



*GSA's Delegation of Authority
and
Negotiated Sale Authority*



Property Disposal Authority

- **Property Act of 1949, as amended, established priorities and tools for disposal of unneeded real property**



Property Act is the basis for BRAC



Delegation of Property Act Disposal Authority

- **GSA's disposal authority delegated to the Department of Defense for BRAC**

This delegation authorizes the Secretary of Defense to use and dispose of excess and surplus real and personal property and to grant approvals and make determinations as hereinafter provided with respect to such property located at military installations identified for closure or realignments as set forth in Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note), as amended, and the Defense Base Closure and Realignment Act of 1990 (part A of Title XXIX of Public Law 101-510; 10 U.S.C. 2687 note), as amended, hereinafter referred to collectively as the "Base Closure Laws."



BRAC Additions to the Property Act

- **Local Redevelopment Authorities (LRA)**
- **Economic Development Conveyance (EDC)**
- **HUD review of reuse plans for Homeless Assistance**
- **Military Services execute and are accountable for conveyance decisions**



Negotiated Sale Authority

- 40 USC § 545(b)(7) and 40 USC § 545(b)(8)
- Specific authority allowing sole-source negotiations with public bodies for FMV
- During surplus screening, public bodies have the opportunity to express acquisition interest via negotiated sale



Negotiated Sale Authority

- A Negotiated Sale is for a public purpose
- Economic Development considered a public purpose
- Can also be used for unique circumstances and unsuccessful public sales
- FMV required but no competition and no public purpose use restrictions



Negotiated Sale and ETA: *Model for Transaction Certainty*

- Community Buy-In to Reuse Plan
- Zoning/ Reuse Consistent with Cleanup
- Regulatory Partnership with Federal and Local Government Agencies
- Financial and Regulatory Assurances to Quantify Risk and Ensure Remediation Completed



Negotiated Sale with ETA: *Benefits to Local Governments*

- Federal Government's NEPA can assist in public outreach and reuse planning
- Complete control over redevelopment/entitlements
- Faster reuse, job creation and increased tax base for local community
- Integration of cleanup and redevelopment may save time and \$\$\$

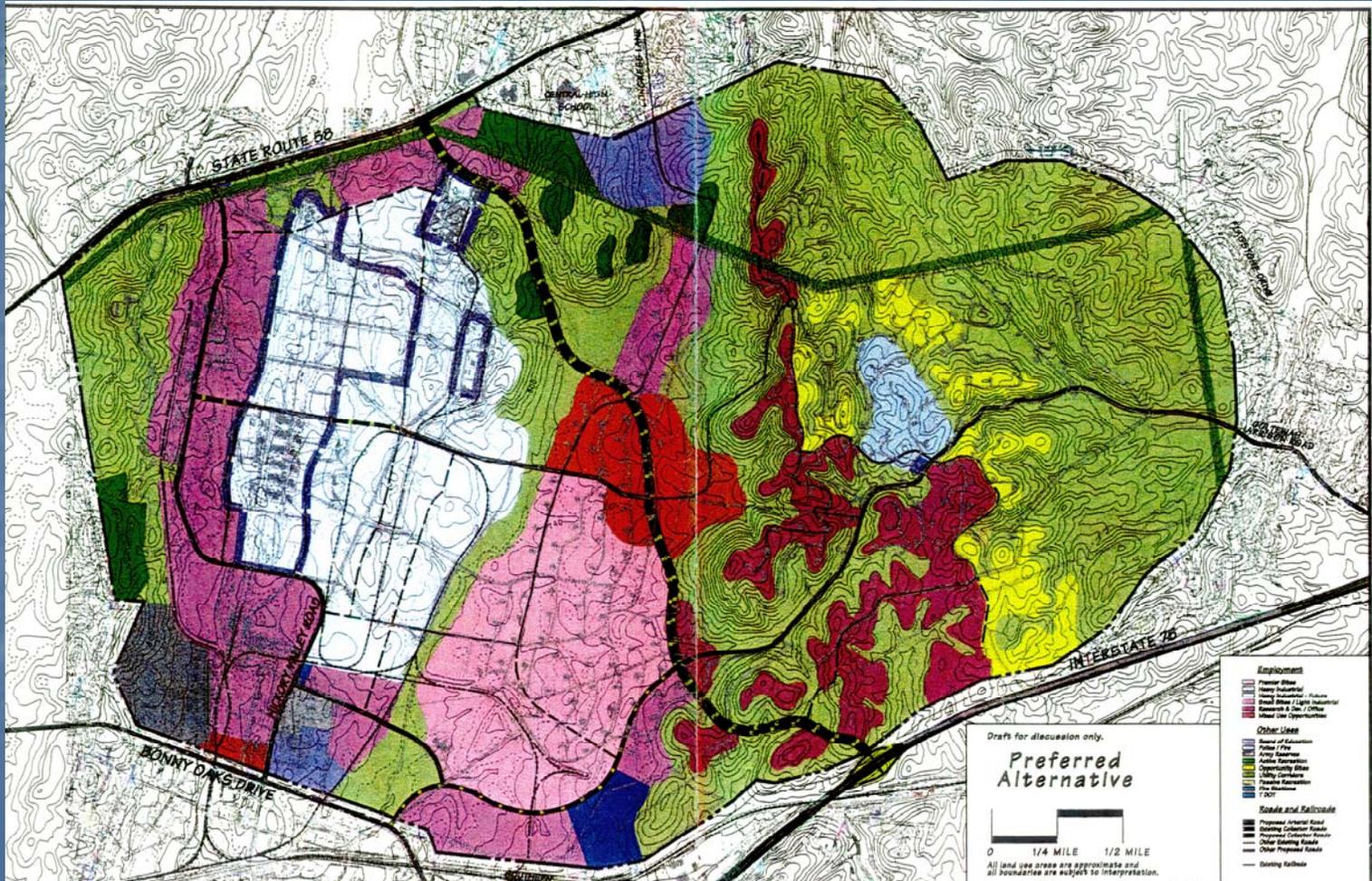
GSA

Volunteer Army Ammunition Plant





Volunteer AAP: NEPA and Reuse Planning





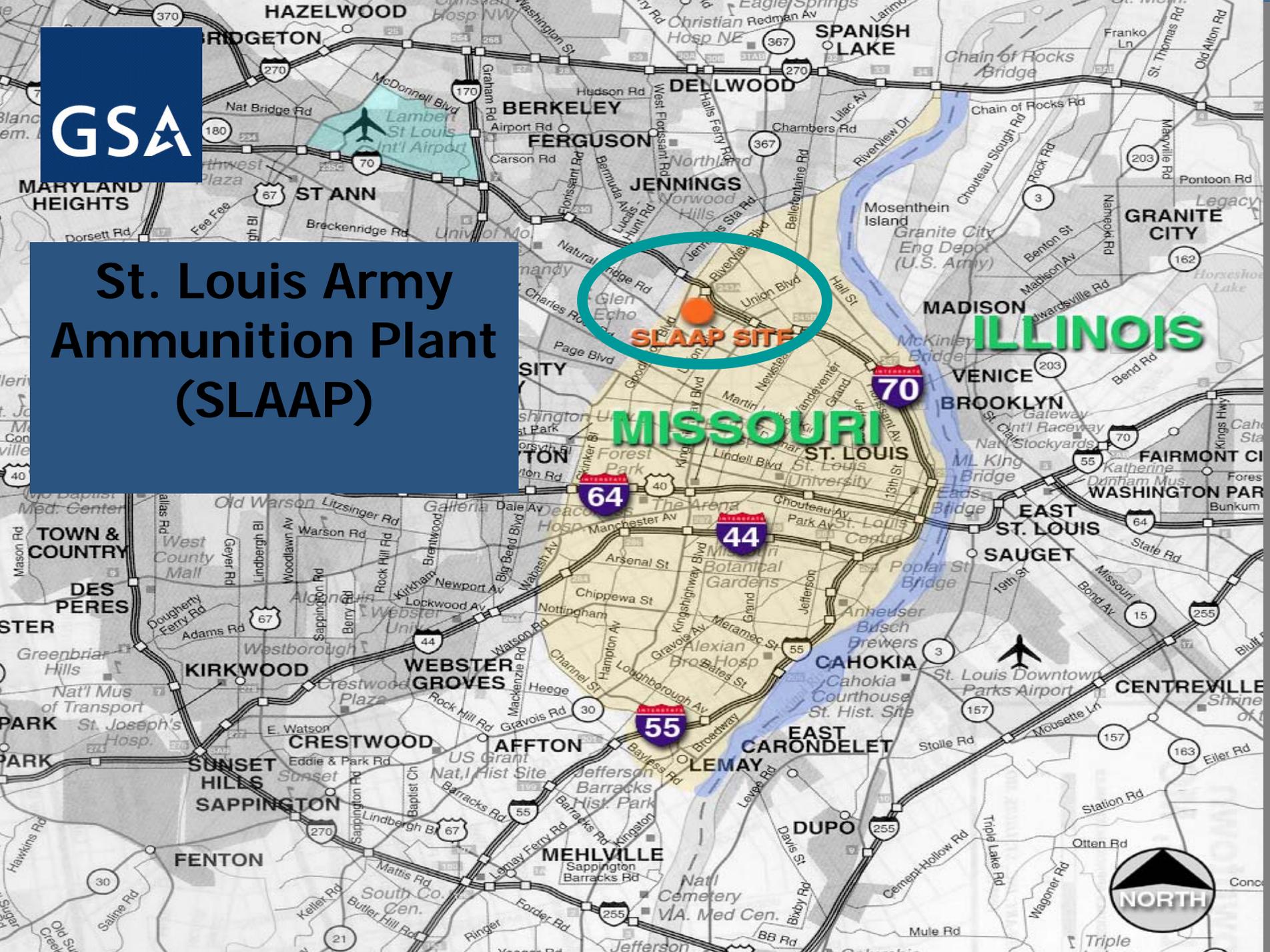
VAAP: Conveyance through Negotiated Sale and Other PBCs

- 3,000+ acres conveyed for park, education, and emergency management
- 3,000 acres conveyed via negotiated sale
- Two completed early transfers enabled city/ county to market property concurrent with remediation





St. Louis Army Ammunition Plant (SLAAP)





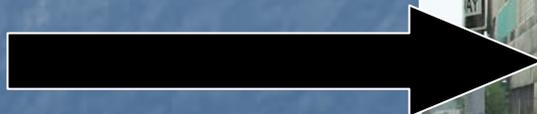
SLAAP Reuse Obstacles



Known PCB
Contamination



Deteriorated Buildings





SLAAP Negotiated Sale

- Purchased by the St. Louis Development Corporation (SLDC) in December 2005
- Use of ETA put City in possession to market the property and oversee remediation/ redevelopment
- SLDC Goals: Expedited Reuse and Job Creation



Fridley Naval Industrial Reserve Ordnance Plant (NIROP)





Fridley NIROP: Negotiated Sale with Unique Circumstances





Fridley NIROP: Negotiated Sale with Unique Circumstances

Negotiation Points:

- 135.7 Acres Total Complex - - 80.35 Acres Owned by Government
- Navy Contractor operates a Pump and Treat on site under deed provisions
- Separate agreement between Navy and Buyer on environmental cleanup responsibility