Attachment 3

Presidential Documents

Memorandum of June 10, 2010

Disposing of Unneeded Federal Real Estate—Increasing Sales Proceeds, Cutting Operating Costs, and Improving Energy Efficiency

Memorandum for the Heads of Executive Departments and Agencies

My Administration is committed to eliminating all forms of Government waste and to leading by example as our Nation transitions to a clean energy economy. For decades, the Federal Government, the largest property owner and energy user in the United States, has managed more real estate than necessary to effectively support its programs and missions. Both taxpayer dollars and energy resources are being wasted to maintain these excess assets. In addition, many of the properties necessary for the Government's work are not operated efficiently, resulting in wasted funds and excessive greenhouse gas pollution. For example, over the past decade, the private sector reduced its data center footprint by capitalizing on innovative technologies to increase efficiencies. However, during that same period, the Federal Government experienced a substantial increase in the number of data centers, leading to increased energy consumption, real property expenditures, and operations and maintenance costs. Past attempts at reducing the Federal Government's civilian real property assets produced small savings and had a minor impact on the condition and performance of mission-critical properties. These efforts were not sufficiently comprehensive in disposing of excess real estate and did not emphasize making more efficient use of existing assets.

To eliminate wasteful spending of taxpayer dollars, save energy and water, and further reduce greenhouse gas pollution, I hereby direct executive departments and agencies (agencies) to accelerate efforts to identify and eliminate excess properties. Agencies shall also take immediate steps to make better use of remaining real property assets as measured by utilization and occupancy rates, annual operating cost, energy efficiency, and sustainability. To the extent permitted by law, agency actions shall include accelerating cycle times for identifying excess assets and disposing of surplus assets; eliminating lease arrangements that are not cost effective; pursuing consolidation opportunities within and across agencies in common asset types (such as data centers, office space, warehouses, and laboratories); increasing occupancy rates in current facilities through innovative approaches to space management and alternative workplace arrangements, such as telework; and identifying offsetting reductions in inventory when new space is acquired. Agency actions taken under this memorandum shall align with and support the actions to measure and reduce resource use and greenhouse gas emissions in Federal facilities pursuant to Executive Order 13514 of October 5, 2009 (Federal Leadership in Environmental, Energy, and Economic Performance), and the Federal Data Center Consolidation Initiative, which was announced by the Office of Management and Budget (OMB) in February 2010.

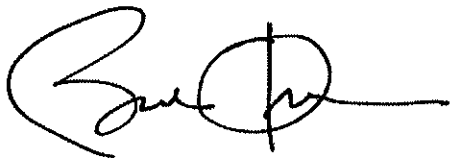
In total, agency efforts required by this memorandum should produce no less than $3 billion in cost savings by the end of fiscal year 2012, yielded from increased proceeds from the sale of assets and reduced operating, maintenance, and energy expenses from disposals or other space consolidation efforts, including leases that are ended. This is in addition to the Department of Defense's Base Realignment and Closure efforts that are expected to achieve $9.8 billion in savings from fiscal year 2010 to fiscal

year 2012, of which $5 billion is a direct result of reduced operating and maintenance from disposals or other consolidation efforts. In addition, in order to address the growth of data centers across the Federal Government, agencies shall immediately adopt a policy against expanding data centers beyond current levels, and shall develop plans to consolidate and significantly reduce data centers within 5 years. Agencies shall submit their plans to OMB for review by August 30, 2010.

To achieve these goals, the Director of the OMB shall develop, in consultation with the Administrator of General Services and the Federal Real Property Council established pursuant to Executive Order 13327 of February 4, 2004 (Federal Real Property Asset Management), within 90 days of the date of this memorandum, guidance for actions agencies should take to carry out the requirements of this memorandum. The guidance shall include agency-specific targets to achieve $3 billion in cost savings and shall be developed in consultation with the agencies. The Administrator of General Services, in consultation with the Director of the OMB, shall coordinate agency efforts to satisfy the requirements of this memorandum and shall submit to the President periodic reports on the results achieved.

This memorandum shall be implemented consistent with applicable law and is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

The Director of the OMB is hereby authorized and directed to publish this memorandum in the *Federal Register*.



THE WHITE HOUSE,
Washington, June 10, 2010

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