



infobrief

A PUBLICATION OF ADC

Understanding Key Issues in **DoD's Base Redevelopment & Realignment Manual**

MAY 2006

 ASSOCIATION OF
**DEFENSE
COMMUNITIES**
FORMERLY NAID

Acknowledgements

ADC would like to thank several groups that assisted with the creation of this Info-brief.

First, our members who lent their time and expertise to the creation of this publication. Several ADC members drafted particular sections of this publication, each offering their own unique insights on the many complicated issues addressed in the Base Redevelopment and Realignment Manual. ADC would particularly like to recognize:

Jeffrey A. Simon, *Actus Lend Lease*; Matthew Berman & Marc Waddill, *Jones Lang LaSalle*; George Schlossberg & Joseph Fuller, *Kutak Rock, LLP*; Jerry Turner, *The Shaw Group*; Irene Kornelly, *Kornelly & Associates*; Herb Smetheram, *ZHA, Inc.*; David Knisely, *Garrity & Knisely*; Jimmy Hicks, *RKG Associates, Inc.*

Secondly, the publications committee – Jimmy Hicks, Irene Kornelly and Bill Harvey – for reviewing the final draft.

Finally, ADC staff members Tim Ford, Dan Cohen and Todd Herberghs who assisted in shaping the publication.

About the Association of Defense Communities

The Association of Defense Communities (ADC), formerly NAID, is the nation's leading membership organization supporting communities with active, closed and closing defense installations. Our 1,000 members unite the diverse interests of communities, the private sector and the military on issues of mission enhancement/realignment, community-base partnerships, privatization and closure/redevelopment.

734 15th Street, NW | Suite 900 | Washington, D.C. 20005

Tel: 202.822.5256 | Fax: 202.822.8819

www.defensecommunities.org

Understanding Key Issues in DoD's Base Redevelopment & Realignment Manual

Foreword

Redeveloping a closed military installation can be a daunting task... Land uses that make no sense... Outdated utilities... Roads that don't connect to local streets... Buildings that don't meet building codes... Environmental issues to keep lots of people busy for a long time.

But for the people of every community in which a base is located, the closure and redevelopment represents an opportunity that comes along maybe once in a hundred years. It is an opportunity to have an open dialogue and vigorous debate about the hopes, dreams and aspirations of that community. It is an opportunity to shape the built environment of today into those dreams for the future. For the citizens, the opportunity to redevelop a closed military base is an opportunity for that community to define what it wants to be for the next 100 years.

In this short summary of the DoD's Base Redevelopment and Realignment Manual, you have a brief introduction to many of the issues that citizens, elected officials, community groups, developers and all those who are interested and

involved in the future of base redevelopment will need to deal with. Fortunately, the authors of each one of these primer's articles are experienced professionals. Each one has been through the successes, the disappointments and the many surprises that await the development of these large parcels of property. And each one of these authors is ready to help.

When a community experiences a base closure, it is almost like a death in the family with all of the steps that are inherent in that experience. But at the other side of acceptance comes the opportunity for rebirth, the opportunity to build on the strengths of your community and to overcome weaknesses. Much of the material in the following pages is precise and technical. You should read it, digest it, and struggle with the concepts, procedures and policies that at times won't make sense.

I have experienced this firsthand as the director of several local redevelopment authorities (LRA). I have struggled with all of these concepts. But I have also had the experience of returning 10 years later to a base that I worked hard on, and having the happy, if frustrating, experience of

getting lost because the roads had changed, many new buildings filled the landscape, a park had replaced one building and residents had taken the place of soldiers. What had just been a reuse plan when I left had become a reality.

I urge each of you who will be involved in the effort in your town to read this brochure and to follow up with both the authors and with the Association of Defense Communities. ADC is an important organization that has individuals who have deep and successful experience in navigating the treacherous waters of base redevelopment. The members and staff are ready to help in any way.

Please take this brochure as a first step in a long effort. It is a very brief introduction to a complicated topic from several dedicated individuals. And please take advantage of the opportunity, this 100-year opportunity to bring all of these skills and talents together to help the citizens of your community create their future.

Jeffrey A. Simon
Past President, Association of Defense Communities

Introduction

The Base Redevelopment and Realignment Manual (BRRM) was released recently by the Department of Defense to provide guidance for military and civilian organizations impacted by the 2005 round of base realignment and closure. The manual addresses issues that installation commanders, the military departments, federal agencies and communities will face in the coming years as BRAC 2005 is implemented.

This Infobrief addresses the main issues that will affect communities dealing with BRAC. Rather than providing an all-inclusive summary of the BRRM, it is intended to provide an easy-to-read document. The publication highlights key issues, actions and deadlines that communities should understand. In several cases, the authors have elaborated on issues in the BRRM by drawing on their years of experience working with these matters. This Infobrief is meant to supplement the BRRM and should not be considered a substitute for it.

TABLE OF CONTENTS

Screening for Homeless and Public Uses.....	3
Market Value: What Does it Really Mean.....	5
Personal Property.....	8
Maintenance of Facilities and Personal Property.....	9
Environmental Actions	10
Mission Expansion.....	12

The chapters of this *Infobrief* correspond with chapters in the BRRM. The BRRM can be found at http://www.defenselink.mil/brac/pdf/4165-66-M_BRRM.PDF

Screening for Homeless and Public Uses

Screening for homeless assistance is one of the most regulated aspects of the base reuse process. Because federal regulations include strict timelines for completing the screening, an LRA must quickly and carefully develop an outreach and screening program that complies with federal law and fits with its reuse strategy. Failing to do so may delay the reuse planning process and frustrate the redevelopment expectations of the LRA and surrounding communities. Screening for state and local agencies interested in obtaining property at a BRAC site through a public benefit conveyance (PBC) is conducted concurrently by the LRA.

LRAs need to identify, understand, evaluate and accommodate, if possible, the legitimate requests of homeless providers seeking BRAC sites. Such requests can offer mutual benefits that allow each party to accomplish its desired goal as part of an overall base reuse strategy.

A certain amount of creativity is required by the LRA to incorporate homeless provider facilities into plans for commercial, industrial, retail or residential uses. The same applies when the goals of replacing jobs and adding tax base are identified as important to the community. Rightly or wrongly, there is an automatic tendency by prospective site purchasers to be alarmed at the prospect of being close neighbors with homeless providers. The fear exists that such users will harm the prospect's property values, employee safety, resale ability and image. The LRA should understand that automatic, but often erroneous, response and develop site reuse, marketing and security strategies for addressing and overcoming such reactions in order to successfully convert the BRAC site.

These concerns should be identified by the LRA and discussed with the homeless providers during the initial site reuse planning process. Homeless providers and the LRA have vested interests in eliminating or minimizing negative reactions from other prospective site clients, who are both potential tenants at the LRA's facilities and potential neighbors to the homeless provider's activities.¹

The LRA is responsible for seeking out homeless providers to address community needs. The first step for the LRA in the outreach process is to publish a solicitation for Notices of Interest (NOI) from potential homeless providers. This solicitation must be published no later than 30 days after the military department has published its Determination of Surplus for the installation — the solicitation listing how much property is available for reuse following federal screening. The solicitation must also state the deadline for homeless assistance providers to submit NOIs — no earlier than 90 days and not more than 180 days after the LRA publishes the solicitation.

The LRA must identify homeless provider agencies that may show interest in the facilities by conducting a public meeting(s) and tour(s) to describe the disposal process and invite statements of interest. These efforts can help the LRA identify facilities the providers may be interested in using and will assist the homeless provider agencies in making a final determination of their interest in the property.

Key Actions

JUN. 9, 2006

One month after surplus property determination LRA issues solicitation for notices of interest to begin state, local and homeless screening

SEPT. 9 – DEC. 9, 2006

State, local and homeless organizations need to submit notices of interest within three to six months after the LRA publishes its solicitation

JUN. – SEPT. 2007

270 days after the deadline for notices of interest, the LRA needs to submit its application to HUD explaining how it will address the needs of the homeless

Note: Most calendar dates listed in this Infobrief are not absolute deadlines, but rather are the result of a calculation based on time frames for actions prescribed in the BRRM. In other words, if an earlier deadline is missed, subsequent actions would be delayed accordingly.

After holding public meetings and receiving applications from homeless providers, the LRA should begin discussions with interested groups. The LRA should focus on the needs of the homeless providers, their proposed uses for the land or facilities, how the specific facility meshes with those needs, and their ability to adequately fund or manage the facilities.

The LRA's solicitation for NOIs from homeless organizations also should solicit interest from local and state governments and certain nonprofits seeking surplus property at the installation. Government agencies can receive PBCs for uses such as schools, healthcare, parks and recreation, historic monuments, public airports, highways, ports, correctional facilities, wildlife conservation and self-help housing. If the military department decides a parcel can be transferred through a PBC, a federal sponsoring agency normally would be responsible for working with the applicant on the conveyance.

After the deadline for receiving NOIs, LRAs will have 270 days to submit an application to the military department and the Department of Housing and Urban Development explaining how the needs of the homeless will be

addressed in the base's redevelopment plan.

The LRA must try to incorporate legitimate homeless provider requests into its overall redevelopment plan. Some requests may not be realistic, financially feasible or acceptable within the context of the proposed base reuse. However, the LRA cannot dismiss the requests out-of-hand without trying to make acceptable accommodations for them, especially if they are valid requests for legitimate community requirements.

Endnotes

¹ *The Community Base Reuse Planning Process, A Layman's Guide*, "Addressing Homeless Needs", National Association of Installations Developers, 2004.

Market Value: What Does it Really Mean?

Market value is mentioned about 40 times in the BRRM, and the term “highest and best use” is used more than a dozen times, raising the question — what is market value and how is it determined? In prior BRAC rounds, market value played a significant role, but the military departments also made allowances for discounts to market value. The 2005 BRAC round is unlikely to be as generous as prior rounds, even though the service secretaries do reserve the right to determine if market value has been achieved.

Market value is an important consideration in the development of a reuse plan and the military department’s conveyance strategy. An LRA’s planning effort will be a significant factor in determining the highest and best use of the property, the critical determinant for market value and ultimately the sale price. Communities also should keep in mind that the sale price will have serious implications for the economic success of any redevelopment effort whether it is led by the LRA or the private sector.

1. Definitions and Explanations

Highest and Best Use is defined by a number of different professional organizations. Essentially it is the use that would yield the highest economic return from the property. An analysis of the property is required to determine the highest economic return. This analysis tests four variables in order to filter out uses that would not fit. These four tests include:

- Physically Possible Uses – What uses would be acceptable for the site and improvements, and function adequately for their intended purpose?
- Legally Permissible Uses – What uses comply with current land use controls and laws?
- Financially Feasible – Which land uses generate an adequate financial return on investment?
- Maximum Productivity – Which financially feasible uses generate the highest return?

These tests are sequential and exclusive — think of a filter or screen — and are designed to reduce the options from limitless to very specific uses.

Market value can be a rather contentious term, primarily because it greatly depends on the highest and best use of a property. Essentially it is the highest value that can be achieved under conditions requisite to a fair sale. Market value is heavily dependent upon assumptions related to market conditions, availability of resources, tenants, environmental contamination, capital repairs and code violations. These assumptions — which are time sensitive as well — tend to create the biggest challenges for communities.

Under these definitions an appraisal is the opinion value expressed by a qualified licensed real estate appraiser (verbally or in writing) after

considering the property’s highest and best use along with a host of assumptions about market conditions, etc.

2. What LRAs Need to Consider for Planning Purposes

The community reuse planning effort has a significant impact on highest and best use and ultimately market value. That effort addresses factors such as zoning, traffic patterns, public land uses and redevelopment incentives. The more refined and developed the plan, the more complete and accurate the test for physically possible and legally permissible uses will be in the highest-and-best-use analysis. The more accurate that analysis is, the more accurate the market value estimate (appraisal) will be.

The community’s planning efforts will set the conditions for determining the value that the community or private sector may pay for the property. LRAs expecting to develop the property themselves may find the level of detail in the redevelopment plan is directly correlated to how much they must pay for the property. Plans providing detailed and/or high density developments may result in higher market values than less detailed or lower density redevelopment plans (i.e., detailed technology park zoning vs. a loosely defined general development zone).

If the LRA does not intend to function as the developer, this may not be a concern. The redevelopment plans in those instances should be extremely detailed and market driven, resulting in conditions that would yield the highest possible value. These higher values (and sales prices) could result in higher property and sales tax revenues where market conditions favor redevelopment.

Most importantly, an LRA should determine its role in the redevelopment of the installation well before the planning process begins. If the LRA’s strategy requires it to assume a lead role — and acquire title to the property — a less refined redevelopment plan that preserves a broad array of future development options might result in a lower value estimate and a corresponding lower sale price. LRAs that want the private sector to develop the property should favor very detailed plans to ensure the community’s redevelopment objectives are preserved.

3. Implications for Property Disposal Alternatives

There are nine disposal alternatives available to DoD described in the BRRM. Each conveyance option has unique characteristics with respect to market value and an LRA’s community reuse plan (CRP). The following table provides an overview of each conveyance method, its conditions and some considerations for communities to keep in mind during the planning process.

CONVEYANCE METHOD	CONDITIONS	CONSIDERATIONS FOR COMMUNITY REUSE PLANNING PURPOSES
Public Benefit Conveyance	<ul style="list-style-type: none"> ■ The property is conveyed at market value unless a sponsoring agency determines a discount is warranted ■ The property must be used for public purposes (schools, ports, healthcare, etc.) ■ Sponsoring agencies may also impose additional land use controls 	<ul style="list-style-type: none"> ■ Market value is an objective by the sponsoring agency for this conveyance ■ The CRP should consider how land use plans will affect the market value and ultimately the price to be paid to the sponsoring agency
Homeless Assistance Conveyance	<ul style="list-style-type: none"> ■ The property is conveyed at no cost to either homeless providers or LRAs if the LRA uses the property for homeless purposes ■ It must be used for homeless assistance as determined by HUD ■ If there are no homeless uses, the deed reverts to the federal government 	<ul style="list-style-type: none"> ■ Market value is not an issue in this instance because the property is transferred at no cost ■ The CRP, however, should be of sufficient detail to ensure the value of surrounding properties are not adversely affected by this land use
Negotiated Sale to Public Entities	<ul style="list-style-type: none"> ■ The property can only be conveyed to a public body for a public benefit ■ The same benefit cannot be obtained through a competitive sale or public benefit conveyance ■ The grantee must pay market value ■ Congress must approve of the transaction ■ If the property is sold within three years, all profit must be remitted to the military department 	<ul style="list-style-type: none"> ■ Market value will determine how much is paid by the LRA or public body ■ It is important to carefully consider the detail behind the redevelopment plan because it will affect market value ■ A very detailed plan may result in a higher market value than a more general plan
Advertised Public Sale	<ul style="list-style-type: none"> ■ The property is conveyed through a public bidding process ■ Before electing to take this approach, the LRA is consulted by the military department ■ The military department's objective will be to seek a sale to the highest responsible bidder 	<ul style="list-style-type: none"> ■ Because this requires a bid process, market value is assumed to be part of the process ■ Should the LRA favor rapid, market-driven redevelopment, minimal land use controls should be considered in the CRP ■ However, if the LRA desires more tightly defined land uses, a more restrictive CRP would be called for
Environmental Responsibilities Transfer / Sale	<ul style="list-style-type: none"> ■ The property is conveyed through a two-step bid process (pre-qualification, then selection) ■ The military department may then negotiate with the bidders if their bids are above market value ■ After selecting a winning bidder, the department requests a covenant deferral from the governor of the state (under the EPA's early transfer authority) ■ Once a deferral is approved, the department can enter into a binding purchase agreement 	<ul style="list-style-type: none"> ■ Because this requires a bid process, market value is assumed to be part of the process ■ Should the LRA favor rapid market driven redevelopment, minimal land use controls should be considered in the CRP ■ However, if the LRA desires more tightly defined land uses, a more restrictive CRP would be called for ■ Note: the BRRM suggests this transfer authority does not require consultation with the LRA (unlike a public sale)

Economic Development Conveyance	<ul style="list-style-type: none"> ■ The military department is required to seek market value for all installations closed after Jan. 1, 2005 ■ The military department can grant an EDC without consideration provided property proceeds support economic development for the first seven years, and the LRA agrees to take title within a reasonable time ■ Proceeds not used for economic development can be recouped by the military department ■ The LRA must submit an audited annual financial statement to the military department 	<ul style="list-style-type: none"> ■ Market value will be an issue ■ If the LRA plans to develop the property, it must determine if there are enough qualifying investments to warrant a discount to market value ■ Other conditions that warrant a lower market value might include: <ul style="list-style-type: none"> ■ Minimal land use planning ■ General use overlays rather than specific zoning ■ Business plans that assume revenues from assets in their current condition before capital improvements to bring them up to code or make them competitive in the market ■ The LRA should not include revenue enhancements from planned capital improvements in the CRP business plan (in assets or services) that the LRA may add in the future. It should only include revenue from assets that exist at the time of conveyance in their current condition (“as is, where is”). Otherwise the LRA may pay for value it creates after conveyance instead of the current value of the assets it is acquiring
Depository Institution Facility	<ul style="list-style-type: none"> ■ The military department may transfer property to certain banks and other financial institutions already located on the installation before offering the property to another entity (LRA, etc.) ■ The depository institution must agree to pay market value. The military department cannot convey the property if it is inconsistent with the CRP 	<ul style="list-style-type: none"> ■ Market value is not a consideration if the CRP allows for a depository institution on that site ■ If the LRA does not want a depository institution on that site, it should exclude that land use from the CRP ■ If the CRP prohibits this particular use, the land will be disposed of through another conveyance method ■ The LRA should remember that any depository institution improvements on the land are non-appropriated fund (NAF) property and must therefore be purchased from the institution owning them if the CRP excludes this use
Exchange for Military Construction	<ul style="list-style-type: none"> ■ Allows for military construction to be used as compensation to the military department for property ■ The construction may be at another location. The authority can be exercised at any time after the date of approval of the closure or realignment ■ The military department can present or receive unsolicited proposals to exchange real property for construction 	<ul style="list-style-type: none"> ■ In this instance the LRA is not concerned with market value ■ The CRP should reflect sufficient detail to ensure land use plans are in compliance with community desires for the property ■ The community should consider working closely with any developer who acquires property in this manner to ensure their objectives are met for the development
Conservation	<ul style="list-style-type: none"> ■ Similar to a public benefit conveyance, but the BRRM is silent regarding market value considerations ■ There is a reversion clause that requires title to return to the United States if the use ceases to be for conservation purposes 	<ul style="list-style-type: none"> ■ If the conveyance is for no cost, market value is not an issue ■ However, the community plan should closely examine highest and best use ■ Conservation conveyances can severely limit the development potential of an otherwise economically viable site

Personal Property

While local officials, understandably, will focus on the reuse of the land, buildings and other fixed facilities at a closing or realigning installation, they should also consider obtaining personal property as well. As a general rule, personal property not needed by the military will be offered to the LRA if it will help the authority implement its redevelopment plan.

After determining what items — such as office furniture or machine shop equipment — the military will not retain, the installation commander will help the LRA identify assets that could support the redevelopment plan. The reuse authority should list in its reuse plan personal property needed to effectively carry out the plan. Payment for personal property may be at fair market value or at no cost, depending on the conveyance used.

The LRA should identify personal property needed for reuse in its redevelopment plan. In some plans the LRA decides to obtain all personal property made available, reasoning that the property is valuable for attracting businesses to the installation and can be included in any tenant lease. Other LRAs have determined that keeping old or marginally usable personal property is a drain on resources and have decided to only keep items that can be reused in the immediate future. Most cases probably will fall in between these two extremes. Communications equipment does not have a long, usable lifespan. Desks, chairs, tables and bookcases may have value to the LRA or a tenant, even if used. Vehicles that are broken may not have much value, even if they can be repaired. It probably makes sense, though, to repair some high-value vehicles and equipment — for example, fire engines and forklifts.

Every LRA should consider dedicating an individual — either paid or volunteer — to examining personal property and determining its value to the redevelopment plan. The individual would be responsible for understanding what is available, what should be available, negotiating with the military department and matching items to the appropriate reuse.

Personal property includes all property on the military installation other than land and buildings, military unique items (weapons, aircraft, naval vessels), federal records and fixtures (items permanently attached to buildings).

Starting early in the redevelopment planning period — and continuing throughout the effort — the installation commander should work with the LRA to ensure the authority knows which items are available for its reuse and which items are being retained by DoD. For example, the commander will provide an inventory to the LRA and offer a walk-through of the facilities. During the reuse planning process, the LRA will identify all personal property assets that would aid the redevelopment plan.

The installation commander must complete an inventory of all personal property by May 9, 2006, including all property owned by DoD and DoD tenant organizations, such as the National Guard and Reserves. The goal of the inventory is to identify what property is required for continuing military

missions and what property is available for reuse by the LRA. The inventory provided to the LRA should include accountable property — such as desks, chairs, bookcases, tables, computers, forklifts, fire engines and machine shop equipment — and non-accountable property — such as pens, paper, paint, nails, screws and some furnishings.

If it appears that very little personal property is being made available to the LRA, the authority may want to question the commander's decisions. Disputes over the availability of personal property for reuse should be submitted in writing to the military department for resolution. The department should make every effort to respond to the LRA within 30 days. While the LRA is in consultation with the commander concerning the use of personal property in its reuse plan, NO personal property should be removed from the installation except for property that has been determined to be unavailable to the authority.

Separately, the LRA may want to contact non-DoD tenants or other owners of property that does not belong to DoD. Any agreement reached over acquisition of such items would not be a part of any transfer of personal property negotiated with the military.

Personal property is transferred to the LRA in the same way that real property is conveyed — via public sale, negotiated sale, public airport conveyance, public benefit conveyance, homeless assistance and economic development conveyance. Transfers of personal property typically are done in conjunction with the transfer of real property. The recipient should indicate that the personal property is necessary for the development of the real property in its conveyance application. In certain cases, personal property can be transferred through an economic development conveyance that does not include real property, specifically when land is not available for transfer.

Emission reduction credits are rights to emit specific amounts of criteria pollutants and also encourage innovative approaches to reduce air pollution. They are considered to be a part of personal property. In most cases these credits will be retained by the military department and transferred to another military installation. However, it is worth discussing this issue with the military department, so that these credits can be a part of the LRA's reuse plan. This should be done in conjunction with the agency that handles clean air issues within the state, since most states have regulations concerning the movement and transfer of emission credits.

Key Actions

- The installation commander should complete an inventory of all personal property by May 9, 2006
- To help the LRA identify assets with reuse potential, the commander will:
 - provide an inventory to the LRA, identifying what items are available for redevelopment
 - offer a walk-through of the facilities

Maintenance of Facilities and Personal Property

MAINTENANCE OF FACILITIES

Buildings and infrastructure already present on a military installation can be valuable assets to aid military base redevelopment. It is important for the military department to properly maintain these facilities after the base is closed, though, so they still are in working condition once redevelopment begins. The BRRM describes the level of maintenance the military will perform and the length of time it will provide that maintenance following base closure.

1. Level of Maintenance

Once personnel and missions leave the installation, the military department is only required to maintain the property at “initial maintenance levels.”

Soon after the installation is designated for realignment or closure, the military department will meet with the LRA to establish initial maintenance levels for the installation. The initial maintenance levels will support the use of facilities for nonmilitary reuse purposes, but will never exceed the level of maintenance that was in effect when the base was still being used for military purposes. At a minimum, the initial maintenance levels will ensure the weather tightness of structures, limit undue facility deterioration and provide physical security for facilities.

2. Duration of Maintenance

The military department must notify the LRA, in advance, if initial maintenance levels are going to be terminated or reduced. The military may cease initial maintenance levels at the earliest of following dates:

- The day that the LRA notifies the military department there will not be a reuse plan;
- One week after the LRA submits its redevelopment plan to the secretary of the military department (LRAs must submit reuse plans by September 2007);
- 24 months after the date of approval of the closure or realignment of the installation (Nov. 9, 2007); or
- 90 days before the closure or realignment of the installation (varies for each installation).

When the earliest triggering date is reached, the military department can reduce maintenance to the minimum level required for all surplus government property. Nevertheless, the military department may still extend the initial maintenance level if it determines that decision is justified.

Once the property is conveyed to the LRA or another entity, the military department will cease all maintenance of the installation and maintenance will become the sole responsibility of the new owner.

COMMON SERVICES

Common services include fire protection, security, utilities, communications, roads, snow and ice removal. The LRA and the military departments should discuss the maintenance of these common services at an early stage in the redevelopment process, possibly when initial maintenance levels are established.

The military departments will provide common services necessary to support the initial maintenance levels at the installation. If the initial maintenance levels change or terminate following one of the dates listed above, then the common services will be reduced or terminated as well. At that point, the military department will perform only those common services necessary for protection or to meet the minimum maintenance levels required for all government surplus property. If the LRA or any new tenants begin to reside at the installation, they must reimburse the military for expenditures on common services.

MAINTENANCE OF PERSONAL PROPERTY

Maintenance of personal property generally corresponds to the requirements for facilities maintenance. Once initial maintenance levels terminate following one of the triggering dates, personal property will no longer be maintained either; however, physical security will still be provided if necessary.

DoD-OWNED UTILITY SYSTEMS

As with all maintenance, the LRA and military department should consult early in the redevelopment process regarding the operation, maintenance and conveyance of DoD-owned utility systems on the installation. Utility systems will be transferred in as-is condition and will not be improved in order to comply with local code or for any other reason.

Environmental Actions

Before the military department can transfer property at a closed or realigned base, it is required to:

1. Evaluate the environmental impacts of the proposed disposal action.
2. Provide information on the environmental condition of the property.
3. Clean up hazardous substances from the property.

1. Environmental Impacts of Disposal Actions

In practice, the military department evaluates the proposed disposal action — which includes the community reuse plan — along with a range of disposal alternatives. This requirement stems from the National Environmental Policy Act (NEPA). At the conclusion of the NEPA process, the military can approve the reuse plan or one of the alternatives, as well as recommend corrective actions.

While it is not the LRA's responsibility to conduct the analysis, the authority needs to provide input to military officials, as well as monitor the progress and understand any potential issues associated with the NEPA evaluation.

As a first step in the NEPA process, the military department conducts an environmental assessment (EA) — an initial survey of the property to determine if there are issues requiring more detailed study. If more analysis is needed, the next step is to prepare an environmental impact statement (EIS). The EIS examines reuse plans to identify fully any impacts of the property disposal and becomes the basis for the military's decision regarding the disposal of the property. The military department is required to complete the EIS within 12 months after the LRA submits its reuse plan. Within 30 days after the military publishes the final EIS, it is required to issue a record of decision (ROD), the formal approval authority for the reuse plan.

In carrying out an assessment of the closure or realignment of an installation, the military is required to treat the community reuse plan as part of the proposed federal action — essentially, the transfer of property — for the installation.

NEPA, National Environmental Policy Act: A regulation requiring DoD to evaluate the environmental impacts of a decision to transfer property at a closed or realigned installation.

The public plays a role in the NEPA process, just as the LRA and community leaders do. The LRA needs to engage the host military service in a cooperative effort initially to know what analysis is being done. The LRA should participate in developing the scope of the federal analysis and continue to provide input. The military must hold meetings, hearings and workshops for the public. During these sessions the public can address comments and recommendations regarding the EA and EIS.

Data gathered by military officials during this process should be provided to the LRA “as soon as it is available” to aid in the preparation of its

redevelopment plan, according to the BRRM.

Once the reuse plan has been developed, the LRA needs to monitor the federal NEPA analysis to ensure the government is considering the reuse plan among the disposal options under review. Also, the reuse authority

Key Actions

- The military department is required to complete an environmental impact statement within 12 months after the LRA submits its reuse plan
- Within 30 days after the military publishes the final EIS, it is required to issue a record of decision, the formal approval authority for the disposal plan

should be aware that it might take the military longer than anticipated to complete the EIS and ROD.

The NEPA process should form the basis for long-range development that is environmentally sustainable. Protection of habitat, fish and wildlife, water resources, ecosystems, archeological sites, historic properties, cultural resources and open space are important aspects of a community's quality of life. Environmental protection and growth can be compatible; therefore, sustainable strategies should be a goal of the reuse plan.

2. Environmental Condition of Property Report

Before the military department can transfer BRAC property, it must prepare an Environmental Condition of Property (ECP) report. This report is intended to provide the LRA, military and public with all information describing the environmental condition of the property. The ECP will also assist with property disposal and reuse decisions.

The ECP consists of several parts. First is a background section providing a short description of the property's historic and current land uses. This section also will describe the nature and extent of any known contamination, including the presence of any hazardous substances, petroleum products, and munitions and unexploded ordnance. It also will cover the status of current cleanup activities and the availability of information regarding the storage, release or disposal on the property of contaminants.

The next section of the ECP is a geographic property description that also will summarize known cultural and historic resources.

The ECP will rely on existing information to provide an accurate summary of the condition of the property. It will address numerous environmental statutes and regulations and provide information on all parcels covered under those statutes or regulations. For a summary of all relevant environmental statutes and regulations, see Table AP2.T1 on page 137 of the BRRM.

Lastly, the ECP will be updated to include any new environmental information that becomes available regarding the property.

3. Clean up of Hazardous Substances and Early Transfer

The BRRM sets forth several guiding principles for LRAs that define the military department's role in the cleanup of hazardous substances on BRAC properties before they can be transferred to LRAs and other third parties.

First, the military department will make decisions as soon as possible in the reuse process as to whether contaminated BRAC properties will be cleaned up by the military department or the new owner.

For cleanups completed or funded by the military department, the properties will be cleaned up to the current (pre-reuse plan) use of the property only, according to the BRRM. If the LRA, or new owner, desires that the property be cleaned to a higher standard, that cleanup is their responsibility.

LRAs should be aware that former munitions ranges have unique military characteristics — i.e., munitions and explosives of concern — that make them

difficult to redevelop. Therefore, these areas should be considered for use as open space or for conservation.

Finally, redevelopment authorities should participate in their installation's Restoration Advisory Board (RAB) since DoD will rely on RABs to discuss environmental remediation efforts.

Early Transfer of Property

Frequently, the transfer of BRAC properties to LRAs can be a protracted process due to the extensive environmental remediation required, delaying local economic development efforts. To expedite property transfer, LRAs may wish to take advantage of early transfer — a mechanism in which BRAC properties are conveyed to LRAs before the cleanup is complete. In conjunction with early transfer, an LRA can assume responsibility for the cleanup, at government expense, to further expedite redevelopment.

Mission Expansion

In addition to providing guidance relating to base closure and redevelopment, the BRRM also covers issues associated with the expansion of military installation missions. Key impacts a community needs to address include housing, schools, medical treatment and utility systems. To cope with an influx of personnel, the community should consider forming a growth-planning partnership with the installation.

DoD anticipates that several bases in the United States, mostly Army installations, will add about 70,000 military personnel over the next six to eight years due to the return of personnel from overseas bases. An additional 100,000 family members and civilian employees also will be part of this relocation effort. This change is primarily the result of the DoD Defense Global Posture Review, also known as the Integrated Global Presence and Basing Strategy (IGPBS).²

If a BRAC or IGPBS decision results in an increase in Armed Forces personnel assigned to a military installation, DoD is required to consult with state and local officials about managing, planning and budgeting for necessary improvements and facilities.³ Communities are encouraged to create a single local organization to work with the military installation “to assess the likely growth effects, delineate gaps in local development needs, and prepare a strategy and coordination mechanism for meeting these needs and then ensure that community facilities and services will be ready when the influx occurs.” The planning organization should include all relevant stakeholders — utility, education, childcare, medical care and housing providers.

One critical concern for growth communities is housing. DoD’s policy is to rely on the private sector to house military families. Coordinating private sector construction of housing, which will involve both multi- and single-family dwelling units, with the arrival of new military personnel and family members over a period of several years will be a difficult and demanding undertaking. In some communities there may be periods of time when demand exceeds supply, likely prompting housing prices to escalate. Similarly, demand for new classrooms and teachers will rise. Depending partially on medical treatment capacity at the military installation, there also may be a demand for expanded private sector medical services to meet the needs of military dependents and new federal civilian employees transferred to the base.

In addition to these major impacts, community leaders may need to consider a variety of quality of life characteristics to prepare for installation growth:

- Recreation & Leisure Opportunities
- Affordable Child Care
- Continuing Education for Adults
- Accessibility to Parks & Open Space
- Natural & Environmental Resources
- Mass Transportation & Roadway Improvements
- Spouse Employment
- Accessibility to Community Services
- Workforce Training and development
- Crime & Safety
- Convenient Access to Commercial Aviation Facilities

In order to address a variety of impacts effectively, communities adjacent to growing military installations will also need to review a wide range of local plans and development regulations. In most instances, this type of planning effort should be conducted on a regional basis and state assistance may be required, especially during implementation. Funding to assist in planning efforts is available from the DoD Office of Economic Adjustment. A recent publication of the Association of Defense Communities, *When an Installation Grows: The Impact of Expanding Missions on Communities* (January 2005), also provides planning guidance.

Finally, local officials should expect to work with the installation commander as the military department addresses the impacts of the expanded mission on the installation and the local community to comply with the National Environmental Policy Act (NEPA).

Endnotes

² *U.S. Military Overseas Basing: New Developments and Oversight Issues for Congress* Congressional Research Service, The Library of Congress: October 31, 2005.

³ Section 2835 of Public Law 109-163, the 2006 National Defense Authorization Act



the voice of **america's**
defense communities