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DEPARTMENT OF VETERANS AFFAIRS

Enhanced-Use Leasing: VA Medical Center Lincoln, NE

# Town Hall Meeting

April 28, 2010

VA Enhanced-Use Lease Opportunity



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## **Medical Center Opening Remarks**

- Medical Center welcome
  - Welcome to Lincoln
  - Current activities at the Medical Center
  - Need for the project



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## Overview of the Meeting

### Meeting Overview:

- Enhanced-Use Leasing
- Overview of the Lincoln Opportunity
- Historic Preservation
- Next Steps / Timeline
- Questions and Answers



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# Enhanced-Use Leasing

An Overview of VA's EUL  
Authority



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## Enhanced-Use Leasing Overview

- Pursuant to its Enhanced-Use Lease statute, 38 U.S.C. § 8161, *et seq.* (the “Statute”), the Department is authorized to lease VA-controlled property to other public and private entities for a term of up to 75 years.
  - Term varies depending on proposed use
  - EUL is for a leasehold estate only (no property sale by VA)
  - Partnership with a developer to maximize the return on underutilized VA property
  - Fair consideration (cash, services, space, or other “in-kind” consideration)
  - Not inconsistent with VA’s mission



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## **Enhanced-Use Leasing Overview**

- Examples of VA EULs include:
  - Consolidation / Realignment of VA campuses
  - Senior retirement housing
  - Transitional housing
  - Child care centers
  - Energy facilities
  - VA office collocations with VBA
  - Mixed use



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# The EUL Opportunity on the Lincoln Campus



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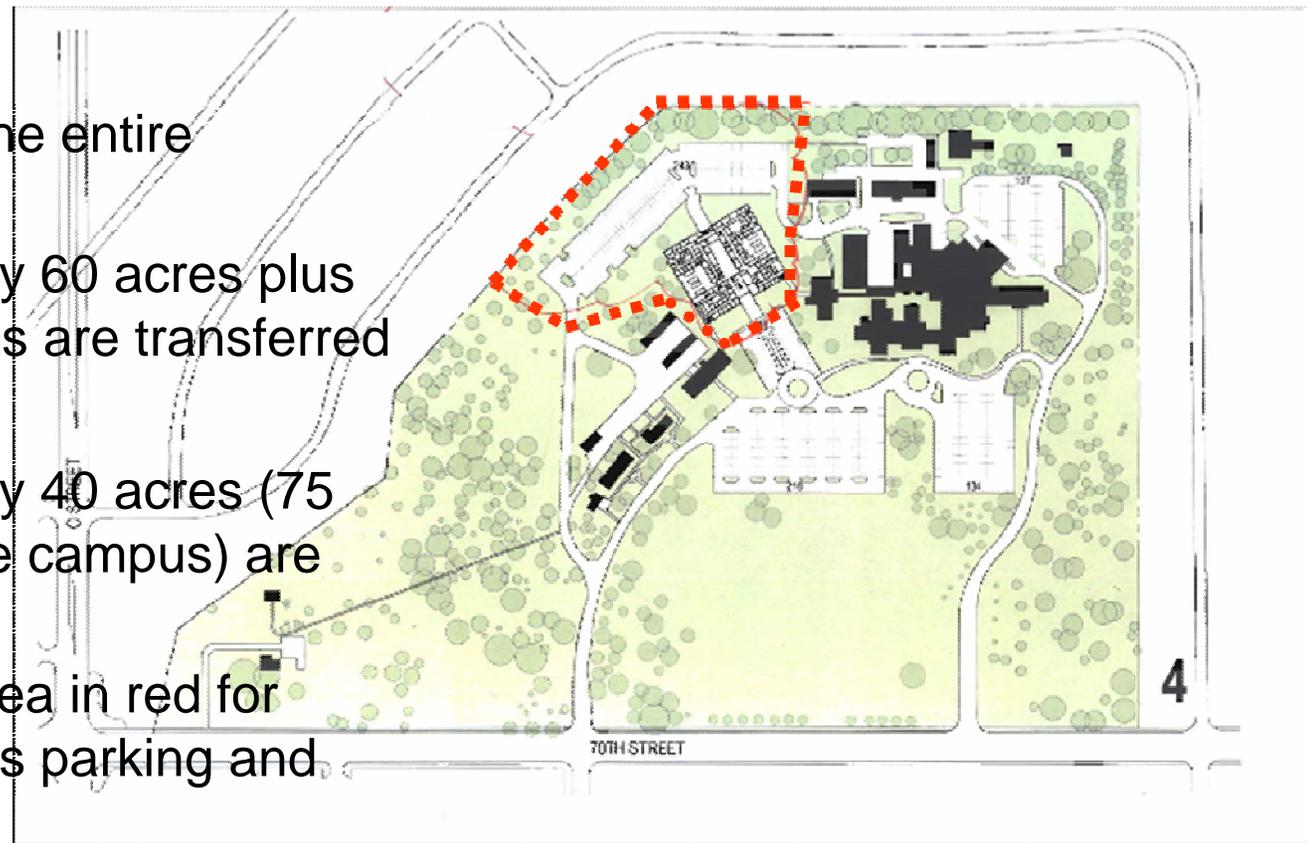
**The Opportunity**

Option 1

- VA vacates the entire campus
- Approximately 60 acres plus eight buildings are transferred

Option 2

- Approximately 40 acres (75 percent of the campus) are transferred
- VA retains area in red for clinic, which is parking and land only

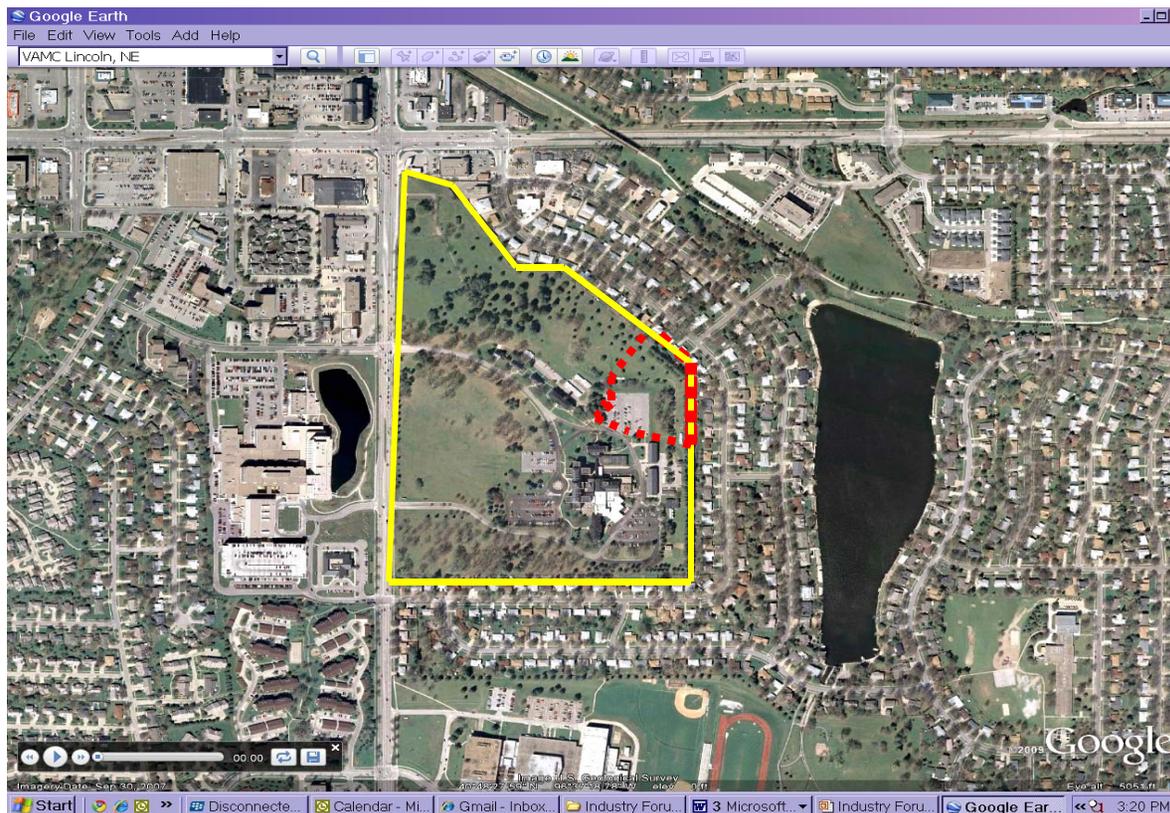




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### Option 1: Entire Campus



- Outlined in yellow
- All land = 59.70 acres
- All buildings
  - 276,000 SF gross building area
  - Eight structures
  - Built 1929 to 1931
- VA will not retain a presence on the campus

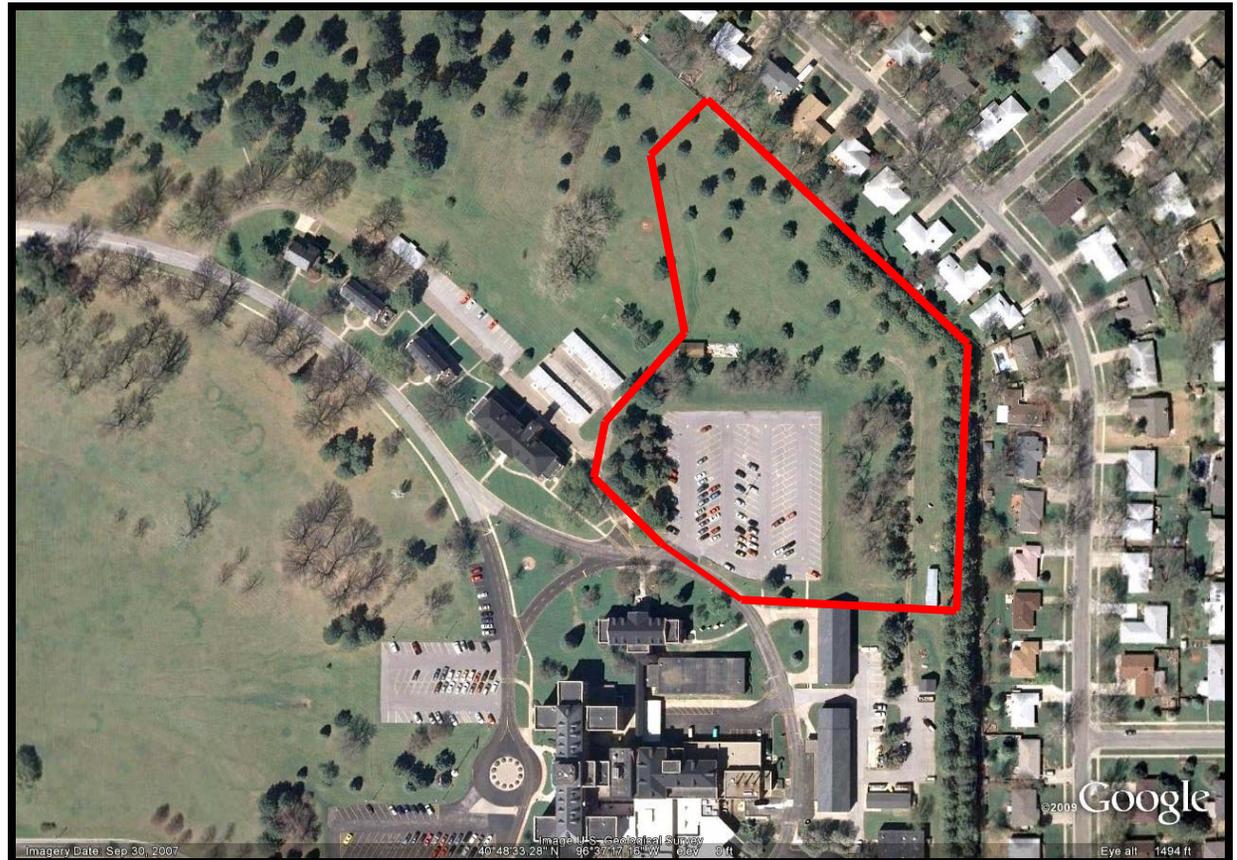


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**Option 2: 75 percent of campus**

- VA to retain the area outlined in red
- Approximately 20 acres
  - Vacant land
  - Parking lot
- Potential site of new outpatient clinic
- There is no option to renovate or remodel the existing clinic for VA use during the EUL





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## **In-Kind Consideration**

VA needs a new community-based outpatient clinic of approximately 100,000 square feet.

- Location is flexible
  - On-site at the Medical Center in the “25 percent” area retained by VA
  - Off-site at a location proximate to I-80 and proposed by Offeror
- Offeror would contribute the land and/or construction for the clinic as part of in-kind consideration
- Offeror may also propose other in-kind consideration



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# Historic Preservation

An Overview of Historic  
Preservation Components



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## **Historic Preservation**

- Federal
  - Comply with the National Historic Preservation Act of 1966
- Principal Authority over project:
  - Department of Veterans Affairs
  - Advisory Counsel on Historic Preservation
  - Nebraska State Historic Preservation Officer



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## **Historic Preservation**

Preliminary discussions with SHPO indicate:

- Preservation of the park-like setting and the mature landscaping
- Although the campus is not currently on the federal register, VA will treat it as if it already is.
- Parties will attempt to draft a Programmatic Agreement in advance of the lease.



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**Next Steps / Timeline**

- Next steps include:

- |                                       |              |
|---------------------------------------|--------------|
| – Concept submission and approval     | completed    |
| – Public Hearing (November 2007)      | completed    |
| – Studies                             | completed    |
| – Industry Forum (April 28, 2010)     | completed    |
| – Request for Expression of Interests | May 2010     |
| – Request for Proposal (RFP)          | July 2010    |
| – Selection of developer              | October 2010 |
| – Negotiation of lease agreement      | TBD          |
| – Execute lease agreement             | TBD          |



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**Website**

- VA project website has additional information:

<http://www4.va.gov/ASSETMANAGEMENT/EnhancedUse/Lincoln/index.asp>

- Please consult the website for on-going updates



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# Questions and Answers