

The Department of Homeland Security Is Moving

Here

Visiting the craziest Washington project of them all
By Devin Leonard

Chris Mills frequently gives tours of St. Elizabeths Hospital, a former mental institution where the U.S. Department of Homeland Security is building a \$4.5 billion headquarters. It's the largest construction project in the District of Columbia since the Pentagon was completed in 1943. So there's a lot of ground to cover. Mills prefers to chauffeur his guests around the place in a golf cart.

A cheerful 55-year-old with a neatly trimmed mustache, Mills, who is managing the project for DHS, tells visitors to look out for animals. There are loads. Herds of deer, a flock of wild turkeys, and a bald eagle reside in the fenced-in facility. They might not last long outside. St. Elizabeths is located in Anacostia, one of D.C.'s toughest neighborhoods. But they have little to fear inside the high-security fences. "It's like the wild kingdom in here," Mills says with a chuckle.

Then he's off in his golf cart with his passengers. His boss, Jeffery Orner, DHS's chief readiness support officer, who oversees all of the department's real estate, has come along for the ride. There's a DHS public-relations person on board, too. She sits in the back, smiling and saying nothing. Everybody is wearing hard hats and DHS safety vests.

As Mills meanders through the leafy campus on a splendid June morning, he explains that the headquarters is mission-critical. He says DHS is currently scattered in 50 locations throughout the capital. After its dismal performance in Hurricane Katrina in 2005, the agency decided it would be better able to fight terrorists and respond to natural disasters if its leaders worked side by side in one place. "We really needed a consolidated headquarters," Mills says.

He explains that DHS will use many of the old hospital buildings on the 176-acre campus. He pulls up to the dining hall where inmates once took their meals. It has been painstakingly restored and will serve as a festive 300-seat cafeteria for Homeland Security



September 2009: Groundbreakers for the DHS headquarters include Joe Lieberman and Napolitano

employees. The kitchen has been completely refurbished and the dining room is now lit with hanging pastel-colored globes. "As you can see, this is ready to go," says Mills proudly.

From there it's a quick trip to the future seat of the secretary of the Department of Homeland Security. Until recently, that would have been Janet Napolitano, but she announced her

retirement on July 12. Whoever runs DHS will occupy the former office of the St. Elizabeths asylum superintendent. They were surrounded by the inmates.

It isn't ready, not by a long shot. There aren't lights, for one thing. Mills passes out flashlights and leads the way inside. There are holes in the floors. The ceilings are collapsing in some areas. Mills says St. Elizabeths moved patients out of the building in the 1960s, but somebody forgot to turn off the heat. "The steam was left on for years and years and years and years," Mills laments. "The building literally rotted from the inside. The floors collapsed on each other."

"This renovation of this building would make a great HGTV episode," Orner says, "except they tend to complete their work in one show."

It's a clever line, one that Orner has undoubtedly uncorked previously. But he raises an important issue. The project is moving slowly, even by the geologic standards of the U.S. government. It's been plagued by delays and mounting costs. People might not even remember Napolitano when the building is completed, which might be around 2026.

In the months after Sept. 11, the Bush administration and the U.S. Congress decided that Americans would be safer from terrorists if they combined 22 federal agencies into a single unit—including the Coast Guard, the Customs Service, the Secret Service, the Immigration and Naturalization Service, the Transportation Security Administration, the Federal Emergency Management Agency, the National Infrastructure Protection Center, the Federal Computer Incident Response Center, and the Animal and Plant Health Inspection Service, to name just a few. It was the largest reorganization of the federal government since the creation in 1947 of what would become the U.S. Department of Defense.

The new Department of Homeland Security would have 180,000 employees and a \$36 billion budget, but its supporters promised it would be nimble. There were a few dissenters in Congress. One was Representative John Mica, a Florida Republican. "I gave a little speech at the time," he remembers. "I said anyone who thinks you can combine 22 agencies and 200,000 people and it's going to be more efficient and economical needs to have their head examined."

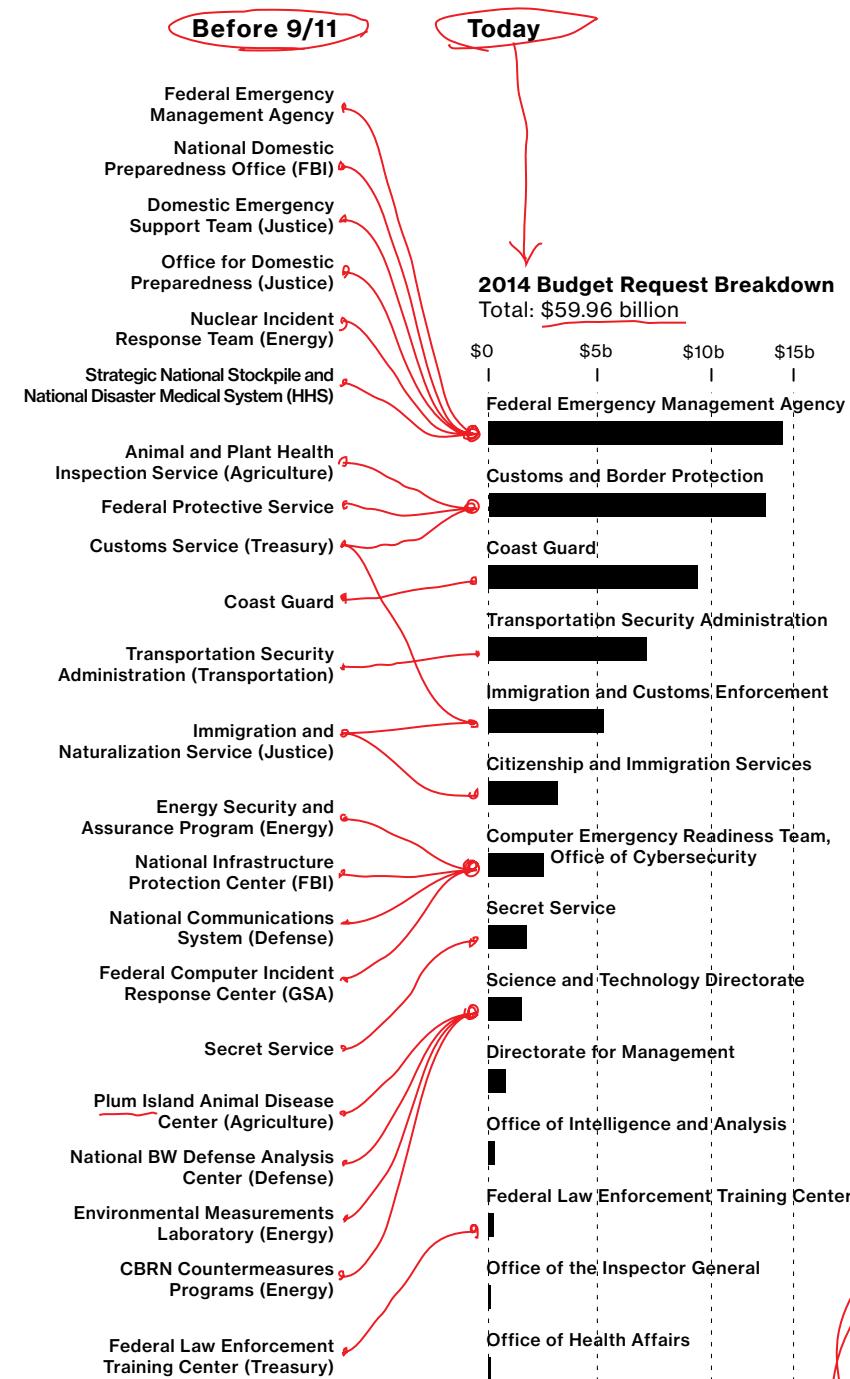
He turned out to be prophetic. DHS became a study in mismanagement. The department's top ranks swelled

with appointees with questionable credentials. The most famous was Michael Brown, the former FEMA director who had been previously employed for a decade by the International Arabian Horse Association. There were frequent interagency tussles. For instance, two separate agencies—the Customs and Border Protection (CBP) and Immigration and Customs Enforcement (ICE)—were supposed to safeguard the nation's peripheries together. It didn't go well. "It's vital to recognize that the two bureaus barely interact," David Venturilla, former director of ICE's office of detention and removal operations, told

a congressional committee in 2005. "When they do, they argue over budget, operations, and jurisdiction." DHS's goof-ups were spectacular and sometimes comical. In 2005, Congress chastised its Directorate of Information Analysis and Infrastructure Protection for including mini-golf courses, petting zoos, and a bourbon festival alongside nuclear power plants on its list of places in danger of terrorist attacks. DHS also had a habit of entering into no-bid contracts with politically connected companies.

When it came time to protect the American people, DHS fell short, too.

Office Shuffle: 22 Agencies Sorted Under One Department



That was never more apparent than during Hurricane Katrina in 2005: Wal-Mart Stores delivered food and water to victims of the flood days before FEMA got around to it. "FEMA used to have a direct relationship with the president," says Elaine Kamarck, a former Clinton administration official and now a senior fellow at the Brookings Institution. "Now it had to go through the bureaucracy of the DHS. That slowed down its response time." It seemed the less-agile DHS had itself become a threat to the nation's security.

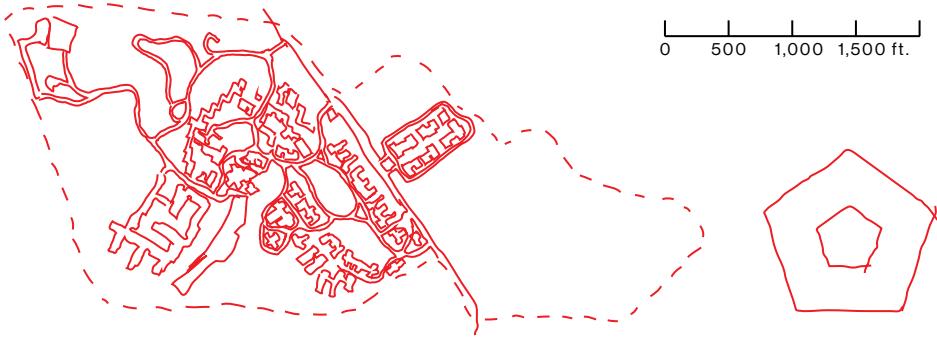
DHS set out to solve this by promoting a unified departmental culture; they called it One DHS. But how effective could the department's cultural reeducation campaign be when its top officials still sat in their old offices throughout the capital? DHS felt it needed its own Pentagon. "Everybody used the Pentagon as a case study," says Brown, the former FEMA director. "They said until we put the Joint Chiefs of Staff and everybody else into one building, the Department of Defense floundered." Brown himself wasn't convinced, but he didn't hold his position for long. He resigned in 2005 after the Katrina debacle. He's now a radio talk show host in Denver.

Today, DHS has 240,000 employees and a yearly budget of \$60 billion. There have been some improvements at the third-largest federal agency. FEMA has reacted much more swiftly in subsequent disasters, most recently Hurricane Sandy. The Obama administration has been able to resist the temptation to reward less-than-qualified political supporters with jobs at the agency. Yet DHS is hardly a smooth-running operation. It's plagued by low morale. In 2012, the Partnership for Public Service ranked DHS at the bottom of its list of the best places to work in the federal government, →

"I said anyone who thinks you can combine 22 agencies and 200,000 people ... needs to have their head examined"

OPENING SPREAD: ERIC G. BROWN; THIS SPREAD: COURTESY DHS

DATA: DEPARTMENT OF HOMELAND SECURITY



St. Elizabeths Campus

The Pentagon

based on a survey of how employees feel about their respective agencies.

The department is frequently scolded for spending heavily on anti-terrorism approaches that don't work. In May, DHS's inspector general warned the TSA against continuing with an \$878 million behavior detection program in airports because the agency had no idea whether or not it was effective. The following month, lawmakers threatened to halt DHS's rollout of a new version of a bio-surveillance alert system, which it has used for a decade at the cost of more than \$1 billion. "No procurement of this technology can proceed until after the secretary of Homeland Security certifies the science is proven," said Representative Tim Murphy (R-Pa.).

David Maurer, director of homeland security and justice issues for the U.S. Gov-

ernment Accountability Office, says part of the problem is that DHS still hasn't melded its disparate components. "If you talk to someone from Secret Service and you ask them where they work, they will tell you Secret Service," he says. "You can remind them that they are part of DHS, and they may grudgingly accept that. 'But no,' they'll say, 'we're first and foremost Secret Service.' It's probably true for much of the department."

Napolitano acknowledged that this is a problem. "Given the size and scope of the merger that is under way, it does take time," she told Congress in 2012. "The [Department of Defense] took, by most accounts, 40 years to really become unified as a department. My goal is to substantially beat that record." If it is beaten, it won't be under her watch.

She said the headquarters is crucial to achieving this. The Coast Guard will move to the campus in August, but the rest of the project is in limbo. Supporters blame Congress for being parsimonious. "You've heard of Too Big To Fail?" says Representative Eleanor Holmes Norton (D-D.C.). "This project is Too Important To Fail because it puts together the nation's security agencies to protect the homeland. It has run into issues almost entirely because of the recession."

It's also increasingly apparent that DHS's scheme to build its headquarters on the grounds of a former mental hospital is inherently flawed. Some would say it's crazy.

In 2005, Mills began working on a master plan for the headquarters with the U.S. General Services Administration, the agency that manages federal real estate. As part of his duties, he immersed himself in the history of St. Elizabeths, which was founded in 1855 by social reformer Dorothea Dix and Dr. Charles Henry Nichols. Unlike other institutions

of the day, which all but imprisoned patients in unheated, foul-smelling quarters, St. Elizabeths allowed inmates to roam around outdoors on the picturesque campus and enjoy its sweeping views of the nation's capital.

The hospital had some colorful residents. The poet Ezra Pound was confined there until 1958 after giving profascist speeches on Italian radio during World War II. He wrote his acclaimed *Pisan Cantos* during his stay. One of his fellow patients was Augustus Stanley Owsley III, known for synthesizing the purest form of LSD. He checked himself in voluntarily and left on his own, too. In 2011 he died in a car crash in Australia, where he'd moved to avoid an oncoming ice age that he feared would destroy the Northern Hemisphere. At its peak, St. Elizabeths cared for more than 7,000 people. But in the late '60s its population declined, and it became clear that the facility itself was in need of rehabilitation. The District of Columbia took over the 180-acre east side of the campus in 1987. Today, it operates a small mental institution whose most famous resident is John Hinckley Jr., President Ronald Reagan's would-be assassin. The General Services Administration took over the 176-acre west side in 2004. There was plenty of space, enough for DHS, which was shopping around for a home.

In 2006, DHS released its St. Elizabeths master plan. The secretary would set up shop in the main hospital building along with the heads of TSA, Customs and Border Protection, and Immigration and Customs Enforcement. The Coast Guard and FEMA would get their own headquarters. Federal officials said the project would cost about \$3.4 billion, but it would save \$600 million over the next three decades because many of these agencies would no longer need to lease space in privately owned buildings.

DHS's senior leadership heartily endorsed the concept. Michael Chertoff, the secretary at the time, couldn't wait to get everybody together at St. Elizabeths. "Maybe it doesn't seem like a big deal," he says, "but the reality is, if people come to

"You've heard of Too Big To Fail? This project is Too Important To Fail"

FROM TOP: MICHAEL WILLIAMS/OWEN POST/GETTY IMAGES; JIM LO SCALZO/EP/ANDOV; COURTESY NATIONAL ARCHIVES (2)



Margaret Hagen Hall awaits refurbishing; the Coast Guard's offices will be next to a Civil War cemetery



headaches. Once it became clear that they wouldn't be moving to St. Elizabeths anytime soon, many DHS agencies were forced to enter into expensive new leases at their old buildings. And, according to Mills, the cost of the entire project rose by an additional \$1 billion as the completion date was extended by a decade.

Looking back, Chertoff faults the historical preservationists for putting the brakes on the project. "There was a lot of back and forth with the preservation people who didn't want anything to disturb St. Elizabeths," he complains. "If it hadn't taken so long to get through that, we might have gotten under way sooner."

Nieweg says that if DHS didn't want to get tangled up in the preservation process, it should have found another location. Mills is more diplomatic. He says the preservationists offered many helpful suggestions for refurbishing St. Elizabeths. "They do have a good perspective on a lot of things," he says. "They actually came up with good ideas along the way."

Mills says that instead of seeking large sums of money for the headquarters, DHS has decided to ask Congress for smaller amounts so the project can slowly but steadily move forward. It has adjusted its schedule accordingly. The entire project, DHS now says, won't be completed until 2026, a decade behind schedule. Even so, Mills points out that the president's 2014 budget includes \$367 million for the renovation of the building with the secretary's office and

the financial markets had collapsed. The following year, Congress provided \$1.1 billion in funding for the project, most of it from the Recovery Act. It was enough to get the Coast Guard headquarters under way. DHS set Mills up in a trailer on the campus. His colleagues from the General Services Administration moved into the morgue.

DHS may have been created under a GOP president, but incoming House members were skeptical about the department and its need for an elaborate headquarters. After the Republican Party won control of the House of Representatives in 2010, funding all but ceased. This caused enormous

those of her department heads. "That'll support DHS integration," he says. "You know, the one DHS culture that will really maximize our effectiveness."

There's no guarantee that the next stage of the project will be fully funded. In March, Mills gave a tour to a House delegation that included Jeff Duncan, chairman of the Homeland Security subcommittee on oversight and management efficiency. A Republican from South Carolina, Duncan knows something about the real estate business. He was once the president of a company that specialized in property auctions. He's also a proud tightwad. According to his website, he was named a "taxpayers' hero" because of his efforts to root out wasteful government spending as a member of the state's House of Representatives.

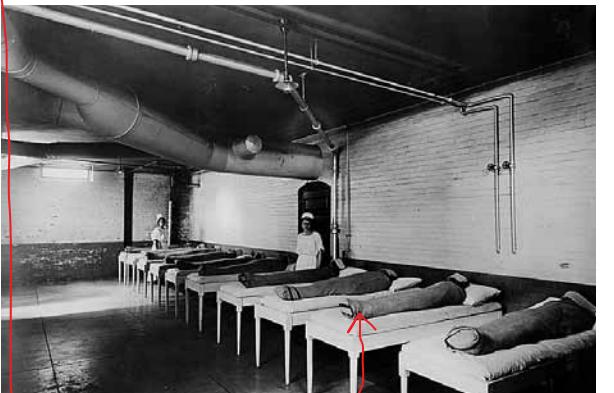
Duncan was troubled by what he saw at St. Elizabeths. He says he gets the idea that DHS needs to be closer together, but he finds almost everything about the mission disturbing. "They started planning this thing in 2005, and now it's projected to be completed in 2026," he says. "That's 21 years. The estimated cost is now \$4.5 billion. That's \$1 billion more than their original estimate."

Duncan wishes the DHS had chosen to build the headquarters from scratch somewhere outside the Beltway. He says it's too late to halt the project now. But he vows to make sure it's not too expensive. This may require some rethinking on the part of the department. Duncan can't get over what he describes as the high-end materials used in the common area outside the Coast Guard's headquarters. "They've got the hardest wood and most expensive wood known to man out there," he says. "Couldn't they have gotten some of this composite deck material? It would have been a lot less money, and it doesn't rot."

In other words, it looks like the DHS can expect more second-guessing and perhaps even more delays as it struggles to finish the project. Meanwhile, its department heads will have to consign themselves to leaping into their cars and fighting traffic to get to Nebraska Avenue every time there's a major crisis.

You would think Mills might be losing his patience by now. But he doesn't seem troubled by delays or political interference. "Everybody supports this project," he insists. "It has bipartisan support. It has bicameral support."

As Mills cruises through St. Elizabeths, he points out a fawn on the grass. It's an adorable creature that appears to be trying out its legs for the first time. Everybody in the golf cart sighs. "We have pictures of day-old ones that were born right outside our office," he says. ⑤



St. Elizabeths' Center Building, c. 1900; wrapped hydrotherapy patients