THE WHITE HOUSE

WASHINGTON

October 21, 1983

MEMORANDUM FOR JOSHUA MUSS

FROM: JAMES CICCONI

SUBJECT: San Luis Obispo Survey Dispute

The main DOT objection to this property conveyance appears to me to have been somewhat misunderstood. Their concern is not that noise from the fog beacon would cause noise pollution for those who at some point might reside on the property in question. Instead, it seems to me that their concern is rooted in a more pragmatic reading of the situation, namely, that future development of this property could eventually lead to community pressure, as a result of the noise, for removal or relocation of the sound signal -- an outcome the Coast Guard would consider inadvisable both from a safety and budgetary standpoint.

I hope you will agree that the above is somewhat different from the DOT concern as expressed in the memorandum circulated. It seems quite conceivable that community pressure could, indeed, develop several years in the future along the lines suggested, especially given the history in similar situations. Such community concern would, of course, arise more from annoyance than from any supposed harmful effects.

I would hope the staff would assess this conveyance in light of the above. I recognize the contention that the noise can be virtually eliminated through certain techniques, and would suggest that the cost of this be considered in relation to the amount we would expect to realize from any sale of the property.

Thanks.

PROPERTY REVIEW BOARD

17th & PENNSYLVANIA AVENUE, N.W.

WASHINGTON, D.C. 20500

October 21, 1983

MEMORANDUM FOR JIM CICCONI

FROM: BRUCE SELFON

SUBJECT: San Luis Obispo

Last evening, you asked me about the arguments of the Department of Transportation for retention of this property. I am attaching for your information their letter of July 18 on this issue. You will note they discuss only the noise polution concerns.

With respect to local concerns about the historic significance of the lighthouse, I have discussed this with our staff this morning. Apparently, the California Lighthouse Commission has not identified this as a historic lighthouse and one of their special targets for restoration. In the immediate community, a local university professor is the nominal chairman of a restoration committee for this site. He was contacted by the General Services Administration representatives who conducted the property survey. Reportedly, he told them there was little interest in the restoration project except by the local Coast Guard officer in charge.

In so far as general environmental considerations are concerned, the controlling factors affecting disposal will be the noise from the fog beacon, the Coastal Zone Management Act, NEPA, local zoning, and of course the marketplace. I am also attaching xerox copies of some of the photos in our files that give you an idea about the vacant buildings there.

We have extensive files which elaborate further on this issue. Please let me know if you would like more information.

Attachments

JUL 18 1983

U.S. Department of Transportation

Assistant Secretary for Administration

400 Seventh St., S.W.
Washington, D.C. 20590

JUL 18 1983

Mr. Joshua A. Muss
Executive Director
Property Review Board
17th and Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear ~~Mr. Muss:~~ Josh

This is in reply to your letter of June 20, 1983, to Mr. Barnett M. Anceleitz, concerning the recommendation of the General Services Administration (GSA) that 29 acres be reported excess at the U.S. Coast Guard San Luis Obispo Light Station, San Luis Obispo County, California.

Our position, as stated in our April 14 letter to GSA, is that the entire property should be retained because of the existence of and operational requirement for the fog sound signal. The problem of noise pollution caused by fog sound signals has widespread impact upon many Coast Guard (CG) light stations. Sound Pressure Levels (SPL) of more than 60 decibels (dB) constitute not only a physical hazard to the health and welfare of personnel in the vicinity but also an environmental nuisance to all activities in the area. The enclosed information explains the CG policy for the protection of personnel in a fog sound-impacted area, with special reference to San Luis Obispo.

The GSA survey of the San Luis Obispo Station and the noise contour map indicate that the SPL ranges from 60 to 100dB over the entire property despite the fact that the sound signal is baffled. An investigation conducted by the Coast Guard indicated that the relocation of the sound signal to another site on the station or to another location off-station would be too costly and not economically justified to the Government.

We are greatly concerned that the disposal of 29 acres and its subsequent utilization will result in local community pressure being exerted to remove the sound signal because of its noise pollution effect upon even occasional intrusion of personnel into the area. At San Luis Obispo, the fog sound signal is required and cannot be reduced in intensity if the needs of the mariner are to be met. We believe that under these circumstances the land is being put to its highest and best use by its present function, and that GSA survey conclusions to the contrary are in error.

Your full consideration of these facts and of the potential liability of the Government in the disposal of any portion of the San Luis Obispo property is earnestly requested. We would also welcome the opportunity to brief the Property Review Board on the continuing need for the retention of the entire station.

Sincerely,

Robert L. Fairman

Enclosure

U.S. Coast Guard
San Luis Obispo Light Station, California
Fog Sound Signals

References:
a. Noise Control Act of 1972 (P.L. 92-574: 86 Stat 1234)
b. EPA Report No. 550/9-74-004, dated March 1974
c. EPA Publication, GPO #5500-0072 dated August 1972
d. HUD Report from Contract H-1095

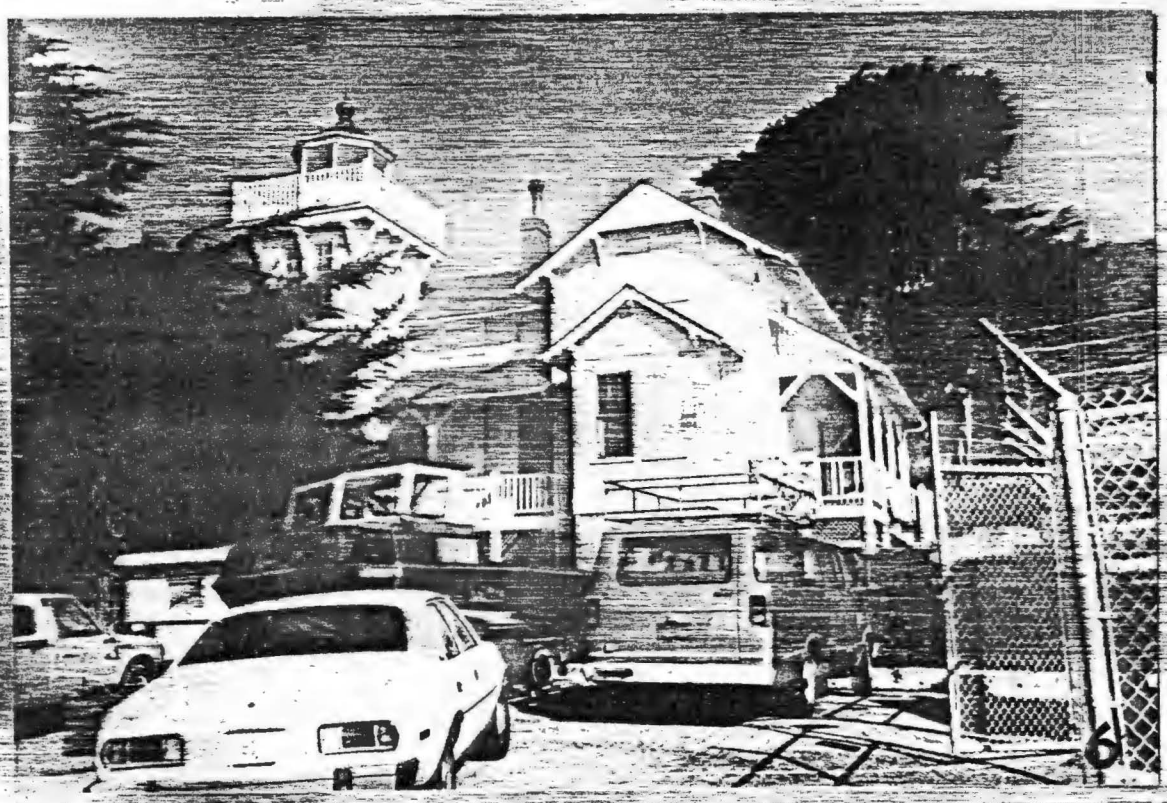
The subject of disposal of properties impacted by noise pollution has been directly affected by the passage of the Noise Control Act of 1972. The Congress declared therein "that it is the policy of the United Sates to promote an environment for all Americans free from noise that jeopardizes their health and welfare." Section 4(a) of the Act "directs that Federal agencies shall, . . . , carry-out the programs within their control in such a manner as to further the policy" stated above.

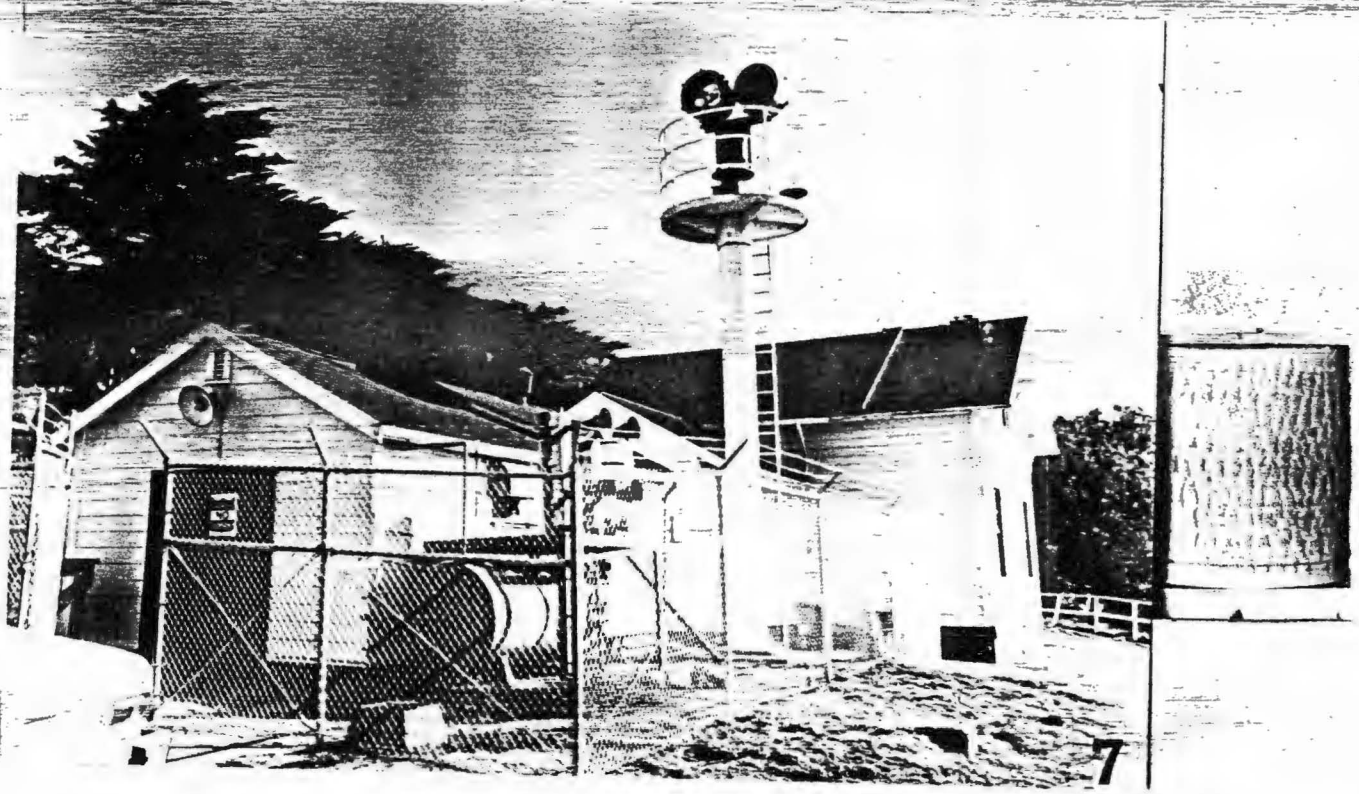
Based upon several studies, references b, c and d above, the Coast Guard has selected Sound Pressure Levels (SPL) of 60dB at any exterior exposure location as the maximum at which they will construct standard quarters for military personnel. Additionally, personnel entering an area where an SPL of 80dB or more is present are required to wear hearing protection. An exterior SPL of 60dB was selected as it is the highest level that can be tolerated by personnel sleeping in a normally constructed building, assuming the walls will attenuate the sound to an interior SPL of 40dB.

The studies cited above generally addressed the problems of random noise and are not directly applicable to the pure-tone noises produced by the Coast Guard sound signal at San Luis Obispo. Hearing loss has been reported for single tone levels that exceed 60dB, possibly caused by the physiological hearing mechanism, i.e., inner ear, resonance. The sound signal generator at San Luis Obispo is one of the strongest utilized by the Coast Guard, and even though it is already baffled, adversely impacts the entire area with an excess of 60dB (measured on a calm day with no wind noise). The Coast Guard has internal instructions that require no one to remain within 1000 feet of the signal for over eight hours and that personnel approaching within 25 feet must secure the electrical power for the sound generator and carry the key in their pocket until they leave that distance.

14

10





THE WHITE HOUSE

WASHINGTON

October 18, 1983

MEMORANDUM FOR JAMES BAKER
EDWIN MEESE
DAVID STOCKMAN
GERALD CARMEN
WILLIAM CLARK
MARTIN FELDSTEIN

FROM: JOSHUA A. MUSS
EXECUTIVE DIRECTOR

SUBJECT: Survey Dispute at San Luis Obispo Light Station, San Luis County, California

John A. Svahn recommends resolution of the survey dispute on the subject property by declaring the property excess.

In accordance with Board guidelines, if no member of the Property Review Board objects within five working days, Mr. Svahn's recommendation will be considered final.

Attached is his recommendation and a brief fact sheet.

Attachments

THE WHITE HOUSE

WASHINGTON

October 18, 1983

-

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Attachments

ISSUE: Resolution of Survey Dispute
San Luis Obispo Light Station
San Luis County, California

DESCRIPTION:

The San Luis Obispo Light Station is located on the coast of the Pacific Ocean approximately four miles west of the unincorporated community of Avila Beach and approximately two hundred miles south of San Francisco. The station contains 30 acres of fee-owned land.

DATE OF SURVEY: February 18, 1982.

BACKGROUND:

The property was acquired May 28, 1888, as an aid to navigation. The station was manned until 1975 when it was fully automated. A light, fog detector, fog signal and attendant power generators are needed to carry out the aids-to-navigation mission. Approximately 29 acres are licensed to the Port San Luis Harbor District for caretaker and limited maintenance responsibility. Two employees of the Port District occupy two sets of quarters at the station and perform maintenance activities. The Lighthouse located on the site has historic value.

DEPARTMENT OF TRANSPORTATION'S POSITION:

The Coast Guard's Board of Survey report for this property indicates a need for only one acre of the land to directly support the aids-to-navigation mission. The remaining 29 acres and facilities are identified as excess to mission needs, but to be retained as a buffer zone to preclude public exposure to excess sound pressure levels caused by the fog signal. It is the Coast Guard's general policy to retain all land where noise pollution constitutes a physical hazard to the health and welfare of personnel in the vicinity or an environmental nuisance to activity. They point to numerous complaints at other facilities with fog signals as additional evidence that the land is unsuitable for public utilization.

Also, in the followup discussions, the Coast Guard indicated that increased vandalism and exposure to liability lawsuits would likely result if this property were declared excess.

GSA'S POSITION:

GSA has recommended that 29 of the 30 acres at this facility be excessed, with the following rationale:

1. The property is not required for Coast Guard's mission.

2. Noise pollution alone is not in their opinion, justification for retention. Adequate safeguards can be established to protect the government from noise complaints. The property is permitted to Port San Luis Harbor District, and two families live at the site with no apparent ill effects from noise.

DISCUSSION:

(1) It is not clear that retention is the only, or even the best method, for meeting the Coast Guard's concerns pertaining to noise pollution and liability for private damage claims. PRB Counsel and GSA have concluded that noise concerns could be addressed by a number of alternative methods:

(a) There is an alternative baffling technique--one used at the Point Loma Light Station in San Diego--that would eliminate the noise problem altogether. It does not appear to be an expensive undertaking. Considering the Coast Guard's concerns about liability and the two families that currently live at the San Luis Obispo facility, this alternative should be adopted, if feasible.

(b) The existence of a noise problem can be identified clearly and specifically to potential purchasers as a part of the sale process.

(c) Where Coast Guard feels noise levels represent a clear and present danger, use restrictions can be included in the Deed of Transfer, for as long as the noise situation exists.

(d) Purchasers should be given an option to relocate or improve baffling to improve the noise situation, so long as the modifications meet Coast Guard standards.

(e) The government may wish to include a Waiver of Liability clause in the Deed.

A combination of these actions may actually improve the government's position concerning private damage suits.

(2) Also, the Board's staff undertook some additional study of Coast Guard's noise pollution criterion and concluded that the use of the 60 dB absolute sound level as their hearing conservation criterion for retaining property is questionable from at least two standpoints. First, it is not the sound measurement technique recommended by EPA nor that used by other agencies as being most representative of the effects of noise on people in a public utilization context. Secondly, it is a very conservative hearing conservation level. EPA estimates that over 60 million people live in areas with average day-night sound levels (LdN) of 60 dB or greater and at least 300,000 live in areas with an LdN of 80 dB or higher.

RECOMMENDATION:

For the reasons cited in the discussion above, the Board should resolve this dispute by having the Coast Guard declare the San Luis Obispo Light Station excess. Therefore, I recommend that you send the attached letter to the Secretary of Transportation.

Attachment: Honorable Elizabeth Hanford Dole Letter

THE WHITE HOUSE

WASHINGTON

The Honorable Elizabeth Hanford Dole
Secretary of Transportation
Department of Transportation
Washington, D.C. 20590

Dear Madam Secretary:

The Property Review Board has reviewed the disagreement between the Department of Transportation and the General Services Administration regarding property disposal at the San Luis Obispo Light Station, San Luis County, California. The Board is responsible, under Executive Order 12348, for resolving such conflicts.

The Department of Transportation's position is that this property should be retained as a buffer zone because of excessive noise pollution which renders it unacceptable for public utilization. After reviewing all the information provided by the Agencies, the Board has concluded that the property should be declared excess.

The principal reason for arriving at this decision is that the Board believes that noise pollution problems can be addressed satisfactorily through use and protection stipulations in the sale announcement and Deed of Conveyance.

The Board also urges the Coast Guard to consider installation of a noise baffle similar to that at the Point Loma Light facility in San Diego. This type of baffle would virtually eliminate the noise problem and represents the optimal solution to concerns of both the Coast Guard and potential purchasers.

Please report this parcel as excess to the Administrator of General Services. Thank you for your support of the President's efforts to make the highest and best use of the taxpayers' real property assets.

Sincerely,

Chairman, Property Review Board

cc: Gerald Carmen
Robert L. Fairman

4917

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

August 13, 1983

CICCONI

MEMORANDUM FOR EDWIN MEESE, III
JAMES A. BAKER, III
DAVID STOCKMAN
MARTIN FELDSTEIN
GERALD CARMAN

FROM: WILLIAM P. CLARK wpc

SUBJECT: Presidio of Monterey, Excess Property

GSA has proposed that acreage at the Presidio of Monterey, California be approved as excess federal property for sale or transfer. The Presidio of Monterey is home of the Defense Language Institute (DLI), a key national security resource supplying needed linguists to support vital intelligence related activities.

The Property Review Board should properly seek to maximize the Government's use of all its property, and to sell unneeded land or facilities where possible. Noting, though, the national security importance of DLI, we ask that the PRB take no actions that would limit the military utility of this institute. Specifically, no property disposal actions should be taken that would limit the mobilization surge capability or the readiness features of this facility.

Thank you for your consideration on this matter. I look forward to reviewing future information on the Presidio issue which addresses these national security concerns.

cc: Roger Porter, Acting OPD Member
Joshua Muss, Executive Director

THE WHITE HOUSE
WASHINGTON

8/25/82

TO: JIM BAKER

FROM: PROPERTY REVIEW BOARD

FYI

PROPERTY REVIEW BOARD

17th & PENNSYLVANIA AVENUE, N.W.

WASHINGTON, D.C. 20500

August 24, 1982

TO: MEMBERS, PROPERTY REVIEW BOARD

FROM: EDWIN HARPER
CHAIRMAN, PROPERTY REVIEW BOARD

SUBJECT: MINUTES OF AUGUST 7, 1982 BOARD MEETING

The third meeting of the Property Review Board was held on August 7, 1982, in the Roosevelt Room of the White House.

Members present were:

Edwin Harper (Chairman)	Gerald Carmen
James Baker	William Niskanen
David Stockman	

Secretary of Agriculture John Block and Assistant Secretary John Crowell attended at the request of the PRB to present their Asset Management program. Bruce Selfon, Acting Executive Director, served as Secretary.

AGENDA ITEMS I and II were deferred until a later meeting of the Board.

AGENDA ITEM III: Ex parte contacts with Property Review Board Members and Staff.

The Board approved Option 2 which was recommended by the White House Counsel's office. In accord with this option, PRB members and staff should avoid discussing details of specific cases before the Board and encourage interested parties to submit written comments. Dick Hauser will be responsible for preparing draft guidelines which will be circulated to Board members for review prior to formal adoption.

AGENDA ITEM IV: Conduct of surveys by GSA

The Board approved the staff recommendations in this agenda item with a modification. The Board endorsed the concept of having GSA and PRB staff prepare criteria for selecting properties to be surveyed. However, it was agreed that the Office of the Secretary of Defense would participate in the development of criteria for Defense properties.

In addition, the Chairman asked Bill Niskanen to present at the Board's next meeting a proposal developing incentives for the various agencies to dispose of unneeded property. The Office of Management and Budget and GSA staff will also participate in preparation of this proposal.

AGENDA ITEM V: The Department of Agriculture Asset Management Program

The Board, in general, endorsed the approach of the Department of Agriculture in the Asset Management Program. Specifically, the Board in Agenda Item V(A) agreed that USDA should develop an approach that used a combination of options. However, it was felt that final decisions on specific tracts that should be candidates for disposal would await enactment of needed legislation.

In Agenda Item V(B), the Board endorsed placing USDA lands in three general categories: retention, sale and further study. However, it was considered that only lands where statutory authority exists for disposal should be placed in Category II. This category, at present, would be limited to 60,000 acres. It was further understood that the lands in Category III would quickly be reviewed to identify those that merited further study for possible disposal and those that should be retained in Federal ownership.

In Agenda Item V(C), the Board endorsed Option 2 as the general policy on future exchanges of Forest Service property. The USDA will review all pending exchanges on their merits and develop guidelines for use in that review. It was understood that the priority would be sale rather than exchange but that there should be a phasing in of the new policies.

In Agenda Item V(D), it was agreed to pursue Option 3 and seek general sales authority, but enumerate in the legislation categorical exceptions to that authority. A legislative working group under the direction of Assistant Secretary John Crowell and including OMB, GSA, Interior and PRB staff will begin work on the legislation.

The Board also agreed that a coordinated sales plan of Agriculture and Interior properties should be developed. A target date of August 1983 was set for this plan. The PRB staff will coordinate this activity with Agriculture, Interior and GSA.

LATHAM, WATKINS & HILLS

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TELEPHONE (714) 236-1234
TELECOPIER (714) 239-3624

TO: The Honorable James A. Baker, III
Chief of Staff and Assistant
to the President

FROM: Carla A. Hills

RE: Land of William Davis and Others

DATE: December 10, 1982

Government inertia is unnecessarily and profoundly prejudicing private landowners. This memorandum outlines the facts which have led to our clients' efforts to exchange their land in Hawaii for unneeded federal acreage and the problems currently faced.

The Government's Actions

For the past two decades the government for all practical purposes has without any payment taken an option on the landowners' acreage in Hawaii. In the 1960s the area was declared an historical landmark. Beginning in 1969, the future of the land was clouded by a Congressional park study. In 1978, the land was designated for the Kaloko-Honokohau National Park. In 1980, Congress directed that the General Services Administration and the Secretary of the Interior exchange surplus land of equal value for the acreage. Yet the landowners' efforts to exchange their property have repeatedly been frustrated.

The Equities

The landowners have been prevented from developing their land, which is zoned for development. They have been prevented from selling the land, except at a distress price, because no purchaser would be able to develop it. Yet the landowners continue to pay taxes on the land at its development value.

The landowners are elderly; one suffered a massive stroke last fall. In the event of the owners' death, their heirs will be assessed estate taxes based on the property's high appraised value.

The Uniqueness of the Situation

The two-decade old cloud on the landowners' right of ownership is unique. The acreage, the last open stretch of coast on the Island of Hawaii, is unique. The fact that the land is zoned for development is unique. The Congressional mandate in the FY 1981 Interior Appropriations Act, directing the government to effect a land exchange, is unique. And the injustice worked on the elderly owners is unique.

An Exchange Would Correct the Inequities

The Secretary of the Interior has identified ten specified unneeded federal properties in Hawaii to exchange for the landowners' acreage. Such an exchange would not deplete the government's inventory of land. It would, however, stop the enormous inequity being perpetrated upon the landowners by the government.

The Problems

The Property Review Board has delayed granting an official exemption thus preventing any exchange from going forward. The General Services Administration has fought to prevent any exchange from taking place.

The Solution

1. Obtain expeditiously an official exemption from the Property Review Board.

2. Cause GSA to cooperate in implementing an exchange expeditiously.

Request

The landowners want to know whether the Administration will establish as an objective a solution to the problems presented.

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Request

The landowners want to know whether the Administration will establish as an objective a solution to the problems presented.

- EH wkg on Hawaii deleg.; dealt w/ Heinz
- if not, effect swap thru Prop. Rev. Bd
- waiting on word from Hills; deleg wkg on?

Call Harper: Hills says Hawaii deleg will not support Heinz

THE WHITE HOUSE

WASHINGTON

Cicconi

MEMORANDUM FOR EDWIN MEESE
JAMES BAKER
WILLIAM CLARK
DAVID STOCKMAN
MARTIN FELDSTEIN
GERALD CARMEN

FROM: EDWIN L. HARPER
CHAIRMAN, PROPERTY REVIEW BOARD

SUBJECT: Report to the Property Review Board on Privately-owned Lands within the Boundaries of National Parks or National Forests

At the last Board meeting, the Executive Director was instructed to determine the extent of private inholders in National Forests and National Parks and to report on the progress towards solution of the inholder problem at Kaloko-Honokohau, Hawaii. Attached is his report.

Attachment

To: Ed Harper

If it becomes clear before March 1 that the acquisition cannot be made via ceded lands

PROPERTY REVIEW BOARD
17th & PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20500

January 24, 1983

MEMORANDUM FOR EDWIN L. HARPER
CHAIRMAN, PROPERTY REVIEW BOARD

FROM: JOSHUA A. MUSS

SUBJECT: Report to the Property Review Board on Privately-owned Lands within the Boundaries of National Parks or National Forests

Enclosed is a revised copy of the above report together with a transmittal memorandum to the members of the Property Review Board.

Attachments

Report to the
Property Review Board
on Privately-owned Lands within the
Boundaries of National Parks or National Forests

Issue:

a. What is the magnitude and nature of the inholder problem?

b. What can we do about the problem in general and the Kaloko-Honokohau inholders in specific?

Background:

The size of the inholder problem is immense; there are 39,000,000 acres of privately-owned lands within the boundaries of the National Forests and 3,300,000 acres of privately-owned lands within the boundaries of the National Parks. While there are no accurate estimates of the value of the holdings, rule of thumb would indicate that they exceed $30 billion. (The value of private lands in the Santa Monica Mountain NRA alone exceeds $2 billion.)

The attached memo from the Justice Department confirms that there are few legal inhibitions on the use of private property which lies within the boundaries of a Park or Forest. In fact, in many cases there are substantial commercial or aesthetic benefits from being an inholder and many have actively resisted any attempt to change their status.

The practical effects of being an inholder vary with the nature of the property, its location and the proposed use. In the case of inholders who (like those at Kaloko-Honokohau) intended residential or commercial development of their properties, the practical consequences of being included in a National Park or Forest is to preclude development. This occurs because local governments often use the Park or Forest designation as an excuse to downzone the property. (For example, after Congress designated Kaloko-Honokohau a National Park, the County of Hawaii changed the zoning from development/resort to open space.) Additionally, the prospect of imminent condemnation discourages land holders from investing in the development of their property and inhibits their ability to finance permanent improvements.

Neither the Forest Service nor the Park Service has any information on the number of inholders who are anxious to have their property acquired. Both contend that to attempt to accumulate hard data would take a great effort and unnecessarily stir up controversy.

At the present time the agencies' acquisition policies are similar. Except in special, Congressionally-mandated instances (e.g. Lake Tahoe), the agencies purchase fee estates in inholdings only when pressed; and then only when an exchange or acquisition of a lesser interest cannot be arranged.

In regard to Kaloko-Honokohau, Congress authorized, but did not appropriate $25,000,000, for the acquisition of the Park. The inholders believe the market value of their properties aggregate $60,000,000. Congress also authorized the acquisition of the park lands by exchange.

Alternatives for Kaloko-Honokohau:

a) Acquire the inholders with appropriated funds - Strongly opposed by Department of Interior, because of limited funds available, potential adverse precedent , and low priority of this Park.

b) Acquire the inholders using the exchange authority - Opposed by PRB staff because of precedent and potential adverse effect on debt reduction initiative.

c) Retain the status quo - Unfair to the inholders.

d) De-authorize the Park - Despite the limited National interest in this Park, it is unreasonable to expect that Congress would pass legislation de-authorizing the Park.

e) Use State-owned, but Federally-occupied lands (ceded lands) to acquire the properties.

Recommendation:

1. Allow the current approach to the acquisition of inholdings in Parks and Forest Service to continue.

2. In regard to Kaloko-Honokohau attempt to arrange acquisition with ceded lands (Alternative e). If substantial progress cannot be achieved towards concluding this arrangement by March 1, 1983, selectively acquire the inholders by exchange (Alternative b).

Present Status:

On January 14, 1983, I met with Governor Aryoshi and proposed that ceded lands of sufficient value to acquire the property be returned by the Federal Government to the State with the understanding that the State would use either those lands, the proceeds of the sale of those lands, or other assets, to promptly acquire the Park lands. The Governor was interested in the proposal and suggested that I meet with the members of the Hawaiian Congressional delegation. Those meetings are scheduled over the next two weeks. The Governor and I will meet again in February, during his visit to Washigton for the National Governors' Conference,

U.S. Department of Justice

Land and Natural Resources Division

Office of the
Deputy Assistant Attorney General

Washington, D.C. 20530

December 28, 1982

Mr. Bruce Selfon
Deputy Director
Property Review Board
Room 497 Old Executive Office Building
Washington, D.C. 20500

Dear Mr. Selfon:

Pursuant to your request to Anthony C. Liotta, Deputy Assistant Attorney General, on December 27, 1982, the following information is submitted for your consideration.

Generally, an inholder (an owner of private property within a designated national park area) may exercise any of his property rights subject to the restrictions established by state, county or local laws. However, if this "inholder" requires ingress or egress within the national park and over the lands of the United States, the landowner is subject to the various rules and regulations as may be prescribed by the National Park Service. These regulations are generally found in 36 C.F.R. Chap. I, et seq.

In many instances, property is sold to the National Park Service reserving use and occupancy for a fixed term or life of the former owners. In those instances, restraints are usually placed on that inholder's use of the property; generally such as prohibiting the change of topography, means of access, cutting trees, etc., and restricting the use of residential purposes. General guidelines setting forth appropriate restrictions are prescribed by the National Park Service.

Sincerely,

F. Henry Habicht
Deputy Assistant Attorney General
Land and Natural Resources Division

THE WHITE HOUSE

WASHINGTON

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MEMORANDUM FOR EDWIN MEESE
JAMES BAKER
WILLIAM CLARK
DAVID STOCKMAN
MARTIN FELDSTEIN
GERALD CARMEN

FROM: EDWIN L. HARPER
CHAIRMAN, PROPERTY REVIEW BOARD

SUBJECT: Board Procedures on Resolution of Survey Disputes

Attached are the new Board procedures for handling property survey disputes. Two comments were received on the draft procedures you have already seen. These comments suggested (1) that the Board members be given an opportunity to review the Chairman's proposed resolution of a dispute and (2) that the Chairman formally notify the agencies of the Board's views. These suggestions are incorporated in the new procedures.

Attachment

PROPERTY REVIEW BOARD PROCEDURES FOR RESOLUTION OF SURVEY DISPUTES

In accordance with Executive Order 12348, the Board will follow these procedures in handling the resolution of interagency disputes that occur as a result of property surveys:

- The Administrator of General Services will forward the survey report, including agency views, to the Executive Director along with any additional written comments that the Administrator desires to make.

- The Executive Director will request the agency holding the property to provide any additional written comment within 14 days.

- The Executive Director will notify all Board members of survey reports referred for resolution.

- The Executive Director will prepare a brief written summary for the Chairman. The Chairman may resolve the dispute if (a) the dollar amount of the property in question is less than $20 million, and (b) the decision will not require the relocation to another facility of a continuing agency activity. If conditions (a) and (b) are not met, the dispute will be referred to the full Board for resolution.

- If the Chairman is authorized to resolve the dispute, his recommended resolution will be provided by memorandum to all Board members for review. If any Board member so requests within five working days, the dispute will be referred to the full Board for resolution at its next meeting. If no request is made, then the Chairman's resolution will be considered final.

- The Chairman of the Board will notify the agency, or agencies, involved and the General Services Administration of the Board's views.

PROPERTY REVIEW BOARD

17th & PENNSYLVANIA AVENUE, N.W.

WASHINGTON, D.C. 20500

March 17, 1983

MEMORANDUM FOR JAMES BAKER
EDWIN MEESE
DAVID STOCKMAN
GERALD CARMEN
WILLIAM CLARK
MARTIN FELDSTEIN

FROM: JOSHUA A. MUSS
EXECUTIVE DIRECTOR

SUBJECT: SURVEY DISPUTE ON THE NATIONAL CENTER FOR TOXICOLOGICAL RESEARCH, JEFFERSON, ARKANSAS

Edwin L. Harper, Chairman of the Property Review Board, recommends resolution of the survey dispute on the subject property by retention of the land in Federal ownership.

In accordance with Board guidelines, if no member of the Property Review Board objects within five working days, Mr. Harper's recommendation will be considered final.

Attached is his recommendation and a brief background memorandum.

Attachments

THE WHITE HOUSE

WASHINGTON

March 17, 1983

MEMORANDUM FOR GERALD CARMEN
ADMINISTRATOR, GENERAL SERVICES ADMINISTRATION
MARGARET HECKLER
SECRETARY, HEALTH AND HUMAN SERVICES

FROM: EDWIN L. HARPER
CHAIRMAN, PROPERTY REVIEW BOARD

SUBJECT: GSA SURVEY REPORT ON THE NATIONAL CENTER FOR TOXICOLOGICAL RESEARCH, JEFFERSON, ARKANSAS

Executive Order 12348 directed the Property Review Board to resolve conflicting claims which arise from real property surveys performed by the General Services Administration. The GSA has recommended that 250 acres at the National Center for Toxicological Resarch, Jefferson, Arkansas, which are unused be declared excess to the needs of the Department of Health and Human Services.

I have reviewed the HHS response to this report and I conclude that due to the possible health hazard on account of the current or potential contamination of the site, the property should be retained in federal ownership.

cc: Josh Muss (497)

PROPERTY REVIEW BOARD

17th & PENNSYLVANIA AVENUE, N.W.

WASHINGTON, D.C. 20500

March 15, 1983

MEMORANDUM FOR ED HARPER

FROM: JOSHUA MUSS

SUBJECT: GSA SURVEY REPORT ON THE NATIONAL CENTER FOR TOXICOLOGICAL RESEARCH, JEFFERSON, ARKANSAS

In 1980, the GSA surveyed the National Center for Toxicological Research, Jefferson, Arkansas, and recommended that 250 acres be declared excess. In accordance with our procedures we have written HHS, the holding agency, and invited their comment on the GSA report.

HHS has replied that while they are willing to dispose of the subject property, they note:

- the property is within the Pine Bluff Arsensal, a high security DOD facility

- the adjacent property is highly contaminated with toxic chemical munitions and, therefore, the subject property is restricted against human habitation and the assemblage of human beings. Legitimate concern exists that the adjacent uses may contaminate the soil or ground water of this site.

- about 62 acres of the property are in the flood plain and the entire site has a low value, perhaps $100,000.

Recommendation: The present or potential future contamination hazards of the site dictate against disposal of the property and for retention in federal ownership. The low market value of property at this time does not warrant the expenditures for engineering studies necessary to determine the extent of present and future contamination and the method and cost of decontamination if necessary.

For your information the HHS letter is attached.

If you agree with my conclusions, attached is a letter for your signature. Under our procedures we are required to circulate our recommendation to the Board members for five days prior to issuance of the letter.

Attachment

8/10/83

THE WHITE HOUSE
WASHINGTON

TO: Jim Baker

FROM: *Richard A. Hauser*
Deputy Counsel to the President

FYI: ✓

COMMENT: _____

ACTION: _____

THE WHITE HOUSE

WASHINGTON

March 9, 1983

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MEMORANDUM FOR JOSHUA A. MUSS
EXECUTIVE DIRECTOR
PROPERTY REVIEW BOARD

FROM: RICHARD A. HAUSER RAH
DEPUTY COUNSEL TO THE PRESIDENT

SUBJECT: Proposed Letter to Qualified Investment Bankers

This is in response to your memorandum of March 3, 1983 in which you request our comments on your proposed letter to "qualified investment bankers" with respect to the sale of "several large and valuable tracts of Federally-owned [surplus] properties."

While the general concepts set forth in your letter appear to have considerable merit, I strongly recommend that such a letter not be sent until the details of your proposal are discussed with this office, OMB General Counsel and the Department of Justice to ensure that applicable Federal statutes and regulations would sanction the contemplated procedures for the disposition of the property at issue. Additionally, given the controversy that may be generated from this proposal, you may wish to discuss it with the appropriate White House offices, including, but not limited to the Offices of Intergovernmental Affairs, Political Affairs and Legislative Affairs.

PROPERTY REVIEW BOARD
17th & PENNSYLVANIA AVENUE N.W.
WASHINGTON, D.C. 20500

March 3, 1983

MEMORANDUM FOR RICHARD HAUSER

FROM: JOSHUA A. MUSS

SUBJECT: Draft of Proposed Letter to Qualified Investment Bankers

For your comments, enclosed is a draft of a letter which we discussed. I would appreciate hearing from you as soon as possible.

Attachment

DRAFT OF PROPOSED LETTER
TO QUALIFIED INVESTMENT BANKERS

Gentlemen:

I anticipate that, in the near future, several large and valuable tracts of Federally-owned properties will become surplus and available for sale to private interests. These parcels are located in urban areas and are ready for development, but are not suitable for disposal through normal Government procedures because of the extremely large value of the properties, the complexity of the required planning, and the necessity for obtaining local zoning. I am exploring the possibility of disposing of these properties by using the services of investment bankers to assist in organization and finance of a publicly-owned entity for the acquisition of these properties.

I anticipate that the Government would negotiate the sale for fair market value of two or three of these properties to this entity. The sale could be for all cash or partially on terms, and could be subject to the satisfaction of agreed-upon conditions. While statutory authority currently exists which permit any of the above, we expect that the size and complexity of the transaction will dictate Congressional oversight. In addition to the normal and customary investment banking services, the investment banker to the acquiring entity might advise and assist in:

1. Selection of the appropriate organizational form (e.g. land trust, corporation, partnership).

2. Selection of management team.

3. Analysis and evaluation of the properties to be acquired.

4. Negotiation of the terms and conditions of acquisition of the property.

5. Preparation of operating projections.

6. Determination of the type of securities to be issued.

7. Obtaining a firm commitment for underwriting of the sale of securities in an amount sufficient to fund the cash portion of the purchase price of the property acquisition.

I expect that the properties to be purchased will have a market value of about $500 million.

I am writing to you, as I have to several other large investment banking firms, to ask if you would be interested in developing and financing an entity

suitable for the transaction which I've outlined. Since you will be representing the acquiring organization, not the Government, in this transaction, the Government would have no responsibility for your fees or expenses. If you have any questions before responding to my inquiry, do not hesitate to call me. Would you please let me know in writing if you are interested in pursuing this matter by _____.