



DEPARTMENT OF THE ARMY
 ASSISTANT SECRETARY
 INSTALLATIONS AND ENVIRONMENT
 110 ARMY PENTAGON
 WASHINGTON, DC 20310-0200

10 March 2004

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (ACQUISITION,
 TECHNOLOGY & LOGISTICS)

SUBJECT: 2004 Base Realignment and Closure (BRAC) Report to Congress

This memorandum is the Army's response to your 3 March 2004 letter, subject: "Coordination on Draft Report to Congress on BRAC." We have reviewed the draft report and concur, provided that you modify the report to address the following concerns:

- The subject report contains two different values for the numbers of brigades in the Army's Active Component. The correct number is 48. Table 6-1 on page 44 should be updated to reflect 48 brigades. In addition, Table 1 on page 6 and Table 6-5 on page 51 should be updated to reflect the impact of this change on Army excess, from 30% to 27%. Enclosure 1 contains the revised tables. Please note that the footnote on Table 6-1 explains the increase to 48 brigades, and also highlights that these capacity indicators do not include demands placed on active Army installations by approximately 34 Army National Guard brigades.
- The subject report, on pages 7 and 59, states that the estimated excess capacity will be even *greater* after the completion of BRAC 05 analysis. This statement is conjecture and cannot be verified until the BRAC analysis is completed. The actual excess could be greater or smaller. Such a statement may mistakenly raise false expectations to Congress and the public, and should be deleted.

At Enclosure 2, you'll find two additional examples of positive effects on local communities resulting from previous BRAC decisions. We recommend that these be added to the examples in the section *Economic Effects on Communities* -- the Fitzsimons Army research Center under *Education* on page 55 and Fort Devens under *Commerce and Industry* on page 56.

Enclosure 3 lists additional comments that make the report clearer.



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If you have additional questions, please contact Dr. Chien Huo at 703-696-9773, email address chien.huo@us.army.mil.

cc: Director, BRAC, UOSD(ATL)



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(Installation and Environment)

3 Encls

1. Updated tables for Army excess capacity analysis
2. Additional examples of economic effects
3. Additional comments that add clarity.

Enclosure 1: Tables for Army Excess Capacity Analysis

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Category Type/metric	Input		Index		Proportional Capacity	Change in Capacity Relative to Force Structure since 1989 Delta	
	FY89	FY09	FY89	FY09		from 2009 Capacity	Excess 2009 Capacity
Administration							
<u>Administrative space (Square feet (000s))</u>	<u>6,627</u>	<u>6,121</u>	0.0813	0.0948	5,251	869	14%
Military/Civilian Authorized	81,518	64,598					
Depots							
<u>Capacity Direct Labor Hours (000s)</u>	<u>29,000</u>	<u>16,957</u>	1.3810	1.3219	17,714	(758)	(4%)
Budget/Programmed Direct Labor Hours (000s)	21,000	12,828					
Industrial							
<u>Total Facilities Square Feet (000s)</u>	<u>34,707</u>	<u>24,324</u>	1.4524	2.5610	13,794	10,530	43%
Military/Civilian Authorized	23,897	9,498					
Major Training Active*							
<u>Base Acres</u>	<u>1,509,334</u>	<u>1,242,842</u>	31,444	25,893	1,509,334	(266,492)	(21%)
U.S. Maneuver Brigades	48	48 *					
Major Training Reserve							
<u>Base Acres</u>	<u>258,413</u>	<u>330,393</u>	0.8101	1.6117	166,065	164,328	50%
End Strength	319,000	205,000					
Maneuver*							
<u>Base Acres</u>	<u>3,053,623</u>	<u>3,361,679</u>	63,617	70,035	3,053,623	308,056	9%
U.S. maneuver Brigades	48	48 *					
Schools							
<u>Instructional Space (Square Feet(000s))</u>	<u>14,964</u>	<u>14,854</u>	0.0427	0.0667	9,519	5,335	36%
Military/Civilian Authorized	350,108	222,723					
Test and Evaluation/Labs							
<u>Total Facilities Square Feet (000s)</u>	<u>48,924</u>	<u>51,321</u>	0.3097	0.8252	19,262	32,059	62%
Acquisition Workforce	157,964	62,193					

P. 44, Table 6-1 Army Analysis of Proponent Capacity

Note: The Army's goal is to increase the number of Active force brigade combat teams (BCT) from 33 to 43 between now and FY 07. A determination for an additional 5 BCTs (for a total of 48) will be made at a later time. This number will be reflected in the FY 06 budget submission.

Additionally, as constrained by the 1989 baseline, "Major Training Active" and "Maneuver" metrics do not reflect the training activities and/or maneuver operations on active Army installations by the 34 Army National Guard brigades.

	Estimated Excess Capacity above 1989 Baseline (%)
Department	Rev 04 Rept
Army	27
Navy	18
Air Force	25
DLA	17
Total	22

P. 6, Table 1: Excess Capacity with Revisions
P. 51, Table 6-5: Estimated Percentage of Excess Capacity

Enclosure 2: Additional Examples of Economic Effects

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Add two more BRAC examples to illustrate the economic effects to communities. In the section “Economic Effects on Communities,” add the Fitzsimons Army research Center under “Education” on page 55 and Fort Devens under “Commerce and Industry” on page 56.

Education

Aurora, Colorado, Fitzsimons Army Medical Center. Following the closure in 1999, a Public Benefit Conveyance was granted to the University of Colorado for a Health Science Center; a new Cancer Research Center/Urology Program was established and an Eye Institute was constructed. This realignment of the 578-acre medical center is expected to result in a \$4 billion statewide economic advantage and create more than 34,000 jobs, directly and indirectly supported by the campus in construction and other areas by 2010.

Commerce and Industry

Devens, Massachusetts, Fort Devens. Following the closure in 1996, the Army completed an Economic Development Conveyance to the Massachusetts Development Finance Agency, now known as MassDevelopment. Thus far, over 75 companies have joined the Devens Business Community. Upon completion, the site will have more than 8 million square feet of facilities. It is anticipated that this development will generate 35,000 jobs throughout the primary and secondary labor markets.

Enclosure 3: Additional Changes

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The following list provides the Army's responses as recommended changes to the subject report:

1. p6., the first sentence of the first paragraph: Replace with the following sentence
"Although the national security threats facing our nation will continue to evolve over the next 20 years, BRAC continues to be the most efficient and effective way to transform forces and reduce excess infrastructure."

Rationale: The current sentence implies that there is no predicted change in excess between the current estimate for FY 09 and the 1998 estimate for FY 03. Army recommends we avoid that issue entirely and focus on stressing the importance of BRAC.

2. p 23, Table 2-1 Unclassified Force Structure Plan, End-strength in Thousands.
Please add a footnote at "482" in the "Army end-strength in thousands" line for FY 05 and FY 07 to explain the temporary increase. The footnote reads:

"The Secretary of Defense has approved a temporary increase of 30,000 spaces for FY 04 through FY 07 in the Active Army operating strength to provide sufficient head room to accelerate the Army transformation process while remaining fully engaged in world wide operations including Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF)."

Rationale: There is much confusion about the end-strength of 482,000 and the increase of 30,000 spaces. The Secretary of Defense has approved a temporary increase of up to 30,000 spaces for FY 04 through FY 07 in the Active Army operating strength to support the Army Transformation while remaining fully engaged in worldwide operations including ongoing operations in the southwest Asia regions. After FY 07, the Army will execute a ramp to revert back to an authorized end-strength of 482,000.

