

Congress of the United States
Washington, DC 20515

October 18, 2018

The Honorable Emily Murphy
Administrator
General Services Administration
1800 F Street, N.W.
Washington, DC 20405

Dear Administrator Murphy:

We are writing to raise serious concerns about President Donald Trump's abrupt decision to abandon a long-term plan developed over multiple administrations to move the headquarters of the Federal Bureau of Investigation (FBI) from its current site on Pennsylvania Avenue N.W. in Washington, D.C. to a suburban location, and replace it with a more costly plan to keep the current location, demolish the existing building, and construct a new facility on the same site.

Many years before becoming President, Donald Trump expressed interest in the FBI headquarters moving out of Washington, D.C. so he could acquire the land on Pennsylvania Avenue and redevelop the property, which is directly across the street from the Trump International Hotel. However, after he was sworn in as President—and became ineligible as a federal employee to obtain the property—he reportedly became “dead opposed” to the government selling the property, which would have allowed commercial developers to compete directly with the Trump Hotel.

Given this background, President Trump should have avoided all interactions or communications relating to the FBI headquarters project to prevent both real and perceived conflicts of interest. He should not have played any role in a determination that bears directly on his own financial interests with the Trump Hotel. The General Services Administration (GSA) also should have taken steps to wall off the decision from improper influence.

Instead, new documents provided to the Oversight Committee indicate that President Trump met personally with you, the FBI, and White House officials on January 24, 2018, where he was directly involved with the decision to abandon the long-term relocation plan and instead move ahead with the more expensive proposal to construct a new building on the same site, and thereby prevent Trump Hotel competitors from acquiring the land.

These new documents describe the Trump Administration's decision not to sell the Pennsylvania Avenue property to commercial developers as “direction from the White House,” “what POTUS directed everyone to do,” and “the project the president wants.” These new documents also show that top GSA officials promised to “hold our ground” on this proposal “per the President's instructions.”

Even more troubling is that you concealed this information from Congress. During sworn testimony, you were asked directly and repeatedly whether you had any communications with President Trump or other White House officials about this project. In response, you withheld information about this and other meetings—omissions the Inspector General warned

may have left a “misleading” impression that you “had no discussions with White House officials in the decision-making process about the project.”

Your meetings with the White House came to light only after direct evidence emerged, including a photograph of you meeting with President Trump in the Oval Office, along with other White House, Justice Department, and FBI officials.

Based on the latest projections, the new proposal to rebuild the existing Pennsylvania Avenue facility could cost hundreds of millions of dollars more than the long-term relocation plan, but it would accommodate 2,306 fewer employees. We have heard no legitimate justification for this decision.

When Donald Trump was elected President, both Republican and Democratic ethics experts recommended that he follow the precedent of every other modern president by liquidating his assets and placing the proceeds into a truly blind trust. They explained that if he failed to do so, conflicts of interest inevitably would arise that would raise questions about his actions. President Trump declined to follow this advice. Instead, he retained ownership of his businesses and claimed he would cede day-to-day control to his sons.

As a direct result of President Trump’s clear conflict of interest on this matter, we are now requesting information and documents to determine whether the President is making decisions about the FBI headquarters building based on what is best for the country or what is best for his own financial bottom-line.

President Trump’s Conflict of Interest

One of President Trump’s most prominent business interests is the Trump International Hotel in Washington D.C. He obtained a 99-year lease from GSA to rent the Old Post Office Building on Pennsylvania Avenue, and GSA allowed him to continue this arrangement after the election despite a provision in the lease explicitly prohibiting elected officials from being “admitted to any share or part of this Lease, or to any benefit that may arise therefrom.”¹

For many years before the election, Donald Trump was also interested in obtaining land directly across the street that would become available when the FBI implemented its long-term plan to vacate its aging headquarters building, known as the J. Edgar Hoover (JEH) Building, and relocate to a suburban location that would provide enough space for FBI personnel.

For example, in 2013, the *Washington Post* reported, “Now that the Old Post Office deal with the General Services Administration is done, Trump said he is considering whether to pursue an even larger project across the street: redevelopment of the J. Edgar Hoover Building, a block to the east on Pennsylvania Avenue.” Donald Trump said at the time: “Whether or not we will bid on it, we may, we may not. Now if we do as good a job as we will do with [the Old Post

¹ General Services Administration, *Ground Lease, By and Between The United States of America (as “Landlord”) and Trump Old Post Office, LLC (as “Tenant”)* (GS-LS-11-1307) (Aug. 5, 2013) (online at www.gsa.gov/portal/content/305477).

Office], people may ask us about it.” According to this report, “Trump said that if he and his daughter Ivanka, who is managing the Old Post Office, pull the hotel project off the way that they hope to it will boost their resume for projects like the FBI.”²

Mr. Trump made his statements less than a year after GSA and the FBI announced in December 2012 their long-term plan to use a public-private partnership with a commercial developer to construct a new headquarters facility at a different location in exchange for title to the existing building and underlying land on Pennsylvania Avenue.³

This long-term plan was based on significant cost and personnel factors. In 2011, the Government Accountability Office (GAO) reported that the FBI “has outgrown” the Pennsylvania Avenue site, which it warned “does not meet the FBI’s long-term security requirements.” GAO found that if the existing building were demolished and rebuilt, the “FBI’s security concerns about its headquarters facility would remain.” GAO also found: “Operations would remain fragmented because any new facility on the Hoover Building site would still not have enough square footage to meet the FBI’s operational needs.” In contrast, GAO found that building a consolidated headquarters on a new site “should be able to fully meet the FBI’s security requirements” and that “[e]fficiency would increase because the new facility would allow for the optimal organization of division to include FBI’s projected staffing growth.”⁴

After Donald Trump was elected, he lost his ability to bid on the FBI property. Federal contracting rules prohibit the government from awarding a contract to “any business concern or other organization owned or controlled by one or more Government employees.”⁵

At that point, his position on whether the FBI should abandon the property also reportedly changed, as did his ability to affect the outcome. Instead of supporting the commercial development of the property, President Trump reportedly became “dead opposed.”⁶ This reversal caused many to question whether he wanted to protect his financial interest in the Trump Hotel, particularly if another private developer could obtain the property and compete directly with the Trump Hotel.⁷

² *Donald and Daughter Ivanka Trump Will Consider Acquiring FBI Headquarters*, Washington Post (Sept. 11, 2013) (online at www.washingtonpost.com/business/capitalbusiness/donald-and-daughter-ivanka-trump-will-consider-acquiring-fbi-headquarters/2013/09/11/cb353204-1afb-11e3-82ef-a059e54c49d0_story.html?utm_term=.98ea847e072e).

³ *GSA Proposes Trading Hoover Building for New FBI Campus*, Washington Post (Dec. 3, 2012) (online at www.washingtonpost.com/blogs/capital-business/post/gsa-proposes-trading-hoover-building-for-new-fbi-campus/2012/12/03/5b8c94b8-3d5e-11e2-bca3-aadc9b7e29c5_blog.html?utm_term=.a62568c71fd8).

⁴ Government Accountability Office, *Actions Needed to Document Security Decisions and Address Issues with Condition of Headquarters Buildings* (GAO-12-96) (online at www.gao.gov/assets/590/586151.pdf).

⁵ 48 CFR Part 3, Subpart 3.6.

⁶ *Scoop: Trump’s Obsession with the ‘Terrible’ FBI Building*, Axios (July 29, 2018) (online at www.axios.com/donald-trump-obsession-fbi-building-headquarters-65d36fb9-b1a2-42ca-8cbd-3dbbe59de907.html).

⁷ *See, e.g., Critics Say President Trump Scuttled New FBI Headquarters to Avoid Hotel Competition*, WUSA9 (Aug. 28, 2018) (online at www.wusa9.com/article/news/local/dc/critics-say-president-trump-scuttled-new-

Your Testimony Concealing Communications with the President

In February of this year, GSA and the FBI submitted a new plan for the FBI headquarters to the Senate Committee on Environment and Public Works that no longer included its long-term plan to move the FBI headquarters to a suburban location. Instead, the new plan would retain the land on Pennsylvania Avenue, demolish the existing headquarters building, and construct a new building for the FBI on the same site.⁸

During a congressional hearing on April 17, 2018, you were asked—directly and repeatedly—if President Trump or other White House officials had any communications with GSA or the FBI about this decision. In your testimony, you withheld the fact that you personally met with President Trump, White House Chief of Staff John Kelly, and OMB Director Mick Mulvaney. The exchange went as follows:

- Q: Was anyone else at the White House involved with briefing you or to your knowledge did the President or any of the other officials at the White House consult with any of these other agencies in the decision-making process?
- A: Well, sir, the FBI was the one who came to me and said that there's—their requirements had changed, they no longer required a campus for 11,000 individuals, they were looking at a campus—they only had a requirement for about 8,300 individuals and based on that they wanted to put the J. Edgar Hoover site back into play. They actually requested that GSA consider renovating the building. ...
- Q: But again, to your knowledge was the President or anyone at the White House involved in those discussions either with your predecessors or people you're working with now or yourself?
- A: Sir, to my knowledge—the instruction that we got came from the FBI. It was the FBI that directed GSA as to what it's requirements would be. We obviously did coordinate given that it is a substantial budget request, we coordinated that request with OMB to make sure that—to provide for funding but the requirements were generated by the FBI.⁹

In contrast, the Inspector General of GSA reported on August 27, 2018, that you met personally with President Trump at the White House on January 24, 2018. In fact, an official White House photograph from that day shows you sitting across from President Trump along

[fbi-headquarters-to-avoid-hotel-competition/65-588490322](#)).

⁸ General Services Administration and Federal Bureau of Investigation, *FBI Headquarters Revised Nationally-Focused Consolidated Plan* (Feb. 12, 2018) (online at www.washingtonpost.com/apps/g/page/business/read-trumps-fbi-headquarters-plan/2279/?tid=a_inl_manual).

⁹ House Committee on Appropriations, Subcommittee on Financial Services and General Government, *Hearing on FY 2019 Budget—General Services Administration*, 115th Cong. (Apr. 17, 2018) (online at <https://appropriations.house.gov/calendararchive/eventsingle.aspx?EventID=395230>).

with General Kelly and Mr. Mulvaney. According to the Inspector General's report, issued following a request by Ranking Member Gerald E. Connolly of the Government Operations Subcommittee of the Committee on Oversight and Government Reform, you also met with General Kelly and Director Mulvaney a month earlier on December 20, 2017.

The Inspector General's report found that your testimony to Congress concealed these meetings with President Trump and his top aides. The report stated:

[W]e found that because she omitted any mention in her answers of her discussions with Kelly, Mulvaney, and the President during the decision-making process for the Revised FBI Headquarters Plan, her testimony was incomplete and may have left the misleading impression that she had no discussion with the President or senior White House officials in the decision-making process about the project.¹⁰

According to the Inspector General's report, you initially refused to acknowledge that you met with President Trump or other White House officials. After discovering evidence of your meetings, the Inspector General's office was forced to interview you a second time, during which you finally admitted the meetings. You requested that the Inspector General remove all references to your testimony, but the Inspector General refused, stating, "we cannot ignore Murphy's failure to disclose that she had discussed those very issues with the President and others at the White House."¹¹

New Documents Show President Trump's Direct Involvement in Decision

New documents provided to the Oversight Committee show that President Trump and top White House officials intervened directly to reverse the long-term plan to relocate FBI headquarters and prevent Trump Hotel competitors from developing the property. These documents were first obtained by the Inspector General and provided in response to a request from Ranking Member Gerald E. Connolly and Chairman Mark Meadows of the Government Operations Subcommittee.

For example, on December 20, 2017, you and GSA Public Building Service Commissioner Dan Mathews met with General Kelly and Director Mulvaney about the project. Afterwards, Mr. Mathews emailed Richard Haley, the FBI's Chief Financial Officer and Assistant Director of the Finance Division, describing the meeting. Mr. Mathews wrote:

The meeting took an unexpected turn as soon as we got there. Sorry to intrude, but do you have time to talk today? We have some work to do but there is real interest. I can

¹⁰ Office of Inspector General, General Services Administration, *Review of GSA's Revised Plan for the Federal Bureau of Investigation Headquarters Consolidation Project* (Aug. 27, 2018) (online at www.gsaig.gov/sites/default/files/audit-reports/Review%20of%20GSA%E2%80%99s%20Revised%20Plan%20for%20the%20FBI%20Headquarters%20Consolidation%20Project%20REACTED%20-%2020508%20compliant.pdf).

¹¹ *Id.*

fill you in on the phone. Also, we will need to set up a phone call between our Administrator and your Director very soon.¹²

According to the Inspector General's report, you stated that during a meeting with GSA and FBI officials on January 4, 2018, you pushed back on the idea of abandoning the long-term relocation plan. You reportedly stated that the Pennsylvania Avenue location "was not GSA's preferred site and that a lot of work had gone into the campus concept."

In addition, Director Wray reportedly said that "if the cost savings between a suburban campus site and the existing site were similar" his "preference was to remain at the JEH building," but "[i]f the campus scenario offered significant savings," he was "not opposed to a suburban campus site."¹³

On January 24, 2018, you met with President Trump in the Oval Office, along with Mr. Kelly, Mr. Mulvaney, FBI Director Wray, and Deputy Attorney General Rod Rosenstein. A day earlier, Mr. Mathews sent an email to you warning that "expectation is gsa briefs on renovation options."¹⁴

You reportedly told President Trump in the meeting that "GSA did not think that the project could secure full upfront funding."¹⁵

Nevertheless, you informed the Inspector General that your understanding after meeting with President Trump was that the Administration was "moving forward with the demolish-rebuild project."¹⁶

¹² Email from Daniel Mathews, Commissioner, Public Buildings Service, General Services Administration, to Richard Haley, Assistant Director, Chief Financial Officer, Finance Division, Federal Bureau of Investigation (Dec. 20, 2017) (online at <https://democrats-oversight.house.gov/sites/democrats.oversight.house.gov/files/documents/Mathews%20to%20Haley%2012.20.2017.pdf>).

¹³ Office of Inspector General, General Services Administration, *Review of GSA's Revised Plan for the Federal Bureau of Investigation Headquarters Consolidation Project* (Aug. 27, 2018) (online at www.gsaig.gov/sites/default/files/audit-reports/Review%20of%20GSA%E2%80%99s%20Revised%20Plan%20for%20the%20FBI%20Headquarters%20Consolidation%20Project%20REDACTED%20-%20508%20compliant.pdf).

¹⁴ Email from Daniel Mathews, Commissioner, Public Buildings Service, General Services Administration, to Emily Murphy, Administrator, General Services Administration (Jan. 23, 2018) (online at <https://democrats-oversight.house.gov/sites/democrats.oversight.house.gov/files/documents/Mathews%20to%20Murphy%201.23.2018.pdf>).

¹⁵ Office of Inspector General, General Services Administration, *Review of GSA's Revised Plan for the Federal Bureau of Investigation Headquarters Consolidation Project* (Aug. 27, 2018) (online at www.gsaig.gov/sites/default/files/audit-reports/Review%20of%20GSA%E2%80%99s%20Revised%20Plan%20for%20the%20FBI%20Headquarters%20Consolidation%20Project%20REDACTED%20-%20508%20compliant.pdf).

¹⁶ *Id.*

Just one day later, on January 25, 2018, your Chief of Staff at GSA, Brennan Hart, sent an email to Joseph Lai, a Special Assistant to President Trump, confirming that the decision to reverse the relocation plan occurred at the White House meeting. He wrote: “The President was briefed yesterday on this by the GSA Administrator, Deputy AG and FBI Director and signed off on this path forward.”¹⁷

On January 26, 2018, Mr. Haley at the FBI sent an email to Mr. Mathews at GSA also confirming that the direction to reverse the relocation plan came from the White House:

Also, for your pocket, gsa and fbi are working closer now than at any time before. Both teams are closely aligned, and now that we have a direction from WH that will continue to tighten relationship forward.¹⁸

A day later, on January 27, 2018, GSA’s Acting General Counsel Jack St. John sent an email to your Chief of Staff, Mr. Hart, stating that “Rader,” presumably a reference to Special Assistant to the President John Rader, “suggested getting something in writing from DOJ/FBI memorializing what was decided in the meeting with POTUS.” In response, Mr. Hart sent an email to Mr. Mathews indicating that President Trump was giving the orders: “Ideally I think it would first recap the oval meeting with what POTUS directed everyone to do then ask Emily (GSA) to execute POTUS’s orders.”¹⁹

The next day, on January 28, 2018, Mr. Hart sent an email to officials in the Office of Legislative Affairs again confirming President Trump’s role: “GSA is going to hold our ground on the funding source and that it is a demolition/new construction per the President’s instructions.”²⁰ Mr. Mathews also sent an email to Mr. Haley that day confirming the President’s role: “GL LB [ground lease-leaseback] can be classified as an operating lease and demolish rebuild, as they are necessary to deliver the project the president wants on the timetable he wants it done.”²¹

¹⁷ Email from Brennan Hart, Acting Chief of Staff, General Services Administration, to Joseph Lai, Special Assistant to the President (Jan. 25, 2018) (online at <https://democrats-oversight.house.gov/sites/democrats.oversight.house.gov/files/documents/Lai%20to%20Hart%201.25.2018.pdf>).

¹⁸ Email from Richard Haley, Assistant Director, Chief Financial Officer, Finance Division, Federal Bureau of Investigation, to Daniel Mathews, Commissioner, Public Buildings Service, General Services Administration (Jan. 26, 2018) (online at <https://democrats-oversight.house.gov/sites/democrats.oversight.house.gov/files/documents/Haley%20to%20Mathews%201.26.2018.pdf>).

¹⁹ Email from Brennan Hart, Acting Chief of Staff, General Services Administration, to Daniel Mathews, Commissioner, Public Buildings Service, General Services Administration (Jan. 27, 2018) (online at <https://democrats-oversight.house.gov/sites/democrats.oversight.house.gov/files/documents/St.%20John%20to%20Hart%201.27.2018.pdf>).

²⁰ Email from Brennan Hart, Acting Chief of Staff, General Services Administration to Jeff Post, Office of Congressional and Intergovernmental Affairs, General Services Administration (Jan. 28, 2018) (online at <https://democrats-oversight.house.gov/sites/democrats.oversight.house.gov/files/documents/Hart%20to%20Post%201.28.18.pdf>).

²¹ Email from Daniel Mathews, Commissioner, Public Buildings Service, General Services Administration,

Plan Would Cost Taxpayers More, But Accommodate Fewer Employees

The long-term plan to relocate the FBI headquarters to a suburban location would cost an estimated \$3.565 billion, according to the Inspector General. Selling the existing Pennsylvania Avenue property to commercial developers or others could result in proceeds of approximately \$334 million, which would offset the costs of the new suburban facility.²²

In contrast, the plan to keep the Pennsylvania Avenue property, demolish the existing facility, and construct a new building would cost an estimated \$3.844 billion. This includes an estimated \$3.328 billion to rebuild the headquarters building, \$57 million to relocate 2,306 FBI personnel who will not fit in the Pennsylvania Avenue facility, and \$459 million in construction costs at FBI facilities in Alabama, Idaho, Virginia, and West Virginia to accommodate those employees.

On February 12, 2018, GSA submitted to the Senate Environment and Public Works Committee an estimate for the new plan to rebuild the Pennsylvania Avenue facility, which was approved by OMB.²³ However, the Inspector General found that GSA overstated the costs of the long-term plan to relocate the FBI headquarters and understated the costs of the new plan to rebuild the Pennsylvania Avenue facility.

According to the Inspector General, GSA's recent proposal underestimated cost because it does not capture relocation and non-JEH construction costs. The plan to relocate the FBI headquarters to a suburban facility would have accommodated 10,606 personnel, while the proposal to keep the Pennsylvania Avenue property would accommodate only 8,300 personnel. According to the Inspector General, GSA "should have accounted for the relocation and construction costs associated with housing the 2,306 personnel at other FBI facilities." The FBI estimates it would cost \$57 million to relocate those employees.²⁴ The Inspector General reported that the per person cost of the new plan to demolish and rebuild the building on

to Richard Haley, Assistant Director, Chief Financial Officer, Finance Division, Federal Bureau of Investigation (Jan. 28, 2018) (online at <https://democrats-oversight.house.gov/sites/democrats.oversight.house.gov/files/documents/Mathews%20to%20Haley%201.28.2018.pdf>).

²² Office of Inspector General, General Services Administration, *Review of GSA's Revised Plan for the Federal Bureau of Investigation Headquarters Consolidation Project*, Appendix A—GSA Comments (Aug. 27, 2018) (online at www.gsaig.gov/sites/default/files/audit-reports/Review%20of%20GSA%E2%80%99s%20Revised%20Plan%20for%20the%20FBI%20Headquarters%20Consolidation%20Project%20REDACTED%20-%20508%20compliant.pdf).

²³ *FBI Headquarters Revised Nationally-Focused Consolidation Plan*, General Services Administration (Feb. 12, 2018) (online at www.washingtonpost.com/apps/g/page/business/read-trumps-fbi-headquarters-plan/2279/?tid=a_inl_manual).

²⁴ Office of Inspector General, General Services Administration, *Review of GSA's Revised Plan for the Federal Bureau of Investigation Headquarters Consolidation Project*, Appendix A—GSA Comments (Aug. 27, 2018) (online at www.gsaig.gov/sites/default/files/audit-reports/Review%20of%20GSA%E2%80%99s%20Revised%20Plan%20for%20the%20FBI%20Headquarters%20Consolidation%20Project%20REDACTED%20-%20508%20compliant.pdf).

Pennsylvania Avenue would be \$64,834 higher than the plan to move the FBI headquarters to a new consolidated facility.

You disputed the Inspector General's findings as "inaccurate" claiming that counting the additional offsite costs "have the effect of improperly inflating the direct costs of the demolish-rebuild project." The Inspector General reported, however, that "a GSA official involved in the cost estimating agreed with our conclusion that these construction costs should have been included in the Revised FBI Headquarters Plan."²⁵

Request for Documents

For the reasons set forth above, we request that you produce the following documents and information by November 1, 2018:

- (1) a complete timeline of all meetings and discussions between GSA and the FBI regarding the headquarters project from January 20, 2017, to the present including a list of participants in each meeting;
- (2) a complete timeline of all meetings and discussions between White House and GSA officials from January 20, 2017, to the present;
- (3) all documents and communications between GSA and DOJ officials, including FBI officials, regarding the headquarters project from January 20, 2017, to the present;
- (4) all documents and communications between the White House and officials of Executive Branch agencies, including but not limited to OMB and GSA, regarding the FBI headquarters project from January 20, 2017, to the present;
- (5) all documents and communications between GSA and White House officials regarding how GSA should address questions regarding involvement by President Trump or senior White House staff in decisions related to the FBI headquarters project;
- (6) all documents and communications between Trump Organization and GSA officials from September 12, 2016, to the present;
- (7) all drafts of any prospectus exchanged with OMB including any edits suggested or made by OMB; and
- (8) all documents and communications relating to your testimony before Congress on April 17, 2018.

²⁵ *Id.*

Thank you for your prompt attention to this request.

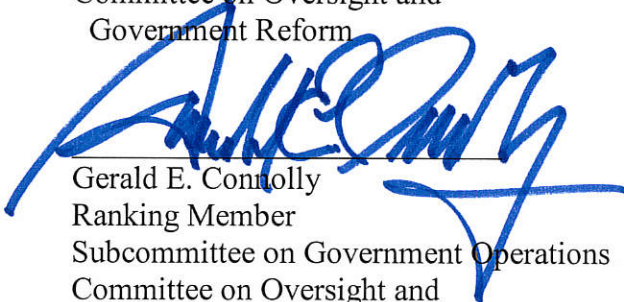
Sincerely,



Elijah E. Cummings
Ranking Member
Committee on Oversight and
Government Reform



Peter DeFazio
Ranking Member
Committee on Transportation and
Infrastructure



Gerald E. Connolly
Ranking Member
Subcommittee on Government Operations
Committee on Oversight and
Government Reform



Mike Quigley
Ranking Member
Subcommittee on Financial Services and
General Government
Committee on Appropriations



Dina Titus
Ranking Member
Subcommittee on Economic Development,
Public Buildings and Emergency Management
Committee on Transportation and Infrastructure

cc: The Honorable Trey Gowdy, Chairman
Committee on Oversight and Government Reform

The Honorable Bill Shuster, Chairman
Committee on Transportation and Infrastructure

The Honorable Mark Meadows, Chairman
Subcommittee on Government Operations
Committee on Oversight and Government Reform

The Honorable Tom Graves, Chairman
Subcommittee on Financial Services and General Government
Committee on Appropriations

The Honorable Lou Barletta, Chairman
Subcommittee on Economic Development, Public Buildings and Emergency Management
Committee on Transportation and Infrastructure