



# The Challenge of Excess Defense Facilities: *Practical Solutions*

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# Force Structure and Infrastructure



- Army world-wide facility capacity analysis, preliminary results:
  - Based on 490K Active Component end-strength
  - Between 12-28 percent excess capacity (average: 18 percent)
  - Over 160 Million square feet of excess capacity
- QDR directed Army AC End-Strength: 450K by 2017; 420K if Sequestration Resumes in Fiscal Year 2016
- Additional excess capacity will be created if the AC shrinks below 490K, necessitating incremental facility capacity analyses
- Army estimate: \$3/square foot to maintain underutilized facilities

“Empty Space Tax” could cost the Army ~\$500M/year



# Army Capacity Analysis



## Army Capacity Analysis: Preliminary Results @ 490K end-strength

- Army has a misalignment of facilities. Key facility types with greatest excess capacity: Gen Purpose Admin, large unit HQ, barracks
- Current database systems' reporting issues:
  - Facilities Planning database updates lag behind force structure changes, producing obsolete requirements
  - RPLANS rolls up excess and deficits at the 'base' or 'campus' level; most installations show excesses and deficits for the same exact facility categories
- Excess facility assets should enable reduction in relocatables and leases
- Substitution of facilities (i.e., using barracks as storage or admin space) provides potential efficiencies and consolidation options
- Data shows opportunities to partner with Local Communities



# Installation Infrastructure Expenses



## Base Operations and FSRM, FY11 vs FY13 Execution

Installation/Garrison	Base Ops (\$K) FY11	Base Ops (\$K) FY13	Percent Change	SRM (\$K) FY11	SRM (\$K) FY13	Percent Change
Fort Benning, GA	\$199,275	\$157,577	-21%	\$66,692	\$159,121	139%
Fort Bliss, TX	\$124,606	\$129,065	4%	\$82,145	\$66,678	-19%
Fort Bragg, NC	\$250,856	\$207,526	-17%	\$91,119	\$79,393	-13%
Fort Campbell, KY	\$111,994	\$109,189	-3%	\$59,509	\$40,916	-31%
Fort Carson, CO	\$90,564	\$94,921	5%	\$26,334	\$36,701	39%
Fort Drum, NY	\$98,299	\$82,167	-16%	\$42,276	\$41,895	-1%
Fort Gordon, GA	\$95,759	\$76,162	-20%	\$22,663	\$45,937	103%
Fort Hood, TX	\$152,851	\$154,333	1%	\$65,151	\$99,057	52%
Fort Huachuca, AZ	\$61,603	\$56,021	-9%	\$16,935	\$18,637	10%
Fort Irwin/NTC, CA	\$72,733	\$99,278	36%	\$11,153	\$62,533	461%
JBLM	\$207,155	\$198,760	-4%	\$99,943	\$80,536	-19%
Fort Knox, KY	\$109,386	\$125,502	15%	\$35,543	\$32,850	-8%
Fort Lee, VA	\$89,826	\$78,785	-12%	\$18,502	\$38,629	109%
Ft Leonard Wood, MO	\$97,961	\$74,092	-24%	\$56,836	\$46,399	-18%
Fort Meade, MD	\$100,253	\$103,933	4%	\$15,147	\$12,056	-20%
Fort Polk, LA	\$82,869	\$181,953	120%	\$23,344	\$43,051	84%
Fort Riley, KS	\$80,434	\$66,547	-17%	\$40,485	\$34,055	-16%
Fort Sill, OK	\$116,455	\$73,139	-37%	\$41,193	\$25,892	-37%
Fort Stewart/HAAF, GA	\$123,588	\$125,356	1%	\$44,980	\$32,186	-28%
Fort Wainwright, AK	\$98,299	\$103,612	5%	\$42,276	\$37,886	-10%
<b>Total Army BOS</b>	<b>\$10,029,000</b>	<b>\$9,791,000</b>	<b>-2%</b>			
<b>Total Army SRM</b>				<b>\$3,275,000</b>	<b>\$3,108,000</b>	<b>-5%</b>

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# Army Facility Footprint



Facility Sustainment Model (FSM)  
Millions of Square Feet of Army Facilities, FY13 vs FY14

	FY 2013	FY 2014
Active Component	490 MSF	480 MSF
Total Army FSM	654 MSF	651 MSF

## **Takeaways:**

- *“One for One” MILCON/Demolition Policy Appears to be Working*
- *...But not fast enough to avoid the need for BRAC*
- *Without closing installations, most Base Operations Support (BOS) requirements continue regardless of smaller forces or fewer buildings*



# Food for Thought: Potential Solutions



- Demolish of excess facilities; remove relocatable buildings (RLBs);
- Leverage Section 331 Public-Public Partnerships
- Offer excess facilities for lease to the community
- Review leases in community; relocate to installation excess capacity
- BRAC
- Relocate other federal agency tenants to installation excess capacity
- Declare selected property as excess; dispose through GSA
- Systematically re-think the need for cantonment areas
- Convert AC installation into a Reserve Component Training Center
- Defense communities partner with installations to help fund facility consolidation plans.



# Community Benefits from BRAC



- Creates greater transparency and opportunity to appeal decisions
- Gives access to DoD Office of Economic Adjustment (OEA) grants, planning, and technical expertise
- Provides more community control over property re-use
- Provides opportunity to thoughtfully develop, master plan, and balance community interests

**Status Quo** = adverse impact from smaller forces without hope of mission back-fill; property remains off the tax-rolls

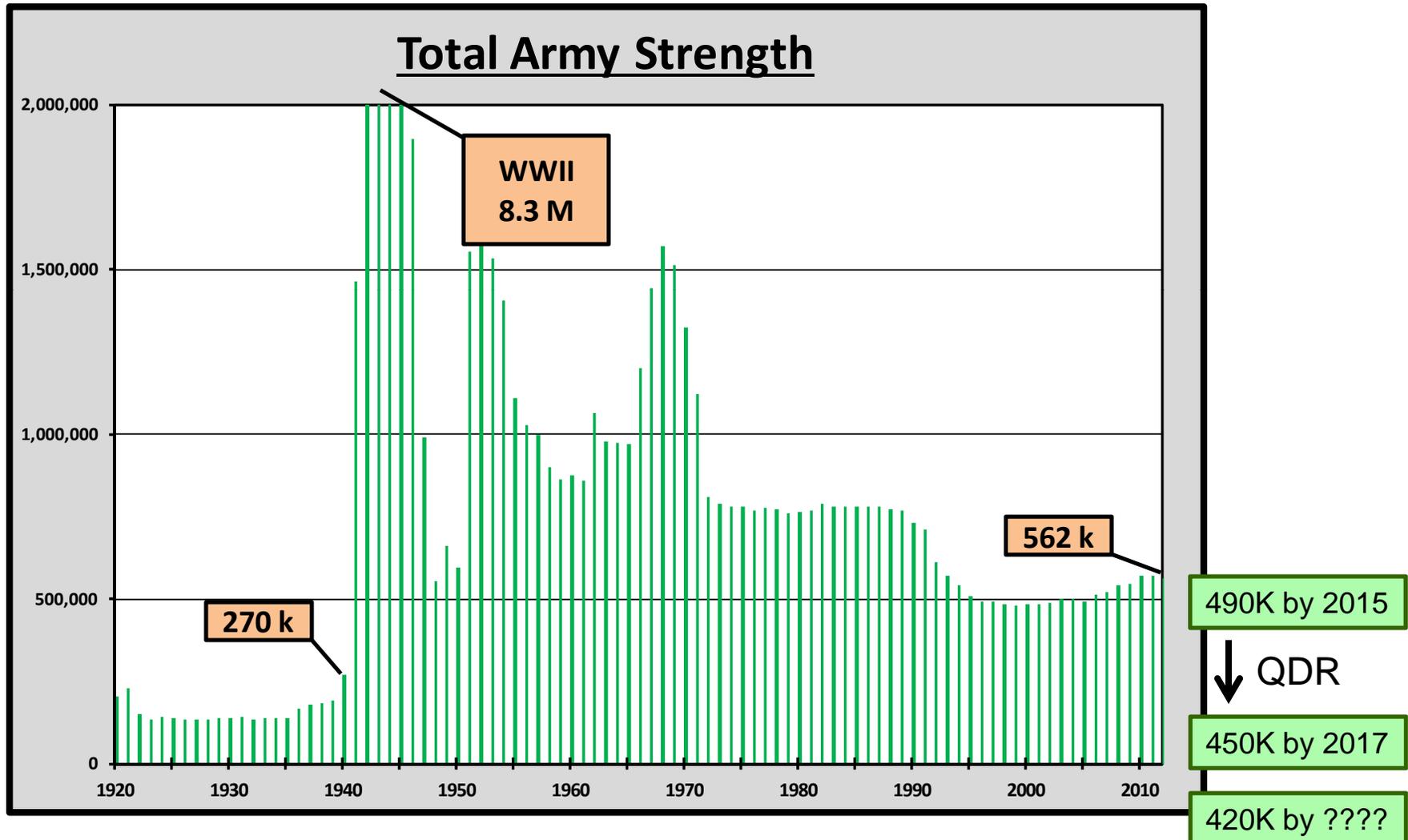
**BRAC** = chance to recuperate lost DoD workload; get property back into tax base and create new jobs



# BACK-UP SLIDES



# History of Army End-Strength



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# The Money Is Gone, Part II



- If Congress prevents the Army from realizing savings from infrastructure efficiencies through BRAC, where else in the budget can we go?
  - ✓ Military Personnel: Already planned
  - ✓ Modernization: Already planned
  - ✓ Research and Development: Already planned
  - × Compensation and Benefits: Congress rejects
  - × Medical Costs: Congress rejects
  - × Civilian Personnel: Need BRAC to optimize
  - × Installation Infrastructure: Need BRAC to optimize
  - ✓ Training and Readiness: Easiest to harvest

“The money is gone.” – Secretary John McHugh