

ENHANCED USE LEASE FREQUENTLY ASKED QUESTIONS

What is the Enhanced Use Lease (EUL) program?

VA's Enhanced-Use Leasing authority is the Department's asset management program. The program provides VA with a method of leveraging VA's real estate portfolio to realign under-performing property to produce the highest and best return to veterans, taxpayers, and the Government. The program, initially authorized in 1991, was recently modified and re-authorized until 2011. Initial results include significant cost savings, substantial private investment, new long-term sources of revenues as well as jobs or tax revenues for the local, state, and Federal sectors.

What happens to the revenue from an EUL?

All funds after approved expenses are used to improve veteran care per the following guidance: **VA Directive 7415.1, Financial and Program Policies Regarding Enhanced-Use Leasing Program, Para2 (a) (9)**, Funds received by the Department and remaining after deductions of approved expenses shall be promptly deposited into the Health Services Improvement Fund.

What is the status of Building 17 (Surgeons Quarters)?

Building 17 is NON EUL collaboration between VA/HUD/Housing Authority of the City of Milwaukee and Hope House. Initiated by then Cong. Kleczka, the VA was requested to identify a building that would be suitable for a Single Resident Occupancy (SRO). Working with appropriate HQ offices, the VA approved a ten year sharing arrangement, resulting in mold remediation and structural improvements totaling \$500,000. The SRO, which houses homeless citizens, gives priority placement to veterans.

Has a Request for Proposals (RFP) been issued for the VAMC land/buildings development?

There has not been an RFP issued to either private or public developers.

Have any agreements been signed?

No agreements have been signed between the VA and private or public organizations.

What protections are there for Historic Buildings under an Enhanced Use Lease?

The National Historic Preservation Act of 1966, (NHPA) as amended, 16 U.S.C. Section 470, establishes the role of the Federal government (in this case the Department of Veterans Affairs), in partnership with the States, local governments, Indian tribes, and private organizations and individuals to foster productive harmony between modern society and historic resources and provide preservation leadership. Section 106 and section 110 provide full legal protection of all VA and other federally owned buildings.

All entities awarded leases under the Enhanced Use Lease program are mandated to comply with the standards of the NHPA.

Is this the first time that the veteran community has had the opportunity to speak about the EUL program and the Milwaukee VA Medical Center campus?

A public hearing was held December 2003 in the Matousek auditorium of the VAMC to receive input from the veteran community. The meeting was well attended.