

## **MINUTES OF THE MARCH 12, 2025, FACILITIES COMMITTEE MEETING**

The Facilities Committee (“Committee”) of the Board of Regents (“Board”) of the Smithsonian Institution (“Smithsonian”) conducted a meeting on March 12, 2025. Participating were Committee Chair John Fahey and Committee members Representative Adrian Smith, Michael Govan, Risa J. Lavizzo-Mourey, and Mitchell N. Schear.

Also present by invitation of the Committee were Inspector General Nicole Angarella; Chief of Staff to the Secretary Greg Bettwy; Under Secretary for Finance and Administration and Chief Financial Officer Ron Cortez; Realty Officer Brady Demarest; Director for the Office of Facilities Management and Reliability Tony Edmonds; Deputy Chief of Staff to the Regents Kate Forester; Special Assistant to the Regents Mallory Gianola (recorder); Under Secretary for Museums and Culture Kevin Gover; Liaison to Representative Smith, Josh Jackson; Assistant Secretary for Communications and External Affairs and Chief Marketing Officer Julissa Marenco; Director of Federal Resources for the Office of Planning, Management, and Budget Andrew Mosley; Assistant General Counsel Anne Nelson; Deputy Secretary and Chief Operating Officer Meroë Park; Director of the Office of Planning, Design, and Construction Derek Ross; Assistant Secretary for Advancement Rob Spiller; and Counselor and Chief of Staff to the Regents Porter Wilkinson.

### **CALL TO ORDER**

Facilities Committee Chair John Fahey called the meeting to order at 10:00 a.m. and reviewed the agenda.

### **UPDATE FROM THE DEPUTY SECRETARY AND CHIEF OPERATING OFFICER**

Deputy Secretary and Chief Operating Officer Meroë Park updated the Committee on various executive orders impacting the Institution, including the return to in-person work. Smithsonian leadership is examining space utilization and reviewing the optimization study of existing Capital Gallery office spaces to accommodate the return to work in-person on a full-time basis.

The Deputy Secretary also updated the Committee on the Smithsonian’s budget and federal appropriations. The Smithsonian is currently operating under a Continuing Resolution (“CR”), which extends federal funding at fiscal year 2024 spending levels through March 14, 2025. Smithsonian leadership is closely monitoring the progress to pass a full-year FY 2025 appropriation and has begun planning in the event of a lapse in federal appropriations. Deputy Secretary Park also reminded the Committee that the Institution is in close consultation with Congressional appropriators and the Office of Management and Budget regarding the fiscal year 2026 federal budget.

To conclude the Deputy Secretary informed the Committee that the Office of Government Relations organized an oversight briefing for staff of the House Administration and Senate Rules Committees on the status of Smithsonian Facilities on March 12, 2025. The briefing will cover current construction and upcoming capital projects, including sites for the two new museums.

## APPROVAL OF THE NOVEMBER 13, 2024, COMMITTEE MEETING MINUTES

Upon motion duly made and seconded, the minutes of the November 13, 2024, Committee meeting were approved.

## REAL ESTATE UPDATE

Realty Officer Brady Demarest updated the Committee on the Smithsonian's real estate portfolio, including the status of three lease renewals: Apollo Drive in Largo, MD; 5 & 15 Wayside in Burlington, MA; and Concord Avenue in Cambridge, MA. The Smithsonian is also relocating staff from the Office of the Chief Information Officer ("OCIO") data center in Herndon, Virginia and executed a data center colocation agreement. The Committee reviewed existing leases for collections storage, retail, and office space both current and those up for renewal. Mr. Demarest highlighted annual savings from 2025 lease terminations or negotiations total more than \$1.6 million. The Committee also reviewed a timeline and proposed schedule for the Smithsonian Real Estate – Program Improvement Plan.

## DONOR-FUNDED CAPITAL PROJECTS

The Committee then discussed privately funded construction projects and reviewed a list of potential projects to be included in Capital Campaign fundraising plans. The Smithsonian Facilities team is developing a comprehensive policy for the Institution to address operating and maintenance costs for donor-funded buildings, working toward a general policy and funding framework that combines donor contributions, Federal funding, and Trust-related opportunities, such as revenue sources.

## POSTAL SQUARE BUILDING TRANSITION

Next, Director for the Office of Facilities Management and Reliability Tony Edmonds briefed the Committee on recent transitions at the Postal Square Building, which houses the National Postal Museum ("NPM"). The building is owned by the United States Postal Service ("USPS") and managed by the General Services Administration ("GSA"). NPM occupies approximately 80,000 out of 1.1 million square feet. Recent changes include tenant vacancies in late 2024 and building management transitioning to Jones Lang LaSalle ("JLL") in May 2025. The Smithsonian and USPS have executed a lease amendment to fully allocate the Historic Lobby to the National Postal Museum, effective February 10, 2025. As a result of the changes the Smithsonian Facilities team is working to ensure the continuous provision of required services and support through the transition; consolidating and updating the agreements between USPS and the Smithsonian to best reflect the new situation; and assessing the opportunity or need for additional space to accommodate museum and support functions.

## **MAJOR CAPITAL PROJECTS UPDATE**

To conclude, Director of the Office of Planning, Design, and Construction Derek Ross led the Committee's review of the status of three major capital projects: Smithsonian Castle, Hirshhorn Museum and Sculpture Garden, and Pod 6 Collections Storage Facility. Revitalization of the Smithsonian Institution Building ("Castle") is ongoing. Final design and construction are in progress including completed hub relocation and looping in DC water. Environmental and interior demolition have begun following the salvaging of historic artifacts and fragments of the building. Construction is also ongoing for the revitalization of the Sculpture Garden at the Hirshhorn Museum and Sculpture Garden ("HMSG"). Demolition and excavation are complete, as well as storm lines and water retention remediation. New walls are in place, and the Smithsonian Facilities team is scheduling the reinstallation of select sculptures, which will be on view to the public for the America250 celebration on the National Mall. A ribbon cutting at the Pod 6 Collections Storage Facility took place two weeks ago. Construction of the collections storage facility ("Pod 6") at the Museum Support Center in Suitland, Maryland, is nearing completion. Pod 6 is being tied into the Museum Support Center Services and agreements with the National Gallery of Art are in progress. Mechanical and security commissions are underway, and the Smithsonian anticipates collections will begin moving into Pod 6 in the summer.

## **EXECUTIVE SESSION**

The Committee then moved into an executive session at approximately 10:55 a.m. to discuss confidential business matters.

## **ADJOURNMENT**

With no further business to consider, the meeting was adjourned at approximately 11:00 a.m.

Respectfully submitted,

John Fahey, Chair