FEDERAL REAL PROPERTY

Efforts to Incorporate Climate Vulnerabilities and Environmental Justice into Asset Management

Why GAO Did This Study

The federal government owns and leases a massive portfolio of real property assets—buildings as well as structures such as roads and dams—that costs billions of dollars to operate and maintain annually. Climate-related events and natural hazards can present risks to those real property assets. Additionally, adverse environmental conditions—including climate-related events and natural disasters—disproportionately burden certain communities. Certain executive orders have required agencies to incorporate climate and environmental justice considerations into the management of their real property assets.

GAO was asked to review how federal agencies have incorporated climate vulnerabilities and environmental justice into managing real property assets. This report describes how federal agencies (1) identify climate vulnerabilities and environmental justice considerations relevant to their real property assets, (2) incorporate climate vulnerabilities into their real property asset management, and (3) consider environmental justice in their real property asset management.

GAO interviewed officials and reviewed documentation from a sample of 13 selected federal agencies and three components within the Executive Office of the President. GAO selected the 13 agencies based on factors such as a range in the number and type of their assets. In addition, GAO reviewed relevant federal laws, regulations, executive orders, and guidance.

View GAO-24-106420. For more information, contact David Marroni at (202) 512-2834 or marronid@gao.gov.

What GAO Found

Federal agencies are required to address climate vulnerabilities and environmental justice in managing their buildings and other real property assets. Climate vulnerabilities include risks, such as flooding, from weather and climate-related events. Environmental justice seeks to address the disproportionately high distribution of health and environmental risks among certain communities. The 13 agencies in GAO's review use federal planning tools and data, such as a mapping tool, to identify climate vulnerabilities and environmental justice considerations relevant to their real property assets. Additionally, officials from seven of the 13 agencies said they have supplemented these federal tools and data with custom tools they developed to identify climate vulnerabilities for their assets.

EPA Building and an Eroding Shoreline in Gulf Breeze, Florida

Source: Environmental Protection Agency (EPA). I GAO-24-106420

All 13 selected agencies GAO reviewed have incorporated climate vulnerabilities as one factor, among many, into their existing processes for managing real property assets. The agencies typically ranked potential investments in real property assets based on these factors. Agencies may also consider climate vulnerabilities during regular maintenance activities and when planning renovation projects. According to agency officials, the agencies must balance addressing climate vulnerabilities with other considerations, such as addressing health and safety deficiencies and adhering to the terms and conditions of lease agreements.

All 13 selected agencies are also taking steps to consider environmental justice in their management of real property. Requirements to address environmental justice in federal agencies' asset management have evolved in recent years. Agencies' steps include efforts related to environmental reviews under the National Environmental Policy Act (NEPA). Under NEPA, federal agencies must assess the environmental effects of their proposed actions—including construction, management, and disposal of federally owned buildings—prior to making decisions. In addition, agency officials described taking steps to incorporate environmental justice into other parts of their asset management processes, such as to inform budgeting and planning processes.

_____ **United States Government Accountability Office**