A NATIONAL ACTION PLAN ON MILITARY BASE CLOSINGS

Recommendations from the Mayors' Task Force on Military Base Closings & Economic Adjustments to the President of the United States and the 104th Congress

February 27, 1995



The United States Conference of Mayors 1620 Eye Street, NW Washington, DC 20006 Telephone: (202) 293-7330 Fax: (202) 293-2352

The United States Conference of Mayors

Victor Ashe Mayor of Knoxville **PRESIDENT**

J. Thomas Cochran EXECUTIVE DIRECTOR

TASK FORCE ON MILITARY BASE CLOSINGS & ECONOMIC ADJUSTMENTS

CO-CHAIRS

Susan Golding, Mayor of San Diego Edward Rendell, Mayor of Philadelphia

STEERING COMMITTEE

Jerry Abramson, Mayor of Louisville Kay Granger, Mayor of Fort Worth Richard Hartmann, Mayor of Kettering Robert Isaac, Mayor of Colorado Springs Glenn Mecham, Mayor of Ogden Meyera Oberndorf, Mayor of Virginia Beach Norm Rice, Mayor of Seattle Joseph Riley Jr., Mayor of Charleston Paul Soglin, Mayor of Madison

-2-



President: VICTOR ASHE Mayor of Knoxville Vice President: NORMAN RICE Mayor of Seattle Past Presidents: JERRY ABRAMSON Mayor of Louisville ROBERT M. ISAAC Mayor of Colorado Springs JOSEPH P. RILEY, JR. Mayor of Charleston, SC Trustees: HECTOR LUIS ACEVEDO Mayor of San Juan CHARLES BOX Mayor of Rockford DEEDEE CORRADINI Mayor of Salt Lake City PAUL HELMKE Mayor of Fort Wayne SHARPE JAMES Mayor of Newark, NJ JAMES PERRON Mayor of Elkhart ELIZABETH D. RHEA Mayor of Rock Hill PETE SFERRAZZA Mayor of Reno DAVID SMITH Mayor of Newark, CA GREG SPARROW Mayor of DeKalb MICHAEL WHITE Mayor of Cleveland Advisory Board: RICHARD M. DALEY, Chair Mayor of Chicago DENNIS ARCHER Mayor of Detroit RICHARD ARRINGTON Mayor of Birmingham ROBERT COBLE Mayor of Columbia, SC BRENT COLES Mayor of Boise CARDELL COOPER Mayor of East Orange LOUISE GARDNER Mayor of Jefferson City SUSAN GOLDING Mayor of San Diego KAY GRANGER Mayor of Fort Worth MIKE JOHANNS Mayor of Lincoln JAN LAVERTY JONES Mayor of Las Vegas FRANK JORDAN Mayor of San Francisco JOHN McCARTHY Mayor of Everett PATRICK MCMANUS Mayor of Lynn RITA MULLINS Mayor of Palatine JOHN O. NORQUIST Mayor of Milwaukee MEYERA E. OBERNDORF Mayor of Virginia Beach DONALD PLUSQUELLIC Mayor of Akron SAUL RAMIREZ, JR. Mayor of Laredo SHARON SAYLES BELTON Mayor of Minneapolis KURT SCHMOKE Mayor of Baltimore PAUL SOGLIN Mayor of Madison BRUCE TODD Mayor of Austin WELLINGTON WEBB Mayor of Denver Executive Director: J. THOMAS COCHRAN

THE UNITED STATES CONFERENCE OF MAYORS

1620 EYE STREET, NORTHWEST WASHINGTON, D.C. 20006 TELEPHONE (202) 293-7330 FAX (202) 293-2352

February 27, 1995

The Honorable William J. Clinton President of the United States The White House Washington, DC 20500

Dear Mr. President:

With the pending BRAC 1995 process, meeting the challenge of defense conversion is a high priority for the nation. While we recognize the administration's need to downsize the Department of Defense's base structure, arming cities with the tools they need to combat the negative impact of this downsizing is equally important.

In 1993, you announced a five-point plan to ease the impact of military base closings on local communities. Following your announcement, the United States Conference of Mayors began a series of steps to assist communities responding to the challenges of a military base closures. These steps included appointing a Mayors' Task Force on Military Base Closings and Economic Adjustments, and holding two national meetings to help solicit ideas to improve the process and ease the difficult transition following a military base closing.

Copies of our recommendations are being delivered today to the BRAC Commission, to all members of your Cabinet, and to the leadership in both the House and Senate. These recommendations are being released today to coincide with the list of base closings which is expected to be released tomorrow.

As co-chairs of the Mayors' Military Base Closing and Economic Adjustments Task Force, which represents mayors of cities that are currently trying to convert former defense facilities to private uses, we would like to demonstrate that defense conversion *can* happen. However, in the absence of the reforms we have proposed, we are concerned that successful conversion will never truly be achieved. It is our hope that you will actively support these recommendations, which are necessary to ensure that "defense conversion" is no longer a buzz word, but a reality.

Respectfully,

Lusan Galding

Susan Golding, Mayor San Diego Task Force Co-chair

Ed Fendell

Edward Rendell, Mayor Philadelphia Task Force Co-chair

Foreword

At the U.S. Conference of Mayors Annual Meeting in Portland, Oregon, June 11, 1995, the Conference adopted two resolutions regarding military base closings. Following our Annual Meeting, Conference of Mayors President, Knoxville Mayor Victor Ashe, appointed a Task Force for Military Base Closings and Economic Adjustments. Mayors Susan Golding of San Diego and Edward Rendell of Philadelphia were appointed co-chairs of this Task Force.

With the help of a grant from the Economic Development Administration of the U.S. Department of Commerce, the Conference of Mayors held two meetings to assist mayors in preparing for the next round of base closings scheduled to be announced in February 1995. Approximately 150 communities were represented at the two meetings. The first was held in San Diego on December 8-9, 1994 and the second was held in Washington on January 24, 1995 in conjunction with the Conference of Mayors Winter Meeting.

The attached recommendations are an outgrowth of those meetings, as are the quotes that appear in the margins.

On behalf of our officers, members, and staff; we thank those mayors and city representatives who attended the two meetings, and especially appreciate the tremendous assistance given to us by the Economic Development Administration and the Office of Economic Adjustment at the U.S. Department of Defense. Without their help, this historic Conference initiative would not have gone forward.

In addition, I would like to thank our co-chairs, Mayors Golding and Rendell, for their outstanding leadership on the Task Force.

We also recognize Mayor Jerry Abramson of Louisville, past president of the Conference of Mayors, for making this issue of base closings a priority for the mayors last year, as well as current President Victor Ashe who recognized the importance of this issue and kept military base closings a top priority for the mayors, even though he had no military bases in his community.

Michael Kaiser, our Conference Staff Director, deserves special thanks for his determination and hard work in following through to make our first post-Cold War initiative on base closings and economic adjustments a success for our members as we confront the challenges of economic conversion in the year ahead.

J. Thomas Cochran

J. Thomas Cochran Executive Director

The United States Conference of Mayors

The United States Conference of Mayors

Resolution on Base Closings

Adopted at the 63rd Winter Meeting January 25-27, 1995 Washington, DC

WHEREAS, The United States Conference of Mayors has formed a military base closing and economic adjustment task force, and

WHEREAS, this task force has held two meetings in San Diego, California and Washington, DC to help mayors effectively deal with the consequences of military base closings, and

WHEREAS, mayors attended these two task force meetings in San Diego December 8-9, 1994 and in Washington January 24, 1995 in conjunction with the Conference of Mayors Winter Meeting,

NOW, THEREFORE, BE IT RESOLVED, mayors call for several actions necessary to ease the impact of base closings on various communities to return the land to economically productive civilian use, including:

- providing and continuing federal funding for communities affected by defense downsizing, including, but not limited to, the support of the Economic Development Administration (EDA) and the Office of Economic Adjustment (OEA);
- streamlining the process for transfer and clean-up of military facilities scheduled for closure; and

- securing local control of decision-making relating to infrastructure and resources;

BE IT FURTHER RESOLVED, The United States Conference of Mayors will issue a formal report to the White House and Congress prior to the next round of base closings scheduled to begin March 1st to address these actions.

The United States Conference of Mayors

-6-

Recommendations from the Mayors' Task Force on Military Base Closings & Economic Adjustments

Recommendation 1: Speed and Improve Funding for Affected Communities

Mayors ask that the federal government respond to a base closing as they would to any *natural* disaster. Mayors call for federal agencies to respond as quickly as FEMA (Federal Emergency Management Agency) to assist communities affected by base closings. Financial and technical support should be given immediately upon designation of a base closing. This *impact aid* should be awarded without excessive paperwork or time delays.

Recommendation 2:

Eliminate HUD Approval of Local Compliance with the McKinney Act (i.e., the Base Closure Community Redevelopment and Homeless Assistance Act of 1994)

Under the Base Closure Community Redevelopment and Homeless Assistance Act, cities must work with homeless assistance providers and local redevelopment authorities to develop a local reuse plan for surplus federal properties. The Department of Housing and Urban Development (HUD) must then approve the plan, and the Department of Defense (DOD) then acts in accordance with HUD

approval. Mayors believe that the requirements of this statute, particularly the requirement of HUD approval, essentially represents another unfunded federal mandate. *How* facilities are reused should be entirely a local decision.

"We need immediate funding for communities without all the hoops and applications and time that we have to wait now..."

Recommendation 3: Streamline the Process for Transferring Title and Control of Military Base Property to Local Governments

As a result of the President's five-point plan and emphasis on community input, there have been tremendous improvements in the property transfer process. However, much more needs to be done.

The United States Conference of Mayors

-7-

"One federal agency can jump in and muck it up for everyone else... We need someone — an Ombudsman who can step in and facilitate federal agencies..." Because existing efforts have not been effective, mayors call for the President to appoint an official *Ombudsman* at the National Economic Council in the White House, who can respond in a timely fashion, improve coordination and communications between federal agencies, and cut the red tape to facilitate property transfer and economic development of military bases.

Additionally, mayors call for a *revision clause* for properties considered for public benefit. In many cases, the property was given freely by the local community to the federal government when the bases were first built. This property therefore should be given back to the local community, not sold back.

Recommendation 4: Define What Constitutes a "Reuse Plan"

There are different points of view among federal agencies about what constitutes a reuse plan. For example, current law requires that a reuse plan be completed within nine months. But this time is not sufficient if the definition of a reuse plan includes environmental impact studies and related documentation.

The law should recognize the variety and differences among military bases. A standard nine month period may be appropriate for smaller bases, but it is not enough time for larger bases where multiple jurisdictions are involved or where environmental contaminants are more difficult to identify. A range therefore (e.g., 6-12 months) should be considered rather than a standard nine months for all bases.

"DOD should not be telling us that our reuse plans are adequate... We should be telling them..." **Recommendation 5: Qualify Military Bases for Automatic Consideration as Enterprise Zones**

If bases were automatically designated as "*Enterprise Zones*," it would give cities many advantages to undertake economic development projects. For example, special enterprise zone designation for military bases would allow communities to use tax credits for hiring out-of-work federal employees.

Recommendation 6: Eliminate the Requirement that Military Base Conversions Comply with Duplicative State and Federal Environmental Regulations

Mayors call for better coordination between state and federal governments to eliminate the needless duplication of efforts required for environmental compliance. The cost and time involved in trying to comply with both federal and state regulations are enormous. Many of these regulations are duplicative. The federal government should agree to find compliance with state regulations that are substantially equivalent, provided that the state agrees to meet federal timetables and provide a single point of contact. "The local reuse plan is our responsibility... Cleaning up the mess that was made is their [federal] responsibility..."

Recommendation 7: Clarify Native American Participation in the Reuse Plan

The law remains unclear regarding which entities of the federal government have the authority to make claims on behalf of Native American Tribes. Some communities have spent months on reuse plans, only to have them stopped at the last minute by claims from the Department of Interior. Mayors call for better coordination among the armed services and the Bureau of Indian Affairs (BIA) within the Department of Interior to clarify the rights of Native Americans with regard to military bases.

The United States Conference of Mayors

Recommendation 8: Exemption/Extension of Military Base Conversion from Uniform Building Codes, Uniform Fire Codes and the Americans With Disabilities Act Compliance

"The military should not be allowed to take air emission credits out of the local community; otherwise, you may find that you do everything else right, but still can't do anything on the base." Although all mayors feel compliance with federal and local laws is important, <u>immediate</u> compliance with many federal building codes is simply impossible. Most military properties are not up to code. Unless the federal government is willing to pay to bring these properties up to code, mayors ask that the time for compliance be lengthened, or that compliance be left to the discretion of the local governments which are responsible for enforcing these codes.

Recommendation 9: Clarify Ownership Rights to Air Emission Credits Upon Closure of a Military Base

All air emission credits should be classified as a <u>local</u> asset under the law, especially in those cities where strict air emission limits exist. The federal government should provide for prompt transfer of any credits formerly used by the military in connection with base property.

"We should not be penalized for having a military base in our community."

Recommendation 10:

Require the Federal Government to Pay for the Removal of Functionally and Economically Obsolete Structures and Fixtures on Closed Military Bases

As noted in Recommendation #8, many buildings on military bases do not meet building codes. In many cases it would cost more to fix up these buildings than it would to tear them down. Mayors ask that the federal government provide the funding to remove all obsolete structures and fixtures from closed military bases. Further, that these anticipated costs be considered among the criteria used by the Base Realignment and Closure Commission (BRAC) to determine whether or not a particular base should be closed.

Recommendation 11: Enact Legislation to Permit Dual Use of Bases

Although the law makes reference to dual use capability (i.e., military and civilian use of base properties simultaneously), the reality is that dual use is largely left to the discretion of the local base commander. Mayors call for clarification and consistency from the Department of Defense to permit dual use activities on <u>all</u> military bases and that a prescribed method be established for communities to actively present a dual use plan for those facilities considered to be surplus by the military.

Recommendation 12: Educate Bond Raters and Insurers Regarding the Actual Impact of Closed Military Bases on Bond Ratings

There is a deep lack of understanding among bond raters and insurers with regard to the impact of base closings on local communities. Although this is not a federal concern, the mayors would like the federal government to be aware that they plan to send a delegation to Wall Street to meet with bond raters and insurers to help reduce the misunderstandings that result in lower bond ratings and difficulties for cities to obtain the necessary insurance coverage following a base closing.

"If you can't bond, or if you can't insure, you can't develop."

Recommendation 13: Open the Federal Appraisal Process

Many communities have had the experience of not knowing how the federal appraisal of base properties was made, and have had no chance to react to it, challenge it, or offer an appraisal of their own. Since the property appraisal process has a tremendous impact on the local community, this process needs to include more local involvement. More importantly, this process needs to emphasize the exchange of properties for local conversion to promote private sector participation (i.e., in cases where the local government retains ownership and then leases these properties to the private sector).

The United States Conference of Mayors

-11-

Recommendation 14: Preserve Financial and Technical Support for Communities Affected by Previous Base Closure Processes (1988, 1991, 1993)

"This [BRAC] is not an adversarial process... I think the people in the administration are working hard and have the same goal that we do... We all want economic conversion to be a success." Mayors unanimously support the involvement of the Economic Development Administration (EDA) at the U.S. Department of Commerce and the Office of Economic Adjustment (OEA) at the U.S. Department of Defense in assisting those communities affected by military base closings and defense industry downsizing. The mayors call for the continued support of these agencies and for <u>increased funding</u>, commensurate with the impact of the 1995 BRAC round, and any subsequent rounds.

Additionally, mayors call for special consideration to be given to those communities hard hit by previous BRAC rounds and ask that the 1995 BRAC decisions take into account the cummulative economic impact on these communities. Whenever possible, the federal government should consider relocating other federal agencies/programs to these affected communities.

Recommendation 15: Clarification of the Definition of Military Bases

Military bases should be clearly defined under the law (i.e., what constitutes a military reservation for the purposes of BRAC). In addition, mayors ask that GOCO (Government Owned Contract Operated), munitions and other defense related facilities be considered for inclusion under the BRAC law, should the BRAC law be extended beyond 1995. (NOTE: Currently these properties are evaluated under GSA and other federal rules and regulations.)

Recommendation 16: Make Further Revisions/Review of the Pryor Amendments

The local reuse authority should have the right to reserve – prior to any non-Department of Defense screening – all or part of a base for an economic development conveyance application. This application could occur prior to or during the planning process, but should not have to wait until the plan is completed.

Recommendation 17: Address Hazardous Waste Cleanup of Bases

There is no question that the federal government is responsible and liable for cleanup of military bases. However, it is clear that the federal government greatly underestimated the cost of cleanup. Since communities cannot develop sites until they are cleaned up, it is recommended that the federal government either allocate more money for cleanup or change the regulations for military bases. The federal government must adhere to a timetable for clean up, just as it imposes timetables on local governments and private contractors. Furthermore, communities in *all* states should be allowed to separate clean parcels of land from dirty parcels to allow economic development plans to move forward.

"It may be prudent from a federal point of view to say, Well, we don't have to clean up the bases all at once... But, then, who is to decide which bases get cleaned up...? Will it be your base, or my base...? And what happens to us in the meantime...?"

Recommendation 18: Give Consideration to Local Job Creation

Many of the jobs created by a base closure are in the area of environmental cleanup, base security, utility improvements, and the demolition of buildings. Priority should be given to <u>local</u> residents for these jobs/contracts. Also, special job training should be made available locally to ensure that federal employees who served the nation so well for so many years receive every possible opportunity we can give them, especially since many of these people are just a few years away from receiving retirement benefits. "If we can't use it until it's cleaned up, and we can't find the money to clean it up, we're in trouble."

Recommendation 19: Priority for Public Benefit Transfer

"When the federal government closes a base, no mayor expects the federal government to police or maintain the base. But once the base is closed... It's ours to guard... It's ours to police... And it is ours to maintain." Every piece of property should be considered for Public Benefit Transfer/Economic Development Conveyance (EDC) <u>before</u> the federal government begins selling to the highest bidder. As soon as a piece of property is identified for an EDC, a community should be allowed to approach local financial lending institutions to give interested parties quick access to these properties.

Recommendation 20: Provide Title Insurance for Federal Property

Mayors recommend that the federal government provide title insurance for all federal properties. Given the hazards and unknowns about federal properties, particularly from an environmental point of view, it is not going to do a city any good to have title to these properties, and then attempt to turn around and convey them – whether that be to a non-profit or private outfit – only to find out that they cannot get the title insured.

