

CRS Report for Congress

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General Services Administration Federal Facilities Affected by Hurricane Katrina

Stephanie Smith
Analyst in American National Government
Government and Finance Division

Summary

Hurricane Katrina struck the Gulf Coast on August 29, 2005, causing widespread flooding and significant infrastructure damage to 83 federal facilities in Louisiana, Mississippi, and Alabama. The General Services Administration (GSA) is the federal government's primary real property agency, with 11 regional offices that oversee GSA owned and leased federal buildings and courthouses. As of August 10, 2006, one leased building remained closed in the aftermath of Hurricane Katrina in GSA's Southeast Region 4, which includes Alabama and Mississippi. In GSA's Greater Southwest Region 7, one GSA facility and three leased facilities remained closed in Louisiana. GSA courthouse facilities in New Orleans, LA, which were temporarily relocated¹ to Houston, TX, reopened in New Orleans on January 9, 2006. The 109th Congress authorized \$38 million to GSA's Federal Buildings Fund for repairs to damaged federal facilities (119 Stat. 2782). Two bills (S. 1708 and H.R. 4125) have been introduced authorizing the GSA Administrator to enter into emergency lease agreements for up to five years following a major disaster. This report will be updated as additional information is received.

Introduction and Background

Hurricane Katrina struck the Gulf Coast on August 29, 2005, causing significant infrastructure damage to 83 GSA owned and leased federal buildings and courthouses in Louisiana, Alabama, and Mississippi, necessitating the eventual relocation of 2,600 federal employees from 28 federal agencies. Sixteen of the damaged federal buildings owned by GSA provided 1.7 million sq. ft. of office space, and the remaining 67 GSA-

¹ P.L. 109-63 (119 Stat. 1993), the Judiciary Emergency Special Sessions Act of 2005, authorizes any federal court of appeals, or district or bankruptcy court to hold special sessions outside its judicial circuit at any place within the United States in the event of emergency conditions when no location within the circuit is reasonably available.

leased facilities totaled 1.3 million sq. ft. in rented space.² GSA, through its Public Buildings Service (PBS), is the primary federal real property and asset management agency, with 11 regional offices that oversee GSA owned and leased federal buildings and courthouses. GSA is also responsible for the design and construction of federal courthouses within GSA's 11 regional districts. GSA's Southeast Region 4 includes Alabama, Florida, Georgia, Kentucky, South Carolina, North Carolina, Mississippi, and Tennessee. As of August 10, 2006, one leased facilities remained closed (see **Table 1**). The states of Arkansas, Louisiana, New Mexico, Oklahoma, and Texas comprise GSA's Greater Southwest Region 7, with one GSA-owned facility and three leased buildings remaining closed to the public (see **Table 2**).

Federal Buildings. GSA field personnel began advanced preparations to secure GSA buildings as soon as weather predictions indicated that Hurricane Katrina would make landfall. Preparations included fueling generators, shutting down electrical systems, placing sand bags, and boarding up the lower levels of multi-storied buildings. Although not all GSA owned and leased facilities suffered major structural damage in the affected areas, there was no supporting critical infrastructure, such as water, electricity, sewage systems, or even accessible roads to reach the federal facilities. There were also related environmental concerns that might affect the health and safety of federal employees in the affected areas. More than 30 GSA technical and building specialists conducted building inspections to assess when federal facilities might be reopened. GSA used trailers and obtained emergency 180-day leases in surrounding areas to provide temporary office space.³ A related problem was that many federal employees were forced to evacuate to areas located away from federal facilities when their homes were destroyed by Hurricane Katrina.

In order to accommodate workers who formerly resided and worked in New Orleans and relocated to Baton Rouge, GSA leased temporary office space in this general area. According to GSA regional specialists, it was a difficult task to find suitable office space for all of its federal tenants, and the administration was forced to use leasing and relocation priorities. In the aftermath of Hurricane Katrina, GSA first leased all available office space in Baton Rouge, which was urgently needed by the Department of Homeland Security's (DHS) Federal Emergency Management Agency (FEMA). Leased office space in Baton Rouge was obtained by GSA for the Social Security Administration, and the Department of Justice's Federal Bureau of Investigation and the Drug Enforcement Administration.⁴ GSA signed a lease in the Baton Rouge area to house Department of the

² U.S. Congress, Senate Committee on Environment and Public Works, *Emergency Lease Requirements Act of 2005*, report to accompany S. 1708, 109th Congress, 2nd sess., S.Rept. 109-214 (Washington: GPO, 2006), p. 1.

³ 40 U.S.C. § 3307(e) authorizes the GSA Administrator to enter into an emergency lease agreement for not more than 180 days, without prior congressional approval of a lease prospectus. Senate bill S. 1708, the Emergency Lease Requirements Act of 2005, would amend current law to authorize the GSA Administrator to enter into emergency lease agreements for up to five years during a major disaster, without prior congressional approval of a lease prospectus. H.R. 4125 would authorize the GSA Administrator to repair hurricane-damaged federal buildings and to enter into emergency lease agreements.

⁴ GSA leases office space to several law enforcement agencies in New Orleans. According to (continued...)

Treasury Internal Revenue Service employees formerly located in New Orleans. GSA officials also leased available office space in Lafayette, LA; Shreveport, LA; and Jackson, MS, to accommodate other federal tenants. GSA completed inspections of administration-leased facilities as soon as possible to determine the extent of structural damage. When GSA specialists determined that the leased properties were not fully habitable, the agency notified landlords that existing leases would be terminated within 15 days after notification. GSA officials also stated that, in many instances, it was difficult for the agency to locate landlords who had relocated elsewhere.

Courthouses. According to the Administrative Office of the Courts, the U.S. Court of Appeals for the Fifth Circuit returned the court's operations to its New Orleans headquarters at the John Minor Wisdom Court of Appeals on January 9, 2006. Regular panel hearings of the court began in February 2006.

In the aftermath of Hurricane Katrina, two GSA-owned federal courthouses, the John Minor Wisdom U.S. Court of Appeals for the Fifth Circuit and the Hale Boggs Federal Building and U.S. Federal Courthouse for the Fifth Circuit, were closed in New Orleans. Both courthouses suffered wind damage, broken windows, and roof leaks, but the buildings' structures are intact.⁵ On December 12, 2005, GSA reported that both the Hale Boggs and the John Minor Wisdom courthouses had reopened to the public. The U.S. Court of Appeals for the Fifth Circuit relocated to the U.S. Federal Courthouse in Houston, TX, for a three-month period, with court business resuming on September 21, 2005.⁶ Many judges and court employees lost their homes in the New Orleans area, and temporary housing was obtained for them in Gonzalez, LA, centrally located between Baton Rouge and New Orleans. GSA-leased court space in Houma, LA, was also acquired for district court judges and court staff who were formerly located in the Hale Boggs U.S. Federal Courthouse.

The Dan M. Russell, Jr. U.S. Federal Courthouse for the Fifth Circuit, Gulfport, MS, was also closed in the aftermath of Hurricane Katrina. Preliminary reports indicated that the building was intact, but had sustained severe water and wind damage. Court operations were initially suspended for 30 days and relocated to Jackson, MS. Housing was sought for judges and staff throughout the district who lost their homes because of Hurricane Katrina. On December 12, 2005, GSA reported that the courthouse had resumed partial operations. A fourth GSA-owned courthouse, the John A. Campbell U.S. Federal Courthouse for the Eleventh Circuit, Mobile, AL, was closed due to damaged mechanical systems; however, both the Southern District of Alabama district and bankruptcy courts resumed operations in the courthouse.

⁴ (...continued)

GSA, the names and locations of this leased office space was not included in GSA's public listing of closed facilities for reasons of security.

⁵ Information on the status of the courts was obtained from the Administrative Office of the Courts, Office of Legislative Affairs, on Sept. 16, 2005, and from GSA regional specialists on Sept. 15, 2005.

⁶ 119 Stat. 1993.

Congressional Initiatives in the 109th Congress

Hurricane Katrina was responsible for significant infrastructure damage to 83 GSA owned and leased federal buildings and courthouses. The 109th Congress authorized \$38 million to GSA's Federal Buildings Fund for repairs to the damaged federal facilities.⁷

In order to accommodate nearly 2,600 displaced federal tenants from 28 federal agencies, GSA leased temporary office space in Baton Rouge, LA; Lafayette, LA; and Jackson, MS. Current law⁸ authorizes the GSA Administrator to enter into an emergency lease agreement during any period declared by the President to require emergency leasing authority. An emergency lease may not be for more than 180 days, without prior congressional approval of a lease prospectus.⁹

S. 1708. In the Senate, S. 1708, the Emergency Lease Requirements Act of 2005, was introduced by Senator James Inhofe and 11 bipartisan cosponsors on September 15, 2005. The proposed legislation would amend current law to authorize the GSA Administrator to enter into emergency lease agreements during a major disaster or other emergency declared by the President or the head of a federal agency under applicable federal law. The term of an emergency lease could not exceed five years without congressional approval of a lease prospectus. The GSA Administrator would be required to submit an annual report describing any emergency lease to the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works by April 1 of each year. On September 15, 2005, S. 1708 was referred to the Senate Committee on Environment and Public Works. The bill was reported without amendment on January 26, 2006, and placed on the Senate Legislative Calendar.¹⁰

H.R. 4125. On October 25, 2005, H.R. 4125 was introduced in the House by Representative Bill Shuster and two bipartisan cosponsors. House bill H.R. 4125 would authorize the GSA Administrator to make repairs on federal buildings that were damaged by Gulf Coast hurricanes without prior congressional approval of a prospectus. The proposed legislation would also authorize the GSA Administrator to enter into emergency lease agreements for up to five years. The GSA Administrator's emergency authorities would be valid for one year following enactment of H.R. 4125. At least five days before making any building repairs, the GSA Administrator would be required to submit reports to the House Transportation and Infrastructure Committee and the Senate Environment and Public Works Committee detailing costs and completion estimates. No later than 15 days after completion, the GSA Administrator would be required to submit a final report

⁷ 119 Stat. 2782.

⁸ 40 U.S.C. § 3307(e).

⁹ As part of the funding authorization process for new construction or leasing proposals, GSA is required to submit a prospectus containing project and cost specifications to the Office of Management and Budget, the Senate Committee on Environment and Public Works, and the House Committee on Transportation and Infrastructure, for approval. For a detailed discussion, see CRS Report RS22287, *General Services Administration Prospectus Thresholds for Owned and Leased Federal Facilities*, by Stephanie Smith

¹⁰ U.S. Congress, Senate Committee on Environment and Public Works, *Emergency Lease Requirements Act of 2005*, report to accompany S. 1708, 109th Congress, 2nd sess., S.Rept. 109-214.

stating total repair costs. The proposed legislation would also require the GSA Administrator to submit a detailed report to the House and Senate Committees no later than 10 days after entering into an emergency lease agreement. H.R. 4125 was reported favorably by the House Committee on Transportation and Infrastructure on June 27, 2006, and placed on the Union Calendar.¹¹

Table 1 indicates the one federal facility that remains closed in GSA Region 4, as of August 10, 2006.

Table 1. Hurricane-Damaged Federal Facilities in GSA Region 4, as of August 10, 2006

Name	Location	Leased or Owned	Current Status	Size (in sq. ft.)
Hancock Bank Plaza	Gulfport, MS	Leased	Closed	2,555

Source: U.S. General Services Administration, *Government Facilities Status and Information*, August 10, 2006, 1 p.

Table 2 indicates the four federal facilities that remain closed in GSA Region 7, as of August 10, 2006.

Table 2. Hurricane-Damaged Federal Facilities in GSA Region 7, as of August 10, 2006

Name	Location	Leased or Owned	Current Status	Size (in sq. ft.)
New Orleans Customs House	New Orleans, LA	Owned	Closed	304,893
New Orleans Post Office	New Orleans, LA	Leased	Closed	Not available
Textron Marine	New Orleans, LA	Leased	Closed	32,045
Elmwood Oaks	Metairie, LA	Leased	Closed	2,629

Source: U.S. General Services Administration, *Government Facilities Status and Information*, August 10, 2006, 1 p.

¹¹ U.S. Congress, House Committee on Transportation and Infrastructure, *Authority of GSA to Make Repairs and Lease Space in Response to Damages Attributable to Hurricane Katrina or Hurricane Rita*, report to accompany H.R. 4125, 109th Cong., 2nd sess., H.Rept. 109-532.