THE
BASE REUSE REPORT

APRIL *Economic Development, Planning and Redevelopment of Military Bases* 1995

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Circling the Wagons

Lone Star State gears up to block military base closures

By David McLemore

No sooner had the Pentagon announced its base closure list, than state and local leaders sounded the bugle, rallying defenders to circle the wagons and gather the data to prove why Texas bases shouldn't be shut down.

The military is big business in Texas. Its 19 military installations, second in number only to California and Virginia, employ about 143,000 military and civilian workers and contribute more than $10 billion in military spending—about 2.3 percent of the gross state product, according to data from the state Comptroller's office.

This year, Texas took major hits when Defense Secretary William Perry recommended that the Defense Base Realignment and Closure Commission shut down five of the state's 19 military installations. In Texas, that translates into the loss of hundreds of millions of dollars and more than 10,000 jobs.

It also marks a bigger bite than in two prior BRAC rounds, when the Pentagon shut down Carswell Air Force Base in Fort Worth, Bergstrom Air Force Base near Austin, and Chase Naval Air Station in Beeville.

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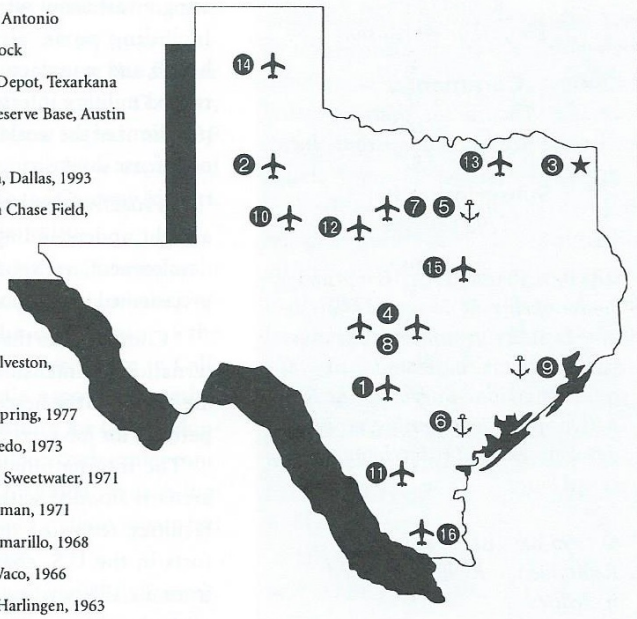
A History of Texas Base Closures

1995 BRAC List, Recommended

1. Brooks AFB, San Antonio
2. Reese AFB, Lubbock
3. ★ Red River Army Depot, Texarkana
4. Bergstrom Air Reserve Base, Austin

Past Closures

5. ⚓ Naval Air Station, Dallas, 1993
6. ⚓ Naval Air Station Chase Field, Beeville, 1991
7. Carswell AFB, Fort Worth, 1991
8. Bergstrom AFB, Austin, 1991
9. ⚓ Naval Station Galveston, Galveston, 1986
10. Webb AFB, Big Spring, 1977
11. Laredo AFB, Laredo, 1973
12. Sweetwater AFB, Sweetwater, 1971
13. Perrin AFB, Sherman, 1971
14. Amarillo AFB, Amarillo, 1968
15. Connally AFB, Waco, 1966
16. Harlingen AFB, Harlingen, 1963



BRR map by Lizabeth A. Johnson

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The BASE REUSE REPORT is a primary source of current news and analysis of the issues surrounding the closure of U.S. military bases and their reuse for civilian purposes. The BRR will focus on the planning, economic development and redevelopment of closed bases.

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BRR

COMMENTARY

Base reuse assumes global dimensions

By Thomas M. Chatel

Thomas M. Chatel, president of The Liaison Group, Inc., with offices in Washington, D.C. and Michigan, has extensive experience in base conversion projectswith emphasis on project financing and creative planning initiatives. He is the architect of the largest economic adjustment grant ever awarded by the U.S. government for base conversion, at Wurtsmith Air Force Base in Michigan. He has facilitated the procurement of $150 million for closure communities, and has conducted conversion projects in the United Kingdom and in Russia.

Base reuse has attained international dimensions as the conversion of excess military facilities to productive civilian economic use is now accomplished within a global arena. Defense reductions throughout the world, particularly in Europe and North America, are creating a vast array off reuse candidates, including ports, airfields, training, health, and manufacturing facilities, and related military infrastructure. The implications of the worldwide phenomena of defense downsizing are twofold:

• Proactive communities, with even a slight understanding of international development, are exposed to new and unprecedented international opportunities.

• Communities that recognize the international dimensions of downsizing are alerted to the fierce worldwide competition for job recruitment.

The international base conversion arena is flooded with former military facilities, requiring that local reuse efforts in the U.S. change dramatically from the 1980s, when reuse was accomplished within a relatively isolated environment. A recognition of this new global orientation must be incorporated into the local planning process.

Communities must be 'proactive'

Initially, this recognition manifests itself during the planning process as communities abandon parochial notions of economic development by preparing to compete in the international arena—a prerequisite for which is the development of a strong regional consensus and a pragmatic vision. Internationally oriented reuse initiatives must develop effective marketing campaigns that define the region's marketing niche and are targeted to a specific international audience. Niche–market development and foreign marketing require a community to identify its socioeconomic strengths within an international context, while mitigating its weaknesses. Patience and perseverance are hallmarks of communities that have succeeded in international corporate recruitment.

Communities facing base closures in the U.S. must acknowledge that dramatic conversion efforts are underway throughout the world. Some examples:

• RAF Chilmark, near Wiltshire, England, is implementing a business and training center.

• The Base de Vatry, an Air Force base constructed by Americans as part of NATO, is being developed as a transmodal airport providing freight services in the Reims–Chalons/Marne region of France.

• Reuse planning is proceeding for the former Nea Makri U.S. Navy facility in Greece.

• The former U.S. Navy facility at Subic Bay in the Philippines is being developed as a Free Port Zone.

• The Plymouth Naval Dockyard, the largest in Western Europe, is planned for mixed use development.

• German force reduction impacting Wilhelmshaven's (Germany) role as a naval port has now brought a variety of

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industrial and educational assets into the private sector.

• Closure of the French base at Lorient resulted in the loss of 600 jobs and was preceded by over four years of strategic reuse planning.

These examples of foreign success stories are being closely followed by astute U.S. and Canadian closure communities, and are but a representative list of the worldwide competition facing U.S. conversion executives.

The Canadian experience

On the North American continent, the 1994 closure of four Canadian bases serves as a harbinger for the anticipated closure of as many as 20 major military installations in the intermediate term. The government's 1994 budget included a $7 billion reduction in planned defense spending over the next five years, the equivalent of a 12 percent budgetary reduction. Defense Minister David Collenette explains: "Since 1989, cuts have reduced operations by 25 percent, while the Department of National Defense is maintaining infrastructure clearly in excess of any probable defense need." To address the operational imbalance, immediate plans include the closure or realignment of 11 bases, six stations, and 13 units. The Canadian government plans a 16,500–person force reduction over the next four years.

Canadian communities suffering the socioeconomic trauma of military base closure during previous budget cuts have proven surprisingly successful at converting facilities, despite the fact that most are located in rural areas. In large measure, this success is attributed to an aggressive international posture assumed by closure communities. For example, the Southport Aerospace Center, located at Partage la Prairie, Manitoba, recently leased a large supply building for a six year–period, plus options and a likely 10,000–foot expansion, to an industrial textile producer headquartered in Covington, Ky.

The international transaction resulted in new jobs and service contracts for Canadian citizens in the region. The center also leases to a number of substantial industrial concerns.

Slemon Park, Prince Edward Island, serves as a model for successful housing reuse. The park experienced international exposure in 1994 as the host of the Canadian NAID conference.

Maintaining a world view

In the U.S., many local communities are also maintaining a world view. At the Williams Gateway Airport, formerly Williams Air Force Base in Mesa, Ariz., reuse officials have aggressively pursued foreign development as evidenced by their attendance at a number of European trade shows and conferences, including the London Air Show and a European conference in Bremen, Germany, dedicated to the conversion of closed bases. These missions were preceded by thorough preparation and familiarization with the target market's business needs and cultural differences, and ultimately resulted in jobs at the former base. McDonnell–Douglas, Dornier, DeHaviland, Allied Signal, and BF Goodrich Aerospace have expanded their operations to the Gateway Airport.

Other examples exist:

• The Inland Valley Development Agency, the joint powers authority responsible for the conversion of the former Norton Air Force base in California, is currently negotiating with a Taiwanese consortium for the development of a $350 million trade center complex, including a 1.2 million square–foot exhibition hall and 1 million square feet of warehouse space.

• In Philadelphia, city officials are negotiating with a German shipbuilding firm, Meyer Werft, for the lease of the two longest dry–docks at the former Naval Shipyard complex. Meyer Werft has until June to generate $410 million in investment capital and loan guarantees. The company could employ as many as 4,000 people.

• At the former Wurtsmith Air Force Base, located in rural northern Michigan, reuse officials are exploring innovative uses for the base's two–mile–long runway, including the sale of golfing vacations to Japanese golf enthusiasts. The plan is to charter passenger airplanes to fly golfers directly from Tokyo to the base. A number of world–class golf courses are located in close proximity to the base and to gambling casinos.

BRAC 'unique U.S. methodology'

Closure communities in the US should recognize that the BRAC process itself is a unique U.S. methodology that affords certain advantages by allowing community mobilization and time to prepare for closure or realignment. Early strategic planning is often not available to communities abroad.

While environmental remediation efforts vary greatly, the need remains an international constant. Although the Canadian process assigns on–going reponsibility to the military for cleanup, a high level of conversion is possible during the interim. The need for extensive cleanup, along with inadequate financial resources, has resulted in the de facto abandonment of a number of former Soviet bloc facilities. In addition, similar to the disparate methods of environmental remediation, land holding arrangements for facilities vary dramatically by country, from long term lease arrangements, facilities sited through NATO, outright purchases or grants, or former Soviet bloc facilities with considerably less definitive arrangements.

Ultimately, the BRAC process and related downsizing represents a

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BRR Interview: Ben Williams

Calif. governor's reuse expert—'more successes than blow-ups'

By Sigrid Bathen

INTERVIEW

Ben Williams, who has been the deputy director for administration and special projects of the California Governor's Office of Planning and Research since 1979, coordinates state policy on military base closures and reuse. He served as staff director of the California Military Base Reuse Task Force appointed by Gov. Pete Wilson in 1993 to recommend measures to aid in successful base reuse, and is presently a member of the state Defense Conversion Council.

BRR: *What can be done to mitigate the jurisdictional disputes involved in some base reuse efforts?*

Williams: I think every dispute has been different—a different set of causes, different circumstances—and I'm not sure there is a pat answer. One of the obvious possibilities, of course, is mediation. Our office did attempt mediation with George Air Force Base (a closed southern California base which became the focus of prolonged litigation–*see BRR, March '95*), but it was pretty clear that the parties were very far apart . . . there seemed to be no middle ground. Sometimes disputes are that way—often, if it involves more than one jurisdiction, because their objectives are different. *(Editor's Note: The George AFB litigation was eventually settled.)*

We've actually had more success stories than blow-ups. We have Morgan Air Force Base and March Air Force Base, either one of which could've been a disaster, and [both] worked out fairly well.

BRR: *What can the state and federal governments do to expedite the reuse process?*

Williams: There are a lot of incentives in federal law to having a single reuse authority. In state law, we also have some incentives, but they're not as strong. There is the possibility of being considered for a local military base revitalization area. There is the ability to work with the toxics regulators on establishing priorities for cleanup and some things like that, but I think they [state incentives] are not quite as strong as some of the federal incentives. But I think, on both sides, that there's a real push toward incentives . . . As far as I know, there is still no legal way you can force jurisdictions to cooperate, if in fact [competing jurisdictions] are split.

BRR: *The BRAC process is now in its final year. What have communities learned about the closure and reuse process?*

Williams: There are a number of things that have been learned. I think that, for one thing, they've learned that you really need to get started on a reuse plan early on. They've learned that they need to be as specific as possible, because otherwise you leave a lot of room for DoD to make decisions that might be consistent with the plan, but really aren't consistent with what the community wanted.

Financing alternatives [need to be] developed as early as possible, and you [must] deal with utilities issues early on. How the utilities will be handled at the time the military is no longer in operating utilities—that's an issue that, just in the last year, has become very apparent [with] closed bases which are almost ready to go public but don't have utility systems ready for anyone to operate.

BRR: *How serious are the toxics cleanup problems at closed bases?*

Williams: They're fairly serious, but they tend to be scattered. There is a perception that entire bases are toxic wastelands, and that's not true. There are a lot of immediately usable parcels, and more commonly, there are parcels that may have some contamination . . . The really severe contamination usually can be identified and almost fenced off and dealt with as an entity through remediation methods.

It's a hindrance mostly because of the inability to transfer property and to assure the local reuse authority that they have property available for use . . . There is also the question, that I don't think is fully resolved, of being able to use economic reuse as a high priority for cleanup as opposed to the typical Superfund methodology of taking the worst first in terms of cleanup. The worst places usually are the ones that are the least marketable anyhow.

BRR: *Bases like McClellan AFB in Sacramento, California?*

Williams: McClellan is one of the dirtiest in terms of toxic contamination, but entire bases don't fall under that [category]. A typical base might have 30 or 40 or 50 areas where we have to concentrate the cleanup. Under existing procedures, you would normally clean up the worst ones first. But for purposes of reuse, you really may want to readjust those priorities somewhat and clean up the ones that can most quickly be marketed.

These cleanups also tend to take a very long time. A lot of studies have to be done. Unquestionably, there is not enough funding available to clean up all toxic sites on all bases. There is enough to keep everything going at an acceptable pace if we can be sure that Congress will continue to appropriate funds for that. And that, of course, is always a big question mark.

BRR: *What can be done to attract businesses to bases?*

Williams: The thing that would be most useful, I think, would be the ability to simply say that there are assets here that are available and utilities and infrastructure, and you can come in and do

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construction work. Right now, because of the kind of hop–scotching of toxic remediation sites, and the procedure whereby federal and state and local conveyances can occur in a sort of haphazard fashion, it is very difficult. Sacramento Army Depot (now the site of a Packard Bell plant) had the advantage that you could offer the entire base if need be, and they were close enough to utility systems that it was not a major job to bring in utilities. Of course, the fact that you knew you had a paying customer made utilities love to come in.

It is very important to realize that military bases . . . have been operating as industrial and housing and other sites for maybe 50 years or more, and all of a sudden we cannot say this is pristine land and we have to be highly restrictive in how we use it . . . All of our closing bases are in urban areas. They are not remote, rural sites. And we ought to take advantage of the fact that we have areas that are already developed and do everything we can to encourage development to come onto those sites.

BRR: *How might local reuse authorities be better structured?*

Williams: Well, they're all different. That really is very much a local question. We can't proscribe how local communities ought to organize.

BRR: *The McKinney Homeless Assistance Act was recently modified to give communities more flexibility in developing bases. How does that impact the speed with which a reuse can occur?*

Williams: It helps a great deal. The key is that it allows the local community to, first of all, work with homeless groups directly, to decide what the needs are and to work on meeting those needs, rather than citing specific buildings and saying these buildings are good and those are not. And then to be able to tie in a homeless plan with an overall reuse plan.

BRR: *California has been severely affected by base closures. What has been the impact on communities?*

Williams: Actually, it is a very severe economic impact. It tends to affect individual enclaves and communities very heavily — even where, in some cases, a region isn't so seriously impacted or the state as a whole, but certainly individual communities have been heavily impacted.

Sigrid Bathen is editor of the BASE REUSE REPORT.

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LEGAL ISSUES

Clean Air Credits:

Essential development tools for successful base reuse

By Randall A. Yim

Randall A. Yim of Yim, Okun & Watson in Sacramento, Calif., specializes in toxics issues, military base reuse, and related business transactions and litigation. He is a member of the California Military Base Reuse Task Force, appointed by the governor as the task force member with expertise in toxic cleanup, and a member of the California Water Resources Control Board Underground Storage Tank Technical Advisory Group. A past chair of the Sacramento Environmental Commission, he currently represents Sacramento County regarding the closure and reuse of Mather Air Force Base, and provides legal services to the East Bay Conversion and Reinvestment Commission regarding the Alameda Naval Air Station closure.

The air has become a legal, marketable commodity. The increasingly scarce supply of "clean air credits," commonly known as air emission reduction credits, may create a significant hurdle to any large scale development, including the reuse of military bases.

Many of the nation's closing military bases are located in "non–attainment" areas where air pollution levels exceed federal standards. Private businesses located in these same areas face major obstacles for expansion, relocation or even continued operation. New sources of air pollution locating in "non–attainment" areas must offset their air quality impact to cause "no net increase" in criteria air pollutants. Emission reduction credits (ERCs) may be required to achieve this offset before permits to construct or operate are issued. In addition, under the federal Clean Air Act, certain federal actions must affirmatively demonstrate that they will not cause further violations of federal standards or delay their attainment; that is, the federal action must be in "conformity" with the Clean Air Act goals. ERCs may help demonstrate conformity.

Background: Air quality is extensively regulated under federal law and by most states. The federal Clean Air Act amendments of 1970 required states that did not meet and maintain national ambient air quality standards (NAAQS) to submit an attainment plan. Pursuant to the 1990 Clean Air Act amendments, US EPA classified air basins as either "attainment" or "non–attainment" for each criteria air pollutant, based upon whether or not the NAAQS have been achieved. The state of California has adopted standards that are even more stringent.

Reuse communities must work closely with the military to identify potential sources of ERCs

The extensive regulation of air quality raises two distinct issues for closing military bases and reuse communities:

- The preservation and use of air emission reduction credits (ERCs) to support both redevelopment and business activities.
- Air quality conformity determinations as prerequisites for federal sponsorship of reuse activities.

Obtaining ERC's: The Federal Clean Air Act, EPA policy statements, and most state laws require that local air pollution control districts maintain a permitting program designed to achieve "no net increase" in emissions of non–attainment pollutants or their precursors from all permitted new or modified stationary sources. Compliance with this mandate includes reducing the emissions trigger level for offsets under programs typically known as "new source review" (NSR) programs. Sources which choose to modify their existing facility or locate new facilities which increase air pollutant emissions above specified levels must obtain emission reductions from other sources to offset the proposed increase.

"Offsets" or emission reduction credits have become a major tool in air quality attainment plans. In non–attainment areas, a facility that produces air emissions may obtain ERCs from the local air district prior to closing and then transfer them to any future facility which will cause or increase air pollutant emissions above specified levels. ERCs would entitle the future facility to produce comparable or lower levels of air emissions. Without ERCs, it may be difficult or impossible for a facility to obtain needed air permits to conduct activities on closing bases, or to locate or expand businesses in non–attainment areas.

ERCs may be created from the closure or downsizing of military operations. The military considers ERCs as its "personal property," subject to its usual rules for property transfer to local communities. Regulations governing ERC transfers were not included in the recently issued Pryor Amendment regulations, but are expected to shortly be issued separately. Local communities must acquire the ERCs necessary to support reuse from the military or other sources. It may be difficult and costly to obtain them from nonmilitary sources.

Air Quality Conformity: Section 176(c)(1) of the 1990 Federal Clean Air Act Amendments places an affirmative responsibility on federal agencies to conform to a state's implementation plan for achievement of federal air quality standards. Federal actions may not "cause or

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contribute to" any new violations, increase the frequency or severity of existing violations, or delay attainment of the federal standards.

Property transfers from the military to the local reuse authorities were exempted from conformity determinations under EPA regulations for general conformity issued in November 1993. Other federal sponsoring agency actions, such as the decision of the Federal Aviation Administration to sponsor a local community's airport plan or finance airport operations, are not exempt from the conformity requirements. Arguably, the federal conformity determination is a necessary prerequisite to implementation of any activity requiring federal sponsorship, other than the transfer of the property from the military itself. ERCs may be used to offset the air impacts of reuse activities to demonstrate conformity.

How ERCs are generated, used: Depending on local air district regulations, credits may be generated from a variety of different sources:

- Shutdown of existing businesses with stationary or other sources.
- Shutdown or modification of specific permitted stationary sources.
- Compliance with air quality regulations earlier than legally mandated.
- Reduction in mobile sources of air pollution.
- Vehicle scrappage programs.

There is increasing competition for these scarce ERCs. A ton per year of NOx ERCs may sell for between $2,000 to $42,000. Not all ERCs are the same. Depending upon the source used to generate the ERC, the "useful life" of the ERC will vary. For example, ERCs generated from mobile sources such as a vehicle scrappage program, typically have a useful life of three to five years. ERCs generated from permitted stationary sources have a much longer useful life, and therefore are much more valuable.

Businesses generating sources of air pollution must implement programs to achieve "no net increase" in emissions of non–attainment pollutants or their precursors. ERCs are necessary to offset new emissions to achieve no net increase. Some air districts allow businesses to "opt out" of elements of air quality attainment plans, such as fleet vehicle rules, by purchasing ERCs. Companies cited for violations of air quality regulations are often required to purchase and "retire" ERCs as part of a penalty. Reuse activities not in conformity with federal Clean Air Act standards may use ERCs to mitigate their impact.

Because ERCs are necessary for redevelopment, as well as business retention and expansion, local communities should play a more active role in assuring a supply of ERCs as development incentives. An available supply of ERCs is extremely important to businesses and may serve as incentives offered to attract private investment to closing bases.

Conclusion: Most reuse activities at closing military bases will generate emissions of criteria air pollutants, either directly from stationary sources such as boilers and other industrial equipment, or indirectly by increasing vehicle miles travelled or other mobile source effects. ERCs will be necessary to assure that reuse activities will cause no net increase in air pollutant emissions, in compliance with new source review requirements, or to demonstrate conformity for federally sponsored reuse projects.

Reuse communities must work closely with the military to identify and quantify all potential sources of ERCs and to apply in a timely manner to the appropriate local air district to preserve these credits to support future reuse activities. Competition may exist between the military and the reuse community for the scarce credits. Any disputes must be resolved early so that the available pool of ERCs is cooperatively and fairly allocated.

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CASE STUDY

Circling the wagons

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On BRAC's 1995 list are: Brooks Air Force Base in San Antonio, with about 4,000 civilian and military employees; Reese Air Force Base near Lubbock, with about 2,100 workers; and Red River Army Depot in Texarkana, with about 3,000 civilian employees.

Texas will also see Air Force reserve facilities in Austin shut down, with the loss of 585 civilian jobs. On the Texas coast, the Corpus Christi Naval Air Station will be downgraded to a Naval Air Facility, eliminating 1,400 jobs from the workforce. However, as part of the Navy's consolidation of mine warfare helicopter units, the Corpus Christi facility will gain 975 military personnel from naval air stations in Norfolk, Va, and Long Beach, Calif.

With BRAC's final decision on base closures hitting the president's desk July 1, Texas opted for a Best–Defense–Is–A–Good–Offense strategy. Rather than set up a formal statewide plan, Texas leaders will focus on an ad hoc lobbying of commissioners with reams of data on military usefulness, economic impact and quality–of–life profiles. Plans for how best to market defense properties after the military leaves are on the back burner.

Governor George W. Bush set the state's saving–the–bases tone with his vow February 28 not to give up on saving the state's military installations targeted for closure. "Texas will take some hits," he said, "but we refuse to yield until the final decision has been made."

The governor is joined in base battle by U.S. Senators Kay Bailey Hutchison and Phil Gramm. They will continue to lobby BRAC commissioners with the case for state bases. They will also formally address the full commission during the April 16 regional BRAC meeting in Dallas.

"Texas has been lucky. We haven't taken the really hard hits that some other states with the same type of military presence have," said Hutchison, a member of the Senate Armed Services Committee. "But with the specific hits Texas has taken this year, we clearly have an important story that we have not told in the right way."

> *"Early planning is the key."*
> **–Kay Granger**

In San Antonio, queen city of the military in Texas, defense dollars translate into 70,000 jobs and $3.6 billion in payroll and purchases. Military spending accounts for about a fifth of the total jobs in the city, according to retired Air Force Gen. Paul Roberson, head of the Greater San Antonio Chamber of Commerce Base Closure Task Force.

While some planners argue that parallel committees—one for reuse, one for saving bases—would be advisable, discussions on what marketing strategy San Antonio will use to lure tenants to Brooks after closure will likely not occur until late April or early May.

The selection of Brooks, a center for Air Force research in human performance, caught San Antonio by surprise, Roberson said. "We expected that Kelly, the city's largest employer with nearly 20,000 military and civilian Air Logistics Command workers, would fall this year, having narrowly avoided the BRAC ax two years ago," he said. Kelly is one of five Air Force maintenance–and–repair depots to avoid the list—an omission which has raised serious questions among commission members.

While loss of 4,000 jobs at Brooks—the smallest of San Antonio's five military installations—won't be devastating, it won't be pleasant, Roberson said. The base's $148 million payroll rolls over to more than $505 million a year in total economic impact, counting contracts and local purchases.

Elsewhere in Texas, the message remains focused on saving the bases.

In Texarkana, Mayor John Jarvis said losing Red River Army Depot terrifies local business owners in northeast Texas. "For a lot of little businesses, 90 percent of what they do caters to Red River. It scares hell out of me, because it would definitely devastate our economy."

In Lubbock, civic leaders plan to fight the loss of Reese, which contributes $162 million annually to the local economy. Lubbock hired a Washington–based consultant, Chris Lahman of Commonwealth Consulting, to evaluate Reese's chances and help develop an action plan to lobby for Reese as the nation's only base training undergraduate pilots for the Air Force, Navy, Marine Corps, and Coast Guard.

"This is not the last word," Lubbock Mayor David Langston said. "We've done our homework, and now we're going to make the best possible case we can to the commission. Now is when the game begins."

However, community leaders who suffered base closures in 1991 and 1993 suggest that the best thing Texas communities can do this year is prepare for the inevitable.

"Once the decision is made, fighting the closing is a losing battle," according to Fort Worth Mayor Kay Granger, who helped direct the city's efforts in closing down Carswell in 1991. "You're not going to change their minds, not in this budget climate."

Early planning is the key, Granger said. Involving the widest array of the community and remaining flexible are the essential elements of transforming closure into a positive experience.

"You have to be aggressive and not let the federal government tell you what

is good for your community," Granger said. "You have to decide what the community wants."

After Carswell closed, the Carswell Redevelopment Authority found itself with 2,200 acres of landing strips, hangars, classrooms and machine shops to market. Luckily, the Navy was looking for space for a North Texas reserve facility. The Navy moved in, changing the name to Naval Air Station Fort Worth.

Reserve units from the Marines and the Army, as well as components of the Texas Air National Guard, also became tenants. By 1996, more than 8,600 employees—about a fourth of them full–time military—will occupy the old air base. A federal prison hospital is also planned for the former base; the base golf course has been leased to the redevelopment authority for public use, with management of the course handled by Carswell Partners, Ltd. (Brooks–Baine, Inc.).

CASE STUDY

According to Derrick Curtis, executive director of the redevelopment authority, the Navy's cost of preparing Carswell for reuse has been about $131 million for rehabilitating buildings and retrofitting hangars to meet the specific needs of the Navy.

To date, there has been little if any private development at closed bases in Texas, with virtually all reuse projects involving public agencies (including the military) funded by the public sector — although business and civic leaders are involved in reuse planning efforts in several communities.

One big headache from closure is what to do with remaining assets, which include old base housing. Constructed in the 1950s, the houses contain asbestos and lead paint and don't meet modern building codes. It would cost about $10,000 per unit to modernize them for low–income housing or an estimated $8 million to demolish the structures and develop the property, Curtis said.

"It takes lots and lots of planning," Curtis said. "You have to determine whether you can afford a free gift."

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Mayor Kay Granger, City of Fort Worth, (817) 871–6196

Derrick Curtis, executive director, Carswell Redevelopment Authority, Fort Worth, Texas (817) 377–8061

David McLemore is the San Antonio bureau chief of the DALLAS MORNING NEWS.

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News Briefs

California v. Maine

LONG BEACH FIGHTS CLOSURE AT EXPENSE OF PORTSMOUTH YARD

The *Bangor Daily News* called it "head–to–head wrangling" between **Maine** and **California,** which is fighting to retain the **Long Beach Naval Shipyard** at the expense of the **Portsmouth** shipyard in **Kittery, Maine.** The Long Beach facility is on the Pentagon's recommended base closure list, while Portsmouth was spared. But California officials say Long Beach actually received a higher rating than the Maine shipyard in the Navy's internal rating system and are urging Portsmouth be closed instead.

Based on those ratings, BRAC Chairman **Alan Dixon** said in hearings last month, "It is hard to justify closing Long Beach and keeping Portsmouth open."

Officials from both states are gearing up for a fight. The **City of Long Beach** has hired the Washington lobbying firm of **Thicksten, Grimm, Burgum, Inc.,** to bolster its position, and the firm's **Larry Taub** said he plans to convince the closure commission that "closure is not in the best interest of Long Beach or the Navy." Last month, the entire Maine congressional delegation, along with a delegation from New Hampshire, met with Dixon to make their case for both Portsmouth and the **Brunswick Naval Air Station.**

Washington, D.C.

CLEANUP OF CLOSED BASES TO COST MORE, TAKE LONGER

The **U.S. General Accounting Office** (GAO) warned in a new report that cleaning up contamination at closed bases will cost more and take longer than originally expected.

"The full extent of cleanup actions required may not be known for years," the study concluded. "Installations may not be cleaned up by the time they close, and major groundwater, landfill and unexploded ordnance sites will remain contaminated unless new technology is developed."

A **Congressional Budget Office** study released March 24 set a figure of $30 billion to clean up 27,000 potentially contaminated sites at more than 9,700 military installations and other former defense properties.

Massachusetts

DEVENS GOLFERS LOSE 9 HOLES TO MAKE ROOM FOR PRISON

"The majors and corporals are moving out," reported **Mike Elfland** in the March 26 *Sunday Telegram* in **Worcester, Mass.,** "but the hackers are staying put." And they have to make room for a prison too.

The former **Fort Devens Golf Course** will reopen this month under the management of a local limited partnership. The 18–hole course will be cut to nine holes to accommodate plans to put a federal prison on the former greens and fairways.

"We were really hurt economically by the closing of Devens, and this is the first step back," said **David M. Poutry,** a Harvard accountant who is the general partner of the new management group, the **Devens Golf Course Limited Partnership.** The group's proposal was accepted last month by directors of the **Massachusetts Government Land Bank,** which is directing redevelopment of the base when the Army moves out this fall.

Washington, D.C.

BENS CHAIR DECRIES '95 LIST AS 'PENNY–WISE, DOLLAR–FOOLISH'

"This year was supposed to be the 'mother of all base closings'," wrote **Stanley A. Weiss,** founder and chairman of **Business Executives for National Security** (BENS) in a March 27 *Washington Post* commentary. "But something happened on the way to the battle. Originally designed as a clever, and necessary, way around the problem of trying to close unneeded military installations kept open by pork–barrel politics, the successful seven–year base–closing program is in danger of going out with a whimper instead of a bang."

Weiss, whose Washington–based organization has long argued the cost–effectiveness of closure and conversion of unnecessary defense facilities, called the Pentagon's scaled–back list for the fourth and final BRAC round as "penny–wise and dollar–foolish." He also blamed political factors:

"California, home to the largest number of military installations and the richest store of electoral votes, was a major focus of past base closures. This time, it was hardly nicked. Similarly, South Carolina lost installations in prior years, but is now slated to gain. It is home to the chairmen of both congressional committees that control the Department of Defense budget.

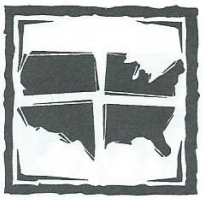
"Call it coincidence, call it fairness, call it wasteful. As a result, the size of the military's overhead will continue to be seriously out of whack."

San Diego, Calif.

BAY–TO–BAY LINK MAY MARK NAVAL CENTER'S COMEBACK

Proposed by **San Diego Mayor Susan Golding** and approved by an exploratory design team, the **Bay–to–Bay Link**—which would connect **San Diego** and **Mission Bays** with a canal, greenbelt or series of ponds, parks and open space—moved closer to reality last month when some 200 San Diegans joined to help plan the redesign of the **Naval Training Center,** producing 16 potential land–use maps.

Ann Jarmusch, architecture critic for the *San Diego Union–Tribune,* said the



NEWS BRIEFS

maps produced at the city–sponsored workshop, all had one obvious thing in common: The dominant colors were blue and green.

"All that blue on the maps underscored a craving for more waterways and waterfront access. Green, naturally, stood for parks and open space, which residents want and need in many neighborhoods, including Point Loma, where the base is located."

The link would wind through three miles of mostly public property, to become the centerpiece of plans to redevelop the naval center and adjacent Midway area, which Jarmusch called a "hodgepodge" of "commercial strips and traffic–choked streets."

Tampa, Fla.

DIXON, COX TOUR MACDILL, NO COMMENT ON TRANSFER

BRAC Chairman **Alan Dixon** declined comment on a Defense Department proposal to transfer 12 KC–135 aerial refueling tankers and some 700 personnel to **MacDill AFB** in **Tampa, Florida.** "That's like asking a judge what he's going to do on a case," Dixon told the *St. Petersburg Times.*

Dixon and BRAC member **Rebecca G. Cox** inspected the base and met with state and local officials, including **Tampa Mayor Sandra Freedman, Mayor–elect Dick Greco** and **Governor Lawton Chiles.**

Recommended for transfer to the former fighter base is part of the **43rd Air Refueling Group** at **Malmstrom AFB in Montana.**

Port Hueneme, Calif.

OFFICIALS PROPOSE PAYMENT TO STOP HOMELESS COALITION

Officials in the Ventura County community of **Port Hueneme, Calif.,** said last month that they are prepared to "pay off" a homeless coalition to abandon its plans to put a social services center on an oceanfront piece of surplus U.S. Navy land, the *Los Angeles Times* reported in a copyrighted story March 24.

At a meeting of a task force supervising reuse of the property, city officials said the land should be used for projects which will aid the local economy and/or use the prime coastal location to the best advantage. The homeless coalition wants to use some of the buildings on the 33–acre site, which currently houses a Navy laboratory, to provide counseling, job training, and medical care for the homeless.

"The building they want sits in the middle of the property," **Tom Figg,** Port Hueneme's **community development director,** told the *Times.* "That greatly constrains what you can do with the surrounding properties." According to the *Times* report, the city may be willing to pay the coalition $27,000 a year for 30 years to drop its claim to the land.

Washington, D.C.

CUED CREATES SPECIALIZED MILITARY BASE REUSE COMMITTEE

The **National Council for Urban Economic Development** (CUED) has formed a **Specialty Committee on Military Base Reuse** to share information among the many communities going through the closure and reuse process. Its first meeting of the committee will be **April 25,** from **8:45 a.m. to 10:15 a.m.** during the CUED annual conference in **Dallas, Tex.**

The meeting will feature brief presentations on emerging economic development conveyance requirements and successful reuse marketing efforts. There will also be a discussion of the proposed agenda for the **CUED Technical Conference on Military Base Reuse** to be held in Washington, D.C. on **June 12 and 13.**

For further information, contact CUED board members **Karl Seidman** of the **Massachusetts Government Land Bank** (617–727–8257) or **Vernon George** of **Hammer, Siler, George Associates** (301–565–5200).

Sacramento, Calif.

SENATE GIVES FORT ORD REPRIEVE FROM LOW–COST HOUSING LAW

The California Senate passed bills last month which grant the **Redevelopment Agency of Fort Ord** an exemption from affordable housing laws, to enable the agency to begin converting the former base to civilian use.

According to a report from *Gannett News Service* in the state Capitol, state law "generally requires redevelopment agencies to replace 75 per cent of the affordable housing they destroy and to use 20 per cent of new tax revenue for low and moderate–income housing." SB 77 and 78 by **Sen. Henry Mello,** D–Watsonville, would exempt Fort Ord from having to replace demolished housing and would "phase in" the 20 per cent housing requirement.

Mather Field, Calif.

UTILITIES ISSUES RESOLVED, HOUSING FEUD CONTINUES

Sacramento County and the **Air Force Base Conversion Agency** have reached a lease agreement to cover use and maintenance of the closed base's utilities, but does not resolve long–standing disputes over base housing, the *Sacramento Bee* reported March 22.

The agreement ends years of feuding over the utilities issue, removing one of the major obstacles to conversion of the base. According to the *Bee,* the Air Force will operate utilities on site, and the county will pay its "fair share" for using and maintaining them up to 18 months, or until a private entity assumes their operation. The agreement enables the county **Department of Airports** to utilize the airport for various services.

By Sigrid Bathen and Christopher Hart.

Base reuse assumes global dimensions

Continued from page 3

competitive edge for U.S. communities when linked with extensive community and regulatory experience. At the same time, successful reuse initiatives in the U.S. must recognize early on the international nature of reuse.

The global dimensions of defense downsizing appear likely to extend through the 1990s, and a possible 1997 round of closures would bring new players to the reuse process. Communities which address the international aspects of reuse with innovative strategies will ultimately be able to lay claim to being the success stories in the international base reuse arena.

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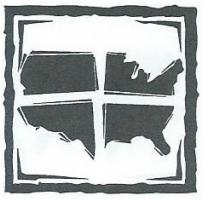

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Calendar of Events

April 19: Base Closure and Realignment Commission Regional Meeting—Dallas, TX (703) 696–0504

April 20: Base Closure and Realignment Commission Regional Meeting—Albuquerque, NM (703) 696–0504

April 24: Base Closure and Realignment Commission Regional Meeting— Delta Junction, AK (703) 696–0504

April 28–29: Base Closure and Realignment Commission Regional Meeting—San Francisco, CA (703) 696–0504

May 4: Base Closure and Realignment Commission Regional Meeting—Baltimore, MD (703) 696-0504

May 5: Base Closure and Realignment Commission Regional Meeting—New York, NY (703) 696–0504

June 12–13: National Council for Urban Economic Development Conference on Base Reuse, Washington D.C. (202) 223–4735

August 20–22: National Association of Installation Developers (NAID) 1995 Conference, Chicago, IL (703) 836–7973

September 7–8: Executive Enterprises, Military Base Reuse Conference —Washington D.C. (212) 645–7880

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