



**Office of Congressional and
Intergovernmental Affairs**

May 21, 2025

The Honorable Shontel Brown
House of Representatives
Washington D.C. 20515

Dear Representative Brown,

Thank you for your letter to Acting Administrator Stephen Ehikian dated March 26, 2025, regarding the disposition of the Anthony J. Celebrezze Federal Building in Cleveland, Ohio. Your response has been referred to me for a response. The U.S. General Services Administration (GSA) appreciates your interest in the building's future, and the impact a sale could have on existing tenants and to downtown Cleveland.

GSA has recently undergone a thoughtful process to determine which assets in its portfolio need to be owned by the government over the long term due to their specialized needs or requirements. The Anthony J. Celebrezze Federal Building has been evaluated, and determined to be suitable for accelerated disposition.

GSA's approach to evaluating individual assets remains data driven and includes a host of asset, customer, and market-specific considerations, such as occupancy and utilization, condition, operating costs and reinvestment needs, the availability and cost of alternatives in the market, and impact on the local community.

To inform this decision, GSA conducted a comprehensive 30-year net present value analysis comparing the cost of continued ownership with the financial implications of a disposition, where existing tenants would be relocated to leases. The results demonstrated a projected \$149 million net-present-value cost advantage in favor of disposition and leasing, which includes an estimated \$223 million in avoided reinvestment needs, including deferred maintenance and tenant backfill costs. When a decision is made to dispose of an asset, impacted tenants are notified in advance of a sale. Furthermore, disposition decisions do not always require relocating tenant agencies right away, as GSA may lease back space from the new owner for a short term, obviating the need for immediate customer agency relocations. When GSA determines that higher quality, more efficient space could be secured in an alternate leased location at a lower cost to the taxpayer, GSA will partner with customer agencies to coordinate relocation and to ensure their mission and locational needs are being fully satisfied. In this case, prior to finalizing the disposition decision, GSA engaged with local officials, customer agencies, and with congressional stakeholders to inform the disposition approach and ensure alignment with broader mission and community considerations. GSA remains committed to meeting all legal obligations, including those outlined under the McKinney-Vento Homeless Assistance Act.

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Even amidst the return to office initiative, GSA owns and leases significantly more space than it either needs or can afford to manage over the long term. We are committed to making the tough decisions that are required to reduce the GSA's growing fiscal obligations for the benefit of the American taxpayer but we are equally committed to ensuring the mission needs of our customer agencies are fully met.

If you have any questions or concerns, please contact our office at GSACongressionalAffairs@gsa.gov.

Sincerely,



Frank Schuler
Associate Administrator