Army BRAC 2005 Real Estate As of 31 December 2004

(Public Law 108-498)



The Army will cease missions and close installations on an accelerated timeline to support expedited return of the property to civilian reuse.

The Army's Goal

The Army will strive to close and realign those BRAC 2005 installations identified for closure or realignment as expeditiously as possible following BRAC 2005 legislative approval. The Army will use a range of tools that facilitate both closure of installations and realignment activities and support accelerated reuse of surplus property.

Potential BRAC Actions

- **Closure**: A closure is a full and complete cessation of activities at an Army installation. The property is disposed of under a closure recommendation. The closure may occur separately (before or after) a disposal of the property. Closures may occur also at locations where the military service does not own property, such as at a leased location.
- **Partial Closure**: Partial closures are realignments that involve a disposal of real property as a part of the realignment action.
- Realignment: Realignments are transfers of military units and restructuring of organizations. Realignments may occur without closure of a military installation or disposal of real property. Many recommendations in the past have been "Closure and Realignment" recommendations – which have addressed both the realignment of military organizations and the closure of a military installation within one recommendation.
- Enclave: An enclave results when the Army must retain a portion of an installation nominated for closure to accommodate mission activities that must continue in the area. This may occur as a part of a specific

Commission recommendation or as a result of DoD screening of BRAC properties. The enclave may be designated as a freestanding site once the surrounding government property is disposed.

- **Exchange**: The Commission may choose to recommend exchanges of property. In an exchange, the property being exchanged is not made Excess or Surplus, but becomes the asset used in exchange for facilities and land acquired at a more suitable location. Through the exchange, the Army must acquire property that is at least equal in value to the Fair Market Value of the property being given up.
- **Transfer**: A transfer is a shift in Federal Government accountability from one Federal Agency to another or from one military service to another. Sometimes the word "transfer" is used informally to refer to the disposal process regardless of the type of ownership being conveyed, but in the formal sense, it refers to a transfer of accountability where the U.S. Government retains ownership.

The Army's "Reuse Toolbox"

 Federal to Federal Transfers: The Army will screen all BRAC property to identify needs of DoD Components and Federal agencies. The Army can assign property to another Federal agency before completion of remedial actions and before the issuance of a National Environmental Policy Act disposal Decision Document. Federal Agency transfers to non-DoD components generally require reimbursement to the Army of full fair-market value. Only after DoD and Federal agency requirements have been met can properties be declared Surplus to the Federal Government.

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It is in the best interest of the communities, as well as the Army, to determine what conveyance option is best applied to each installation on a case-by-case basis.

• Advertised Public Sale: A public sale may be made to the party that submits the highest bid provided it is not less than the fair market value. Sales in excess of \$3 million are subject to review by the Attorney General. approved entities for specific public use purposes, such as airports, education, health, historic monuments, ports, and parks and recreation. A Federal Agency with specific expertise in the conveyance category usually serves as the sponsoring

- Negotiated Sale: Sales may be negotiated with public bodies or other qualified entities at not less than fair market value.
 Payment terms are negotiable and all such sales are subject to review by Congress.
- Conveyance for Cost of Remediation: The Secretary of the Army may transfer, by deed, real property and facilities located at an installation approved for closure or

realignment under BRAC legislation after 2001, that are available for purposes other than to assist the homeless, to any person who agrees to perform all environmental restoration, waste management, and environmental compliance activities that are required for the property or facilities under Federal and State laws, administrative decisions, agreements (including schedules and milestones), and concurrences.

- Economic Development Conveyance (EDC): Property may be sold at or below fair market value to a recognized Local Redevelopment Authority for job creation and economic revitalization. EDC's must be approved by the DASA (Installation & Housing). A change in BRAC legislation requires the Services to first seek full market value.
- Public Benefit Conveyances (PBCs): PBCs are the transfer of property to

"These disposal options, ranging from discounted conveyances for public purposes to public bid sales, enable the Department to partner with affected communities as both seek opportunities for quick civilian reuse of former military installations."

Raymond F. DuBois, Deputy Under Secretary of Defense (I&E) 12 February 2004 and approving Agency for potential recipients. Property may be conveyed at less than full fairmarket value following Army consultation with the sponsoring Agency.

- **Conservation Conveyance**: Transfer of property to approved entities for the purpose of conservation of natural resources.
- Homeless Assistance Transfer: Property may be

conveyed at no cost to either the

Local Redevelopment Authority or directly to the representatives of the homeless to meet the needs of Homeless Providers.

• Transfer and Leaseback: The Army may transfer BRAC property that is still needed by a Federal Department or Agency to a Local Redevelopment Authority (LRA) and subsequently lease all or portions of the property back from the LRA. The transfer authority requires that the LRA lease the property back to the Federal Department or Agency for no rent to satisfy the Federal need for the property. This tool will allow the Army to transfer the real property at an installation even before closure occurs while leasing back the property needed to support on-going missions.

The Army always retains ultimate authority to make property disposal decisions and will resolve any conflicting property interests at the time final disposal decisions are issued.