

United States Senate

March 20, 2025

Stephen Ehikian
Acting Administrator
U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405

Dear Acting Administrator Ehikian,

Earlier this month, the General Services Administration (GSA) posted on its website a list of more than 400 “non-core assets,” that is, properties designated for sale or disposal, which included nine federal facilities in Massachusetts. But just a day later, GSA abruptly pulled the list down, sowing chaos and uncertainty about its intention for these properties. GSA must immediately clarify its plans, including explaining — if it were to sell or dispose of these properties — how the critical government services provided to Massachusetts residents from offices and agencies housed in them would continue uninterrupted.

The short-lived GSA list included both the John F. Kennedy Federal Building and the Thomas P. O’Neill Jr Building, two of the largest federal buildings in New England, both located in Boston, Massachusetts.¹ These two properties are home to thousands of employees and more than a dozen government tenants including the Department of Veterans Affairs, Social Security Administration, Boston Passport Agency, U.S. Small Business Administration, National Labor Relations Board, and staff for our Senate offices.²

GSA purported to explain the reasons for designating these properties as non-core assets in a statement posted on March 4, 2025. According to GSA, disposing of them “best serves local communities.”³ It is difficult for us to see how that would be true. Our local communities and their residents would suffer from the inevitable negative impact that selling or closing these federal properties would have on constituent services. GSA went on to “welcome creative solutions, including sale-lease backs, ground leases and other forms of public/private

¹ Jeff Keating, Craig LeMoult & Hannah Reale, JFK, Tip O’Neill federal buildings slated for potential sale, GBH (Mar. 4, 2025), <https://www.wgbh.org/news/local/2025-03-04/jfk-tip-oneill-federal-buildings-slated-for-potential-sale>.

² Margie Cullen, Trump administration wants to dispose of these federal office buildings in Massachusetts, Taunton Gazette (Mar. 7, 2025), <https://www.tauntongazette.com/story/news/politics/2025/03/07/trumps-gsa-considers-closing-9-federal-facilities-in-ma-what-to-know/81728739007/>.

³ News Release, U.S. General Services Administration, Statement regarding GSA’s disposal of non-core assets (Mar. 4, 2025), <https://www.gsa.gov/about-us/newsroom/news-releases/statement-regarding-gsas-disposal-of-noncore-assets-03042025>.

partnerships.”⁴ But that sounds a lot like a plan straight out of the private equity playbook, designed to move taxpayer money into private hands.

Under a sale-lease back arrangement, for example, the federal government would sell federal building property to a private landlord for a one-time payment. Then, the federal government would be responsible for paying rent to the private landlord on the building that it used to own. A sale lease-back arrangement could also mean the federal government remains responsible for all property maintenance even though it no longer owns the property. Agreements such as these are a boon to private landlords. On the other hand, the short term revenue from the sale often turns into a long term financial drag for the seller.⁵

Massachusetts is very familiar with how these real estate schemes benefit private interests at the public’s expense. Cerberus Capital Management, a private equity firm run by now-deputy Secretary for the Department of Defense Stephen Feinberg, and Steward Health Care executives worked hand-in-glove to sell Massachusetts hospital property to Medical Properties Trust, a real estate investment trust.⁶ While Steward and Cerberus made quick profits from the sale, the hospitals were then saddled with unsustainable rent obligations and sunk into bankruptcy. The financial instability created by these deals dragged down quality of care.⁷ Hospitals closed, health workers burned out, and patients died as a result.⁸ The same dynamic has taken place across the country at hospitals,⁹ nursing homes,¹⁰ and Red Lobster.¹¹

Furthermore, GSA’s proposal to sell or dispose of federal properties in Massachusetts lacks any justification or reasoning. GSA cites no cost-benefit analyses or studies to justify the plan, And GSA fails to offer any explanation how ridding itself of federal office buildings in which thousands of federal employees work fits with the Trump administration’s plan to end telework. Additionally, GSA and the so-called Department of Government Efficiency (DOGE), recently terminated 17 leases¹² in Massachusetts including for the Internal Revenue Service, Food and Drug Administration, Small Business Administration, and Occupational Safety and Health Administration (OSHA). The OSHA office in Andover handles millions of violations of worker

⁴ *Id.*

⁵ Rosemary Batt and Eileen Applebaum, *The Role of Public REITs in Financialization and Industry Restructuring*, Institute for New Economic Thinking (July 9, 2022), https://www.ineteconomics.org/uploads/papers/WP_189-Batt-Applebaum-Public-REITS1.pdf.

⁶ Senator Edward J. Markey, *The Steward Health Care Report: How Corporate Greed Hurt Patients, Health Workers, and Communities* (Sept. 2024), https://www.markey.senate.gov/imo/media/doc/the_steward_health_care_report.pdf.

⁷ *Id.*

⁸ *Id.*

⁹ Susanna Vogel, *Prospect Medical Holdings files for bankruptcy*, Healthcare Dive (Jan. 13, 2025), <https://www.healthcaredive.com/news/prospect-medical-holdings-files-bankruptcy/737138/>.

¹⁰ Kris B. Mamula, *Bankruptcies, closures rock senior care across Pennsylvania*, Pittsburgh Post-Gazette (June 9, 2024), <https://www.post-gazette.com/business/healthcare-business/2024/06/09/senior-care-centers-bankruptcy-pennsylvania/stories/202406090042>.

¹¹ Gretchen Morgenson, *How private equity rolled Red Lobster*, NBC News (May 24, 2024), <https://www.nbcnews.com/business/consumer/private-equity-rolled-red-lobster-rcna153397>.

¹² Greg Ryan, *Doge takes credit for scrapping 17 Mass. Leases*, Boston Business Journal (Mar. 12, 2025), <https://www.bizjournals.com/boston/news/2025/03/12/doge-takes-credit-for-scrapping-17-mass-leases.html>.

safety standards each year. The US Fish and Wildlife Service headquarters in Hadley provides enforcement, fire response, municipal support, and information technology services to the entire northeast.

The Trump administration's and the Department of Government Efficiency's effort to dismantle our government has now spurred an unnecessary GSA fire sale — a manufactured crisis facilitating the transfer of more government dollars to private profiteers. This will only further degrade infrastructure and service over time.

To help us better understand GSA's plans for federal properties in Massachusetts and across the country, please provide written response to the following questions by March 31, 2025:

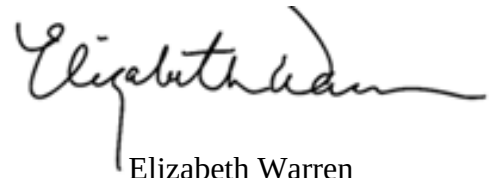
1. What factors led to the inclusion of nine federal properties in Massachusetts on GSA's list of properties "designated for disposal"?
2. Are the John F. Kennedy Federal Building and the Thomas P. O'Neill Jr Building still being considered for disposal? If so, what is the plan for ensuring that the federal agencies and offices housed in these buildings will continue their work uninterrupted?
3. Will the list of properties be reposted? If so, will it be revised, and what criteria will determine whether a property remains on any revised list?
4. Is GSA considering sale-leaseback arrangements for properties in Massachusetts? If so, how will GSA ensure that private profit does not come at the public's expense? For example, how will GSA guarantee that building maintenance is improved and rental costs do not escalate over time?
5. What factors went into GSA's decision to cancel or not renew 17 leases in Massachusetts? How does GSA anticipate work performed at these locations will continue?

Thank you in advance for your prompt attention to these requests.

Sincerely,



Edward J. Markey



Elizabeth Warren