

Office of Economic Adjustment and Community Base Reuse FAQs

General Questions

Q1: What is the Office of Economic Adjustment (OEA)?

A1: OEA is a DoD field activity within the Office of the Secretary of Defense. OEA's mission is to provide transitional assistance and guidance to communities affected by changes in Defense spending, including military base closures, major personnel reductions from base realignments or defense contractor layoffs, and a major influx of DoD personnel to a base.

Q2: What assistance is available from OEA?

A2: OEA strives to help communities help themselves. To that end, OEA and its assigned Project Managers oversee a program of technical and financial resources working directly with the involved DoD components and local, State, and Federal Agency representatives. This collaborative effort often results in: community-based adjustment strategies; coordinated public-private investments that generate new job opportunities to alleviate the adverse job loss impacts; or enhanced local capacities to sustain new economic activity spurred by the influx of personnel to a military facility.

Q3: How does a community request assistance from OEA?

A3: Requests for OEA assistance can be made by, or on behalf of, Members of Congress or State and/or local elected officials through correspondence to the Director, Office of Economic Adjustment, Patrick J. O'Brien. Up-to-date information on OEA programs and available assistance can be found on OEA's website: (<http://www.oea.gov>)

Q4: Can you explain the intergovernmental support available for adversely impacted communities?

A4: The primary mission of the Department of Defense is to defend the United States. Thus, the Department relies heavily on other Federal agencies to assist communities that need help. For instance, the redevelopment of former military installations often requires the coordination of numerous Federal and State agencies, including technical and financial assistance and discounted property conveyances for public purposes. Coordination among agencies ensures that assistance provided meets the needs of individual communities.

OEA has provided \$280 Million in financial assistance over the previous four rounds of BRAC activity. Often, OEA funding is used to prepare a local economic recovery strategy that serves as a blueprint for other Federal, State and local funding. The leading Federal agency assistance partners included the Federal Aviation Administration (\$760 Million), the Economic Development Administration (\$611 Million), and the Department of Labor (\$223 Million) that collectively provided \$1.6 Billion in coordinated grant assistance during the last four rounds of the Department's BRAC activities.

Interagency coordination has also facilitated the civilian reuse of former military installations to benefit the public through property transfers from the Department of Defense to other Federal agencies, known as Fed-to-Fed transfers. Additionally Federal agency-sponsored public benefit conveyances, such as schools, parks, airports, etc.; community adjustment to the reduction of school impact aid; review of reuse plans for protection of the interests of homeless-assistance providers; environmental regulatory approvals; surplus property screening; property transfers to other Federal entities; historic property and natural resource agreements; joint-

use agreements; and alternative property disposal guidance have been used to implement community adjustment strategies.

Q5: What is the President's Economic Adjustment Committee?

A5: The Economic Adjustment Committee (EAC) coordinates Federal interagency and intergovernmental assistance to support the Defense Economic Adjustment Program and help communities respond to economic impacts caused by significant Defense program changes, including BRAC. The EAC is comprised of 22 key Federal Departments and Agencies, including those with specific programs for technical and financial assistance to assist communities, businesses, and/or workers adversely impacted by BRAC. It is managed by the Office of Economic Adjustment.

Q6: What type of assistance is specifically available to assist impacted workers?

A6: DoD has a long and successful history assisting its civilian workers impacted by base closure using a number of programs that facilitate placement, training, retraining, and transition. Since 1989, the Department has reduced its civilian workforce by 428,400 with less than 10% involuntary separations. Through DoD's Priority Placement Program (PPP), the centerpiece of DoD's Civilian Assistance Re-employment (C.A.R.E.) programs, DoD employees are given priority placement at other DoD facilities. This DoD program and others are closely linked with Department of Labor (DoL) programs and staff expertise for worker retraining and placement implemented at the local level. For more information about DoD's C.A.R.E programs visit [DoD BRAC Transition](#) and for DoL programs visit <http://www.doleta.gov/>.

BRAC Questions

Q7: What type of assistance was provided to communities previously impacted by BRAC?

A7: Over the previous four rounds of BRAC, OEA assisted 78 communities with multi-year grants where there were significant impacts from the BRAC action. These multi-year grants provided a combination of organizational support; base reuse planning; detailed land redevelopment studies; implementation plans; and business plans for the redevelopment of all or portions of a closed base. OEA also assisted 29 communities where impacts were less substantial with single-year grants to develop a base redevelopment plan. The assistance provided by OEA seeks to ensure that the community can be an informed partner with the Military Department that is closing or realigning the local installation as redevelopment planning and implementation are accomplished. OEA also coordinates other Federal investment at affected installations.

Q8: Does OEA have any role in the decision to close or realign an installation?

A8: No, OEA does **not** have a role in the selection of installations for realignment or closure.

Q9: How is each BRAC action unique?

A9: No two communities or closing military bases are alike. Communities confronting a major BRAC action resulting in a reduction of Defense spending or personnel or a base closure typically addresses:

- replacing the jobs lost through the DoD action;
- creating local capacity to plan and possibly carry out redevelopment of the former installation;
- identifying buildings that may be unsuitable for redevelopment;
- partnering with the private sector to optimize base redevelopment;

- financing redevelopment to the extent the public sector chooses to do so;
- understanding and effectively addressing complex environmental circumstances;
- dealing with extremely variable implementation horizons; and
- offsetting negative economic impact.

For some, former military property presents unique opportunities to develop property located in ideal locations, such as waterfront sites, at the confluence of various modes of transportation, with strong prospects for redevelopment. The location of many properties near or in the midst of rapidly growing, prosperous communities presents opportunities for quicker redevelopment in some communities. Other communities may experience limited access to capital due to a stagnant or declining local economy, few competitive advantages of the local labor supply, or an isolated location. Whatever the circumstances of a closure or realignment, each community is likely to address some affected worker, business, and community-wide impacts.

Q10: What are the phases of community economic adjustment in the case of a downsizing?

A10: Generally, an affected community will work through the following three phases of a downsizing action where property is being made available for civilian use:

1. *Organization:* Communities in the vicinity of the installation organize to form a “Local Redevelopment Authority (LRA)” responsible for preparation of a redevelopment plan and potentially the implementation of the plan. LRAs are established locally, sometimes with State assistance, and are formally recognized by the Department of Defense, through OEA. The LRA provides leadership and builds consensus for base redevelopment, and it is extremely important so a community can speak with one voice.
2. *Planning:* A redevelopment plan is to be prepared as a guide for all disposal and redevelopment actions. This plan: a) reflects a community consensus for base redevelopment; b) balances local homeless needs with other economic redevelopment needs; c) provides the basis for title transfer under an Economic Development Conveyance, where applicable; d) is to be given substantial deference in a Military Department property disposal environmental assessment; and e) is the basis for community requests for personal property disposal. This plan also serves as a baseline for local general plan and development regulation changes for the property.
3. *Implementation:* the extent to which the affected community is engaged in implementing redevelopment of an installation is determined by several local factors. For instance, some communities with high property demand may elect to assume existing land development roles with an emphasis on development controls and impact fees for public infrastructure. Other communities in more challenging redevelopment circumstances may choose to operate as public redevelopment authorities to ensure that reuse is initiated, accelerated, and sustained.

Q11: What should we, the community, do now?

A11: All communities addressing a BRAC action should contact OEA to begin addressing appropriate responses. Communities where there will be base property disposal should begin to organize to prepare a base redevelopment plan and possibly to implement that plan. There are a number of other processes will need to be undertaken as well such as property interest screening. Communities that experience downsizing but there is no property disposal should organize for the purpose of economic development and diversification planning that may prevent job attrition by creating new job opportunities through new or expanded businesses. Those communities experiencing growth should contact OEA to learn about managing growth, the schedule of the

growth impacts, and how to provide the public and private facility development needed to support the incoming population.

Q12: What have successful communities done in response to previous downsizing actions?

A12: It is clear that successful adjustment doesn't occur without a genuine partnering between the Military Departments and the communities. Likewise, it is important to recognize that this Military-community partnership needs to be flexible to adapt to the specific attributes of the closing base, the regional market forces, and private sector circumstances found at each location.

Due to the variability of conditions found at each installation, one approach typically doesn't work everywhere. OEA experience suggests that community adjustment is more likely to be successful if the affected community:

- starts its organization and base redevelopment planning activities as soon as possible following the Secretary's BRAC recommendations;
- includes public and private sector representation and resources;
- has strong leadership to provide vision and direction and that can "speak with one voice";
- has political and financial resources to support a local redevelopment authority as the community's response vehicle;
- applies existing resources;
- represents the affected area and its demographics and includes key stakeholders;
- seeks redevelopment strategies that are both financially and environmentally feasible;
- coordinates base redevelopment with other community development activities;
- adopts development controls to implement planned base redevelopment uses; and
- understands environmental parameters.

Q13: In your opinion, what property transfer process best allows for communities to succeed in transforming a military installation?

A13: Each community varies tremendously by type of facility, geographic location, private investment rates, unemployment levels, and other economic strengths and weaknesses that directly affect opportunities for civilian redevelopment. In addressing this variability, and recognizing the uneven capacities of the private and public sectors at each of these locations, the Department needs flexibility in determining a responsive mix of property disposal authorities to support a community's particular resources. Existing Federal property disposal laws provide for a rich array of disposal methods for surplus property, including the transfer of property to another Federal entity, discounted conveyance for public purposes and competitive bid sales, among others.

Q14: What are the most significant obstacles to rapid disposal and reuse of property?

A14: As noted in a January 2005 the General Accountability Office (GAO) report, environmental issues account for a considerable amount of the impediments. Conflict between State and Federal about site characterization, clean-up standards, and restoration funding are among the major environmental impediments. The Department of Defense is taking steps to address these issues.

Q15: Have communities that were impacted by prior BRAC rounds been successful at replacing lost jobs?

A15: More than 70 local redevelopment efforts arising from the previous four BRAC rounds report their progress annually to OEA. Redevelopment activity through October 31, 2004 resulted in the creation of 110,000 jobs, or over 85% of the 130,000 civilian jobs lost.

Mission Growth Questions

Q16: What does mission growth mean for a community?

A16: When a military base experiences significant personnel increases, the associated population increases may place excessive demands on some off-base community services and facilities. In addition to potentially affecting existing residents adversely, military growth may diminish the quality of life for the new military personnel and their dependents. Based upon OEA experience, off-base housing scarcity and school over-crowding have been the major areas of shared community and military concern.

Q17: What are the basic phases of community economic adjustment in the case of a local military growth?

A17: An affected community will generally work through the following three phases of the growth action:

1. *Organization:* An affected jurisdiction(s) will typically create an entity to work with the Military Departments to prepare a growth management plan.
2. *Planning:* The affected community will typically engage a growth management planning effort to identify the scope of the growth activity, assess local absorption capacities and impact on local public infrastructure, and develop strategies for enhancing or expanding any required local services or infrastructure. Additionally, opportunities to partner with the private sector to address market interest in the installation's growth are also explored and evaluated.
3. *Implementation:* Once community plans and strategies for managing installation growth have been completed, the affected jurisdictions implement those plans. The urgency and scale of the required response will be influenced by the scale and timing of the planned and approved growth actions. Communities can call on local, State and Federal resources to help implement community growth management plans, such as State and Federal transportation and infrastructure funding.

Q18: Does DoD plan to work with communities to provide "Lessons Learned" from past rounds?

A: OEA is available to provide information on civilian base redevelopment experiences from prior base realignment and closures. This information is available from OEA staff directly, publications offering guidance and lessons learned, and the OEA web site (<http://www.oea.gov>) which has links to a number of current base reuse locations. The website also has links to other Federal agencies and non-governmental organizations which can provide lessons learned documents. This information will continue to be updated with the best practices as we approach and implement BRAC 2005.

Success stories

Bergstrom Air Force Base, Austin, TX (BRAC 91) – Bergstrom AFB closed in September 1993, resulting in the loss of 3,940 military and 927 civilian positions. To date, all but 241 acres have been disposed, and over 4,000 new jobs have been created. In November 1994, groundbreaking took place for the redevelopment and construction of the Austin-Bergstrom International Airport. "Fly Austin - The Sky's the Limit," was the theme for the grand opening in 1999. It was the last major new airport to be built in the 20th century and is one of the most successful military base conversions ever accomplished. Cargo operations began in 1997. And on May 23, 1999, the first scheduled passenger flight landed at the new airport, ushering in a new era of air service for Austin and Central Texas. The City of Austin estimates it saved \$200 million in land acquisition and runway construction costs alone by transforming the former Air Force base into the \$690 million international airport. In 1993 the economic loss to Austin from the base closure was estimated to be more than \$400 million a year. In contrast, by 2012 there are expected to be more than 16,000 new jobs associated with the airport and more than 725,000 square feet of new development drawn to the surrounding area.

England Air Force Base (AFB), Alexandria, LA (BRAC 91) – England AFB closed in 1992, resulting in the loss of 3,042 military and 682 civilian jobs. The England Industrial Airpark is now one of the most successful base reuses in the country. As of October 2004, the England Economic and Industrial Development Authority has more than 50 commercial tenants and 150 residential tenants on the former base. England has attracted businesses that have created or will create over 2,000 jobs, more than double the civilian employment at the time of closure. Lease and other revenues now total more than \$8 million a year. The Airpark is economically self-sufficient and not supported by local taxes or services. The regional commercial airport, Alexandria International, currently enplanes roughly 125,000 passengers a year. Major tenants on the former base include LSU Health Sciences, Pride Flight Services, Central Louisiana Electric Company, Louisiana Air National Guard, Program Services, American Eagle Airlines, Atlantic Southeast Airlines, International Packaging Company, Landco Inc., McKesson Inc. and the U.S. Marshal Service. The nonprofit Front Porch Inc. has leased 185 units of base housing on 60 acres for the development of a retirement community. England also opened the \$13 million OakWing Golf Club, a high-end public course now playing 22,000 rounds annually and listed on the Audubon Trail. In late 2004, England Airpark announced the location of a Union Tank Car manufacturing facility that will create approximately 850 manufacturing jobs.

Mather Air Force Base, Sacramento, CA (BRAC 88) – Mather AFB closed in 1993, resulting in the loss of 1,988 military and 1,012 civilian personnel. As of October 2004, all but 35 acres have been disposed and nearly 4,500 jobs have been created. Currently the former base hosts 45 tenants, 17 of which are private companies, resulting in more than 1,280 new jobs. In addition to these industrial and commercial activities, Sacramento County established a county homeless complex on site and acquired 1440 acres of land for new parks.

Pease Air Force Base, Portsmouth, NH (BRAC 88) - Pease AFB closed in March 1991 resulting in the loss of 400 civilian jobs. Today, the establishment of the Pease International Tradeport has created more than 5,000 new jobs. As of October 2004, the Tradeport has over 175 major tenants, together occupying more than 1 million sq. ft. of office and industrial space. The diverse array of major new companies and agencies at Pease includes the Department of State, American Express, Pan Am, Redhook Ale Brewery, and Franklin Pierce College.

Charleston Naval Base, Charleston, SC (BRAC 93) - The Shipyard, the Naval Station, the Defense Distribution Depot, and part of the Naval Supply Center in Charleston, SC, closed in 1996, resulting in the loss of 6,672 civilian jobs. As of October 2004, there are more than 50 major entities reusing this former naval base. The user mix includes private, local, State and Federal organizations such as the National Civilian Conservation Corps; Charleston Marine Manufacturing Corp.; Charleston Marine Containers, Inc.; the U.S. Coast Guard;

DFAS; the State Department and the INS Border Patrol. The South Carolina Port Authority has been granted a 30-year lease, which will allow it to establish a major marine cargo handling facility at the site. Altogether, more than 2700 new civilian jobs have been created.

Long Beach Naval Complex, Long Beach, CA (BRAC 91) – Long Beach Naval Complex closed in March 1996, resulting in the loss of 4,487 civilian jobs. Today, over 1,200 acres have been transferred and almost 4,000 new jobs have been created. The Naval Station housing sites are now used for secondary and post-secondary education facilities, a Department of Labor Job Corps site, a science and technology park, and a transitional housing facility for the homeless.

Orlando Naval Training Center (NTC)/Naval Hospital Orlando, Orlando, FL (BRAC 93) – Orlando Naval Hospital closed in 1995, and the last of its training commands closed in December 1998. The closure of NTC and the NH resulted in the loss of 9,486 military and 1,105 civilian and contractor employees, and 6,582 students. As of October 2004, more than 400 new jobs have been generated. Federal transfers have been completed with the Department of Veterans Affairs, U.S. Customs Service, and Defense Finance Accounting Service, and future public benefit conveyances are anticipated for education, aviation and recreation purposes. The city of Orlando's reuse plan for the four sites that make up the former training center and hospital complex called for mixed-use redevelopment, including office parks for business development, housing, multi-modal services, educational complexes, natural areas and Federal uses. During the proposed 10-year development process Orlando Partners expects to build more than 35,000 square feet of retail space, 1,500 million square feet of office space, 788 houses, 570 condominiums, and 1,800 apartments. The site will include three neighborhood centers, two public schools, and more than 200 acres of parks and open space areas. The estimated property value upon completion of the redevelopment of the Main Base site is estimated at more than \$1 billion.

Fitzsimons Army Medical Center (AMC), Aurora, CO (BRAC 95) – Fitzsimons AMC closed in 1999, resulting in the loss of 1,291 and 1,612 civilian jobs. As of October 2004, over 1,000 new jobs have been created. Reuse has included a number of creative projects. Redevelopment at Fitzsimons is producing a state-of-the-art "Life Sciences City," resulting in a unique partnership and synergism between the University of Colorado at Denver and Health Sciences Center (UCDHSC), its affiliated University of Colorado Hospital (UCH), the City of Aurora, The Children's Hospital and the Fitzsimons Redevelopment Authority (FRA). The overall redevelopment theme is the creation of a Life Sciences City, where patient care, teaching, basic-science research and biotechnology research and development will thrive by being collocated in a scientific-entrepreneurial community. Fitzsimons is already being viewed as the hub, focus and launch pad for biotechnology within the Rocky Mountain region. Total public and private investment programmed for redevelopment of the 577-acre site is \$4.3 billion. Total planned construction is projected at 15 million square feet, and total employment at completion of redevelopment in 2020 is projected at 32,000. Approximately half of the redevelopment program and 19,000 jobs will be at the site by 2010.

Fort Benjamin Harrison, Lawrence, IN (BRAC 91) – Fort Benjamin Harrison, located 13 miles northeast of downtown Indianapolis, within the city and township of Lawrence, closed in 1996. Soon after, the State purchased the 238-acre 18-hole golf course and acquired approximately 1,462 acres of pristine forest land and wildlife habitat for use as a state park through a public benefit conveyance. The Fort Harrison Reuse Authority acquired the 550-acre former Main Post area via an economic development conveyance. Subsequently, the city designated the site as an Enterprise Zone, allowing for certain tax exemptions to attract new businesses. More than 450 acres have been resold to developers, who in turn have brought over 1000 jobs to the area. Over 1 million square feet of new space has been constructed or is under construction, and total property sales have exceeded \$16 million. Development of the area includes new home construction, senior citizen housing, and a YMCA. Presently seven former barrack buildings are under renovation, to be sold as 96 luxury condominiums

with renovation costs to exceed \$25 million dollars. Approximately 1.25 million square feet of historic structures have been renovated at an estimated investment of \$10 million. Additionally the city of Lawrence has completed the construction of a new governmental center which will become the cornerstone of the city's new town center.

Cameron Station, Alexandria, VA (BRAC 88) – Cameron Station was announced for closure in 1988. All 165 acres were declared excess, and the Station's major activity – the Defense Logistics Agency - was relocated to Fort Belvoir in 1995. In late 1996, the Army sold 101 acres of property to Cameron Associates, L.L.C., a subsidiary of Greenvest, for \$33M. More than 2,000 housing units were constructed, along with recreational facilities and commercial space. In addition, the Army also transferred over 50 acres of park land to the city using a public benefit conveyance to preserve open space for the community.