Department of Labor Real Property Initiatives

The U.S. Department of Labor (DOL) is actively working to make more efficient use of real property. The Department's efforts are being undertaken in line with guidance from the Office of Management and Budget (OMB) and the General Services Administration (GSA). DOL's agency office spaces are leased from GSA with the exception of the Job Corps Centers. Additionally, DOL has a Delegation of Authority from GSA to operate and maintain the Frances Perkins Building (FPB) headquarters in Washington, DC.

National Capital Region Space Consolidation

The Office of the Assistant Secretary for Administration and Management (OASAM) has begun the process of consolidating the DOL real estate footprint in the National Capital Region (NCR). Over approximately two years, OASAM will work with DOL agencies in the FPB to consolidate employees into underutilized office space and conduct limited construction in dedicated areas to reduce individual work spaces and increase occupancy density. These efforts will optimize space usage within the FPB and create open spaces in the building allowing us to relocate DOL agency offices from leased space outside of the building into the FPB.

Over the course of this project, we will be relocating the following four DOL offices within the National Capital Region area into the FPB: 122 C St; Patriots Plaza II; Techworld; and Arlington. The cost of the project is approximately $48 million with an annual rent savings of $5.78 million and an 8.29 year return on investment. This project is a joint effort between DOL and GSA and a Memorandum of Understanding (MOU) is being developed between the two agencies. Once signed, the MOU allows DOL to defer rent in order to fund the project which is being managed jointly by GSA and DOL. Construction on the initial phase of the project is scheduled to begin in December 2020.

Regional Space Consolidation

Similar efforts to reduce real property usage are being undertaken across the DOL regions. The National Strategy for the Efficient Use of Real Property was developed in late FY 2019 at which point the Department's inventory contained approximately 4.6 million usable square feet leased through over 750 Occupancy Agreements with GSA with an annual rent cost of approximately $179 million.

Each DOL agency reviewed their real property profile and made recommendations for space reduction based on smaller work stations, increased co-location and shared common spaces with other DOL agencies where practicable. This five year plan will require investments of approximately $50 million encompassing projects nationwide that will reduce our footprint by 500,000 square feet with an annual rent cost avoidance of approximately $12 million.

Bureau of Labor Statistics Move to Suitland

The current lease for the Bureau of Labor Statistics (BLS) offices at the Postal Square Building (PSB) expires at the end of April 2022. At the direction of the OMB, a plan was developed to move BLS into federal space rather than compete for leased space. OMB provided guidance to co-locate BLS at the Suitland Federal Center which has sufficient underutilized space to accommodate BLS and to co-locate federal statistical agencies, namely BLS, Census Bureau and Bureau of Economic Analysis (BEA).

This project has been underway for more than two years and is being managed by GSA. The cost estimate for this move is approximately $90 million. Congress has appropriated a portion of the resources needed for the move. Over the past year, GSA has been working with the three impacted agencies and a contractor to gather space requirements, develop several test fits for the Suitland location, and conduct assessments of issues related to the move (environmental impacts, transportation surveys, etc.). GSA has yet to provide an overall project timeline or budget. BLS modified its program of requirements in response to the success of telework during the pandemic and DOL is awaiting next steps.

National Strategy for the Efficient Use of Office Space

Planning for the three efforts above was well underway when DOL moved to a maximum telework posture in March, 2020, in response to the coronavirus pandemic. The COVID-19 pandemic has proven that much of the Department's mission can be accomplished through remote work and our need for workstations and collaboration spaces may be mitigated through the use of technology and alternative work arrangements. In fact, the Department's recent investments in modernizing IT infrastructure and expanding workplace flexibilities allowed the Department to effectively pivot to remote work. A long-term shift to increased remote work can realize cost savings in space, equipment, transit subsidies, locality pay, and more.

The Department has begun the process of determining whether additional real property efficiencies can be realized through increased telework on an ongoing basis. The National Strategy for the Efficient Use of Office Space was first discussed at the Management Review Board (MRB) meeting on September 7, 2020. Agency Heads provided valuable insight for consideration and recommended a space utilization workgroup to discuss next steps. The working group was formed and created a draft memorandum for all agency heads which provides guidelines for developing a strategy to realize increase space efficiencies based on increased management of remote work.

Public Buildings Reform Board

The Public Buildings Reform Board (PBRB) was established in 2016 under the Federal Assets Sale & Transfer Act (FASTA) as an independent agency to identify opportunities for the Federal government to significantly reduce its inventory of civilian real property and thereby reduce costs. PBRB has interest in DOL owned properties, namely Job Corps Centers (JCCs).

PBRB made its first set of recommendations to OMB in December, 2019 and included two Job Corps Center locations. Excess land at the sites of the Sacramento, CA and Edison, NJ Job Corps Centers were included among the high value assets for disposal. OMB approved the Board's recommendations and DOL has been working with GSA and PBRB to dispose of the excess land at those two sites. It is possible that additional Job Corps properties (or portions thereof) will be included in future DOL FASTA submissions and Board recommendations to OMB.

Job Corps Centers Partial Disposals

DOL is undergoing a portfolio-wide effort to reduce unused land at ETA Job Corps Centers nationwide. Currently, two parcels (Joliet JCC and Roswell JCC) totaling 36 acres have been submitted to GSA as excess for disposal. Another 10 JCC parcels are being prepared to be excessed, for a total of over 800 acres of land.