

CONVEYANCE METHOD	CONDITIONS	CONSIDERATIONS FOR COMMUNITY REUSE PLANNING PURPOSES
Public Benefit Conveyance	<ul style="list-style-type: none"> ■ The property is conveyed at market value unless a sponsoring agency determines a discount is warranted ■ The property must be used for public purposes (schools, ports, healthcare, etc.) ■ Sponsoring agencies may also impose additional land use controls 	<ul style="list-style-type: none"> ■ Market value is an objective by the sponsoring agency for this conveyance ■ The CRP should consider how land use plans will affect the market value and ultimately the price to be paid to the sponsoring agency
Homeless Assistance Conveyance	<ul style="list-style-type: none"> ■ The property is conveyed at no cost to either homeless providers or LRAs if the LRA uses the property for homeless purposes ■ It must be used for homeless assistance as determined by HUD ■ If there are no homeless uses, the deed reverts to the federal government 	<ul style="list-style-type: none"> ■ Market value is not an issue in this instance because the property is transferred at no cost ■ The CRP, however, should be of sufficient detail to ensure the value of surrounding properties are not adversely affected by this land use
Negotiated Sale to Public Entities	<ul style="list-style-type: none"> ■ The property can only be conveyed to a public body for a public benefit ■ The same benefit cannot be obtained through a competitive sale or public benefit conveyance ■ The grantee must pay market value ■ Congress must approve of the transaction ■ If the property is sold within three years, all profit must be remitted to the military department 	<ul style="list-style-type: none"> ■ Market value will determine how much is paid by the LRA or public body ■ It is important to carefully consider the detail behind the redevelopment plan because it will affect market value ■ A very detailed plan may result in a higher market value than a more general plan
Advertised Public Sale	<ul style="list-style-type: none"> ■ The property is conveyed through a public bidding process ■ Before electing to take this approach, the LRA is consulted by the military department ■ The military department's objective will be to seek a sale to the highest responsible bidder 	<ul style="list-style-type: none"> ■ Because this requires a bid process, market value is assumed to be part of the process ■ Should the LRA favor rapid, market-driven redevelopment, minimal land use controls should be considered in the CRP ■ However, if the LRA desires more tightly defined land uses, a more restrictive CRP would be called for
Environmental Responsibilities Transfer / Sale	<ul style="list-style-type: none"> ■ The property is conveyed through a two-step bid process (pre-qualification, then selection) ■ The military department may then negotiate with the bidders if their bids are above market value ■ After selecting a winning bidder, the department requests a covenant deferral from the governor of the state (under the EPA's early transfer authority) ■ Once a deferral is approved, the department can enter into a binding purchase agreement 	<ul style="list-style-type: none"> ■ Because this requires a bid process, market value is assumed to be part of the process ■ Should the LRA favor rapid market driven redevelopment, minimal land use controls should be considered in the CRP ■ However, if the LRA desires more tightly defined land uses, a more restrictive CRP would be called for ■ Note: the BRRM suggests this transfer authority does not require consultation with the LRA (unlike a public sale)

CONVEYANCE METHOD	CONDITIONS	CONSIDERATIONS FOR COMMUNITY REUSE PLANNING PURPOSES
<p>Economic Development Conveyance</p>	<ul style="list-style-type: none"> ■ The military department is required to seek market value for all installations closed after Jan. 1, 2005 ■ The military department can grant an EDC without consideration provided property proceeds support economic development for the first seven years, and the LRA agrees to take title within a reasonable time ■ Proceeds not used for economic development can be recouped by the military department ■ The LRA must submit an audited annual financial statement to the military department 	<ul style="list-style-type: none"> ■ Market value will be an issue ■ If the LRA plans to develop the property, it must determine if there are enough qualifying investments to warrant a discount to market value ■ Other conditions that warrant a lower market value might include: <ul style="list-style-type: none"> ■ Minimal land use planning ■ General use overlays rather than specific zoning ■ Business plans that assume revenues from assets in their current condition before capital improvements to bring them up to code or make them competitive in the market ■ The LRA should not include revenue enhancements from planned capital improvements in the CRP business plan (in assets or services) that the LRA may add in the future. It should only include revenue from assets that exist at the time of conveyance in their current condition ("as is, where is"). Otherwise the LRA may pay for value it creates after conveyance instead of the current value of the assets it is acquiring
<p>Depository Institution Facility</p>	<ul style="list-style-type: none"> ■ The military department may transfer property to certain banks and other financial institutions already located on the installation before offering the property to another entity (LRA, etc.) ■ The depository institution must agree to pay market value. The military department cannot convey the property if it is inconsistent with the CRP 	<ul style="list-style-type: none"> ■ Market value is not a consideration if the CRP allows for a depository institution on that site ■ If the LRA does not want a depository institution on that site, it should exclude that land use from the CRP ■ If the CRP prohibits this particular use, the land will be disposed of through another conveyance method ■ The LRA should remember that any depository institution improvements on the land are non-appropriated fund (NAF) property and must therefore be purchased from the institution owning them if the CRP excludes this use
<p>Exchange for Military Construction</p>	<ul style="list-style-type: none"> ■ Allows for military construction to be used as compensation to the military department for property ■ The construction may be at another location. The authority can be exercised at any time after the date of approval of the closure or realignment ■ The military department can present or receive unsolicited proposals to exchange real property for construction 	<ul style="list-style-type: none"> ■ In this instance the LRA is not concerned with market value ■ The CRP should reflect sufficient detail to ensure land use plans are in compliance with community desires for the property ■ The community should consider working closely with any developer who acquires property in this manner to ensure their objectives are met for the development
<p>Conservation</p>	<ul style="list-style-type: none"> ■ Similar to a public benefit conveyance, but the BRRM is silent regarding market value considerations ■ There is a reversion clause that requires title to return to the United States if the use ceases to be for conservation purposes 	<ul style="list-style-type: none"> ■ If the conveyance is for no cost, market value is not an issue ■ However, the community plan should closely examine highest and best use ■ Conservation conveyances can severely limit the development potential of an otherwise economically viable site