

**PREPARED STATEMENT OF
THE FEDERAL TRADE COMMISSION**

On

**THE CONSOLIDATION AND SPACE UTILIZATION RATES AT THE
CONSTITUTION CENTER**

**Before the Committee on Oversight and Government Reform
Subcommittee on Government Operations**

**Constitution Center
Washington, D.C.
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maximum utilization of federal workspace, consistent with mission requirements, to maximize its value to the government.²

The housing plan approved by GSA for the FTC at the Constitution Center is fully consistent with these regulations.

The FTC's space at Constitution Center has been designed to accommodate 905 FTC occupants. FTC staff moving to Constitution Center will have significantly smaller offices and less overall space than they have now. The agency is using an aggressive space utilization rate of 119 square feet (sf) per employee. There are four types of "office space" at the FTC's new Constitution Center location. A very limited number (17) are 150 sf offices for Senior Executive Service ("SES") managers who lead large divisions of lawyers. All GS 11-15 employees, including mid-level managers, will be housed in offices of 110 sf. GS 1-10s, International SAFEWEB fellows and interns, student volunteers and interns, experts, contractors, and staff visiting from other FTC offices will occupy either 64 or 48 sf workstations or hoteling stations. By way of comparison, in the two currently leased satellite facilities, the average size of an office is 270 sf for SES and other senior managers; 196 sf for mid-level managers; 150 sf for GS 12-15s; and 80 sf for workstations for all others. The Constitution Center space will also include deposition rooms, litigation "war rooms," teaming rooms, conference rooms of various sizes, and other special purpose spaces in which our federal and non-federal personnel can carry out the work of the agency.

The Commission is aware of the interest in having all of FTC's employees housed at the Constitution Center so that the FTC Headquarters Building can be given to the National Gallery. As both GSA and the FTC have explained, however, this is neither physically nor financially feasible. The only currently unoccupied space in the Constitution Center is the southwest (SW) quadrant. As it stands, the FTC will occupy a substantial portion of the SW quadrant to

Additionally, significant cost would be incurred to move FTC staff out of its headquarters building and into leased space. GSA has estimated that cost to be at least \$50 million. At Constitution Center, specifically, the Commission would have to alter the construction of the space to accommodate all of the FTC's personnel, as well as mission-critical functions not considered in consolidation of satellite space. For example, the Commission's main data center and the FTC Administrative Law Judge Courtroom – currently housed at the FTC's headquarters building – were not replicated in the build-out of the Constitution Center.

Moreover, while not having a direct impact on the FTC, there are additional costs to taxpayers of giving away the FTC's headquarters building. If the GSA-owned headquarters building is given to the National Gallery of Art ("NGA"), rather than sold, the government will lose the fair market value of this building, estimated at \$92,800,000. Furthermore, going forward, the federal government would lose the \$6 million that the FTC pays annually into the Federal Building Fund (FBF) in rent and would still be responsible for the costs of the operation, administration, and maintenance of the headquarters building, per the NGA's charter.

The FTC's historic headquarters building was designed and built for the FTC in 1938. The building is in good condition and needs no significant renovation, repair, or maintenance. In particular, the 76-year old building has up-to-date electrical, plumbing, and HVAC systems, which are in excellent working order. The GSA has listed no major projects on its five-year maintenance and renovation schedule for the FTC building. It is expected to meet the needs of the FTC for years to come.

Finally, at this time, construction of the space in the SW quadrant is well under way – at least 40% completed. Substantial investments have been made in planning and executing the build out. These plans and investments include, among other things, special orders and purchases