

**MANAGING UNDERUTILIZED REAL PROPERTY ASSETS, INCLUDING OPTIONS
FOR REUSE AND DISPOSAL**

1. REASON FOR ISSUE: To ensure the Department maximizes the highest and best use of its real property asset portfolio through managing underutilized assets.

2. SUMMARY OF CONTENTS/MAJOR CHANGES: This directive contains policy for managing underutilized real property assets, options available for implementing the policy, including reuse and disposal.

a. Incorporates additional disposal and reuse options, such as General Services Administration transfers.

b. Updates priorities for the available options; and

c. Updates responsibilities for key VA organizations.

3. RESPONSIBLE OFFICE: The Office of Management, Office of Asset Enterprise Management (044).

4. RELATED HANDBOOK: VA Handbook 7633, Managing Underutilized Real Property Assets, Including Options for Reuse and Disposal.

5. RESCISSIONS.: VA Directive 7633, Managing Underutilized Real Property, Including Disposal, dated April 18, 2006.

CERTIFIED BY:

**BY DIRECTION OF THE SECRETARY
OF VETERANS AFFAIRS:**

/s/
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MANAGING UNDERUTILIZED REAL PROPERTY ASSETS, INCLUDING OPTIONS FOR REUSE AND DISPOSAL

1. PURPOSE

a. This directive articulates VA policy for managing underutilized real property assets, including VA priorities related to reuse and disposal.

2. POLICY

a. The provisions of this directive apply VA-wide. Each Administration and staff office shall ensure that all subordinate organizations are aware of and comply with this directive.

b. **Identification of Underutilized Assets.** VA tracks a number of performance criteria for internal and external reporting. All vacant buildings must have a disposal plan or an explanation of why disposal is not feasible.

c. **Required Reporting.** All planned disposals must be recorded in the Capital Asset Inventory (CAI) and consistent with submissions for Strategic Capital Investment Planning (SCIP). See Handbook 7633 for current guidance.

d. **VA Priorities for Managing Underutilized Assets.** VA policy for managing underutilized real property assets include the following options, in priority order:

- (1) VA Reuse
- (2) Reuse by Other Stakeholders:
 - (a) Homeless-Related Services
 - (b) Homeless-Related Services
 - (c) Other Purposes
- (3) Removal from Inventory:
 - (a) Deconstruction and Demolition
 - (b) Deconstruction and Demolition
 - (c) Transfer ownership or control via VA's independent authority
 - (d) Transfer ownership or control through the General Services Administration (GSA)
- (4) Reduce Cost through Mothballing

e. **Implementation.** Implementation of this directive must be carried out in accordance with all applicable laws and regulations.

3. RESPONSIBILITIES

a. **The Secretary.** The Secretary (or designee/delegate) alone may approve all transfers of real property to outside parties.

b. **The Deputy Secretary.** The Deputy Secretary (or designee/delegate) (currently the Executive Director, Office of Construction and Facility Management) may approve transfers of real property between VA entities.

c. **Under Secretaries, Assistant Secretaries, and Other Key Officials.** Under Secretaries, Assistant Secretaries, and Other Key Officials ensure that the policies set forth in this directive are implemented within their respective organization's activities, including submission of action plans and disposal plans to the Office of Management, and any other reporting requirements.

d. **SCIP Panel.** The SCIP Panel scores all Major, Minor, Leases and Medical Facilities business cases within the SCIP process, including disposal projects. Panel members review the action plans from a VA corporate level perspective, provide support to the SCIP Board, and brief the SCIP Board concerning issues and recommendations.

e. **SCIP Board.** The SCIP Board provides feedback/guidance to the Administrations and staff offices on their SCIP action plans prior to final submission. Board members review the action plans from a VA corporate level perspective, recommend action plan approval through the VA governance process, recommend projects from approved action plans to move forward with business case submissions, and present findings and recommendations on a final list of projects through the VA governance process.

f. **Assistant Secretary for Management.** The Assistant Secretary for Management is VA's Senior Real Property Officer (SRPO) for the purposes of Federal Real Property Council (FRPC). The Assistant Secretary for Management sets VA policy to ensure fiscal integrity of VA's portfolio of assets, reviews disposal project applications forwarded by the Administrations or the Capital Investment Panel (CIP), and makes recommendations to the Secretary.

g. **Office of Construction and Facility Management (CFM).** CFM is responsible for executing VA real property transfers and disposal actions (non-enhanced-use lease (EUL) disposals) for all administrations and staff offices, including making public notices, holding hearings, filing forms with GSA, HUD, or other federal agencies. CFM is also responsible for developing and updating policies and procedures for the execution of transfer and disposal actions, except for EUL actions. In addition, CFM manages VA's official repository of land records for VA's owned real property portfolio.

h. **Office of Asset Enterprise Management (OAEM).** OAEM is responsible for developing and updating Department-wide policy, ensuring Administration disposal requests align with VA policy, and reviewing annual disposal plans submitted by the Administrations and staff offices. In addition, OAEM oversees the SCIP process and manages EUL-related disposals.

5. REFERENCES

- a. Executive Order 13327 Federal Real Property Asset Management
<https://www.gpo.gov/fdsys/pkg/FR-2004-02-06/pdf/04-2773.pdf>
- b. Public Law 108-422, Veterans Health Programs Improvement Act of 2004.
11/30/2004. <https://www.congress.gov/bill/108th-congress/house-bill/03936>