



UNITED STATES
DEPARTMENT OF VETERANS AFFAIRS

Enhanced-Use Leasing: VA Medical Center Dayton, OH

Public Hearing

August 11, 2011

Presented by

U.S. Department of Veterans Affairs



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Medical Center Opening Remarks

- Introductions
 - Welcome to Dayton
 - Current activities at the Medical Center
 - Need for the project



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Overview of the Meeting

- Meeting Overview
 - BURR Initiative
 - Enhanced-Use Leasing
 - Overview of the Dayton Opportunity
 - Next Steps
 - Questions and Answers



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BURR Initiative

Building Utilization Review and Repurposing (BURR)



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BURR Initiative

- BURR is a capital asset management strategy that allows VA to:
 - Leverage greater value from its unused buildings and land
 - Help end homelessness and those at risk for homelessness among Veterans and their families



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BURR Initiative

- Repurposing VA's unused inventory of buildings and land combines two tandem strategies:
 - BURR is the tactical (planning) strategy used to identify and assess VA's capital inventory
 - Enhanced-Use Lease (EUL) authority is the strategic tool used to reduce and repurpose that inventory



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Enhanced-Use Leasing

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 depends 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

- Benefits:
 - Converts under-performing property into productive assets
 - Enhances services for Veterans and improves VA property
 - Increases value and benefit of VA land and buildings
 - Enhances local development and economic trends
 - Allows VA to better manage capital assets and “leverage” value to support local needs and budgets



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Enhanced-Use Leasing Overview

- Typical EUL sequence of steps include:
 - Concept submission and approval
 - Public Hearing
 - Studies (market, feasibility, environmental, etc.)
 - Industry Forum
 - Request for Proposal (RFP)
 - Selection of developer
 - Negotiation of lease agreement
 - Execute lease agreement



Enhanced-Use Leasing Overview

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



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The EUL Opportunity on the Dayton Campus



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Public Hearing

- **Public Hearing Parameters**
 - As stated in the public hearing notice, the purpose of this hearing is to receive the views of the Veterans services organizations, local residents and commercial enterprises, neighborhood and community associations, and other interested parties regarding VA's proposal.



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Dayton VAMC Campus - Building Location Key

Enhanced Use Lease Properties (Operational/Active):

- **Location #1: Building 400**, Miller Cottage, Lessee – Volunteers of America Inc., Greater Ohio
- **Location #2: Building 401**, Miami Valley Family Child Care Center, Lessee – Catholic Social Services of the Miami Valley
- **Location #3: Building 402**, Ohio Avenue Commons – Homeless Transitional Housing for Females, Lessee - Miami Valley Housing Opportunities, Inc.
- **Location #4: , Building 412**, Iowa Avenue – Homeless Transitional Housing for Males, Lessee – Miami Valley Housing Opportunities, Inc.

Enhanced Use Lease Properties (Planned):

- **Location #5:** Saint Mary's Development Corp. – Senior Independent Housing, **New Construction, Six Acres**

Vacant Buildings:

- **Location #6:** Quarters - **Buildings: 210, 211, 212, 213, & 214**
- **Location #7:** Liberty House, **Building 226**



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Potential EUL sites

Dayton campus land available for development:

- Three land parcels



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Potential EUL sites





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EUL Opportunity

VA seeks housing for veterans.

- VA will offer one or more land parcels for the construction and operation of a permanent homeless housing facility which may include:
 - Permanent Housing
 - Independent Senior Housing
 - Assisted Living Housing
 - Non-Senior Living Housing
- A small component of office, retail, or commercial space is permissible to support this housing



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In-Kind Consideration

In return for the buildings and/or land, VA will seek in-kind consideration which may include:

- Priority placement for Veterans
- Discounts to Veterans
- Support services



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Next Steps

- Next steps include:
 - Assess Public Input from today's hearing
 - Request for Proposal (RFP)
 - Selection of developer
 - Negotiation of lease agreement
 - Execute lease agreement



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Conclusion

- VA BURR website has additional information on this and other VA projects:

<http://www.va.gov/assetmanagement/burr/>

- Please consult the website for periodic updates



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Comment Session Parameters

In order to recognize all those who would like to ask questions or make statements for the record we will proceed with the hearing using the following format:

1. Each respondent will be given up to five (5) minutes for a question or statement.
2. We are using time limits to ensure we hear from all of the interested parties present.



Comment Session Parameters

3. We will first recognize those individuals who have registered to speak on the sign-up sheets provided at the entrance to the Auditorium.
4. When we call your name, please stand and state your name, the organization you represent, and then ask your question or make your statement for the record.



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Comment Session Parameters

5. After we have called on all of the people listed on the sign-up sheets, we will then take questions or statements from the floor. We ask that you stand, state your name and organization and ask your question or make your statement. Please speak clearly to ensure we accurately entered your comments/questions into the record of this proceeding.
6. We will attempt to address as many questions or concerns as you have, however, the purpose of the hearing is to identify those questions and concerns and take them under consideration when we prepare our request for the enhanced-use lease.



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Questions and Answers

An open discussion of the VA EUL
opportunities