

## Federal Management Regulation

## § 102-75.60

to mixed-ownership Government corporations, and to the municipal government of the District of Columbia; and

(b) Resolve conflicting requests for transferring real property that the involved agencies cannot resolve.

### § 102-75.35 What are GSA's responsibilities concerning the identification of unneeded Federal real property?

In accordance with Executive Order 12512, the Administrator of General Services is responsible for providing Governmentwide policy, oversight, and guidance for Federal real property management. The Administrator of General Services must issue standards, procedures, and guidelines for surveying the real property holdings of executive agencies on a continuing basis to identify properties which are not utilized, are underutilized, or are not being put to optimum use. In addition, the Administrator must develop survey reports describing any property or portion thereof which, in his or her judgment, is not utilized, is underutilized, or is not being put to optimum use, and which should be reported as excess property. These provisions are presently limited to fee-owned properties and supporting leaseholds and lesser interests located within the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Trust Territory of the Pacific Islands, and the Virgin Islands.

#### STANDARDS

### § 102-75.40 What are the standards that each executive agency must use to identify unneeded Federal real property?

Each executive agency must identify unneeded Federal property using the following standards:

- (a) Not utilized.
- (b) Underutilized.
- (c) Not being put to optimum use.

### § 102-75.45 What does the term "Not utilized" mean?

*Not utilized* means an entire property or portion thereof, with or without improvements, not occupied for current program purposes of the accountable

executive agency, or occupied in caretaker status only.

### § 102-75.50 What does the term "Underutilized" mean?

*Underutilized* means an entire property or portion thereof, with or without improvements, which is used:

- (1) Irregularly or intermittently by the accountable executive agency for current program purposes of that agency; or
- (2) For current program purposes that can be satisfied with only a portion of the property.

### § 102-75.55 What does the term "Not being put to optimum use" mean?

*Not being put to optimum use* means an entire property or portion thereof, with or without improvements, which:

- (1) Even though used for current program purposes, the nature, value, or location of the property is such that it could be utilized for a different and significantly higher and better purpose; or
- (2) The costs of occupying are substantially higher than other suitable properties that could be made available through transfer, purchase, or lease with total net savings to the Government, after considering property values, costs of moving, occupancy, operational efficiency, environmental effects, regional planning, and employee morale.

#### GUIDELINES

### § 102-75.60 What are landholding agencies' responsibilities concerning real property surveys?

A landholding agency's responsibilities concerning real property utilization surveys are to:

- (a) Survey real property under its control (*i.e.*, property reported on its financial statements) at least annually to identify property that is not utilized, underutilized, or not being put to optimum use. When other needs for the property are identified or recognized, the agency must determine whether continuation of the current use or another use would better serve the public interest, considering both the Federal agency's needs and the property's location. In conducting annual reviews of their property holdings, the GSA Customer Guide to Real Property Disposal

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can provide guidelines for executive agencies to consider in identifying unneeded Federal real property;

(b) Maintain its inventory of real property at the absolute minimum consistent with economical and efficient conduct of the affairs of the agency; and

(c) Promptly report to GSA real property that it has determined to be excess.

**§ 102-75.65 Why is it important for executive agencies to notify the disposal agency of its real property needs?**

It is important that each executive agency notify the disposal agency of its real property needs in order to determine whether the excess or surplus property of another agency is available which would meet its need and prevent the unnecessary purchase or lease of real property.

**§ 102-75.70 Are there any exceptions to this notification policy?**

Yes, executive agencies are not required to notify the disposal agency when an agency's proposed acquisition of real property is dictated by such factors as exact geographical location, topography, engineering, or similar characteristics which limit the possible use of other available property. For example, executive agencies are not required to notify disposal agencies concerning the acquisition of real property for a dam site, reservoir area, or the construction of a generating plant or a substation, since specific lands are needed, which limit the possible use of other available property. Therefore, no useful purpose would be served by notifying the disposal agency.

**§ 102-75.75 What is the most important consideration in evaluating a proposed transfer of excess real property?**

In every case of a proposed transfer of excess real property, the most important consideration is the validity and appropriateness of the requirement upon which the proposal is based. Also, a proposed transfer must not establish a new program which has never been reflected in any previous budget submission or congressional action. Additionally, a proposed transfer must not

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substantially increase the level of an agency's existing programs beyond that which has been contemplated in the President's budget or by the Congress.

**§ 102-75.80 What are an executive agency's responsibilities before requesting a transfer of excess real property?**

Before requesting a transfer of excess real property, an executive agency must:

(a) Screen its own property holdings to determine whether the new requirement can be met through improved utilization of existing real property; however, the utilization must be for purposes that are consistent with the highest and best use of the property under consideration;

(b) Review all real property under its accountability which it has been permitted or outleased and terminate the permit or lease for any property, or portion thereof, suitable for the proposed need if termination is not prohibited by the terms of the permit or lease.

(c) Utilize property that is or can be made available under § 102-75.80(a) or (b) for the proposed need in lieu of requesting a transfer of excess real property and reassign the property, when appropriate;

(d) Ensure that the appraised fair market value of the excess real property proposed for transfer will not substantially exceed the probable purchase price of other real property which would be suitable for the intended purpose;

(e) Limit the size and quantity of excess real property to be transferred to the actual requirements and separate, if possible, other portions of the excess installation for possible disposal to other agencies or to the public; and

(f) Consider the design, layout, geographic location, age, state of repair, and expected maintenance costs of excess real property proposed for transfer; agencies must be able to demonstrate that the transfer will be more economical over a sustained period of time than the acquisition of a new facility specifically planned for the purpose.