



Turning Former Military Bases Into Economic Development

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President Donald Trump wants to make America great again by removing bureaucratic roadblocks and regulatory red tape. He could focus on hundreds of thousands of acres effectively trapped in limbo by the federal government, unable to be used by the communities around them to generate tax revenue. In some of the worst cases, they pose a risk to public health and safety.

For example, on the banks of the Delaware River in Northeast Philadelphia lies the former Frankford Arsenal, a U.S. Army ammunition plant closed in 1977. In 1983, the Philadelphia Industrial Development Corporation sold nearly all of the property to a private developer. Forty years later, most of the land remains undeveloped with little federal funding for clean-up and unfinished studies of lead-contaminated soil at the site.

Or consider the case of the Nansemond Ordnance Depot in Suffolk, Virginia, 975 acres of land along the James River. Closed since 1960, the U.S. Environmental Protection Agency placed it on the “National Priority List” in 1999, after crystalline explosives were discovered on the campus of a local college. Today, the property remains vacant with deteriorated shorelines and wetlands threatening a nearby interstate bridge structure. The risk to public safety is persistent and growing.

In the San Diego suburbs, Camp Elliott, a former Marine Corps base, sits amidst half-a-million-dollar homes. It closed in 1960, but the government didn’t begin site clean-up until 1985 after two boys were killed while playing with an unexploded munition found near their homes. Aside from infrequent inspections, there is no plan to complete the clean-up of the property for further development in a region desperate for more housing.

These are just three of over 30,000 properties around the country that the Department of Defense has divested in the past 50 years. Most are wastelands continuing to pose a threat to health and safety. Many could provide opportunities for economic growth if the resources can be brought to bear to clean them up.

Congress created the Formerly Used Defense Site program - commonly known as FUDS - in the mid-1980's to consolidate the Pentagon's efforts to protect the health and well-being of citizens while completing the clean-up and allowing re-use of more than 10,000 sites, ranging from less than an acre to hundreds of thousands of acres.

Since then, The U.S. Army Corps of Engineers has spent more than \$7 billion of taxpayer funds between 1984-2016 to address FUDS. Yet, an additional \$18 billion is needed to clean just 2,700 sites. Based on the current pace of cleanup—annual funding averages around \$225 million—most properties will be off limits until 2097 or later. More daunting, timelines and cost estimates are growing due to the tighter environment regulations implemented under the Obama administration.

But with every challenge lies an opportunity. The federal government is currently exploring ways to stimulate economic growth for local communities. Many will rely on the private sector to collaborate on investments and expertise to accelerate the start of thousands of projects. This effort could include the FUDS program. Rehabilitating and releasing thousands of valuable sites around the country could unleash far more economic power than bridges to nowhere or trains to Las Vegas.

The Corps of Engineers must be given the mandate to collaborate with the private sector on projects to accelerate the clean-up of FUDS properties for rapid redevelopment. The Trump Administration could include within a national infrastructure investment program tax credits or other financial incentives to encourage projects which demonstrate a viable economic return and jobs for local communities.

This President knows how real estate development can impact local economies and create jobs. His administration has the opportunity to encourage proactive and collaborative efforts to unlock FUDS properties while reducing tangible environmental threats. The federal government also has the resources available to assist local communities with the planning and highest re-use of FUDS.

The FUDS program has wallowed in the federal mud for over 30 years, spending billions with few successes, broken promises, untenable government bureaucracy, and continued environmental risk to communities. It's time to take it in a new direction.

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