

**GENERAL SERVICES
ADMINISTRATION****41 CFR Part 102–83**

[FMR Case 2023–102–1; Docket No. GSA–FMR–2023–0012; Sequence No. 2]

RIN: 3090–AK69

**Federal Management Regulation;
Designation of Authority and
Sustainable Siting**

AGENCY: Office of Government-wide Policy (OGP), U.S. General Services Administration (GSA).

ACTION: Final rule.

SUMMARY: GSA, in furtherance of its authority to furnish space to federal agencies, hereby amends the Federal Management Regulation (FMR) to elaborate on the factors that are advantageous to the Government when planning for location decisions. In addition, the proposed revisions are necessary to bring the current regulation into compliance with updated terminology in statute and Office of Management and Budget (OMB) bulletins. The objective of these changes is to direct agencies to better integrate strategic, holistic analysis into planning for agency location decisions and to provide consistency in the application of these regulations across Federal agencies and regions.

DATES: May 22, 2024.

FOR FURTHER INFORMATION CONTACT: For clarification of content, contact Mr. Chris Coneeny, Office of Government-wide Policy, at 202–208–2956. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division (MVCB), 1800 F Street NW, Washington, DC 20405, 202–501–4755. Please cite FMR Case 2023–102–1.

SUPPLEMENTARY INFORMATION:**I. Background**

This final rule amends the Federal Management Regulation (FMR) to elaborate on the factors that are advantageous to the Government when planning for location decisions. The U.S. General Services Administration (GSA) published a proposed rule in the **Federal Register** on October 24, 2023 (88 FR 72974).

The Administrator of General Services (Administrator) is authorized to acquire real estate and interests in real estate to accommodate the space needs of federal agencies. In particular, these authorities are codified at 40 U.S.C. 301 note (specifically, the 1950 Reorganization Plan No. 18), 113(d), 581(c)(1), 585, and 3304, and 28 U.S.C. 462(f). In addition,

40 U.S.C. 584 requires the Administrator to assign space to executive agencies in accordance with policies and directives the President prescribes under 40 U.S.C. 121(a), after consultation with the affected agency, and based on a determination by the Administrator that the assignment or reassignment is advantageous to the Government in terms of economy, efficiency, or national security.

There are several other statutory authorities that underlie federal site location policy. The Rural Development Act of 1972, as amended (7 U.S.C. 2204b–1) (RDA), requires executive agencies to give first priority to locating in rural areas.

The Federal Urban Land Use Act of 1949, as amended (40 U.S.C. 901–905), requires GSA and other Federal agencies to consult and engage with the unit of general local government exercising zoning and land use jurisdiction so that Federal urban land acquisitions and uses are developed in accordance with local zoning, land use practices and planning and development objectives to the greatest extent practicable. The National Historic Preservation Act of 1966, as amended (54 U.S.C. 300101 *et seq.*) (NHPA), encourages the preservation and utilization of all usable elements of the Nation's historic built environment. The Competition in Contracting Act of 1984, as amended (41 U.S.C. 3301 *et seq.*) (CICA), requires executive agencies to consider whether the location decision or delineated area will provide for adequate competition when acquiring leased space. Finally, 40 U.S.C. 121(c) authorizes the Administrator to issue regulations that the Administrator considers necessary to carry out the Administrator's functions under, as relevant here, subtitle I of chapter 40 of the United States Code. Thus, this rule implements the requirements of the statutes described above and establishes factors to be considered in the pre-procurement or acquisition process for federal agency location decisions.

This rule updates the existing part 102–83 by incorporating new terminology but continues to implement the underlying principles for planning for location decisions that have been in existence for almost 50 years. These principles were first incorporated in 41 CFR part 101–17, Assignment and Utilization of Space (45 FR 37200–37206, June 2, 1980), and continue to be the foundation for the factors elaborated on today. The procedures for location decisions were eventually given a separate part in the FMR in 2002, when 41 CFR part 102–83, Location of Space, was issued. This part was last revised

and published in the **Federal Register** on November 8, 2005 (70 FR 67857–67860).

The rule continues to be guided by the longstanding Executive Order (E.O.) 12072, “Federal Space Management,” which prescribes policies and directives for the planning, acquisition, utilization, and management of federal space facilities in accordance with 40 U.S.C. 121(a) (43 FR 36869, August 18, 1978). E.O. 12072 requires that “serious consideration” be given “to the impact a site selection will have on improving the social, economic, environmental, and cultural conditions of the communities in the urban area.”

In addition, in accordance with the NHPA and consistent with E.O. 12072, E.O. 13006, “Locating Federal Facilities on Historic Properties in Our Nation's Central Cities” (61 FR 26071, May 24, 1996), requires Federal agencies to give first consideration to historic properties within historic districts. If no such property is suitable, then Federal agencies must consider other developed or undeveloped sites within historic districts. If no suitable site exists within historic districts, Federal agencies must then consider historic properties outside of historic districts.

On May 15, 2023, GSA published a bulletin to the FMR (88 FR 30975, May 15, 2023) to bring the regulation into alignment with current terminology and concepts, and to attempt to provide consistency when applying the existing regulation across Federal agencies. As these concepts and associated terminology are incorporated into this final rule, GSA will cancel the bulletin once this rule takes effect.

Other E.O.s and more recent administration policies further inform this rule by providing new terminology to help understand and address what it means to consider the impact of social, economic, environmental, and cultural conditions. For example, E.O. 11988, “Floodplain Management” (42 FR 26951, May 25, 1977), as amended by E.O. 13690, “Establishing a Flood Risk Management Standard and a Process for Further Soliciting and Considering Stakeholder Input” (80 FR 6425, Feb. 4, 2015), and E.O. 11990, “Wetlands Protection” (42 FR 26961, May 24, 1977), direct agencies to avoid locating in a floodplain and disturbing wetlands. E.O. 14057, “Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability” (86 FR 70935, December 13, 2021), its accompanying Implementing Instructions, dated August 31, 2022, and the associated Office of Management and Budget (OMB), White House Council on Environmental Quality and National

Climate Policy Office memorandum (M-22-06, 12/8/2021), direct Federal agencies to promote sustainable locations for Federal facilities and strengthen the vitality and livability of the communities in which Federal facilities are located. These directives charge agencies with advancing sustainable land use that promotes the conservation of natural resources, reduces greenhouse gas (GHG) emissions and increases resilience to the impacts of climate change; efficient use of local infrastructure; expanded public transportation use and access; equitable development that promotes environmental justice and economic opportunity for disadvantaged communities; and coordination and alignment with the development plans of Tribal, State, and local or regional governments that advance these and related goals. Note that while E.O. 12072 and E.O. 13006 only address urban areas, E.O. 14057 applies many of the same goals to both urban and rural areas.

E.O. 14008, “Tackling the Climate Crisis at Home and Abroad” (86 FR 7619, February 1, 2021), directs Federal agencies to employ a Government-wide approach across a wide range of activities and goals related to tackling the climate change crisis. Most relevant to this part, it directs agencies to reduce climate pollution, increase resilience to the impacts of climate change, and deliver environmental justice, spur economic opportunity for disadvantaged communities that have been historically marginalized, and overburdened by pollution and underinvestment in housing, transportation, water and wastewater infrastructure, and health care.

E.O. 14091, “Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government” (88 FR 10825, February 22, 2023), directs Federal agencies to advance equity for all communities, especially those populations that historically have suffered from underinvestment and inequality, discrimination and persistent poverty, and to give equitable treatment to all individuals in a consistent and systematic manner. The order further promotes efficiency by directing Federal agencies, when planning for Federally owned and leased facilities, to consider locations near existing employment centers and public transit so that a broad range of the region’s workforce and population may access the jobs and services at those facilities. This enables the agencies for which GSA provides space to more readily carry out their missions.

Where the Federal development may spur displacement of current community populations, the E.O. instructs Federal agencies to engage further with those communities and the relevant regional and local officials to address displacement risks.

E.O. 14096, “Revitalizing Our Nation’s Commitment to Environmental Justice for All” (88 FR 25251, April 26, 2023), builds on the E.O.s described above to reinforce agency use of data analysis in identifying communities suffering environmental injustice, including related to climate change and cumulative impacts, and targeting mitigation or harm avoidance through Federal actions. GSA and other Federal agencies can use various data sets and tools to identify if proposed locations for Federally owned and leased facilities are in communities with environmental justice concerns. For example, the Climate and Economic Justice Screening Tool¹ (CEJST) identifies geographically defined disadvantaged communities, includes an interactive map, and uses datasets that are indicators of burdens in eight categories: climate change, energy, health, housing, legacy pollution, transportation, water and wastewater, and workforce development. The tool uses this information to identify disadvantaged communities that are experiencing these burdens. These are the communities that are disadvantaged because they are overburdened by pollution and marginalized by underinvestment. The order also re-emphasizes consultation and engagement with members of affected communities that allow meaningful participation for those communities in agency decision-making, including individuals with limited English proficiency and individuals with disabilities. This is in keeping with the requirements of the Federal Urban Land Use Act. As mentioned above, the principles that underlie this rule have been in existence for decades and it is well established that GSA has broad discretion regarding the substance of this regulation because it involves managerial and economic choices that are dependent on GSA’s special expertise in this area. Moreover, when a project subject to 40 U.S.C. 3307 is contemplated, as part of the appropriations process, GSA provides the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives notice of the delineated area for locating the project and a

comprehensive plan that demonstrates that the project will enhance the architectural, historical, social, cultural, and economic environment of the locality. Thus, by adopting resolutions approving the appropriation of the funds for the proposed project, there is a presumption of congressional approval of the delineated area and the process completed by which either GSA or the agencies operating under GSA’s authority, or both, establish the location decision. The congressional approval of the future location decision is further evidenced by a provision that Congress routinely includes in GSA’s annual appropriations act (See, for example, section 525 of title V of division E of section 2 of the Consolidated Appropriations Act, 2023, Pub. L. 117–328, 136 Stat. 4459, 4687). That provision requires the Administrator to ensure that the delineated area of a prospectus-level lease procurement is identical to the delineated area included in the approved prospectus and, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator must provide an explanatory statement to GSA’s authorizing and appropriations committees.

For non-prospectus projects, GSA exercises its discretion in accordance with the principles that underlie this rule.

It is important to note that these final rule changes work in concert with, and not in lieu of, agency mission and physical security needs, CICA, cost considerations, consolidation and reductions in square footage, prioritizing Federally owned space, and other procurement policies. In accordance with the statutes and policies described above, the optimal Federal location decision is the one that meets Federal agency mission needs, at an appropriate cost to taxpayers, while achieving the necessary level of security and leveraging Federal development in support of other Federal and local goals.

This final rule will revise in its entirety 41 CFR part 102–83, Location of Space. Federal agencies operating under or subject to the real property authorities of the Administrator of General Services must comply with the provisions of the FMR that cover real property (41 CFR parts 102–71 through 102–85).

¹ The CEJST tool is available at <https://screeningtool.geoplatform.gov/en/>.

II. Discussion of the Final Rule

A. Summary of Major Changes

The following updates and clarification changes are incorporated into the amended part 102–83:

- *Social, Economic, Environmental, and Cultural factors in Location Decisions*

The rule now more explicitly explains the factors associated with social, economic, environmental, and cultural conditions to be considered in location decisions.

- *Central Cities to Principal Cities*

The term “central cities” has, for many years, been retired in favor of the term “principal cities,” as published in the OMB “2010 Standards for Delineating Metropolitan and Micropolitan Statistical Areas” (75 FR 37246, June 28, 2010) (the 2010 Standards). This term reflects new consideration for how single or multiple urban centers function as commuting destinations and population centers within a single core-based statistical area (CBSA). This final rule updates the terminology throughout the part accordingly.

- *Metropolitan Areas to Core-Based Statistical Areas*

The shift from metropolitan areas (MA) to CBSAs reflects the change that first appeared in the OMB “2000 Standards for Delineating Metropolitan and Micropolitan Statistical Areas” (65 FR 82228, December 27, 2000) (the 2000 Standards) to recognize both MAs and micropolitan statistical areas as having an urbanized core and surrounding areas with a high degree of integration to that core. The 2000 Standards were replaced and superseded by the 2010 Standards, and the most recent delineations for CBSA boundaries appeared in OMB Bulletin No. 18–04 on September 14, 2018. This final rule updates the term throughout the part accordingly.

- *Urban/Rural Definitions*

The definitions for “urban area” and “rural area” in the existing regulations are difficult to interpret because they draw on two different sources, and these definitions are not necessarily mutually exclusive from one another. The current part 102–83 has a definition for urban that relies on the boundaries of MAs defined by OMB.

The current definition for rural area comes not from the RDA, but rather from the Consolidated Farmers Home Administration Act of 1961 (CFHA), as amended by the Farm Security and Rural Investment Act of 2002, which identifies a rural area for general purposes of CFHA as any area except a

city or town with a population greater than 50,000 people or adjacent urbanized areas. The original definition of rural area applicable to the RDA was stricken from the statute and, subsequently, GSA adopted the CFHA definition. The circularity of these current definitions, however, makes the boundaries of urban and rural difficult to interpret. Among the difficulties are the fact that the boundaries established by the definitions do not relate to jurisdictional boundaries and are measured at the fine grain of census blocks, meaning that adjacent parcels within the same jurisdiction may be designated one as rural and the other as urban. With urban and rural areas immediately across the street from each other, making the case that an agency can only meet its need in the parcel designated as urban rather than the adjacent parcel designated rural, or vice versa, needlessly opens the Federal space action to protest.

Given that subsequent revisions of the RDA have actually eliminated the original definition of rural area, GSA has chosen a definition that better meets the needs of the Federal location decision process, and this final rule simplifies the definition to the boundaries of CBSAs, which follow county lines. Those areas contained within the boundaries are considered urban, and those outside the boundaries are considered rural. As with the current definitions, agency mission need remains the primary determinant of whether a Federal agency will seek space in an urban or rural area.

- *Considering Real Estate Cost and Efficiency Factors*

Federal location policy has long advocated that Federal agencies balance cost, mission and real estate efficiencies, as well as local development goals, when making location decisions. This derives from statute and related policies. This revised part enumerates these factors to encourage agencies to reach balanced, holistic decisions, and to clarify agency latitude to consider cost and other business factors.

- *Local Consultation and Engagement Requirements*

The various governing authorities and directives for this part require that Federal agencies consult and engage with local officials when making real estate decisions and that they seek opportunities for Federal action to support local development objectives. These authorities and policies include the Federal Urban Land Use Act of 1949 (40 U.S.C. 901–905); the RDA; and E.O. 12072. For the Federal Government to consider locating Federal facilities in a

specific area or jurisdiction in keeping with the goals of this part, the existing or planned development composition for that area needs to be appropriate both to meeting Federal agency mission and space needs and local development goals.

Determining whether a specific area is appropriate for Federal facilities calls for consultation and engagement with State and local officials, Tribal governments, Alaska Native corporations, and Native Hawaiian Organizations, and meaningful engagement with communities in applicable geographies, to better understand local conditions and development goals, including those related to sustainability, climate change mitigation and resilience, and environmental justice. Further, where Federal agencies determine through data analysis, including through use of CEJST or other applicable Federal tools, and local consultation and other engagement that displacement risks or other environmental justice concerns exist for current populations in the vicinity of a planned facility, Federal agencies are directed to engage with the affected communities and relevant regional and local officials to address mitigating those risks.

To encourage both effective long-term consultation and engagement and efficient processes that are not overly burdensome to Federal agencies, this revised part outlines the latitude that agencies have to develop efficient internal policy and procedure.

B. Analysis of Public Comments

In response to the notice of public rulemaking, five commenters submitted comments on the provisions of the proposed rule, including three environmental advocacy groups, one individual and one anonymous commenter.

GSA appreciates the thorough public response to the proposed rule, and carefully considered all comments received. Commenters provided feedback on several provisions of the proposed rule, but primarily focused on the following topics: referencing the numerous statutory and executive authorities governing the process by which the agency plans for location decisions; providing an explanation on how to apply the changes in the regulation; explaining the hard to quantify benefits of the rule; and protection of floodplains and wetlands to avoid harming these critical native ecosystems.

Citing Additional Authorities for This Rule

Some of the commenters requested GSA include additional authorities that pertain to the selection of a specific site. GSA has based the rule on the existing authorities pertaining to the factors that are advantageous to the Government when planning for location decisions. This rule establishes the process for determining the delineated area and, once the delineated area is determined, helps to inform the specific site selection decision. The references cited by commenters are better addressed at the point in the process when specific sites are under consideration.

Explain How To Apply Changes in the Rule

The FMR outlines, at a high level, what must be considered when planning for location decisions to meet Federal space needs. The comments regarding specific procedures to implement the changes in the regulation will be addressed in subsequent implementation policies and guidance to be published after the rule takes effect.

Explain the Non-Quantifiable Benefits of the Rule

GSA notes that when selecting a site to accommodate Federal space needs, there are considerations, such as equity, environmental justice and sustainability, whose benefits to society are difficult to quantify. This rule outlines those factors that Federal agencies must consider in location decisions, but it does not dictate outcomes. Even if the specific location decision and the associated outcomes were addressed in this rule, that decision would be very difficult to anticipate, given that the Federal real estate inventory is highly diverse in terms of geography, scale, and function. The scope of the analysis is, therefore, limited to the processes of governments and stakeholders rather than the outcomes of those processes.

Floodplain and Wetlands Protection

GSA made an edit to the rule to acknowledge the protection of the natural environment by preserving ecosystems, including native ecosystems, avoiding development of green space, and promoting climate change adaptation planning. GSA reiterates, though, that mitigating the impact to wetlands and floodplains largely occurs during the site planning and design steps in the process, after the location decision itself. Those steps are not the subject of this rule.

III. Executive Orders 12866, 13563 and 14094

Executive Order (E.O.) 12866 (*Regulatory Planning and Review*) directs agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). E.O. 13563 (*Improving Regulation and Regulatory Review*) emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. E.O. 14094 (*Modernizing Regulatory Review*) amends subsection 3(f) of Executive Order 12866 and supplements and reaffirms the principles, structures, and definitions governing contemporary regulatory review established in E.O. 12866 and E.O. 13563. OMB's Office of Information and Regulatory Affairs has determined that this rule is a significant regulatory action and, therefore, it is subject to review under subsection 6(b) of E.O. 12866.

IV. Regulatory Flexibility Act

GSA does not expect this final rule to have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*

V. Regulatory Impact Analysis

During the first and subsequent years after publication of the rule, Federally owned new construction members and leasing acquisition members (which include a combination of Planning Managers, Site Acquisition Staff, Program Managers, Lease Contracting Officers, and Lease Project Managers) will need to learn about GSA's government-wide plan and compliance requirements. GSA estimates this cost by multiplying the time required to review the regulations and guidance implementing the rule by the estimated hourly compensation. GSA calculates the estimated hourly compensation using the U.S. Office of Personnel Management's 2023 General Schedule (GS) Rest of United States Locality Pay Table, a full fringe benefit cost factor of 36.25% and an overhead cost factor of 12%.^{2 3 4 5}

GSA assumes the Federally owned new construction members and leasing

acquisition members will, on average, stay consistent in the subsequent years. GSA also delegates leasing authority to several agencies, which are required to follow GSA's policies. As of July 2023, GSA has nine agencies actively using delegated leasing authority. The numbers and assumptions also apply to agencies using delegated leasing authority.

1. Government Costs

a. Federally Owned New Construction

The Government must educate its Federally owned new construction members via a government-wide plan to heighten their familiarity with the rule. GSA makes these assumptions based on historical familiarization and subject matter expert judgment. Below is a list of training and communication activities related to regulatory familiarization and compliance that GSA anticipates will occur.

GSA estimates it will take 5 GSA employees on average, with a GS-14 step 5 with an average hourly rate of \$93.70/hour, 20 hours each in year 1 to develop new content for planning managers and site acquisition staff training. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$9,370 (= 5 × \$93.70 GS-14 step 5 rate × 20 hours).

GSA estimates it will take 5 GSA employees on average, with a GS-14 step 5 with an average hourly rate of \$93.70/hour, 1 hour each in years 3, 5, 7, and 9 to update new content for planning managers and site acquisition staff training. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$469 (= 5 × \$93.70 GS-14 step 5 rate × 1 hour).

GSA estimates it will take 5 GSA employees on average, with a GS-14 step 5 with an average hourly rate of \$93.70/hour, 1.5 hours each in years 1, 3, 5, 7, and 9 to deliver new training content to planning managers and site acquisition staff. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$703 (= 5 × \$93.70 GS-14 step 5 rate × 1.5 hours).

GSA estimates it will take 103 GSA planning managers and site acquisition staff on average, with a GS-13 step 5 with an average hourly rate of \$79.29/hour, 1.5 hours each in years 1, 3, 5, 7, and 9 to receive new training content. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$12,251 (= 103 × \$79.29 GS-13 step 5 rate × 1.5 hours).

GSA estimates it will take 5 GSA employees on average, with a GS-14 step 5 with an average hourly rate of \$93.70/hour, 4 hours each in year 1 to

² General Schedule (*opm.gov*).

³ OMB Memo M-08-13, dated March 11, 2008.

⁴ OMB Circular-76.

⁵ Computing Hourly Rates of Pay Using the 2,087-Hour Divisor (*opm.gov*).

develop new content for training for client agencies. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$1,874 ($= 5 \times \93.70 GS-14 step 5 rate $\times 4$ hours).

GSA estimates it will take 5 GSA employees on average, with a GS-14 step 5 with an average hourly rate of \$93.70/hour, 1 hour each in years 3, 5, 7, and 9 to develop new content for training for client agencies. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$469 ($= 5 \times \93.70 GS-14 step 5 rate $\times 1$ hour).

GSA estimates it will take 5 GSA Central Office program managers on average, with a GS-14 step 5 with an average hourly rate of \$93.70/hour, 1.5 hours each in years 1, 3, 5, 7, and 9 to provide training to client agencies. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$703 ($= 5 \times \93.70 GS-14 step 5 rate $\times 1.5$ hours).

GSA estimates it will take 400 client agency employees on average, with a GS-13 step 5 with an average hourly rate of \$79.29/hour, 1.5 hours each in years 1, 3, 5, 7, and 9 to receive training. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$47,577 ($= 400 \times \79.29 GS-13 step 5 rate $\times 1.5$ hours).

GSA estimates it will take 11 GSA regional office employees on average, with a GS-13 step 5 with an average hourly rate of \$79.29/hour, 1 hour each in years 1, 3, 5, 7, and 9 to provide additional communications from GSA regional offices to client agency regional offices on the new training content. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$872 ($= 11 \times \79.29 GS-13 step 5 rate $\times 1$ hour).

GSA estimates it will take 400 client agency regional office employees on average, with a GS-13 step 5 with an average hourly rate of \$79.29/hour, 0.5 hours each in years 1, 3, 5, 7, and 9 to review the GSA regional office communications on the new training content. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$15,859 ($= 400 \times \79.29 GS-13 step 5 rate $\times 0.5$ hours).

GSA estimates it will take 2 GSA project managers on average, with a GS-13 step 5 with an average hourly rate of \$79.29/hour, 2 hours each in years 1, 3, 5, 7, and 9 to share GSA location decision information with community organizations. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$317 ($= 2 \times \79.29 GS-13 step 5 rate $\times 2$ hours).

Beyond the direct costs of educating users and stakeholders about the policy

changes associated with the rule, the location decisions resulting from incorporating sustainability factors and engaging with local stakeholders could be different from what they otherwise might have been without this revised rule. GSA anticipates that changes in outcomes will come with changes in costs and benefits. Inclusion of those costs and benefits in the regulatory impact analysis are not easily quantifiable. This rule guides processes in location decisions but does not mandate outcomes. Outcomes, moreover, would be very difficult to anticipate across the breadth of the Federal location decisions, which are highly diverse in geography, scale, and function and highly variable in quantity across a given time period. By incorporating sustainability factors and local planning goals into agency location decision making, GSA seeks to maximize benefits to the Federal Government, the environment and local communities and minimize negative externalities. Direct costs and indirect impacts associated with location decisions will depend on the specific characteristics of each decision and will more appropriately be addressed at the time an agency makes such a decision. Lastly, while impossible to predict for future projects, in GSA's experience the community engagement and collaboration envisioned by the rule are more likely to lead to outcomes that reduce rather than increase project costs for two reasons:

(1) effective collaboration with local stakeholders and coordination with local officials tends toward reducing risk of opposition to a project along with attendant costs associated with delay; and

(2) site selections that align with local goals are often supported by local government through donation or discount to the Federal Government or assistance with land assembly.

b. Leased Buildings

The Government must educate its leasing acquisition members via a government-wide plan to heighten their familiarity with the rule. Below is a list of training and communication activities related to regulatory familiarization and compliance that GSA anticipates will occur.

GSA estimates it will take 3 GSA employees on average, with a GS-14 step 5 with an average hourly rate of \$93.70/hour, 5 hours each in year 1 to develop new contract language relating to location and preferences. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$1,406 ($= 3 \times \93.70 GS-14 step 5 rate $\times 5$ hours).

GSA estimates it will take 3 GSA employees on average, with a GS-14 step 5 with an average hourly rate of \$93.70/hour, 1 hour each in years 2 and 3 to develop new contract language relating to location and preferences. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$281 ($= 3 \times \93.70 GS-14 step 5 rate $\times 1$ hour).

GSA estimates it will take 1 GSA employee on average, with an SES Level 3 with an average hourly rate of \$138.52/hour, 2 hours in year 1 to develop new contract language relating to location and preferences. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$277 ($= 1 \times \138.52 SES Level 3 rate $\times 2$ hours).

GSA estimates it will take 1 GSA employee on average, with an SES Level 3 with an average hourly rate of \$138.52/hour, 1 hour in years 2 and 3 to develop new contract language relating to location and preferences. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$139 ($= 1 \times \138.52 SES Level 3 rate $\times 1$ hour).

GSA estimates it will take 3 GSA employees on average, with a GS-14 step 5 with an average hourly rate of \$93.70/hour, 5 hours each in year 1 to update existing locational policy guidance. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$1,406 ($= 3 \times \93.70 GS-14 step 5 rate $\times 5$ hours).

GSA estimates it will take 3 GSA employees on average, with a GS-14 step 5 with an average hourly rate of \$93.70/hour, 1 hour each in years 2 and 3 to update existing locational policy guidance. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$281 ($= 3 \times \93.70 GS-14 step 5 rate $\times 1$ hour).

GSA estimates it will take 1 GSA employee on average, with an SES Level 3 with an average hourly rate of \$138.52/hour, 2 hours in year 1 to update existing locational policy guidance. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$277 ($= 1 \times \138.52 SES Level 3 rate $\times 2$ hours).

GSA estimates it will take 1 GSA employee on average, with an SES Level 3 with an average hourly rate of \$138.52/hour, 1 hour in years 2 and 3 to update existing locational policy guidance. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$139 ($= 1 \times \138.52 SES Level 3 rate $\times 1$ hour).

GSA estimates it will take 1 GSA employee on average, with a GS-13 step 5 with an average hourly rate of \$79.29/hour, 1 hour in year 1 to update training

for Lease Contracting Officers and Lease Project Managers. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$79 ($= 1 \times \79.29 GS-13 step 5 rate $\times 1$ hour).

GSA estimates it will take 1 GSA employee on average, with a GS-13 step 5 with an average hourly rate of \$79.29/hour, 1 hour in year 1 to deliver training to Lease Contracting Officers and Lease Project Managers. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$79 ($= 1 \times \79.29 GS-15 step 5 rate $\times 1$ hour).

GSA estimates it will take 650 GSA Lease Contracting Officers and Lease Project Managers on average, with a GS-12 step 5 with an average hourly rate of \$66.68/hour, 1 hour each in year 1 to receive training. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$43,345 ($= 650 \times \66.68 GS-12 step 5 rate $\times 1$ hour).

GSA estimates it will take 650 GSA Lease Contracting Officers and Lease Project Managers on average, with a GS-12 step 5 with an average hourly rate of \$66.68/hour, 0.5 hours each in years 3, 5, 7, and 9 to receive training. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$21,672 ($= 650 \times \66.68 GS-12 step 5 rate $\times 0.5$ hours).

GSA estimates it will take 500 Lease Contracting Officers and Lease Project Managers from delegated leasing

agencies⁶ on average, with a GS-12 step 5 with an average hourly rate of \$66.68/hour, 1 hour each in year 1 to receive GSA training. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$33,342 ($= 500 \times \66.68 GS-12 step 5 rate $\times 1$ hour).

GSA estimates it will take 500 Lease Contracting Officers and Lease Project Managers from delegated leasing agencies on average, with a GS-12 step 5 with an average hourly rate of \$66.68/hour, 0.5 hours each in years 3, 5, 7, and 9 to receive GSA training. Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$16,671 ($= 500 \times \66.68 GS-12 step 5 rate $\times 0.5$ hours).

GSA estimates it will take 9 employees from delegated leasing agencies on average, with a GS-13 step 5 with an average hourly rate of \$79.29/hour, 1 hour each in year 1 to update delegated leasing agency training for Lease Contracting Officers and Lease Project Managers. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$714 ($= 9 \times \79.29 GS-13 step 5 rate $\times 1$ hour).

GSA estimates it will take 9 employees from delegated leasing agencies on average, with a GS-13 step 5 with an average hourly rate of \$79.29/

hour, 1 hour each in year 1 to deliver training to Lease Contracting Officers and Lease Project Managers. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$714 ($= 9 \times \79.29 GS-13 step 5 rate $\times 1$ hour).

GSA estimates it will take 500 Lease Contracting Officers and Lease Project Managers from delegated leasing agencies on average, with a GS-12 step 5 with an average hourly rate of \$66.68/hour, 1 hour each in year 1 to receive delegated leasing agency training. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$33,342 ($= 500 \times \66.68 GS-12 step 5 rate $\times 1$ hour).

GSA estimates it will take 500 Lease Contracting Officers and Lease Project Managers from delegated leasing agencies on average, with a GS-12 step 5 with an average hourly rate of \$66.68/hour, 0.5 hours each in years 3, 5, 7, and 9 to receive delegated leasing agency training. Therefore, GSA estimates the total estimated cost for this part of the rule to be \$16,671 ($= 500 \times \66.68 GS-12 step 5 rate $\times 0.5$ hours).

Total Government Costs

GSA estimates the total estimated Government costs to be \$743,118 for years 1 through 10. A breakdown of total estimated Government costs by year is provided in the table below.⁷

⁶The GSA Office of Leasing provided this number as an averaged total across delegated leasing agencies by surveying their internal database.

⁷Costs are rounded to the nearest thousand.

Year	1	2	3	4	5	6	7	8	9	10
Part a Federally Owned New Construction	\$90, 000		\$79, 000		\$79, 000		\$79, 000		\$79, 000	
Part b Leased Buildings	\$115, 000	\$1,0 00	\$56, 000		\$55, 000		\$55, 000		\$55, 000	
Total Government Costs	\$205, 000	\$1,0 00	\$135, 000		\$134, 000		\$134, 000		\$134, 000	

2. Public Costs

Public costs associated with this rule include small entities of community organizations in areas GSA is considering for Federally owned new construction. GSA assumes, for each location decision, the agency will engage with one small entity, which, on average, will have two employees. Those employees would receive, review, and share GSA location decision

information. GSA estimates the average hourly rate of \$93.70 for the small entity employees as the private sector pay equivalent of a GS-14 step 5. GSA estimates it will engage with 1 small entity on average with 2 small entity employees on average, with a GS-14 step 5 with an average hourly rate of \$93.70/hour, 4 hours each in years 1, 3, 5, 7, and 9 to receive, review and share GSA location decision information.

Therefore, GSA estimates the total annual estimated cost for this part of the rule to be \$750 (= 2 × \$93.70 GS-14 step 5 rate × 4 hours).

Total Public Costs

GSA estimates the total estimated public costs to be \$3,748 for years 1 through 10. A breakdown of total estimated public costs by year is provided in the table below.⁸

Year	1	2	3	4	5	6	7	8	9	10
Total Public Costs	\$1,000		\$1,000		\$1,000		\$1,000		\$1,000	

3. Overall Total Additional Costs

The overall total additional undiscounted cost of this rule is

estimated to be \$746,866 over a 10-year period. GSA did not identify any cost savings based on the impact of the rule.

A breakdown of overall total additional costs by year is provided in the table below.⁹

⁸ Costs are rounded to the nearest thousand.

⁹ Costs are rounded to the nearest thousand.

Year	1	2	3	4	5	6	7	8	9	10
Total Government Costs	\$205,000	\$1,000	\$135,000		\$134,000		\$134,000		\$134,000	
Total Public Costs	\$1,000		\$1,000		\$1,000		\$1,000		\$1,000	
Overall Total Additional Costs	\$206,000	\$1,000	\$136,000		\$135,000		\$135,000		\$135,000	

The following is a summary of the estimated costs calculated for a 10-year

time horizon at a 3- and 7-percent discount rate:

Summary	Total Costs
Present Value (3 percent)	\$654,009
Annualized Costs (3 percent)	\$76,670
Present Value (7 percent)	\$557,156
Annualized Costs (7 percent)	\$79,326

VI. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the changes to the FMR do not impose recordkeeping or information collection requirements, or the collection of information from offerors, contractors, or members of the public that require the approval of OMB under 44 U.S.C. 3501 *et seq.*

VII. Small Business Regulatory Enforcement Fairness Act

This final rule is also exempt from congressional review prescribed under 5 U.S.C. 801 since it relates solely to agency management and personnel.

VIII. Severability

GSA is adding a new provision on severability at 41 CFR 102–83.150, which states that all provisions

included in part 102–83 are separate and severable from one another.

Regulations concerning location policy do a number of things—from identifying and elaborating upon the factors that are advantageous to the Government when planning for location decisions, to outlining the consultation and engagement requirements with local officials and the communities potentially impacted by Federal location decisions, to explaining the role of agencies when planning for such decisions.

Accordingly, if any particular term or provision in part 102–83, or the application thereof to any agency or circumstance, is determined by a court of competent jurisdiction to be invalid or unenforceable, the remaining terms or provisions, or the application of such term or provision to agencies or

circumstances other than those to which it is invalid or unenforceable, will not be affected thereby, and each term and provision of this rule will be valid and enforced to the fullest extent permitted by law. For example, if any location factor is determined to be invalid, the other factors would remain in full force and effect.

Further, any cross-references that appear throughout part 102–83 are duplicative and are intended only to make the regulations more user-friendly. Invalidation of a particular provision that is cross-referenced elsewhere will not materially alter the provision that contains the cross-reference.

In summary, removal of any particular provision from part 102–83 would not render the entire regulatory scheme unworkable. Thus, GSA considers each of the provisions in part 102–83 to be

separate and severable from one another. In the event of a stay or invalidation of any particular provision, it is GSA's intention that the remaining provisions will continue in effect.

List of Subjects in 41 CFR Part 102–83

Federal buildings and facilities, Government property management, Rates and fares.

Robin Carnahan,

Administrator of General Services.

■ For the reasons stated in the preamble, GSA revises 41 CFR part 102–83 to read as follows:

PART 102–83—LOCATION OF SPACE

Authority: 40 U.S.C. 113(d), 121(c), 581(c)(1), 584, 585, and 901–905; section 1 of Reorganization Plan No. 18 of 1950, 15 FR 3177, 64 Stat. 1270 (40 U.S.C. 301 note); 28 U.S.C. 462(f); 7 U.S.C. 2204b; 41 U.S.C. 3301 *et seq.*; 54 U.S.C. 300101 *et seq.*; E.O. 12072, 43 FR 36869, 3 CFR, 1978., p. 213; and E.O. 13006, 61 FR 26071, 3 CFR, 1996 Comp., p. 195.

Subpart A—General Provisions

Sec.

102–83.05 What does this part cover?

102–83.10 What are the governing authorities for this part?

102–83.15 Which Federal agencies must comply with these provisions?

102–83.20 How does an agency request a deviation from the provisions of this part?

102–83.25 Intentionally Omitted

Subpart A—General Provisions

§ 102–83.05 What does this part cover?

This part covers GSA's considerations when making location decisions for Federal agencies in both Federally owned and leased space and the considerations of those Federal agencies operating under or subject to the real property authorities of the Administrator of General Services (Administrator), including those using delegated real property authority, when making their own location decisions. It directs practices that foster the policies and programs of the Federal Government and improve the management, efficiency, and effectiveness of Government activities.

§ 102–83.10 What are the governing authorities for this part?

The authorities for this regulation are as follows:

(a) Rural Development Act of 1972, as amended (7 U.S.C. 2204b–1), requires executive agencies to give first priority to locating in rural areas.

(b) Federal Urban Land Use Act of 1949, as amended (40 U.S.C. 901–905), requires GSA and other Federal agencies

to consult and engage with the unit of general local government exercising zoning and land use jurisdiction. To the greatest extent possible, GSA must coordinate Federal projects with local planning agencies to be in accordance with zoning, land use practices and planning and development objectives.

(c) Competition in Contracting Act of 1984, as amended, (41 U.S.C. 3301 *et seq.*) (CICA), requires executive agencies to consider whether the delineated area will provide for adequate competition when acquiring leased space.

(d) 40 U.S.C. 113(d) authorizes the Administrator to provide space to the Senate, the House of Representatives, and the Architect of the Capitol upon their request.

(e) 40 U.S.C. 121(c) authorizes the Administrator to issue regulations that the Administrator considers necessary to carry out the Administrator's functions under subtitle I of title 40 of the United States Code.

(f) National Historic Preservation Act of 1966, as amended, 54 U.S.C. 300101 *et seq.*, encourages, among other things, the public and private preservation and utilization of all usable elements of the Nation's historic built environment.

(g) 40 U.S.C. 584 authorizes the Administrator to assign and reassign space for an executive agency in any Federal Government-owned or leased building.

(h) 40 U.S.C. 581(c)(1) authorizes the Administrator to acquire, by purchase, condemnation or otherwise, real estate and interests in real estate.

(i) 40 U.S.C. 585 authorizes the Administrator to enter into a lease agreement for the accommodation of a federal agency in a building or improvement that is in existence or being erected by the lessor to accommodate the federal agency, and to assign and reassign the leased space to a federal agency.

(j) Section 1 of Reorganization Plan No. 18 of 1950, 15 FR 3177, 64 Stat. 1270 (40 U.S.C. 301 note), which, with certain exceptions, transferred all function with respect to acquiring space in buildings by lease, and all functions with respect to assigning and reassigning space in buildings for use by agencies (including both space acquired by lease and space in Government-owned buildings) to the Administrator.

(k) 28 U.S.C. 462(f) authorizes the Administrator to provide space to the judicial branch upon request from the Director of the Administrative Office of the United States Court.

(l) E.O. 12072 encourages Federal agencies to locate and use real estate in ways that serve to strengthen the Nation's cities and make them attractive

places to live and work, conserve existing urban resources, and encourage the development and redevelopment of cities. Toward this end, the E.O. requires executive agencies to give first consideration to centralized community business areas and other areas recommended by local officials as possible locations for Federal facilities when locating in urban areas.

(m) E.O. 13006 requires that, when operationally appropriate and economically prudent, and subject to the RDA and E.O. 12072, when locating Federal facilities, Federal agencies must give first consideration to historic properties within historic districts. If no such property is suitable, then Federal agencies must consider other developed or undeveloped sites within historic districts. Federal agencies must then consider historic properties outside of historic districts, if no suitable site within a district exists.

§ 102–83.15 Which Federal agencies must comply with these provisions?

All Federal agencies operating under or subject to the real property authorities of the Administrator, including those using delegated real property authority, must comply with these provisions. Refer to 41 CFR 102–71.20 for the definition of Federal agency. Federal agencies using independent authority must still comply with statutory requirements and E.O.s (consistent with such authority), but this part does not apply to these agencies. Agencies with independent authority may use these provisions at agency discretion.

§ 102–83.20 How does an agency request a deviation from the provisions of this part?

Refer to §§ 102–2.60 through 102–2.110 of this chapter for information on how to obtain a deviation from this part.

§ 102–83.25 Intentionally Omitted.

Subpart B—Location of Space

Sec.

102–83.30 What basic location of space policy governs a Federal agency?

102–83.35 Is there a general hierarchy of consideration that agencies must follow in their utilization of space?

102–83.40 What is a delineated area?

102–83.45 What is a Core-Based Statistical Area?

102–83.50 How is a Core-Based Statistical Area defined?

102–83.55 What is a rural area?

102–83.60 What is an urban area?

102–83.65 What is a principal city?

102–83.70 What are centralized community business areas and centralized business districts?

102–83.75 What is environmental justice?

102–83.80 What is equitable development?

- 102–83.85 In addition to Federal agency mission, security and program requirements, what other factors and principles must agencies consider when establishing a potential delineated area?
- 102–83.90 What hierarchy of geographic consideration must agencies apply to location decisions for new Federal facilities or leased locations?
- 102–83.95 How must agencies consult and engage with local officials to comply with the consultation and engagement elements of part 102–83?
- 102–83.100 What flexibility do Federal agencies have to implement part 102–83 in high cost areas?
- 102–83.105 Are Federal agencies required to give preference to historic properties when acquiring leased space?
- 102–83.110 Does GSA provide assistance to Federal agencies by consulting and engaging with local officials to establish recommended delineated areas?
- 102–83.115 Are Federal agencies required to consider whether the CBA or other areas recommended by local officials will provide for adequate competition when acquiring leased space?
- 102–83.120 What information and data must agencies provide to the Administrator of General Services, or other acquiring agency head, to comply with the provisions of this part?
- 102–83.125 Who must approve the final delineated area?
- 102–83.130 When is written justification for a delineated area in urban areas required?
- 102–83.135 How will GSA negotiate changes to the final delineated area with requesting agencies?
- 102–83.140 Where may Federal agencies appeal GSA decisions and recommendations concerning the delineated area?
- 102–83.145 Do these regulations apply in GSA's National Capital Region?

Subpart B—Location of Space

§ 102–83.30 What basic location of space policy governs a Federal agency?

(a) All Federal agencies when planning for location decisions under the authorities of the Administrator, including those using delegated real property authority, are required to apply the applicable laws, regulations, and E.O.s outlined in this part to their activities. This applies to agencies using the space and to agencies acquiring a leasehold interest or a new site to accommodate a space requirement.

(b) Federal agencies intending to use space under this part are responsible for identifying the geographic area within which to locate their activities (*i.e.*, the delineated area) to support their mission and program requirements. Agencies must define delineated areas that support the applicable laws, regulations, and E.O.s outlined in this part. In addition to these responsibilities, agencies conducting a space acquisition

have certain additional specific responsibilities as outlined in this part.

§ 102–83.35 Is there a general hierarchy of consideration that agencies must follow in their utilization of space?

Yes. In accordance with part 79, Assignment and Utilization of Space, Federal agencies must follow the hierarchy of consideration, giving first priority to Government-owned and Government-leased buildings. When no existing Government-owned or Government-leased space meets the space need, Federal agencies must follow the hierarchy of geographic consideration in § 102–83.95 when obtaining new space as identified in this subpart.

§ 102–83.40 What is a delineated area?

The delineated area is the specific geographic boundary within which space will be obtained to satisfy a Federal agency space requirement.

§ 102–83.45 What is a Core-Based Statistical Area?

A Core-Based Statistical Area (CBSA) is a geographic area established by the Office of Management and Budget (OMB). Current CBSAs are listed in OMB Bulletin No. 20–01, “Revised Delineations of Metropolitan Statistical Areas, Micropolitan Statistical Areas, and Combined Statistical Areas, and Guidance on Uses of the Delineations of These Areas,” dated March 6, 2020, or succeeding OMB Bulletin. In this part, the CBSA designation is used to distinguish between urban and rural areas, which have different directives associated with them.

§ 102–83.50 How is a CBSA defined?

A CBSA is defined by OMB using U.S. Census data as an area that has at its core an urban center and includes the adjacent areas that are socioeconomically tied to the urban center by commuting patterns pursuant to the *Standards for Delineating Metropolitan and Micropolitan Statistical Areas*, as updated periodically and published in the **Federal Register**, pursuant to 31 U.S.C. 1104(d) and 44 U.S.C. 3504.

§ 102–83.55 What is a rural area?

A rural area is any area that is not contained within the geographic boundaries of a CBSA.

§ 102–83.60 What is an urban area?

An urban area is any area contained within the geographic boundaries of a CBSA.

§ 102–83.65 What is a principal city?

(a) A principal city is an incorporated place or census designated place within

a CBSA that meets certain employment and population-based criteria. Major metropolitan areas typically have several principal cities.

(b) The principal city designation is established by OMB pursuant to the *Standards for Delineating Metropolitan and Micropolitan Statistical Areas*, as updated periodically and published in the **Federal Register**, pursuant to 31 U.S.C. 1104(d) and 44 U.S.C. 3504(e). OMB regularly publishes an updated list of Principal Cities (OMB Bulletin No. 20–01, and succeeding). In this part, the principal city designation is used to help the Federal agency focus local consultation and engagement.

§ 102–83.70 What are centralized community business areas and centralized business districts?

A centralized community business area (CBA) or centralized business district, also commonly referred to as a central business district, is an area of concentration of commercial real estate and activity within a principal city, including other specific areas of similar character that may be recommended by local officials. The CBA may be part of a traditional downtown area or part of another area that local government officials have identified as supportive of their long-term economic development objectives. CBAs are designated by local governments and not by Federal agencies, so Federal agencies must consult and engage with local officials to understand the current boundaries of these areas. As described in E.O. 12072, these areas may include other specific areas that are recommended by local officials.

§ 102–83.75 What is environmental justice?

Environmental justice is the just treatment and meaningful involvement of all people, regardless of income, race, color, national origin, Tribal affiliation, or disability, in agency decision-making and other Federal activities that affect human health and the environment so that people are fully protected from disproportionate and adverse human health and environmental effects including risks and hazards, such as those related to climate change and cumulative impacts of environmental and other burdens on communities with environmental justice concerns; and have equitable access to a healthy, sustainable, and resilient environment. Advancing environmental justice further requires Federal agencies to provide opportunities for meaningful engagement of the public, including communities with environmental justice concerns who are potentially affected by

Federal activities. When planning for location decisions, which is the federal activity for purposes of this rule, Federal agencies must be especially mindful of how proposed locations would impact communities with environmental justice concerns. As appropriate and consistent with applicable law, Federal agencies should seek to minimize negative and maximize positive impacts in these areas, using available data and meaningful engagement with local stakeholders to identify such communities, and identify, analyze, and address adverse human health and environmental effects (including risks) and hazards of the Federal activity.

§ 102–83.80 What is equitable development?

Equitable development is a positive development approach that employs processes, policies, and programs that aim to meet the needs of all communities and community members, with a particular focus on underserved communities and populations. When seeking Federal locations, agencies should, to the extent consistent with applicable law, consider the needs of communities, including those communities that are underserved, through policies and actions that reduce disparities while fostering communities that are healthy and vibrant.

§ 102–83.85 In addition to Federal agency mission, security and program requirements, what other factors and principles must agencies consider when establishing a potential delineated area and planning for location decisions?

(a) In addition to agency mission, security and program requirements, Federal agencies also must give serious consideration to the impact a location decision will have on improving the social, economic, environmental, and cultural conditions of communities, including those that have been historically harmed by environmental injustice and inequality, as well as avoiding harm to such communities, while at the same time promoting efficient and cost-effective Government real estate management. These factors and principles derive from the relevant authorities in this part and include the following:

- (1) Cost to the Government, including both upfront real estate acquisition as well as long-term operating costs;
- (2) Opportunities to reduce the Federal real estate footprint and optimize agency space usage;
- (3) Ability to manage the local Federal real estate portfolio strategically to optimize effective operations over the long term; and

(4) Consideration of the competition requirements under CICA, if applicable to the site location decision.

(b) In addition to agency mission, security and program requirements, Federal agencies also must consider a series of factors meant to promote Federal investment that supports larger Federal program goals and local development objectives. These factors include the following:

(1) Compatibility with State and local economic development objectives, such as local and regional comprehensive plans, housing and transportation plans, neighborhood scale plans and local plans covering sustainability and resilience goals. When planning for location decisions, agencies should align, where possible, with local and regional planning goals. Agencies should meaningfully engage with local officials and community members potentially impacted by a location decision and consider their recommendations in light of Federal mission needs and equity and sustainability goals, including where affected populations have experienced historic and ongoing harms due to environmental injustice and inequality;

(2) Promoting environmentally sustainable development, reduced greenhouse gas emissions, increased resilience to the impacts of climate change, and stewardship of regional natural resources;

(3) Maximizing the use of existing resources by leveraging investment in existing infrastructure;

(4) Prioritizing development of brownfields (properties, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant), greyfields (previously developed land that is underutilized) and infill development;

(5) Locating facilities along transportation corridors to encourage the use of alternate modes of transportation, and seeking efficient locations that provide a variety of transportation options for employees and the public, especially walking, biking and public transit options, while maximizing use of existing infrastructure and minimizing employee and visitor travel by car;

(6) Prioritizing central business districts, existing employment centers and rural town centers, and locating in areas that are accessible by public transit, where it exists, to a broad range of the workforce and population, such as those seeking services or needing to visit Federal space locations;

(7) Avoiding development in floodplains or impacts to wetlands to the extent practicable;

(8) Fostering protection of the natural environment by preserving ecosystems, including native ecosystems, avoiding development of green space, and promoting climate change adaptation planning;

(9) Advancing environmental justice and equitable development; and

(10) Advancing Federal and local historic preservation objectives and promoting the preservation of historic resources and other existing buildings.

(c) The factors listed in paragraphs (a) and (b) of this section must be considered when applying the hierarchy of geographic consideration in § 102–83.90. The optimal Federal location decision is the choice that meets Federal agency mission, security and program requirements and is cost effective, while leveraging Federal development in support of these other Federal programs policies and goals, as well as local development objectives.

§ 102–83.90 What hierarchy of geographic consideration must agencies apply to location decisions?

(a) Agencies must develop policies and procedures for applying the goals of this part in their business practices. These policies and procedures must include methods for applying the hierarchy outlined in paragraph (b) of this section.

(b) When making new location decisions, agencies must give preference to geographic areas in the following order:

(1) Agencies must give first priority to locating in a rural area in accordance with the Rural Development Act of 1972 (RDA). As with other elements of this part, acquiring agencies must develop their own policies and procedures for implementing the goals of the RDA. Agencies must consider the objectives outlined in § 102–83.85 and use these principles and factors to differentiate among potential locations. Agencies are encouraged to seek a location that best meets these factors or meet multiple factors. If an agency's mission cannot be accomplished in a rural area, the agency may locate in an urban area.

(2) When an agency's mission requires location in an urban area, the agency must give priority to the CBA within a principal city of a CBSA or other areas as recommended by local officials. Agencies must consider the objectives outlined in § 102–83.85 and use these principles and factors to differentiate among potential locations. Agencies are encouraged to seek a location that best

meets these factors or meets multiple factors.

(3) If an agency mission cannot be met within a principal city, or where areas, such as existing employment centers, outside the principal city offer better opportunities to advance the objectives outlined in § 102–83.85, in accordance with their established policies and procedures, agencies may proceed to seek space in those areas.

(4) Once an agency has set a delineated area in a rural or urban area, agencies must comply with the requirements for consideration of historic properties and districts set forth in § 102–78.60.

§ 102–83.95 How must agencies consult and engage with local officials and communities to comply with the consultation and engagement elements of part 102–83?

Agencies have wide latitude to develop their own internal policies for consulting and engaging in ways that are both effective and efficient based upon the intent of this part, the relevant development context and the agency's core business practices. Agencies must develop internal policies and procedures that guide consultation and engagement using different methods for actions of varying scale or scope. Location decisions to support fee simple acquisition and Federal construction in most cases will require direct consultation and engagement with local officials during the location evaluation process to meet the intent of this part. Conversely, for acquisition of existing space through a lease contract, agencies may develop internal procedures that apply the hierarchy outlined in this part such that no transaction-specific consultation or engagement with local officials would be required if the delineated area is within a recognized CBA or other area recommended by local officials. To expedite effective and efficient implementation of this part, where appropriate, agencies are encouraged to pursue consultation and engagement actively with local officials and communities, as appropriate, to discuss development goals well ahead of specific space actions.

(a) Under multiple guiding authorities, acquiring agencies must consult and engage with local officials to apply the principles outlined in this part properly. Consultation and engagement and consideration of local input must occur in urban areas, and agencies are encouraged to perform similar consultation and engagement in rural areas, as appropriate.

(b) Federal agencies should refer to their agency Tribal consultation policies

and applicable legal requirements, and confer if needed with agency counsel, to determine whether consultation with Tribal governments, Alaska Native corporations, Native Hawaiian Organizations, or other entities is required, such as if the Federal location decision may include or affect Tribal trust or reserved lands, and natural resources, and if so conduct such consultation.

(c) Where communities are likely to face displacement risks associated with a Federal location decision, based on agency analysis of existing data and consultation and engagement with local officials, or where communities have been harmed historically by inequity, such as persistent poverty or underinvestment, or environmental injustice, agency engagement should occur not only with relevant regional and local officials but also with members of the affected communities.

(d) Meaningful engagement with local stakeholders outside of government or those who have been historically left out of community and economic development planning requires agencies to identify and include community members in federal location planning activities early enough in the process for them to have insight into and for their input to be reflected in the decision making process. This includes opportunities for significant participation through modes that reduce known barriers to participation, such as plain language use, translation, transportation, digital and non-digital access, culture, time of day, and availability of childcare and other supportive services.

§ 102–83.100 What flexibility do Federal agencies have to implement part 102–83 in high cost areas?

Agencies have flexibility in considering the differing costs among principal cities within a single CBSA and in setting delineated areas to incorporate lower-cost markets.

There may be some instances where the head of the responsible acquiring agency or the head of the agency's designee determines that cost and security issues take precedence over the hierarchy of consideration in this part. Federal agencies may deviate from the hierarchy only where doing so would represent significant cost savings or security advantages to the Government. In such cases, agencies must consult and engage with and consider the recommendations of local officials, review and affirm this determination, and document the file accordingly.

In every instance, agencies must seek to meet the intent of the governing

authorities described in § 102–83.10, and they must incorporate their applicable process into their internal policies and procedures.

§ 102–83.105 Are Federal agencies required to give preference to historic properties when acquiring leased space?

Yes. Federal agencies must give a price preference to historic properties when acquiring leased space. See § 102–73.30 of this chapter for additional guidance.

§ 102–83.110 Does GSA provide assistance to Federal agencies by consulting and engaging with local officials to establish recommended delineated areas?

Yes. GSA may, at its discretion, assist agencies by consulting and engaging with local officials to establish recommended delineated areas for use in Federal location decisions. These GSA-recommended delineated areas may be proactively developed independent of a specific space requirement. These recommended delineated areas will take into consideration the factors discussed in this part. The final delineated area used in the space acquisition may differ from these recommended areas, depending on the agency mission requirements, CICA and other factors relevant to a specific space action.

§ 102–83.115 Are Federal agencies required to consider whether the CBA or other areas recommended by local officials will provide for adequate competition when acquiring leased space?

Yes. In accordance with CICA, Federal agencies must consider whether restricting the delineated area for obtaining leased space to CBAs or other areas recommended by local officials will provide for adequate competition when acquiring space. If a Federal agency determines that the delineated area must be expanded beyond the preferred areas to provide adequate competition, the agency may expand the delineated area in consultation and engagement with local officials. Federal agencies must continue to include the preferred area in such expanded areas.

§ 102–83.120 What information and data must agencies provide to the Administrator of General Services, or other acquiring agency head, to comply with the provisions of this part?

Efficient and effective space management of Federally owned and leased facilities through the activities described in this part requires that Federal agencies cooperate with acquiring agencies and furnish any related data and information requested by the acquiring agencies, to the extent

not prohibited by law. This includes information or data that allows for:

(a) Selecting, acquiring, managing, and disposing of Federal space in a manner that will foster the policies and programs of the Federal Government and improve the management and administration of Government activities;

(b) Issuing regulations, standards and criteria for the selection, acquisition and management of Federally owned and leased space;

(c) Surveying space requirements, space utilization and daily occupancy data of executive agencies;

(d) Meeting essential space requirements in a manner that is economically feasible and prudent; and

(e) Making maximum use of existing Federally controlled facilities that, in the acquiring agency head's judgment, are adequate or economically adaptable to meeting the space needs of executive agencies.

§ 102–83.125 Who must approve the final delineated area?

The Federal agency conducting the space acquisition must approve the final delineated area for the site acquisition or action. The acquiring agency must confirm that the final delineated area complies with all applicable laws, regulations and E.O.s.

§ 102–83.130 When is written justification for a delineated area in urban areas required?

If the delineated area identified is outside the CBA in a principal city, or differs from a GSA-recommended delineated area that has been developed in accordance with the guiding authorities in this part, an agency must demonstrate, in writing, that preference has been given to the CBA of a principal city or GSA's recommended delineated

area, and that the agency considered the environmental and socioeconomic factors in subpart B, Location of Space, of this part. The agency justification also must address, at a minimum, the efficient performance of the mission(s) and program(s) of the agency, the nature and function of the facility or facilities involved, and the convenience of the public being served.

§ 102–83.135 How will GSA negotiate changes to the final delineated area with requesting agencies?

For space acquisitions conducted by GSA, if, based on its review of a requesting agency's identified delineated area, GSA concludes that the requesting agency's identified delineated area should be modified, GSA will discuss its recommended changes with the requesting agency. If, after discussions, the requesting agency does not agree with GSA's delineated area recommendation, the requesting agency may appeal GSA's determination in accordance with § 102–83.140. If a requesting agency elects to ask for a review of GSA's delineated area recommendation, GSA will continue to work on the requirements development and other activities related to the requesting agency's space request. GSA will not issue a solicitation to satisfy an agency's space request until a final delineated area is determined through the appeal process.

§ 102–83.140 Where may Federal agencies appeal GSA decisions and recommendations concerning the delineated area?

Agencies may appeal decisions and recommendations, in writing, to the GSA Regional Commissioner of Public Buildings in the region where the space acquisition is to take place or to the

GSA Regional Commissioner's designee. The written request for review must include all relevant facts and other considerations and must justify the alternative delineated area identified by the requesting agency with regard to the location requirements set forth in all applicable statutes, E.O.s and regulations. Once submitted to the Regional Commissioner or the Regional Commissioner's designee, the requesting agency's appeal will proceed according to the process established internally by GSA.

§ 102–83.145 Do these regulations apply in GSA's National Capital Region?

The presence of the Federal Government in the National Capital Region is such that the distribution of Federal facilities has been, and will continue to be, a major influence on the character and extent of development in the National Capital Region. In view of the special nature of the National Capital Region and the preponderance of Federal space contained therein, these regulations will be applied in the National Capital Region in conjunction with regional plans and will guide the development of strategic plans for the housing of Federal agencies within the National Capital Region.

Subpart C—Severability

§ 102–83.150 What portions of this part are severable?

All provisions of this part are separate and severable from one another. If any provision is stayed or determined to be invalid, it is GSA's intention that the remaining provisions will continue in effect.

[FR Doc. 2024–08452 Filed 4–19–24; 8:45 am]

BILLING CODE 6820–14–P