

City of Delta Junction declines to submit economic development conveyance application for surplus parts of Fort Greely



May 29, 2001

Mr. Paul W. Johnson
Deputy Assistant Secretary of the Army
Installations and Housing
Department of the Army
110 Army Pentagon
Washington, DC 20310-0110

Re: No EDC Submission for Fort Greely Surplus

Dear Mr. Johnson,

Pursuant to my seventh update letter to you of May 15, 2001, The City Council, and the Mayor have authorized me to hereby officially notify you that the City of Delta Junction, Alaska, in its capacity as Local Redevelopment Authority (LRA) will NOT be submitting an Economic Development conveyance (EDC) application for the surplus portions of Fort Greely.

The City will continue its non-BRAC efforts toward joint use of Allen Army Airfield, and will continue to work with USARAK to try to identify a way to keep the Post swimming pool open.

In short, after nearly six years of investigation, and expenditures in excess of a million dollars, no financially feasible anchor tenant has been found. While the federal government has borne the great bulk of this expense (for which we are grateful), the tiny City of Delta Junction has also expended a considerable amount of its own cash, facilities, and consumed vast amounts of local volunteer time on this project, all to no economic benefit.

Since the Fort Greely conversion has proven uneconomical, the Delta area is being left without the jobs and without DoD redevelopment support off Post. The final layoffs are next month.

The fact that Base redevelopment is impractical, is more justification, rather than less, to help the adjoining area recover. There should be some legislative BRAC option beyond "giving us the Base, or giving us the boot".

Perhaps these observations are ungenerous, but they are heartfelt in Delta.

City of Delta Junction will not submit EDC

Since another round of base closings may be in the wind, some of our local experiences might be worth considering if legislative changes may be forthcoming. BRAC law seems to be solidly premised upon the idea that surplus DoD property is valuable. However, the surplus portion of Fort Greely has proven to be a white elephant to both the community and the private economy. Perhaps we are one of the most extreme examples of where such has proven to be the case, but, to varying degrees, other bases must also suffer from uneconomical conversion from military to civilian usage.

Is Delta Junction, Alaska the only place where the Army policy of not remediating lead based paint and asbestos in old surplus housing makes renovation only slightly less costly than new construction on more desirable private land?

Is Delta Junction, Alaska the only place where the military heat and utility system is more expensive to operate than on adjoining private land? One of the reasons the LRA staff relocated to City Hall is that excessive rent would have been required to stay on Fort Greely.

Is Delta Junction, Alaska the only place where inexpensive private land is immediately available without environmental hazards, without interim lease restrictions, and without bureaucratic delay? In Delta at least two expensive projects, rebuffed by the interim lease process, chose to proceed on private property.

Certainly the military should not be required to continually subsidize a community that grew up around a Base long after the Base closes. But if Base conversion proves uneconomical, some area-wide aid should be available for a period thereafter.

Even with the end of BRAC, Delta will still be here and so will Fort Greely. Thankfully, the divisiveness should be gone.

I can assure you that entire Delta area joins together in the earnest desire and hope that Missile Defense will site here.

If we become home to this new military mission, with its new jobs and new people, we need some assurance that OEA will provide funding for planning our expanded community under USC Title 10, Section 2391.

Sincerely,

The City of Delta Junction
Pete Hallgren
Director, Dept. of Economic Development

Copies to:

Mr. Tony Gallegos, Director, Western Region, OEA
LTC Mark Vaughn, Post Commander, Fort Greely, Alaska
Mr. Dick Anderson, BTC, Fort Greely, Alaska
LTC Ed Yanger
Mr. Donald Manuel
General Lovelace
Governor Knowles