



DEPARTMENT OF THE NAVY
ATLANTIC DIVISION
NAVAL FACILITIES ENGINEERING COMMAND
NORFOLK, VIRGINIA 23511

TELEPHONE NO.
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IN REPLY REFER TO:
LANTDIVINST 11011.3B

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17 June 1974

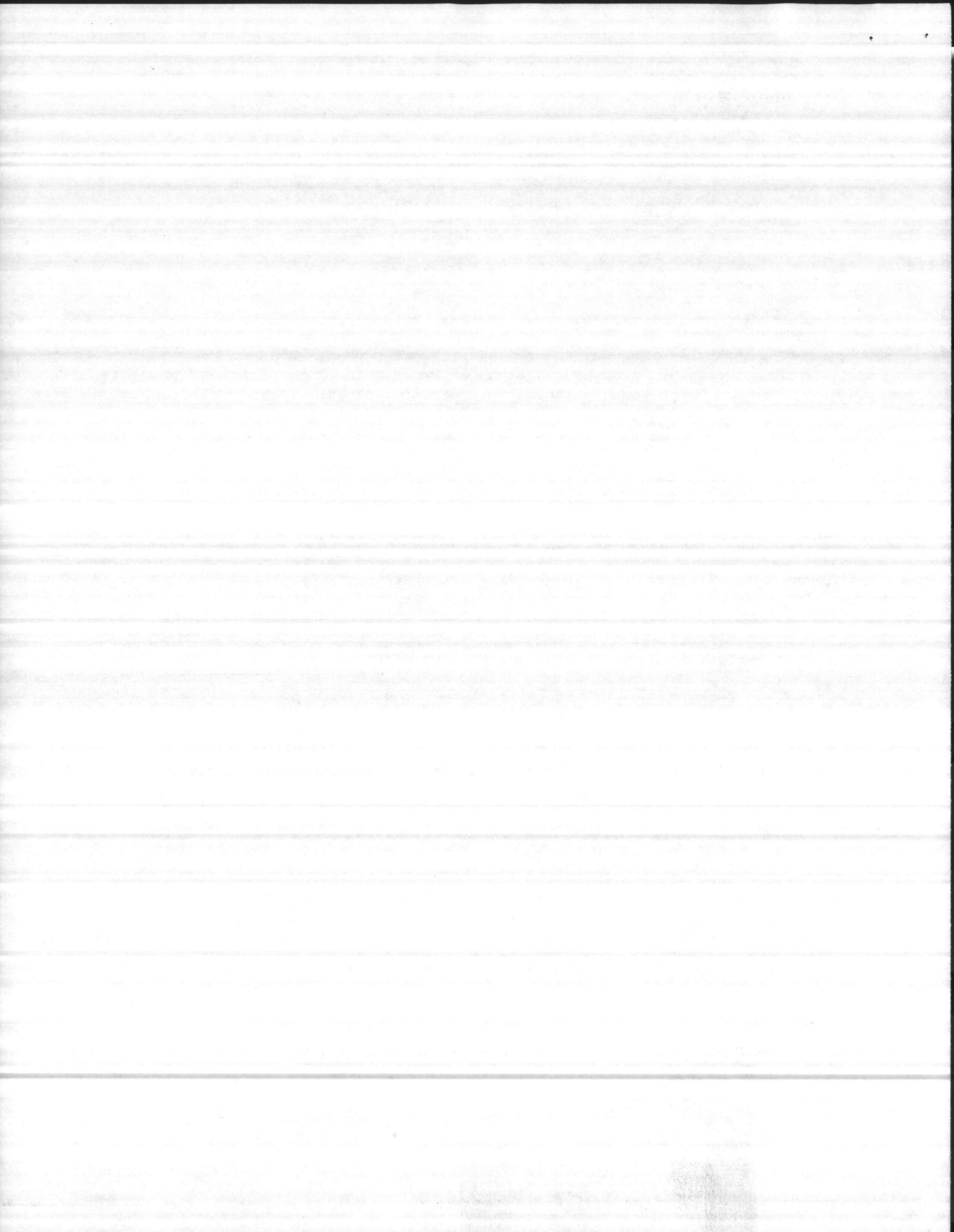
LANTDIV INSTRUCTION 11011.3B

Subj: Outleasing of real and related personal property for private use

- Ref: (a) 10 USC 2667
(b) SECNAVINST 11011.18C of 14 Oct 1969
(c) NAVFAC P-73, Real Estate Administration

- Encl: (1) Environmental Impact Assessment Format
(2) Form, Semi-Annual Inspection of Lands Outleased for Agricultural/Grazing Purposes, LANTDIV 11011/7 (Rev 4/71)
(3) Form, Semi-Annual Inspection of Buildings/Structures/Space leased for non-Government use LANTDIV 11011/6 (Rev 4/71)

1. Purpose. This Instruction is designed to: (1) advise activities of potential benefits which may be derived from outleasing of real and related personal property not in use; (2) encourage activities to examine lands and buildings with the objective of outleasing; and (3) establish procedures to insure lessee compliance with terms and provisions of lease agreements.
2. Cancellation. LANTDIV Instruction 11011.3A of 21 April 1971, Subj: Leasing of real property for private use.
3. Definition. The term "real property", or "property" when used in lieu thereof, includes related personal property.
4. Background. Reference (a) authorizes leasing of non-excess real property when advantageous to the Government and certain terms and conditions prevail. Reference (b) prescribes policy for such action and delegates authority to NAVFACENGCOM to grant, modify, administer, and terminate lease agreements. Such authority was redelegated to the NAVFACENGCOM field divisions by Section 10 of reference (c).
5. Advantages of leasing. There are many advantages in the leasing of real property which is not currently being used, or where its military use is not in conflict with private use, such as use, for agricultural or grazing purposes, of lands lying within the approach zone to an airfield or within an explosive safety distance zone. In particular, the following advantages should be considered:
 - a. Lessee performance of general maintenance. All leases for buildings or space therein require the lessee, at his own expense, to protect, preserve, and maintain the leased property, so that the same will at all times be kept in at least as good condition as when received, excepting ordinary wear and



tear and loss or damage for which the lessee is not otherwise liable under the lease agreement. Performance of general maintenance by the lessee, will, of course, relieve the Navy from expending funds for this purpose. It will also prevent deterioration of the structure and eliminate costly repairs when the building is required for future use by the activity.

b. Long-term maintenance. Apart from the above general maintenance obligation, the lease agreement may require the lessee to provide long-term maintenance, i.e., any item of protection, preservation, maintenance, or repair of the leased property or any part thereof, including property for which the lessee's right of use is in common with others, the recurrence of which is not anticipated within twelve (12) months following completion of the work. Work of this nature can be highly beneficial and result in considerable savings of repair costs.

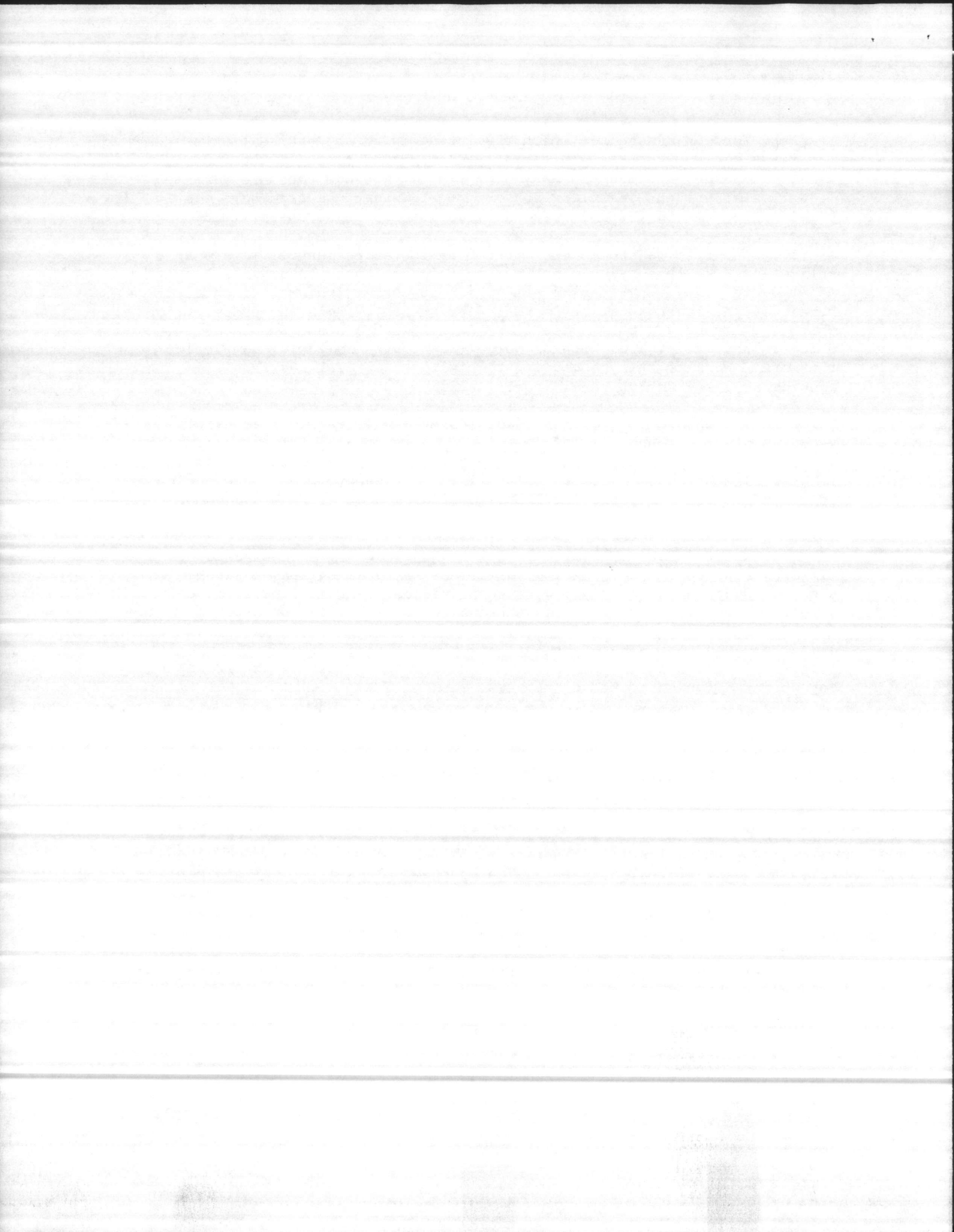
c. Maintenance of security. The lessee can be required to maintain security of the property. This is particularly important where a facility is located in a noncontiguous or nonsecured area. The lessee is required to bear risk of loss or damage to the leased property. Where the entire structure is being leased, the lessee must also provide fire and comprehensive insurance coverage.

d. Improved land management. A land management or conservation plan will be prepared for each agricultural lease or grazing lease. Such a plan will contain as many maintenance provisions as fair rental value will permit. Some examples are: cleaning and/or construction of drainage ditches; mowing of grass; construction and/or maintenance of fencing; fertilization and other good husbandry practices; and remedial erosion control. Accomplishment of such work by lessees will eliminate the necessity for expending appropriated funds for these purposes.

e. Cash rental. In many instances, a significant monetary return can be realized in addition to maintenance obligations,

6. Action. To realize the advantages or benefits from outleasing of nonexcess real property, local assistance will be required of the activity as follows:

a. Review outleasing potential. This should be accomplished periodically to identify real property which can be outleased for private use. If it is questionable whether a specific structure or land area should be leased for private use, this command will, upon request, make an advance study. Consideration will be given to saving of maintenance costs, rental income, and other aspects involved. Recommendations for potential outleasing should be submitted to Commander, Atlantic Division, Naval Facilities Engineering Command.



Leasing proposals should include:

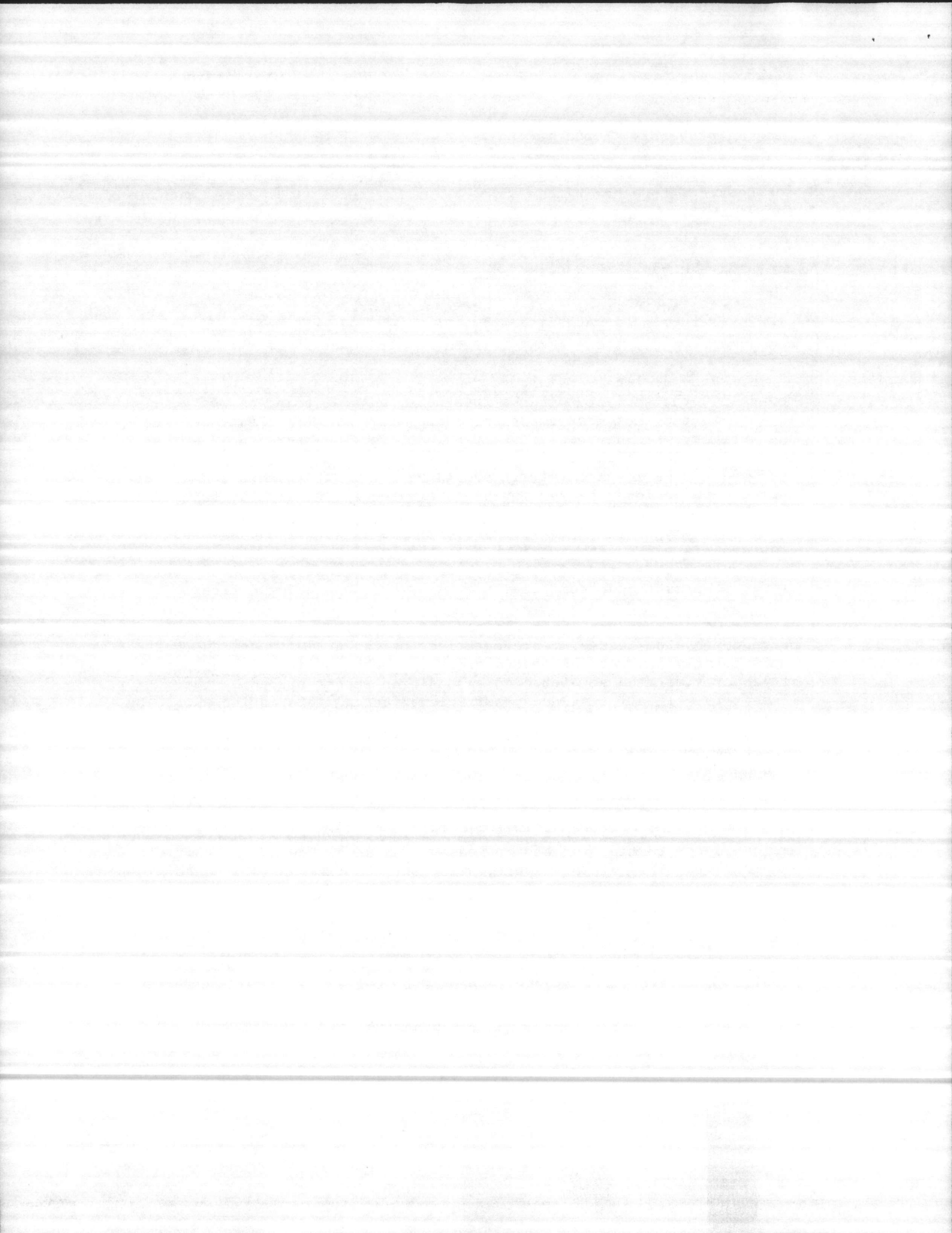
- (1) General identification and description of the property proposed for leasing, together with a map showing its relation to the remainder of the activity.
- (2) A statement as to the determination of nonrequirement for public use, and the basis thereof.
- (3) An Environmental Impact Assessment (EIA) prepared in accordance with OPNAVINST 6240.2D of 1 April 1974. In lieu of a detailed narrative assessment, enclosure (1) may be used for preparation of the EIA.

b. Provide local assistance in general administration of the lease. Generally, the activity will be the Lessee's local point of contact. It is anticipated that most questions which arise between the Lessee and the activity will be resolved at the local level. Where there arises, however, a significant deviation from the lease terms which cannot be resolved at the local level, it should be forwarded to this command for appropriate action. Leases may be terminated at any time by this command. Reasonable notice, however, should be given to permit the Lessee to vacate the property and restore the premises if required. A standard provision in all leases requires that the Lessee comply with such rules and regulations regarding security, ingress, egress, safety and sanitation as may be prescribed from time to time by the Commanding Officer.

c. Condition Reports (Buildings and Structures only). Prior to occupancy by the Lessee, representatives of the activity and the Lessee shall jointly inspect the leased property. The condition of each item of property will be set forth on a condition report signed by the inspectors. In all instances, sufficient factual information should be included in the report to avoid future controversies as to the condition at time of occupancy. The liberal use of photographs is encouraged to depict the condition of the leased property and show details of defects such as cracks, broken plaster, faulty plumbing and such other conditions as can best be identified by photography.

Of equal importance is a similar inspection to be conducted upon expiration or termination of the lease. The final condition report, when compared with the initial report, will serve as the basis for determining the extent of restoration, if any, which may be required of the Lessee under terms of the lease.

d. Assist in administration of the Long-Term Maintenance Account. In lieu of cash rental, leases for buildings, or space therein, may provide for performance by the Lessee of Long-Term Maintenance as mentioned in paragraph 5b above. A specific sum of money accrues periodically under the lease for this work which is performed by the

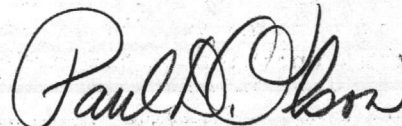


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Lessee or his contractor. The activity must identify items of Long-Term Maintenance which should be accomplished by the lessee, and submit such items, together with cost estimates, to this command for approval. Thereafter, the lessee will be directed to proceed with the work provided estimated costs do not exceed the Maximum Amount to be expended as accrued to such time. After the work is completed, the activity should obtain from the lessee a statement of actual costs, as distinguished from estimated costs, and negotiate with lessee the actual credit which will be allowed against the Maximum Amount to be expended.

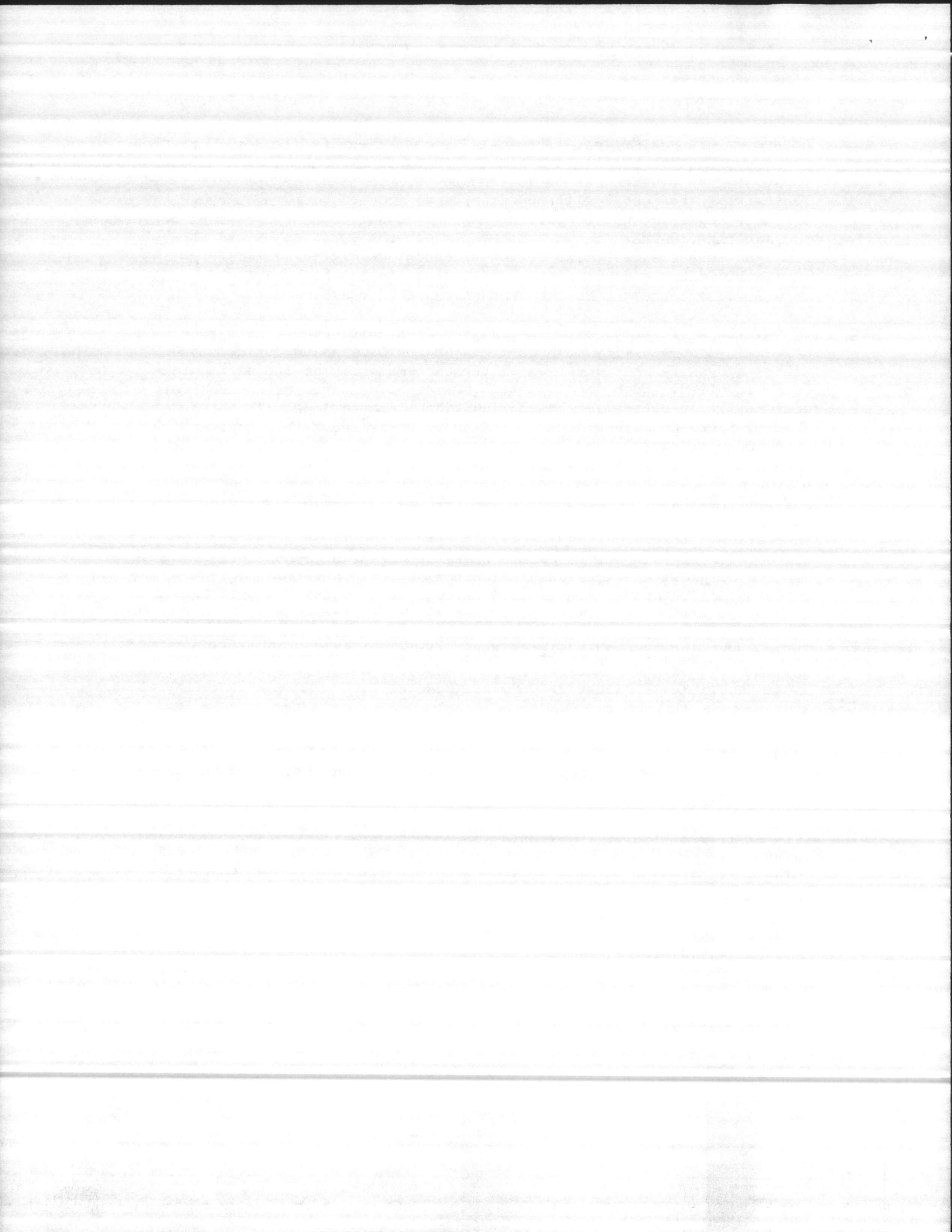
e. Local Inspections. Inspections of the leased premises should be made by the activity at such times as the Commanding Officer considers necessary or prudent under the circumstances of the particular lease involved. Such local inspections are considered sufficient for administration of the lease, and additional inspections will not be made by representatives of this command. It is requested, however, that information be furnished, for record purposes, reflecting whether lessee is complying with lease terms and conditions and, particularly, status of the long-term maintenance accounts. The reports should be in the format as set forth on enclosures (2) and (3). Inspection information is requested on a semi-annual basis for all leases. Inspection for agricultural/grazing purposes should be made in June and October of each year so as to reveal the type of crops being planted or grown and thus enable control of the prohibition against price-supported crops. Inspection of buildings or space should be made every six months beginning with date of the instrument.

7. Forms. Additional copies of forms LANTDIV 11011/6 and 11011/7 may be obtained upon request to the Commander, Atlantic Division, Naval Facilities Engineering Command (Code 0112).



PAUL D. OLSON
Vice Commander

Distribution: (5216.10B Ch-2)
Part II
List A (1,3,8,9,26,27,36,37,38,45,59,75)
List C (7,9,11)
List F (2,3)
List G (2,3,8)
List H (3,4)
List J (2,5)
List L (3,4,5,6,7,13,17)
List N (2)
List U (1)
List V (5,6,7,8,9,11,12,13,14,15,16,17,
18,21,24,25)
List Y (2,4)
List Z (3,5,7,10,16,17,18,19,20)
List BB (3)



Copy to:

Part I

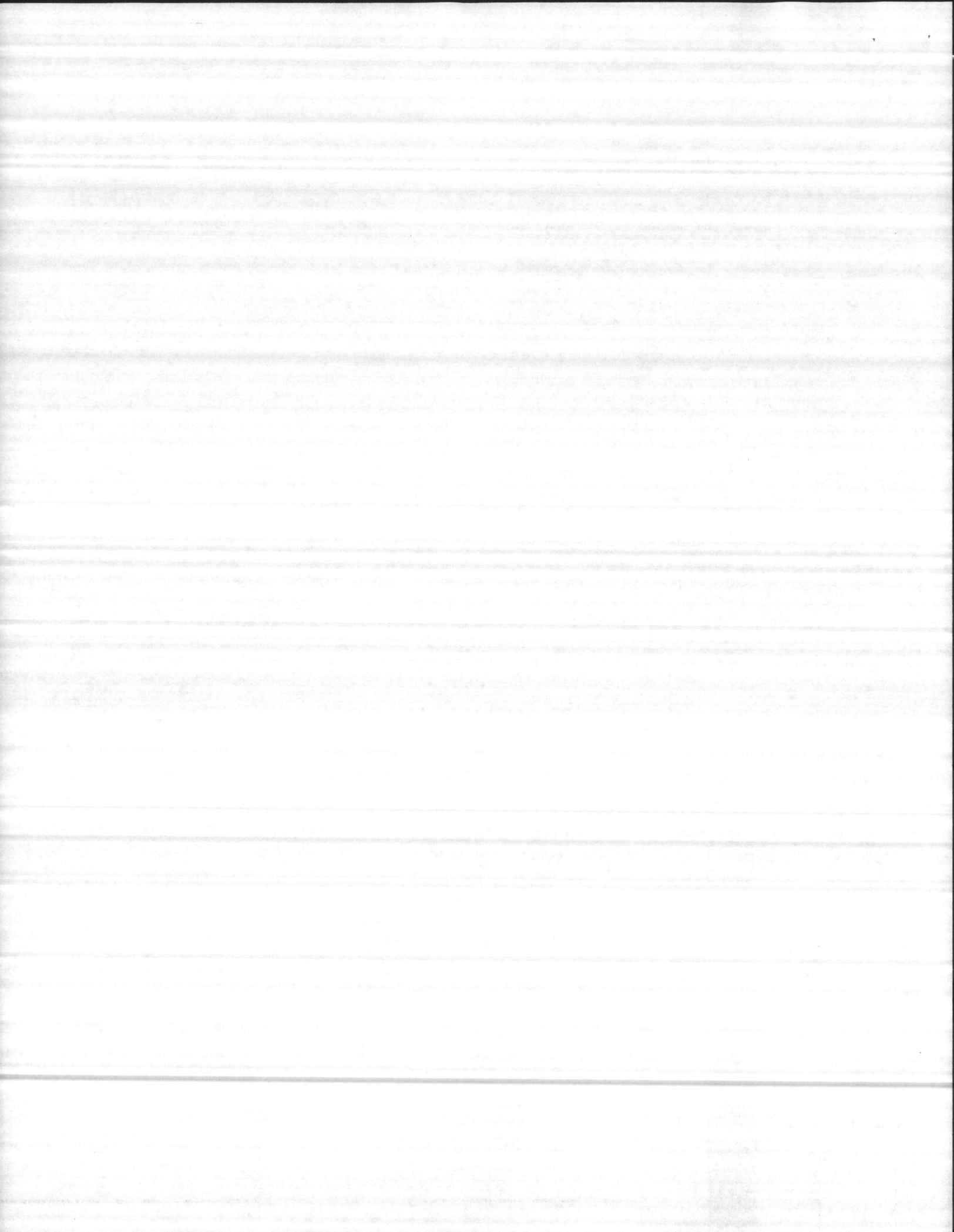
- List A (1,3,4,11,12,13,14,15)
- List C (2,11,12,14,15,16)
- List D (37,50,51, 52)
- List F (1,2,3,4,5,6,7,8,9;10,11,12,13,16)

Part II

- List A (7,23,35,44,53)
- List C (3)
- List F (1)
- List G (1)
- List H (1)
- List I (1)
- List J (1)
- List L (1)
- List N (1)
- List V (1,1a)
- List W (1)
- List Z (1)
- List BB (2)

Stocked:

LANTDIV CODE 0112



ENVIRONMENTAL IMPACT ASSESSMENT FORMAT

This statement prepared by _____
in accordance with OPNAVINST 6240.2D of 1 April 1974 in compliance with
Section 102(2) (c) of the National Environmental Policy Act of 1969.

Submitting DOD Component: Department of the Navy

Installation:

Project Title:

Date of Submission:

1. Introduction

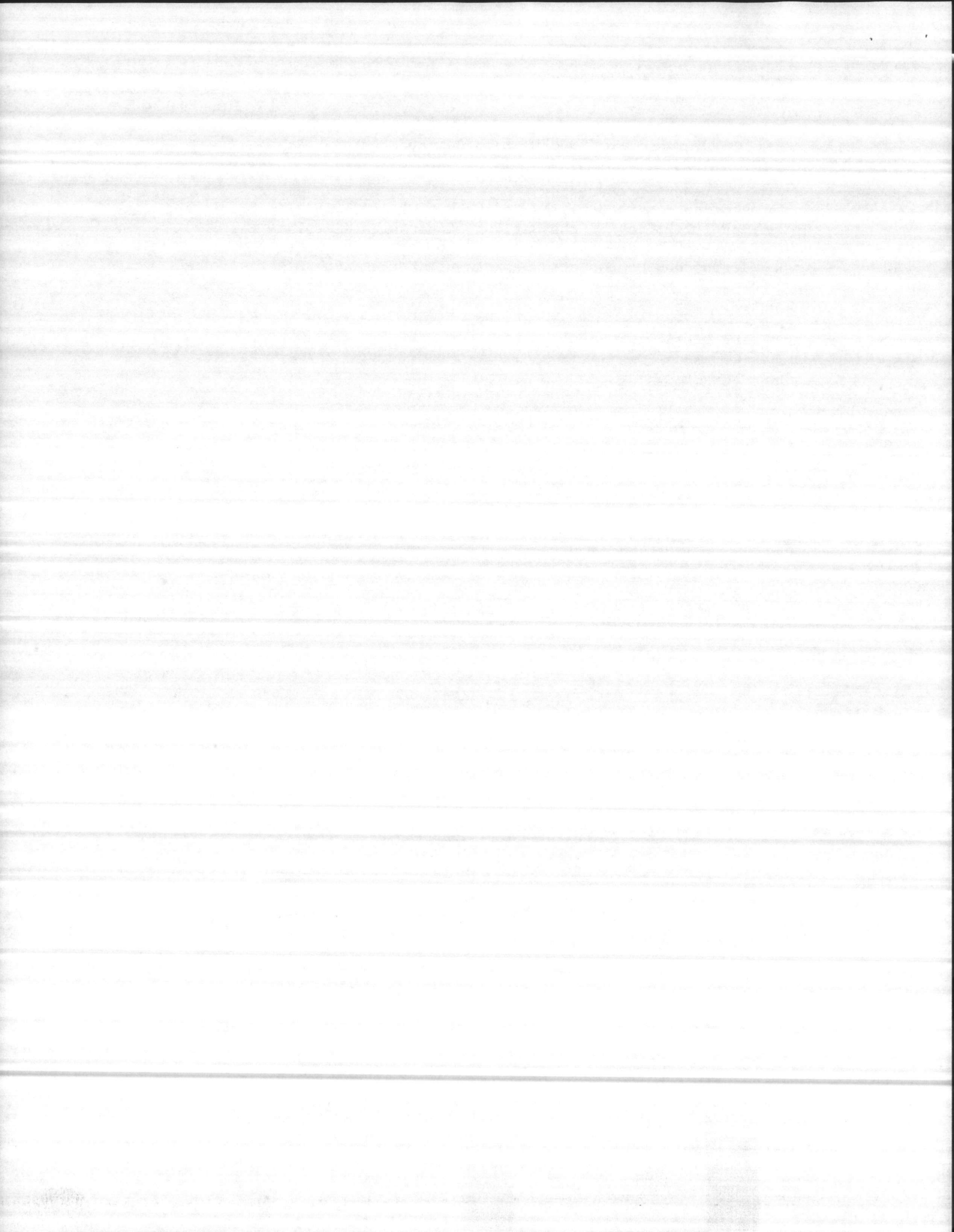
a. Project Description

b. Existing Environment of Proposed Site

2. Relationship of Proposed Action to Land Use Plans, Policies and
Controls of the Affected Area

	Conforms With	No Plans For Area	Conflicts With
a. Land Use Plans	_____	_____	_____
b. Clean Air Control Act	_____	_____	_____
c. Federal Water Pollution Control Act	_____	_____	_____

Enclosure (1)



3. The Probable Environmental Impact of the Proposed Action

The proposed action will have a potentially significant effect on the following:

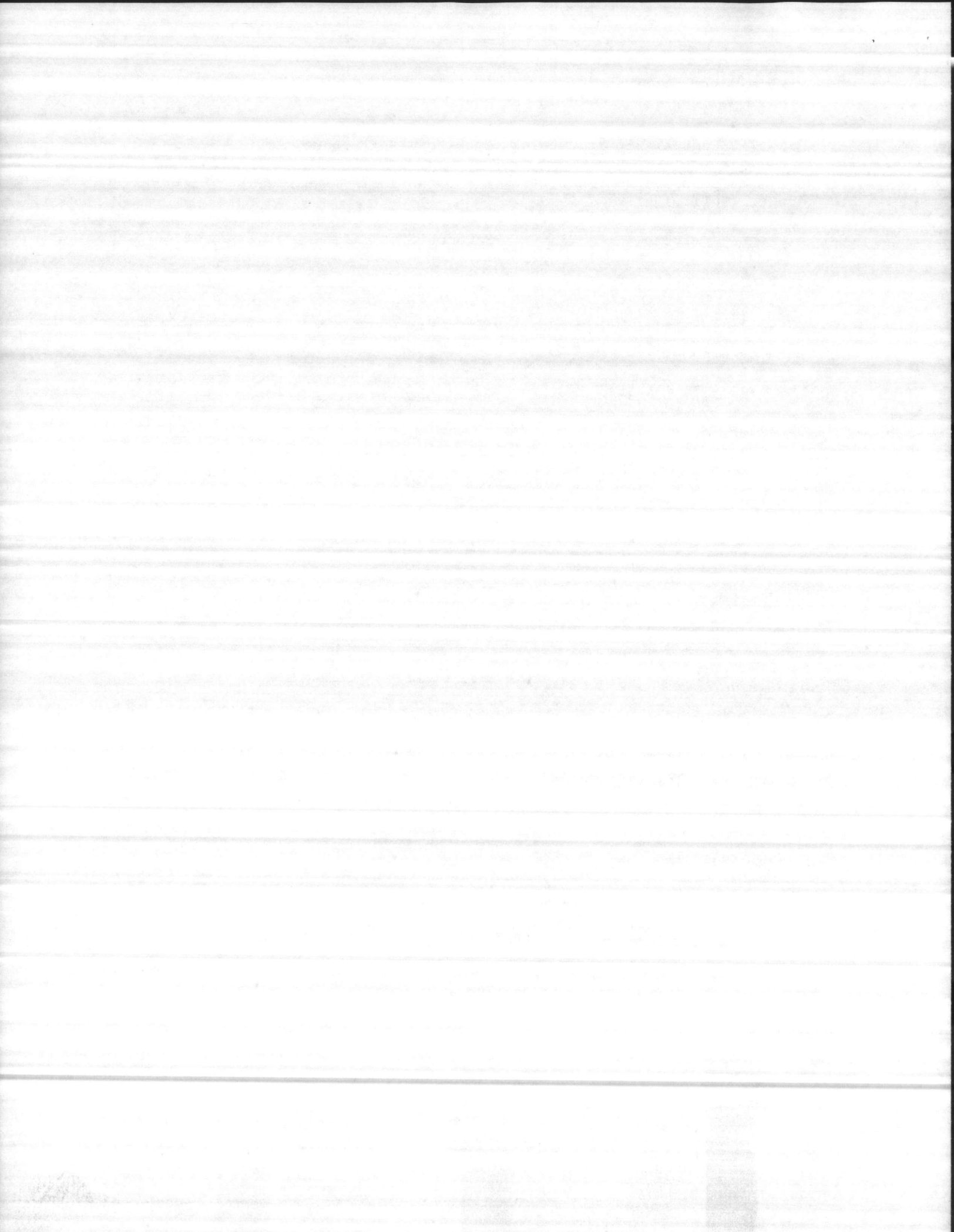
<u>Item</u>	<u>Favorable</u>	<u>Adverse</u>	<u>No Effect</u>
Population Patterns	_____	_____	_____
Traffic	_____	_____	_____
Energy Supply	_____	_____	_____
Community Facilities	_____	_____	_____
Schools	_____	_____	_____
Waste Treatment Facilities	_____	_____	_____
Utilities	_____	_____	_____
Land Management	_____	_____	_____
Renewable Natural Resources Management	_____	_____	_____
Ambient Noise	_____	_____	_____
Air Quality	_____	_____	_____
Water Quality	_____	_____	_____
Solid Waste Disposal	_____	_____	_____
Fish and/or Wildlife	_____	_____	_____
Area Appearance	_____	_____	_____
Other (See Attachment _____)	_____	_____	_____

4. Alternatives to the Proposed Action

_____ There is no feasible alternative.

_____ Only feasible alternative is to take no action. The effects of this alternative are discussed in Attachment _____.

Enclosure (1)



_____ Various alternatives and their effects are discussed in Attachment _____.

5. Any Probable Adverse Environmental Effects Which Cannot be Avoided Should the Proposed Action be Implemented

_____ No adverse effects on the environment are anticipated.

_____ Probable adverse effects are described in Attachment _____.

6. Relationship Between Local Short-Term Uses of the Environment and the Maintenance and Enhancement of Long-Term Productivity

_____ No change in short-term use.

_____ No change in the maintenance and/or enhancement of long-term productivity.

_____ Adverse effects on the environment will occur only during the construction period and these will/will not create permanent or long-lasting adverse effects.

_____ The proposed action will enhance the short-term use of resources by:

_____ Abating existing or potential pollution.

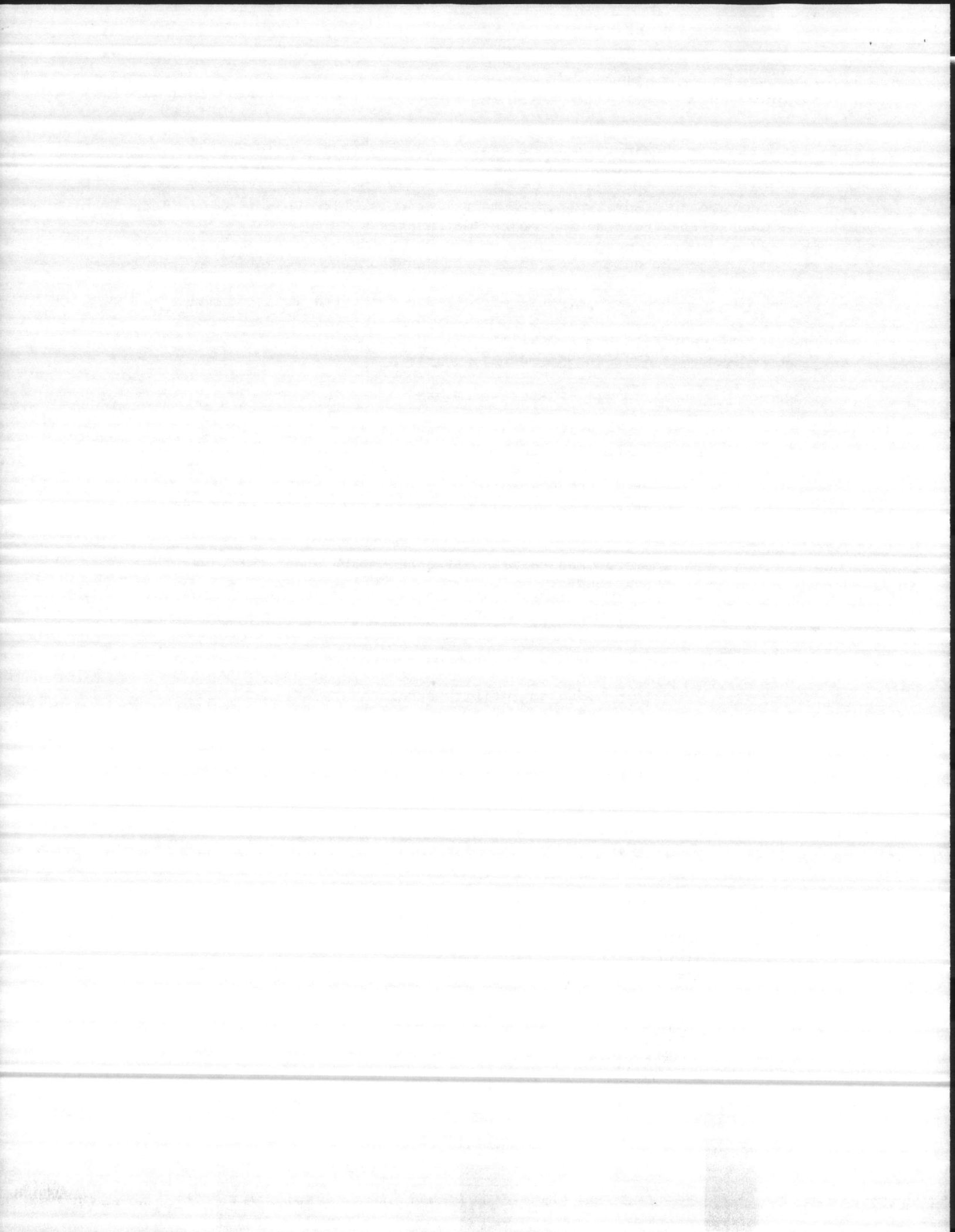
_____ Enhancing the area appearance.

_____ Reducing utility requirements.

_____ Improvements in operational efficiency.

_____ Improvements in habitability of existing facilities.

_____ Other: _____



- _____ Long-term productivity will be enhanced by:
- _____ Abating existing or potential pollution.
 - _____ Reducing utility requirements.
 - _____ Improvements in operational efficiency.
 - _____ Other: _____

7. Irreversible and Irretrievable Commitments of Resources Which Would Be Involved in the Proposed Action Should It Be Implemented

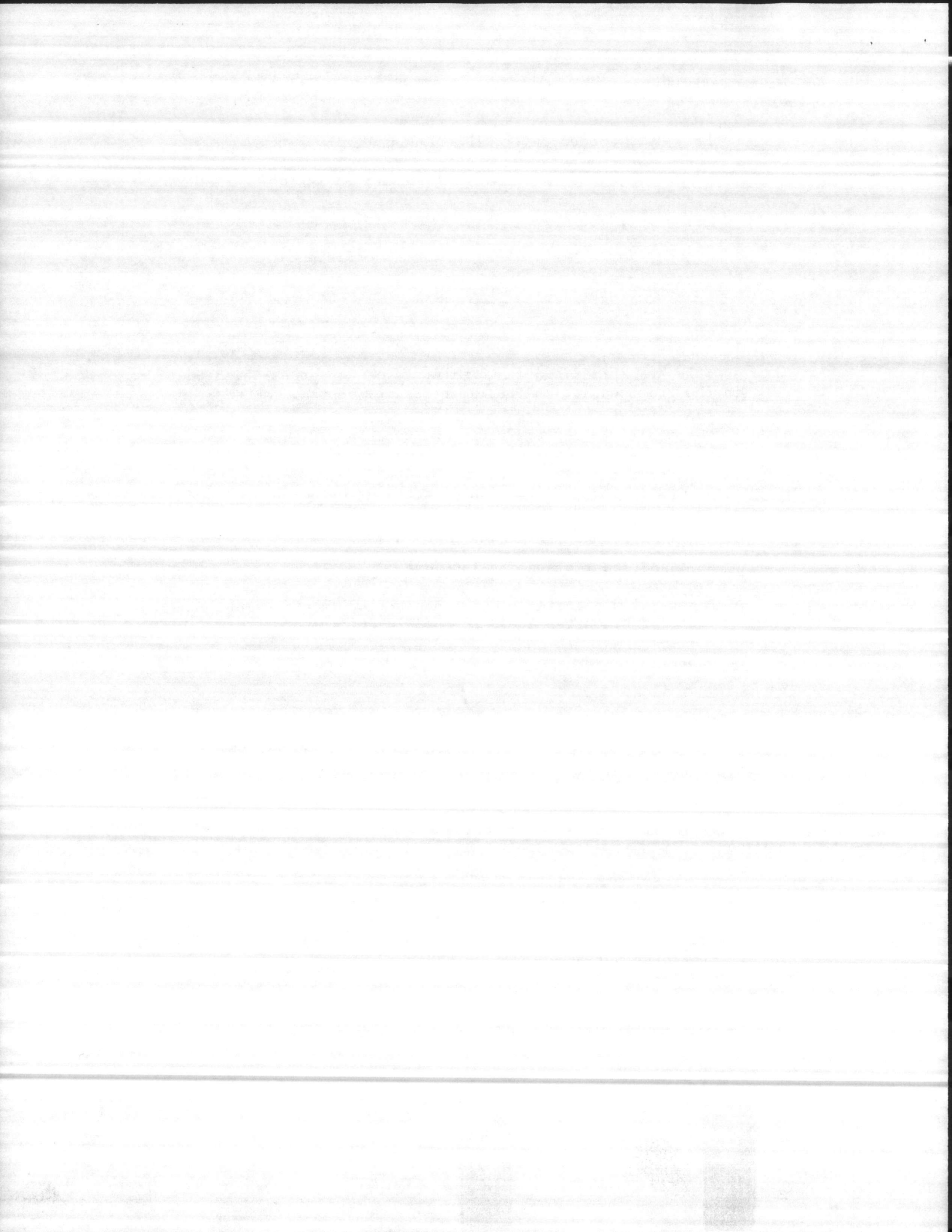
- _____ No significant irreversible or irretrievable commitment of resources.
- _____ No destruction of identified archeological or historical sites.
- _____ No effect on known endangered species of wildlife.
- _____ No significant change in land use.
- _____ Potentially significant irreversible or irretrievable commitments of resources are discussed in Attachment _____.
- _____ Other: _____

8. Considerations That Offset the Adverse Environmental Effects

- a. This course of action as compared to adverse environmental effects of alternatives (Section 4) are discussed in Attachment _____.
- b. Cost benefit analysis of proposed action is Attachment _____.

9. Summary

- _____ It is concluded that the proposed action will have no significant adverse effects on the environment.
- _____ There has not been, nor is there currently, any known controversy concerning the proposed action.
- _____ Based on this assessment, it is concluded that an Environmental Impact Statement must be prepared prior to implementation of the proposed action.



SEMI-ANNUAL INSPECTION OF LANDS
OUTLEASSED FOR AGRICULTURAL/GRAZING PURPOSES

(Name of Activity)

An inspection of the Government-owned lands outleased under Lease
NF(R)- _____ to Lessee _____, was
made in (June) (October) and the following information is submitted:

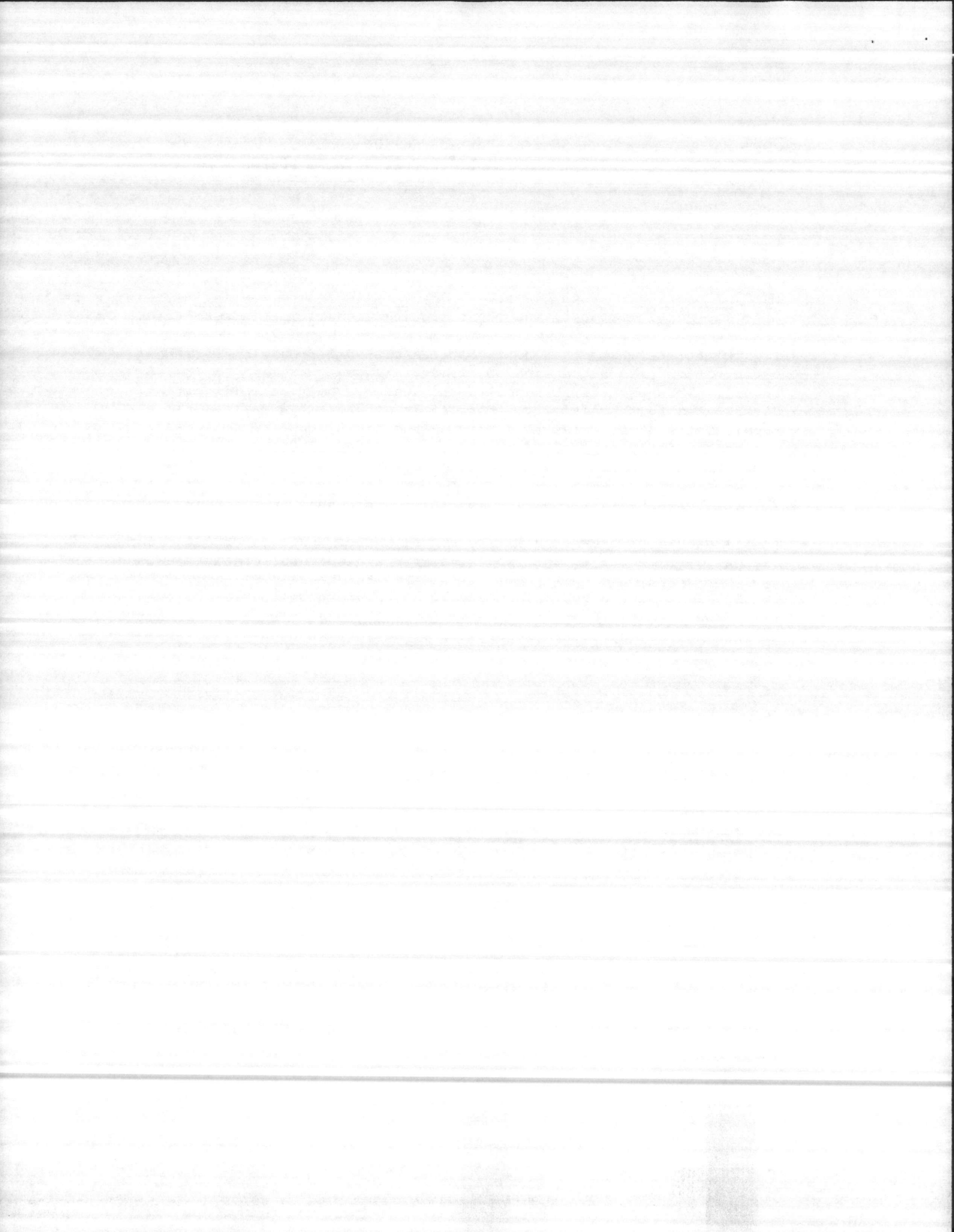
1. The Lessee (has) (has not) complied with all provisions of the conservation plan as required by lease. (If not, explain in Item 4 below). This plan is attached to the lease, a copy of which was distributed to the Activity. Particular attention is invited to requirements of the plan for cleaning and improvement of drainage ditches, maintenance and/or construction of fencing, and repair or improvement of field access roads.
2. The Lessee (is) (is not) using the leased lands in accordance with practices of good husbandry. (If not, explain in Item 4 below). The fields should be free from weeds, brush, washes, gulleys or other conditions detrimental to the land's use for agricultural/grazing purposes.
3. The following crops are presently being grown on the leased premises: (list the specific crop being grown in each field. The lease prohibits the growing of any price-supported crop in surplus supply).

4. General comments:

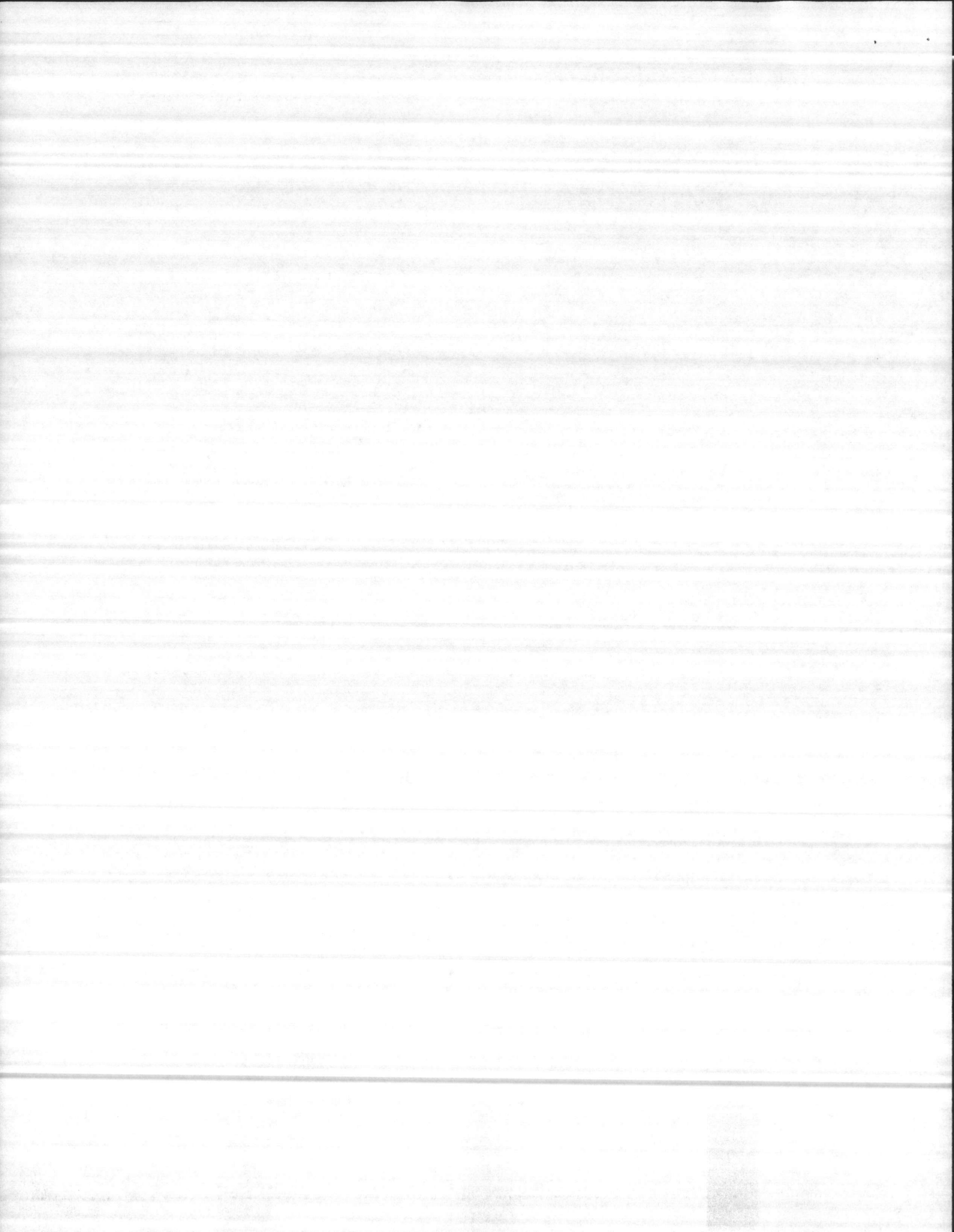
Date: _____

Signature of Inspector

Enclosure (2)







SEMI-ANNUAL INSPECTION OF
BUILDINGS/STRUCTURES/SPACE LEASED FOR NON-GOVERNMENT USE

(Name of Activity)

A semi-annual inspection of Government-owned property outleased under Lease NF(R)-_____ to Lessee _____ has been made for the period ending _____, 19____, (see note (1) below) and the following information is submitted:

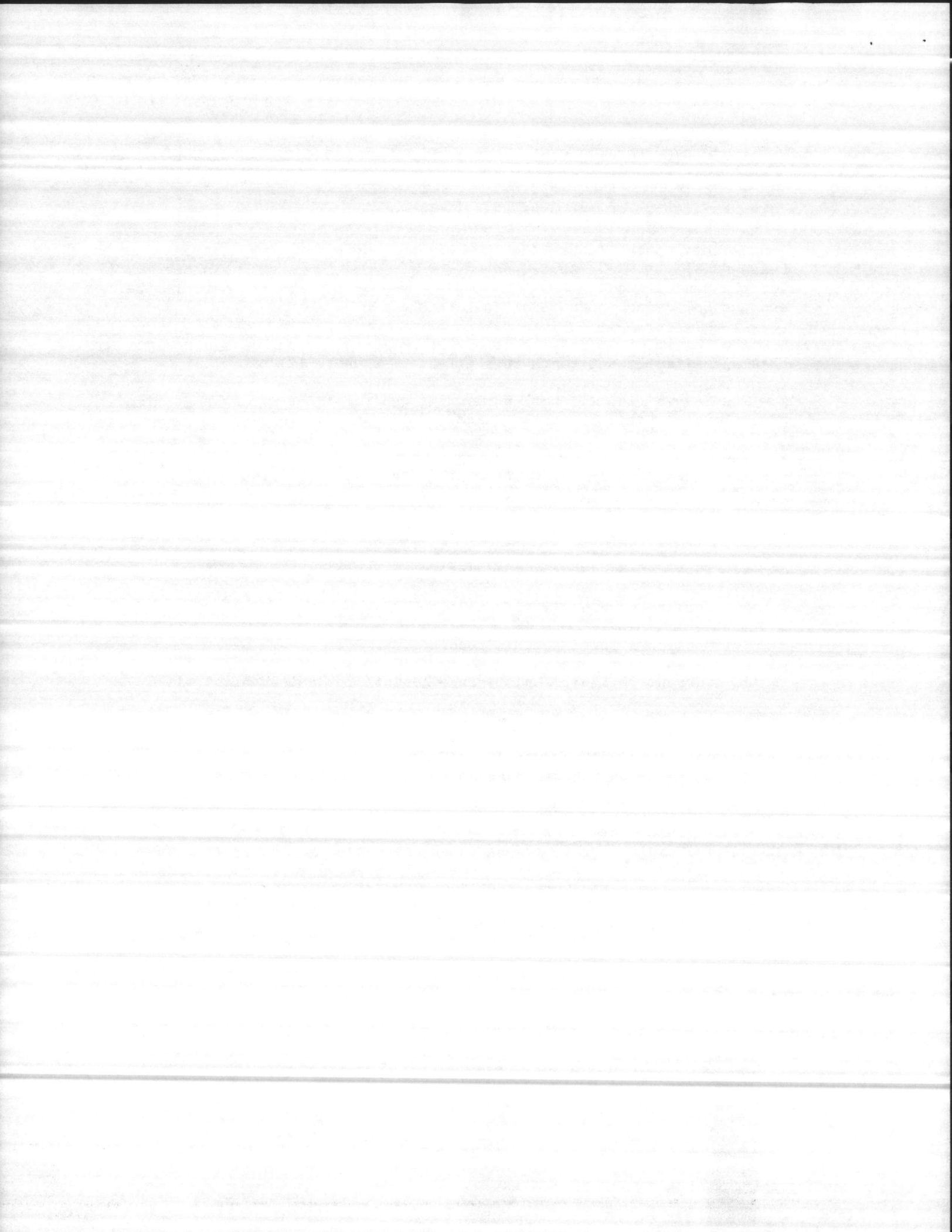
1. The Lessee (is) (is not) using the property for purposes other than that specifically set forth in the lease (see note (2) below).
2. The Lessee (is) (is not) performing general maintenance as required by Article A, Part II, of the lease. (See Note (2) below.)
3. The Lessee (is) (is not) making timely payments for utility and/or services furnished by the Government. (See note (2) below.)
4. Status of the Long-Term Maintenance Account if applicable:
(See reverse side for instructions.)
 - a. Total accrued Maximum Amount to be Expended \$ _____
 - b. Credits previously reported \$ _____
 - c. Credits allowed by this report \$ _____
 - d. Current Obligated Maintenance Amount (Item a less b and c) ..\$ _____
 - e. Amount accruing for next reporting period \$ _____
 - f. Total estimated costs of projects planned for next reporting period (Itemize on reverse side and see notes (3) and (4) below)...\$ _____

- NOTES:
- (1) Inspection information is requested every six months beginning with date of the lease.
 - (2) Explain on reverse side any deviation.
 - (3) See Article B(3) of lease for proposed work items which will exceed the Current Obligated Maintenance Amount.
 - (4) If changes are desired in work planned for next reporting period, a revised report is requested.

Date: _____

(Signature of Inspector)

Enclosure (3)



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NOTE - LANTNAVFACENCOM is responsible for execution, administration, and termination of lease agreements. The records of this command must, therefore, reflect complete information for accounting of all funds expended for long-term maintenance as well as those received as cash rental. Reporting of this information by the activity is requested on a semi-annual basis with revised reports as required. Procedurally, a report should identify specific items of long-term maintenance which have been accomplished and, in addition, items of work which are planned to be accomplished during the next reporting period. The planned work will be reviewed by LANTDIV to assure that the items of work scheduled are within the purview of long-term maintenance as defined in the lease. Unless advised to the contrary, the activity may assume that such items can be properly charged to long-term maintenance account. The reports must distinguish between "Estimated cost" and "actual cost," i.e., the work has been completed, and final cost determination made by the activity based upon review of the lessee's cost records, lessee's contract for performance of work, or otherwise, negotiated with the lessee. It is important that activity files contain documentation of "actual cost" determinations and that lessee be formally advised thereof for record purposes. Any disagreements should be resolved prior to filing of the report.

INSTRUCTIONS:

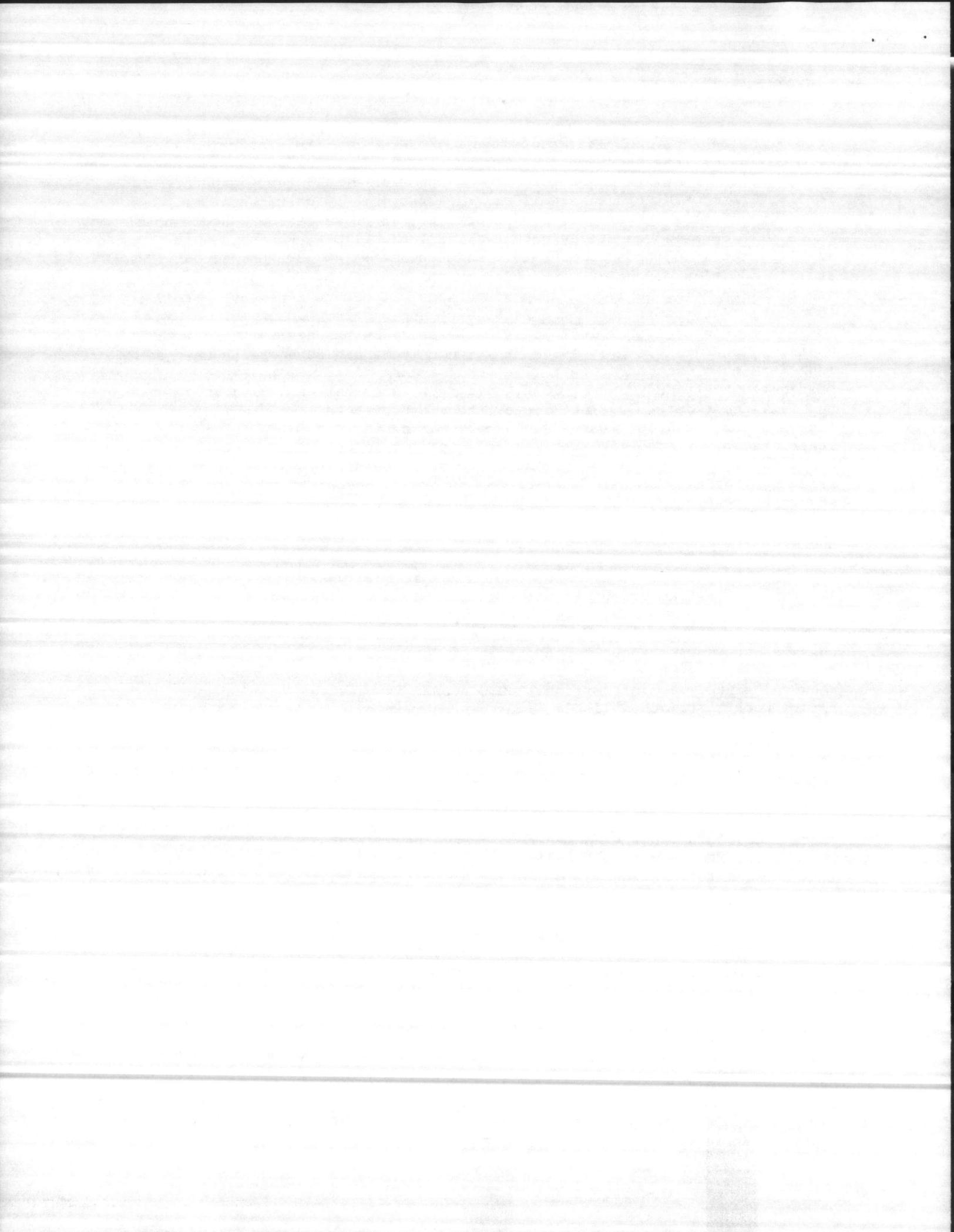
Item 4a. Insert the total amount which has accrued under the lease from date of the Instrument to date of this report.

Item 4b. Insert total amount of all "credits" allowed under the lease. This is a beginning point for addition of "credits" or "actual costs," to be allowed in the current report. An itemized breakdown is not required since this information should appear in previous reports as future work to be accomplished with cost estimates.

4c. Insert total amount of "credits" for this reporting period only with an itemized breakdown. (Cost estimates should be also forwarded if not previously furnished). Reporting of "actual cost" for this current period reflects: (1) that previously planned work has now been completed in a satisfactory manner; (2) that "actual costs", as distinguished from "estimated costs" in the former report, have been determined for each item of work and should be now "credited" against the Long-Term Maintenance Account; and (3) explanation of uncompleted items, new items added, work rescheduled, or other revised information.

4d. This is the difference between Maximum Amount to be Expended and Total Credits Allowed. It represents money which has accrued and is available for future work.

Enclosure (3)



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4e. This item reflects additional money which will accrue within the next six months and becomes available for use provided the lease is not terminated or will otherwise expire.

Enclosure (3)

