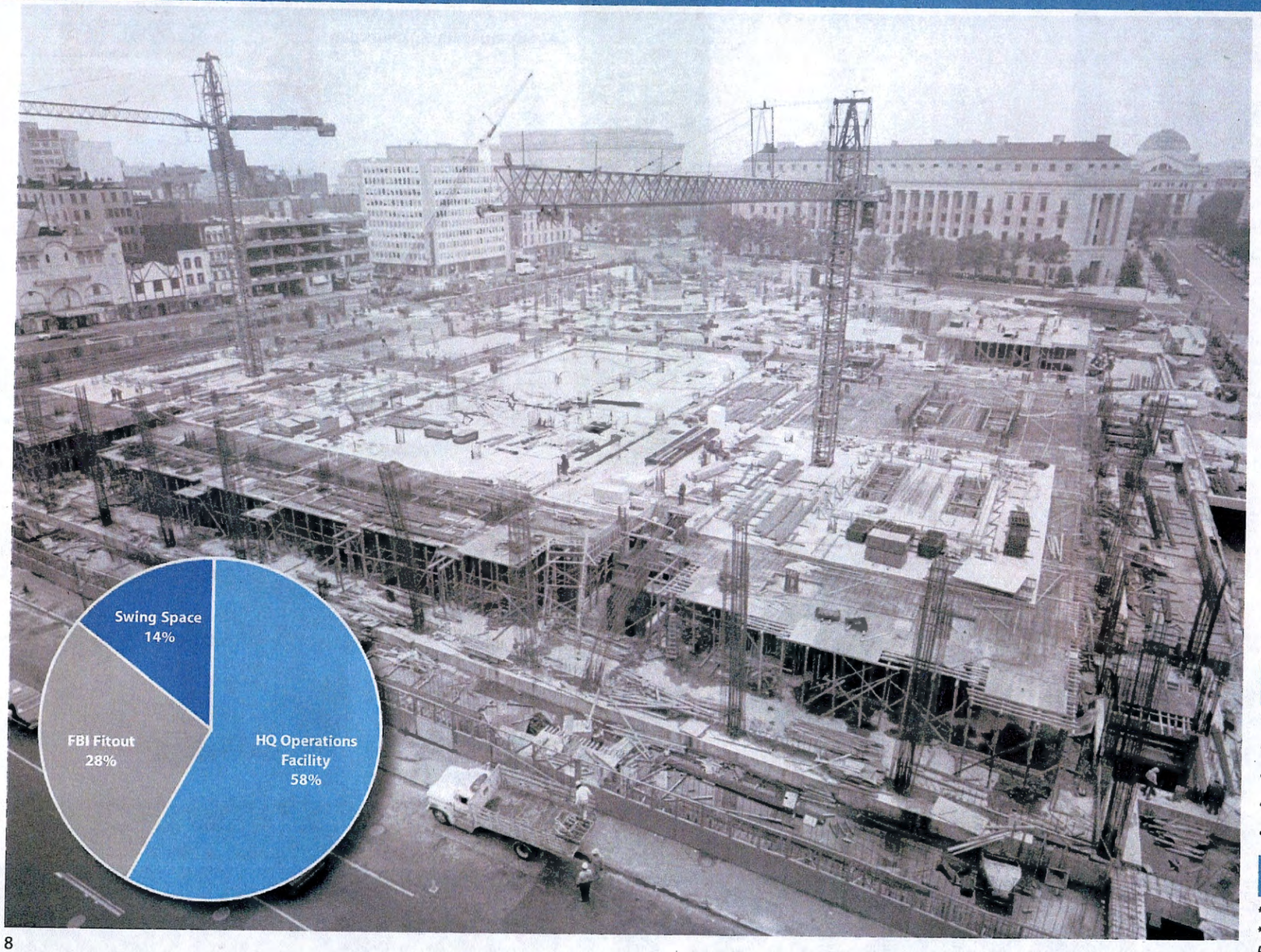
Under a reduced program size, GSA and FBI also re-evaluated site alternatives; reutilization of the federally owned J. Edgar Hoover (JEH) site provides multiple benefits to the FBI and will save the Taxpayer $500M+. These benefits include:

- No Land Acquisition Cost
- Reduced Off-site Transportation Mitigation Cost
- Reduced Parking Needs and Cost
- Reduced Site Development Cost
- Maintains Established and Close Proximity to FBI Mission Partners
- Provides Multiple Points of Access for FBI Employees

Much of the prior work can be leveraged for this approach, including:

- **FBI Program of Requirements (POR):** Substantial Reuse
- **Environmental Impact Study (EIS):** Partial Reuse; data and analysis related to the JEH site
- **Request for Proposal (RFP):** Partial Reuse; Security (Process + Procedures), O&M, and Commissioning Content Remains Unchanged

DEMOLISH + REBUILD: PROGRAM ELEMENTS + TOTAL COST



DESIGN + CONSTRUCTION: $1.93 B*

HQ Operations Building: 2.6M GSF

- SCIF (Sensitive Compartmented Information Facility), RF (Radio Frequency) Shielding + Intrusion Detection Systems
- SIOC (Strategic Information Operations Center)
- ESOC (Enterprise Security Operations Center)
- SOC (Security Operations Center)
- Mission Briefing Center
- Blast, Ballistic + CBR (Chemical/Biological/ Radiological) Protection
- Health + Fitness
- Upgraded IT (Information Technology)
- Visitor Center (VC)
- Parking

FBI FIT-OUT: $923 M*

- Furniture, Fixtures + Equipment
- Active IT/AV
- Security Equipment + Services
- Program Management
- Moves
- Decommissioning
- Escalation

SWING SPACE**: $479 M*

- Design
- Tenant Improvements
- Furniture, Fixtures + Equipment
- Active IT/AV
- Moves

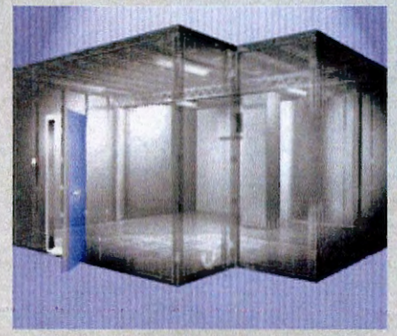
TOTAL COST: $3.3 B*

**Preliminary Estimates - Subject to Revisions*
*** Rent not Included in this Estimate as the Differential with Current Rent Payments not Determined*

FBI HQ Consolidation

COMPARISON OF URBAN/SUBURBAN MISSION ELEMENTS

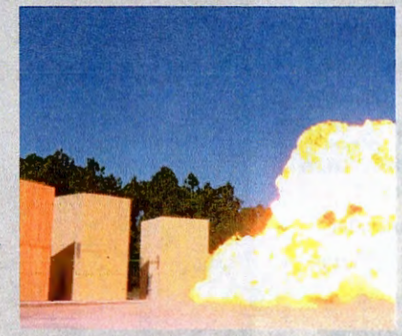
NO CHANGES TO MISSION ELEMENTS



SCIF, RF Shielding + Intrusion Detection Systems

Strategic Information Operations Center (SIOC)

Mission Briefing Center



Blast, Ballistic + CBR Protections

Upgraded IT (Information Technology)

SUBURBAN MISSION REQUIREMENTS

Detached Central Utility Plant (CUP): 72 Hour Back-up Power + Redundant Utility Feeds

Remote Truck Inspection Facility (TIF)

Detached Visitor Center (VC) + Access Control

URBAN MISSION REQUIREMENTS

No Separate Central Utility Plant (CUP) – All Functions Located within the Main Building

No Remote Truck Inspection Facility (TIF) – Continued Use of the Cheverly Facility

No Detached Visitor Center – All Functions Located within the Main Building

FBI HQ Consolidation

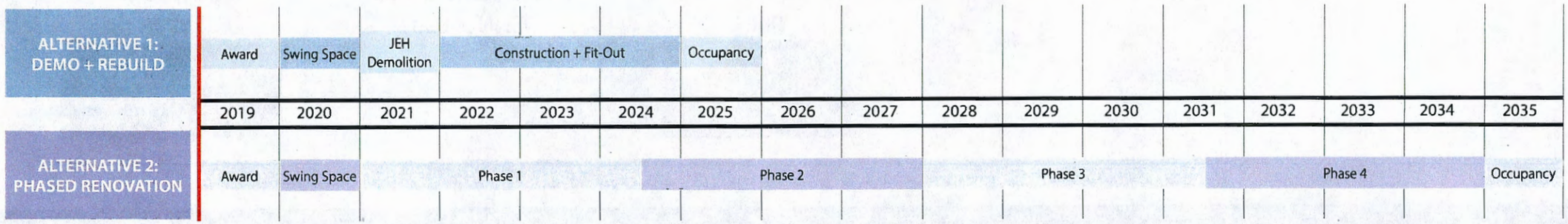
LEVERAGING THE JEH SITE: RENOVATE VS. DEMOLISH + REBUILD

ALTERNATIVE 1: DEMOLISH + REBUILD	CRITERIA COMPARISON	ALTERNATIVE 2: FOUR-PHASE RENOVATION
$3.3 B	PROGRAM COST	$3.8 B
2025	YEAR OF OCCUPANCY	2035
~4,000 Personnel	SWING SPACE NEEDS	~1,800 Personnel
Full Compliance	SECURITY	Progressive Collapse Compliance Concerns
Planned	MISSION DISRUPTIONS	Unplanned
8,300	CONSOLIDATION	7,750 Plus 550 in Leased Space
~182 USF Per Person	SPACE UTILIZATION + EFFICIENCY	~215 USF Per Person

RECOMMENDATION: DEMOLISH + REBUILD

Performs Better in Criteria Comparisons:

- Cheaper Program Costs
- Faster Delivery
- Mitigates Security Concerns
- Less Mission Disruptions
- Improved Efficiency



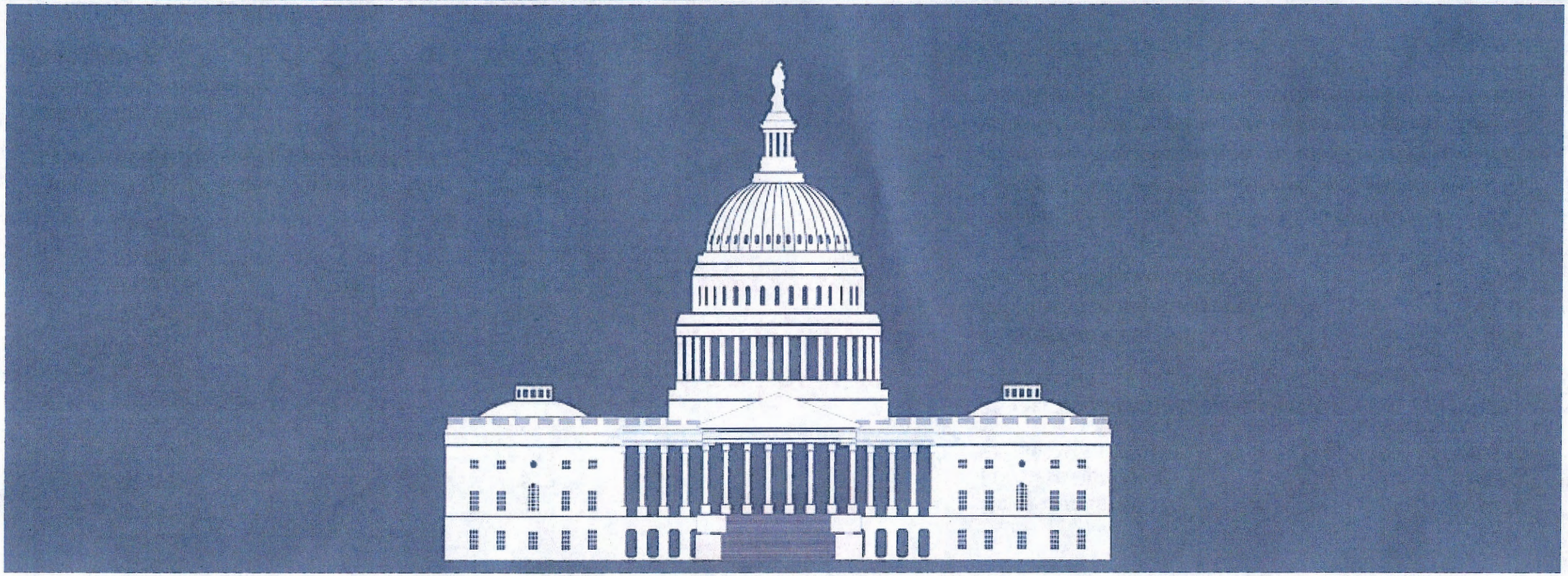
Schedule Not Dependent on Acquisition Strategy

FUNDING GAP ANALYSIS

FULL CONSOLIDATION				JEH REBUILD			
	10,606		PERSONNEL		8,300		
	2017		CONTRACT AWARD		2019		
$	3,565	M	**TOTAL**	$	3,328	M	**Comments**
$	**2,650**	**M**	**DESIGN + CONSTRUCTON**	**$**	**1,926**	**M**	Includes: Design, Construction, Developer Fees, Land, Contingency
$	(703)	M	FY16 + FY17 APPROPRIATIONS	$	(703)	M	GSA + FBI Construction Appropriations
$	(750)	M	ANTICIPATED JEH*				
$	(315)	M	DOJ WORKING CAPITAL FUND				Account requires contributions before withdrawals
$	882	M	INCLUDING JEH CREDIT	$	1,223	M	
$	1,632	M	EXCLUDING JEH CREDIT	$	1,223	M	
$	**915**	**M**	**FBI FIT-OUT**	**$**	**923**	**M**	Includes: IT, Security, FF&E, Move, Decommissioning, PMO
$	**-**	**M**	**TEMPORARY SWING SPACE**	**$**	**479**	**M**	Design and construction excluding rent payments**
$	(135)	M	FY16 PRIOR YEAR AUTHORIZATION	$	(135)	M	
			DOJ WORKING CAPITAL FUND	$	(315)	M	Recommend DOJ WCF be applied to Fit-Out
$	780	M	SUBTOTAL	$	952	M	
$	**2,412**	**M**	**TOTAL SHORTFALL**	**$**	**2,175**	**M**	

** Presented value used for planning purposes. Actual bids procurement sensitive.*
***Rent not included in this estimate as the differential with current rent payments not determined.*

FUNDING OPPORTUNITY



- Two-Year Budget Cap Deal Provides a Unique Opportunity to Secure Appropriations for the FBI Headquarters
- The Administration is Seeking $2.175B in Appropriations to Fully Fund Federal Construction to Demolish and Rebuild JEH
- Congressional Support and Timely Funding will be Critical to Ensure a Successful Project

IMPORTANCE OF TIMELY FUNDING

GSA

Federal Phased Appropriations - Actual Example

FDA WHITE OAK

Appropriations by Year in $Millions

FY1996	$55
FY2000	$35
FY2001	$92
FY2002	$19
FY2003	$38
FY2004	$42
FY2005	$89
FY2006	$128
FY2007	$178
FY2008	$58
FY2009	$163
FY2010	$140
FY2011	$43
FY2012	$10

Total Required for Phased Appropriations:	**$1,090**
Total Required for Single Appropriations:	**$584**
Completion Year:	**2014**
Original Planned Phases:	**5**
Total Phases:	**12**

Delays Associated with Funding Increases Cost Substantially, with Each Phase Needing Re-Compete and Re-mobilization

Insufficient or Delayed Funding

Can Lead to Sub-Optimal Decisions

Operating Lease - Actual Example

DEPARTMENT OF TRANSPORTATION

Payment in $Millions

FY2007 – FY2037

Developer Cost:	**$422**
Purchase Option:	**$767.5**
Second-Term (if purchase is not made):	**$920***
15-Year Shell Rent + Purchase Option:	**$1,293**
Total Estimated Lease Payments (30 years):	**$1,445**
Completion Year	**2006**
Original Planned Duration:	**5**
Actual Years to Complete:	**5**

The Bush Administration sought funding to begin Federal construction of a new DOT headquarters, but Congress did not provide requested funds. Instead, in P. L. 105-277, GSA was directed to enter into an operating lease, provided that the lease met OMB A-11 Guidelines for Operating Leases as determined by the OMB Director.

** Estimated using program rate.*

FBI HQ Consolidation

PATH FORWARD

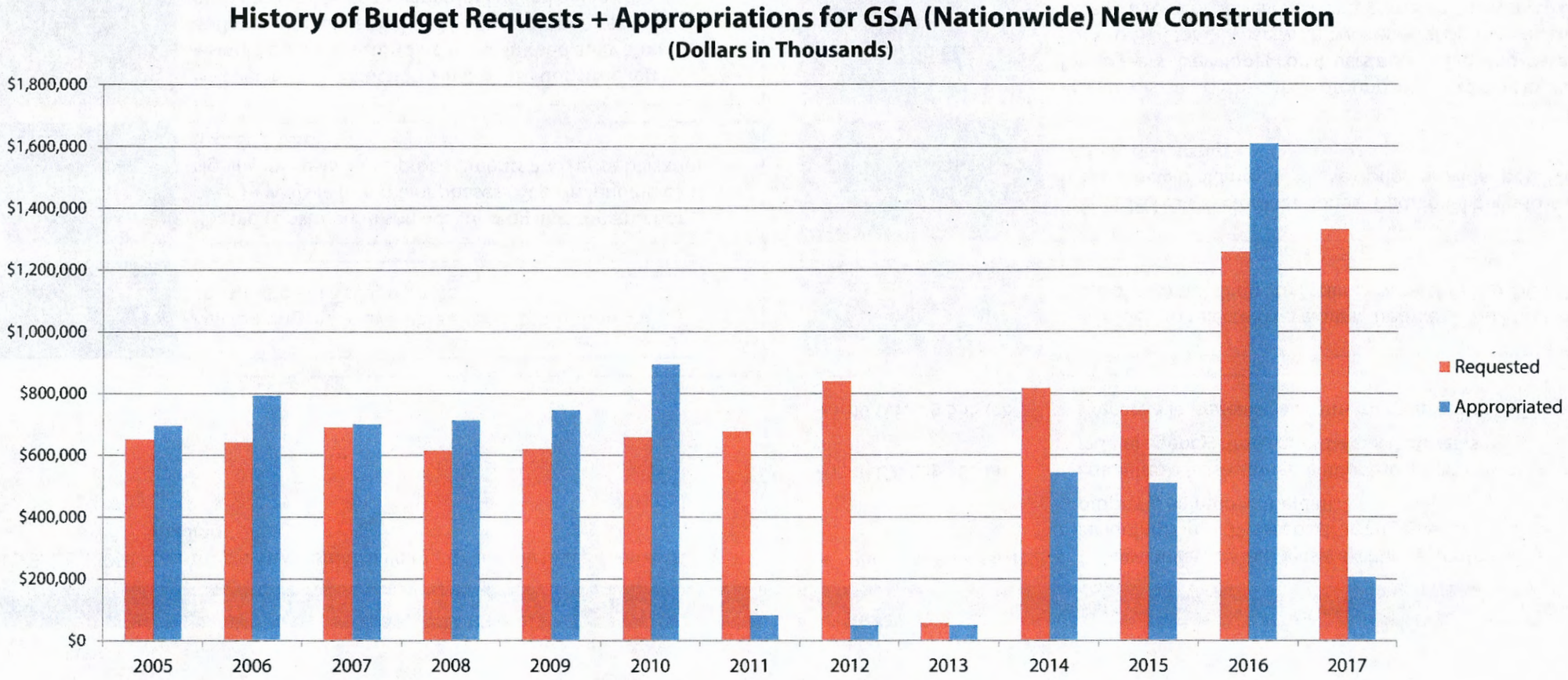
1. GSA submits additional Prospectus.
2. GSA proceeds with the planning and procurement consistent with the existing authorization and/or appropriations.
3. The Senate and House authorize a Prospectus and provide appropriations.

APPENDIX

GSA

FBI HQ
Consolidation

HISTORY OF BUDGET REQUESTS + APPROPRIATIONS



FBI HQ Consolidation

GSA AUTHORITIES

FEDERAL CONSTRUCTION	
• 40 U.S.C. § 3305:	Construct a new public building to take the place of an existing building

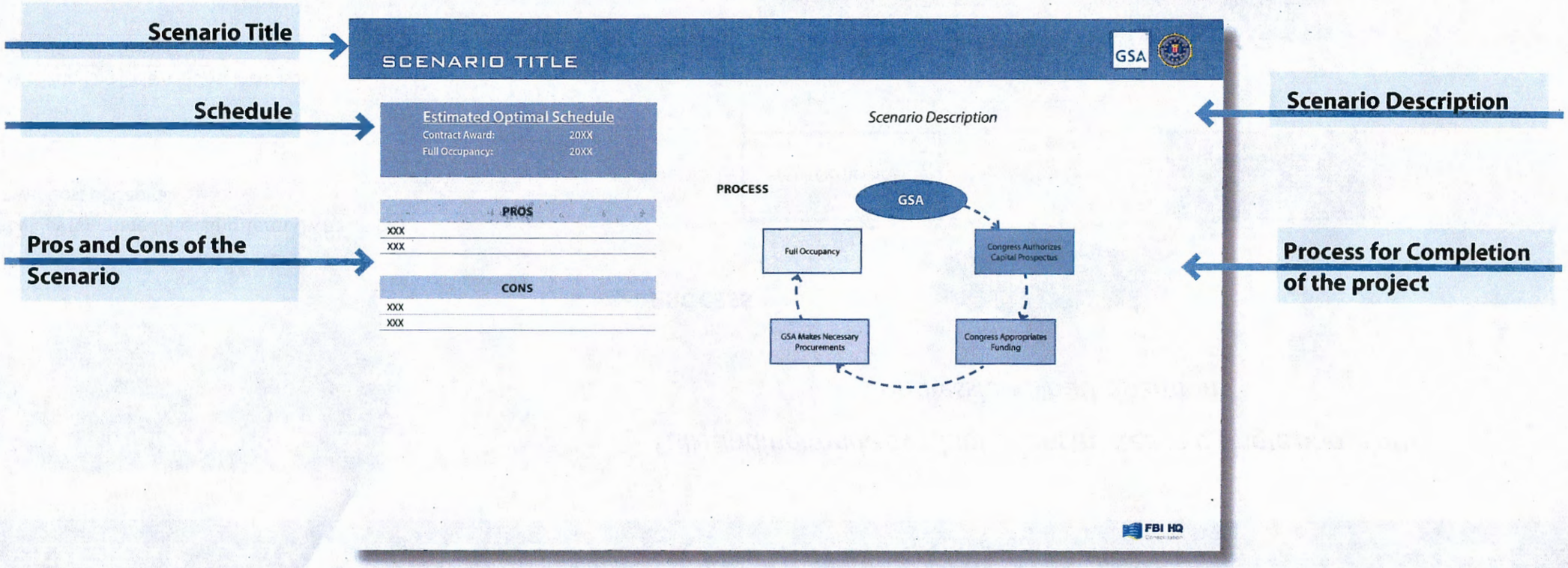
LEASE CONSTRUCTION	
• Pub. L. 108-447 § 412:	"...may convey, by sale, lease, exchange or otherwise, including through leaseback arrangements, real and related property, or interest therein..."
• 40 U.S.C. § 585 (a):	Enter into a lease agreement for the accommodation of a federal agency; terms not to exceed 20 years
• 40 U.S.C. § 585 (c):	Execute a lease/leaseback arrangement for up to 30 years

Traditional	Full funding made available after authorization and constructed in a single phase.
Phased Renovation	Phased construction spreads funding and construction over 14 years in four major phases. Gaps in funding causes significant costs for re-procurements and re-mobilization (e.g. St. Elizabeths).
Hybrid: Federal + GL-LB	Half Federal Construction + half Lease Construction in a single phase. Full funding made immediately after authorization of Capital and Lease prospectuses. Expiration of the ground lease provides for Federal ownership.

Lease	Sale of JEH to selected developer. Traditional build-to-suit lease of new building. No Federal ownership (e.g. DOT HQ).
Lease with Purchase Option	Sale of JEH to selected developer. Traditional build-to-suit lease of new building. Purchase option provides possible Federal ownership.
Ground Lease - Leaseback	Property is demolished then ground leased to developer for 35 years. Developer constructs new facility and leases back to GSA for 20 years with two renewal options, not to exceed a total of 30 years. Facility ownership reverts to US Government upon expiration of ground lease.

The scenarios illustrate potential ways the two acquisition authorities might proceed. The following pages are snapshots of additional scenarios providing comparative information on key factors.

LEGEND



FBI HQ Consolidation

FEDERAL CONSTRUCTION – TRADITIONAL

Estimated Optimal Schedule

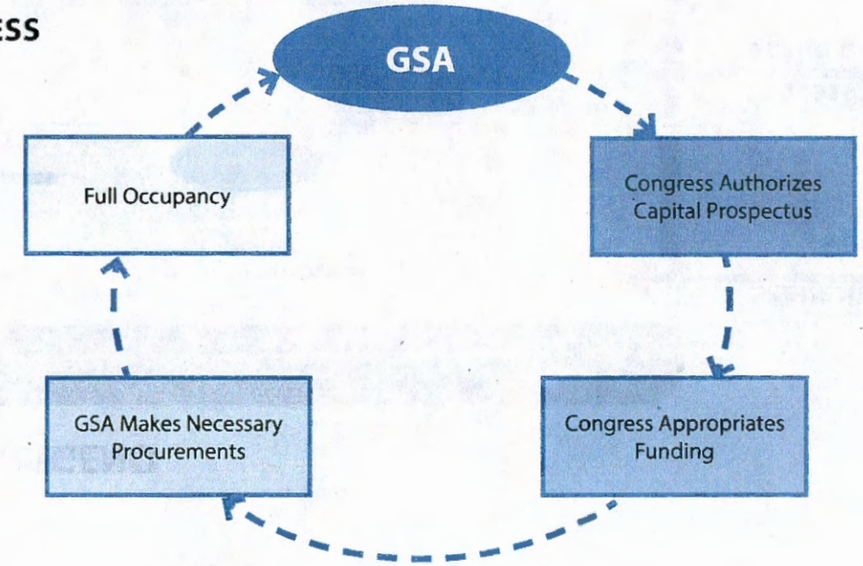
Contract Award:	2019
Full Occupancy:	2025

PROS
Provides for Immediate Long-Term Ownership
Lower Cost of Capital

CONS
Risk of Funding Delays + Cost Increases
Higher Risk of Change Orders

Full funding made available, constructed in a single phase after Congressional authorization.

PROCESS



FBI HQ Consolidation

LEASE CONSTRUCTION – GROUND LEASE-LEASEBACK

Estimated Optimal Schedule

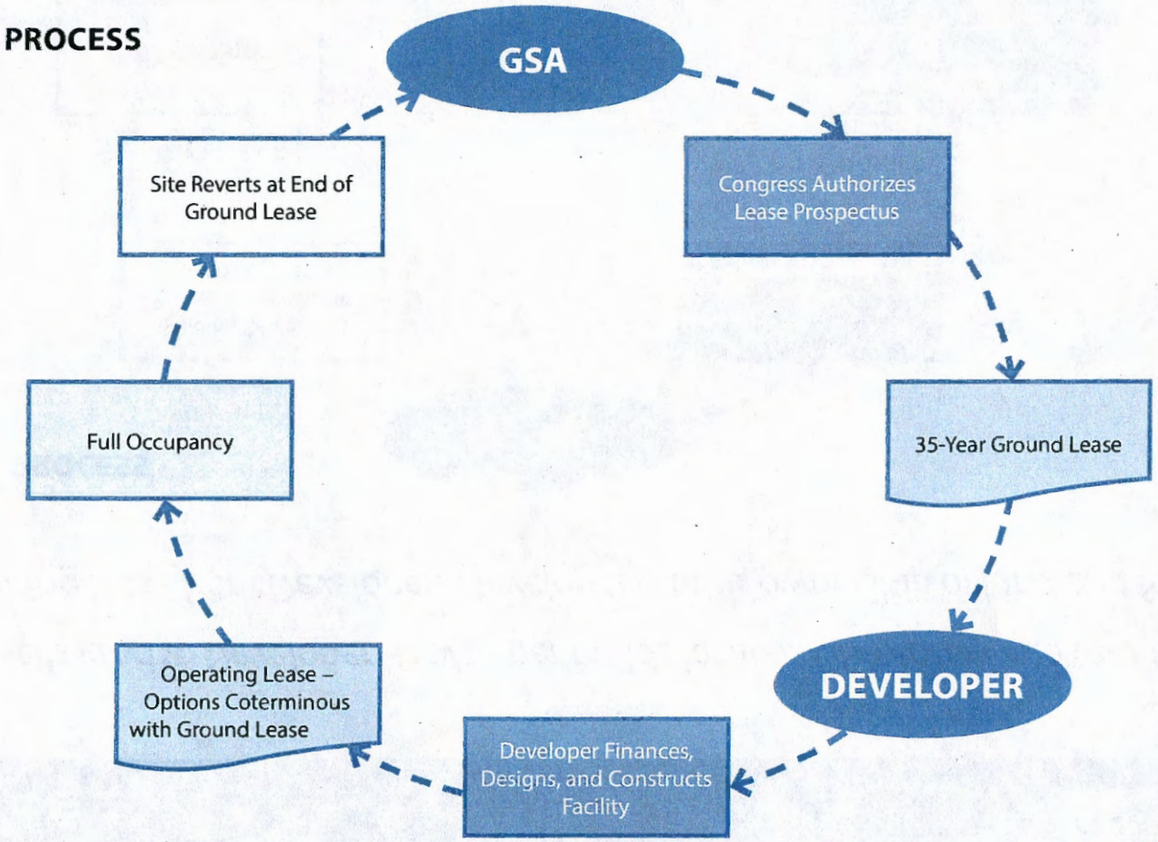
Contract Award:	2019
Full Occupancy:	2025

PROS
Timely Completion
Delivery Responsibilities Transferred to Private Industry
Provides the Taxpayer with Federal Ownership at the End of the Ground Lease at Year 30 (Max. Term)

CONS
Higher Cost of Capital
May Score as a Capital Lease

Property is demolished then ground leased to developer for 35 years. Developer constructs new facility and leases back to GSA for 20 years with two renewal options, not to exceed a total of 30 years. Facility ownership reverts to US Government upon expiration of ground lease.

PROCESS



FBI HQ Consolidation

LEASE CONSTRUCTION – LEASE

Estimated Optimal Schedule

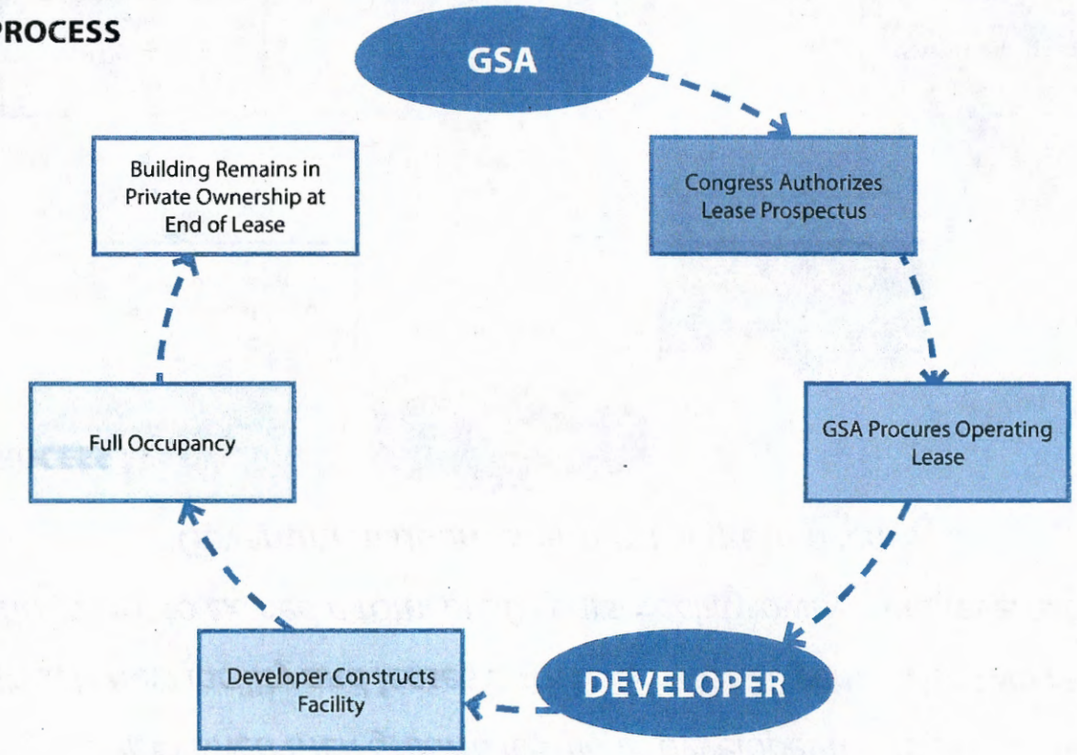
Contract Award:	2019
Full Occupancy:	2025

PROS
Timely Completion
Move Forward Quickly
Transfers Funding + Delivery Risk to Private Sector

CONS
No Eventual Ownership
Higher Cost of Capital
May Score as a Capital Lease

GSA sells land to Developer. Developer builds facility. GSA enters into traditional operating lease from Developer. Developer retains ownership of land and facility.

PROCESS



FBI HQ Consolidation

FEDERAL RENOVATION – PHASED

Estimated Optimal Schedule

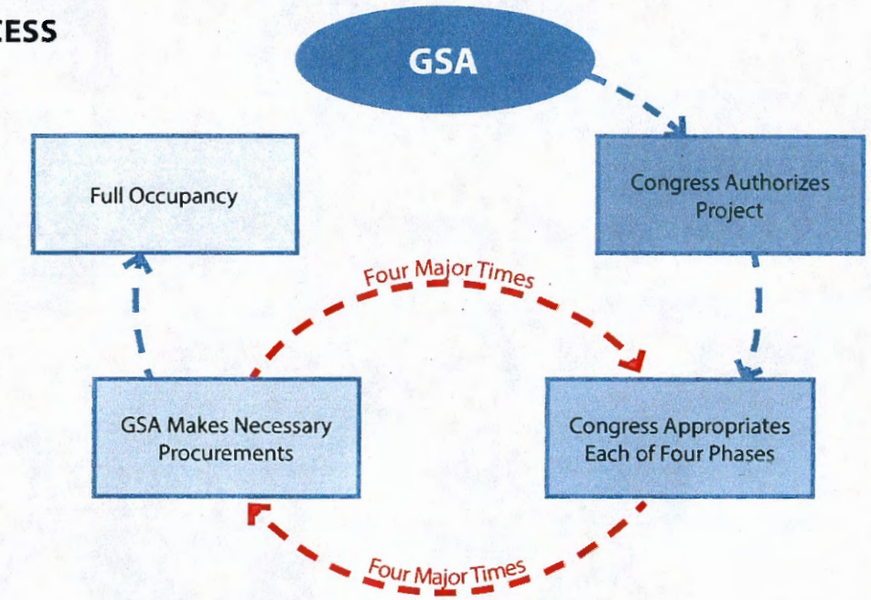
Contract Award:	2019
Full Occupancy:	2035

PROS
Reduce Impact of Upfront Appropriations Required
Provides for Immediate Long-Term Ownership
Lower Cost of Capital

CONS
14 Years to Complete
Delay Increases Project Costs
Every Phase Runs Risk of Insufficient Funding and Delay
Structural Renovation of an Occupied Facility
Disruption to Ongoing Operations

Phased construction spreads funding and construction over 14 years in four major phases.

PROCESS



FBI HQ Consolidation