

**ORIGINAL**

# Office of the City Council

Ross A. Kearney, II  
Mayor

Joseph H. Spencer, II  
Vice Mayor



Council:  
Randy Gilliland  
Angela Lee Leary  
Charles N. Sapp  
Turner M. Spencer, Ed.D.  
Rhet Tignor

**RECEIVED**

May 26, 2005

The Honorable Anthony J. Principi  
Chairman  
2005 Base Realignment and Closure Commission  
2521 Jefferson Davis Highway  
Arlington, Virginia 22202

05312005

Dear Chairman Principi:

On behalf of the significant military community in this region, I want to thank you for taking the time to visit Fort Monroe on May 25.

I appreciate the opportunity I was given to describe Hampton's innovative proposal to partner with the Department of Defense so that the land resources at Fort Monroe can be utilized to the greatest degree possible, for national security.

For the benefit of your staff, I am enclosing two news releases that describe:

- Hampton's proposal for helping to expand the missions at Fort Monroe (January 13, 2005);
- Hampton's new Federal Areas Authority (March 31, 2005)

Thank you again, Chairman Principi, for your time and consideration.

Sincerely,

Ross A. Kearney, II  
Mayor



**Ross A. Kearney, II**  
Mayor

**Hampton, Virginia**

*"Oldest Continuous English-Speaking Settlement in America - 1610"*

22 Lincoln Street, Hampton, VA 23669  
(757) 727-6315 • Fax: (757) 728-3037  
Email: [council@hampton.gov](mailto:council@hampton.gov)

***"Oldest Continuous English-Speaking Settlement in America - 1610"***

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**05312005**

General Lloyd W. "Fig" Newton (USAF, Ret)  
Commissioner  
2005 Base Realignment and Closure Commission  
2521 Jefferson Davis Highway  
Arlington, Virginia 22202

Dear General Newton:

On behalf of the significant military community in this region, I want to thank you for taking the time to visit Fort Monroe on May 25.

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For the benefit of your staff, I am enclosing two news releases that describe:

- Hampton's proposal for helping to expand the missions at Fort Monroe (January 13, 2005);
- Hampton's new Federal Areas Authority (March 31, 2005)

Thank you again, General Newton, for your time and consideration.

Sincerely,

Ross A. Kearney, II  
Mayor



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Mayor

**Hampton, Virginia**

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# News Release



City of Hampton

City Manager's Office  
22 Lincoln Street • Hampton, Virginia 23669  
Phone (757) 728-3501  
www.hampton.gov

Date: January 13, 2005

FOR RELEASE: Immediate

Edward M. Novi, Public Communications Officer

## Hampton Willing to Partner with DoD to Construct Facilities at Fort Monroe

The City of Hampton, Virginia today announced an innovative plan to partner with the Department of Defense (DoD), so that the land resources at Fort Monroe can be utilized to the greatest degree possible.

“At a time when national security is of paramount importance, and secure land resources for military facilities are vital, our city has seen an opportunity to play a role,” said Hampton Mayor Ross A. Kearney, II. “This is a unique proposal that we are providing to DoD for consideration.”

Fort Monroe, located in Hampton on the Chesapeake Bay, has nearly 93 acres of property that can be developed. This land can accommodate over one million square feet of additional office space. These facilities, the mayor said, could host additional military commands, federal agencies, or defense contractors in a secure location surrounded by water.

“But the challenge these days is that it takes resources to convert undeveloped waterfront property into a productive military campus,” said Kearney. “That’s why, after extensive research and planning, our city has developed a plan that helps to facilitate that process in a very cost-competitive way.”

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## DCN 1306

Hampton Fort Monroe Plan

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Hampton's plan, which avoids federal procurement processes that could take years, involves four steps:

- Developable Fort Monroe acreage would be leased to the Hampton Industrial Development Authority.
- The Hampton Industrial Development Authority would finance and construct new facilities on Fort Monroe.
- The property would be leased back to the federal agency at a rate that covers debt service costs for new facilities. This would involve a series of one-year leases at a timeframe determined by the Department of Defense.
- Once the debt service on the loan is paid, the title would revert back to the federal government.

This approach would offer the DoD facilities at a cost per square foot of approximately \$13 for a full-service lease. This is \$4 less than the average cost in the Hampton Roads region. It is also significantly lower than other parts of the country.

The city noted that there are a number of other issues regarding Fort Monroe that have a potential impact to the Commonwealth of Virginia.

Because much of the property at Fort Monroe is on the national historic register, the DoD spends approximately \$14 million per year for upkeep and preservation of these facilities. Should Fort Monroe cease to be used for military purposes, the title would revert back to the Commonwealth of Virginia. The State would then be obligated to provide the resources necessary for the annual historic upkeep and preservation.

In addition, if title of the Fort were transferred to the Commonwealth, the federal government would be responsible for the significant environmental clean up totaling approximately \$ 27 million. In this instance, the state would not be able to use any of this land, or make it available for use by others, until the clean up was completed by the federal government. Ironically, even in this instance, the state would still be responsible for the annual upkeep and preservation of the historic facilities.

-more-

DCN 1306  
Hampton Fort Monroe Plan  
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With more than 3,300 high-paying jobs, Fort Monroe provides an economic impact to the state totaling over \$317 million annually and generates over \$6 million in annual state tax revenue.

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# News Release



City of Hampton

City Manager's Office  
22 Lincoln Street • Hampton, Virginia 23669  
Phone (757) 728-3501  
www.hampton.gov

Date: March 31, 2005

FOR RELEASE: Immediate

Ed Novi, Public Communications Officer

## Hampton's Fort Monroe Efforts Receive Legislative Boost *Bill Authorizes Establishment of a Federal Areas Authority*

Hampton, Va. – The City of Hampton's recent proposal to help enhance the mission of Fort Monroe received a significant boost this week when Governor Mark Warner signed into law a bill authorizing the city to establish a Federal Areas Authority. (HB 2800)

"This is important because, when it comes to development on federal lands, the federal government prefers to work with this type of entity – one that is tailored specifically to deal with federal government issues," said Mayor Ross A. Kearney, II.

He said that the legislation could also assist in future similar efforts as the city works with the NASA Langley Research Center or other federal facilities in Hampton.

The mayor noted that the city's Industrial Development Authority and its Housing Authority could at this time be used to facilitate office space or housing development on federal grounds, as the opportunities arise.

"With this legislation, however, Hampton now has the ability to oversee such development in a seamless fashion, through a single entity," Kearney said. "The federal government has said that this is what it prefers."

Fort Monroe has nearly 93 acres of property that can be developed. These facilities could host additional military commands, federal agencies, or defense contractors – and they can do so in a strategically located, secure facility that is surrounded by water.

Hampton's plan, announced earlier this year, would avoid the federal procurement processes that typically take years to implement. The city would finance and construct new facilities. The property would then be leased back to the federal government at a rate that covers debt service costs. Once the loan is paid, the facilities would become the property of the federal government.

Kearney thanked State Senator Mamie E. Locke and Delegate Jeion Ward, who co-sponsored the legislation giving Hampton greater flexibility in this endeavor.

"Fort Monroe is an important community partner to the Peninsula, and Hampton came up with an innovative proposal to help enhance the Fort's mission," said Senator Locke. "This legislation will help create instances for the city and the federal government to work together in a very focused way."

Added Delegate Ward, "The Commonwealth of Virginia is committed to assuring our federal military facilities thrive. This is one more tool to help make that happen."

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