Brief History of BRAC Activity in the United States

2021 UPDATE

COPT

Base Realignment and Closure ("BRAC")

BRAC is the congressionally authorized process through which the Department of Defense ("DOD") has periodically enacted large-scale realignments or consolidations to its military infrastructure in order to reduce costs, support U.S. troops more efficiently and effectively, and to increase operational readiness. Beginning with the first in 1988, the DOD has executed five BRACs, summarized in **Table 1**.

TABLE 1: COMPARISON OF BRAC ROUNDS

BRAC ROUND	MAJOR CLOSURES	MAJOR REALIGNMENTS	MINOR CLOSURES & REALIGNMENTS	TOTAL ACTIONS	NET ANNUAL RECURRING SAVINGS ($ BILLIONS)†
1988	16	4	23	43	$1.0
1991	26	17	32	75	2.3
1993	28	12	123	163	2.7
1995	27	22	57	106	1.9
Subtotal	**97**	**55**	**235**	**387**	**7.9**
2005	22	33	757*	812	4.0
Total	**119**	**88**	**992**	**1,199**	**Approx $12.0**

Source: GAO's Testimony Before the Subcommittee on Readiness, Committee on Armed Services, House of Representatives (GAO-08-341T) December 2007

† Savings estimates are in FY 2008 constant dollars; if inflated to FY 2016 constant dollars, the annual savings would approximate $14 billion. **Source:** Deputy Secretary of Defense Memorandum on Infrastructure Capacity (March 2016).

* Individual bases may have been affected by more than one realignment.

In addition to the number of realignment and closure actions precipitated by each BRAC, the strategic objectives behind each BRAC round also differed. The first four rounds were "efficiency BRACs" designed to yield immediate and on-going savings. In 1988, for example, the Secretary of Defense unilaterally signed the charter that established the first BRAC, which realized savings and recurring cost reductions through closing bases that had low "military value" and by realigning activities to installations that would pursue them more efficiently. The DOD estimates that the four BRACs that occurred between 1988 and 1995 collectively eliminated 21% of the DOD's 1988 installation capacity.

In 1990 in an effort to ensure a fair and transparent evaluation of defense installations, Congress enacted the *Defense Base Closure and Realignment Act of 1990* (P.L. 101-510). The 1990 BRAC Act established an independent commission and prescribed procedures the President, DOD, General Accounting Office ("GAO") and commission must follow to close and realign bases during three BRAC rounds specified in the 1990 Act: 1991, 1993, and 1995. **Table 2** summarizes the DOD's eight criteria for selecting locations for closure or realignment. Each branch of service determined how they would measure the eight BRAC criteria. As an example, **Table 2** also summarizes the *measures of merit* the Army developed to assess each installation's military value.

TABLE 2: DOD CRITERIA FOR SELECTING BASES FOR CLOSURE OR REALIGNMENT—ARMY METRICS

CATEGORY		CRITERIA	ARMY MEASURES OF MERIT
Military Value	1	The current and future mission requirements and the impact of operational readiness of DOD's total force	Mission Essentiality Mission Suitability
	2	The availability and condition of land, facilities, and associated airspace at both the existing and potential receiving locations	Mission Suitability Expandability Quality of Life
	3	The ability to accommodate contingency, mobilization, and future total force requirements at both the existing and potential receiving locations	Mission Suitability
	4	The cost and manpower implications	Operational Efficiencies Expandability Quality of Life
Return on Investment	5	The extent and timing of potential costs and savings, including the number of years, beginning with the date of completion of the closure or realignment, for the savings to exceed the costs	
Impacts	6	The economic impact on communities	
	7	The ability of both the existing and potential receiving communities' infrastructure to support forces, missions, and personnel	
	8	The environmental impact	

Source: Table 1.1 (p. 12) and Table III.2 (p. 85) of the GAO's Report to Congress and the Chairman, Defense Base Closure and Realignment Commission (April 1993)

Among the Army's five metrics of merit, **mission essentiality** ("the ability of an installation to generate, project, and sustain combat power in support of national military goals") and **mission suitability** ("the ability of an installation to support the operational requirements of its assigned units") carry the greatest weight.

The National Defense Authorization Act for Fiscal Year 2002 (P. L. 107-107), which was signed in December 2001, authorized the **2005 BRAC,** the largest and most complex of the five BRACs. The prior four rounds of BRAC occurred during periods of declining defense budgets and accordingly focused on eliminating excess capacity and realizing cost savings without sacrificing military value. In contrast, the 2005 BRAC process took place during a time of war and emphasized enhancing military value, especially by co-locating operations, without sacrificing cost savings. The six-year implementation period associated with the 2005 "transformational BRAC" was required to allow time to build new headquarters and other facilities on defense installations that received new missions and personnel due to closures and realignments elsewhere. The military value of certain sites and the opportunity to enhance that value further by realigning missions and building new facilities at proven locations like Fort Meade and Redstone Arsenal, were of greater strategic importance to the DOD than cost cutting. Accordingly, the 2005 BRAC activity generally made large, established defense installations larger, and eliminated smaller bases.

COPT Locations and BRAC

In 2021, COPT's core portfolio contained approximately 21 million square feet, over 90% of which were adjacent or proximate to 10 major U.S. defense installations. While the missions at COPT's Government demand drivers are executing hi-tech, research & development oriented work in support of national defense, four of them rank among the top five in the country for civilian ("hi-tech") jobs (see **Table 3**).

Additionally, COPT supports demand for office space at four critical defense locations that benefitted materially from BRAC relocations and realignments since 1988: Fort George C. Meade ("Fort Meade"), Fort Belvoir, three Navy Support locations, and Redstone Arsenal. The following pages summarize the significant BRAC actions that transformed these defense installations.

BOEING CAMPUS AT REDSTONE GATEWAY

TABLE 3: U.S. DOMESTIC DEFENSE INSTALLATIONS RANKED BY # OF HI-TECH JOBS

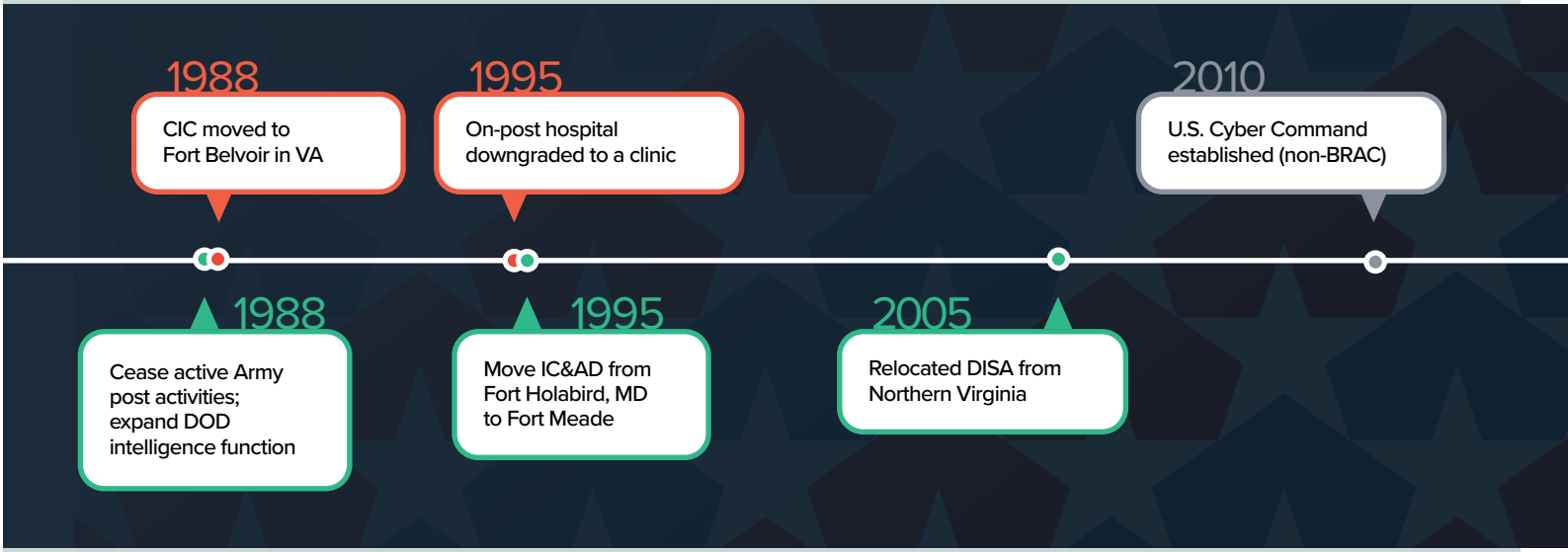
DEFENSE INSTALLATION	RANK*	SERVICE BRANCH	LOCATION
Fort Meade ^	1	Army	Annapolis Junction, MD
Naval Station – Norfolk	2	Navy	Hampton Roads, VA
Redstone Arsenal ^	3	Army	Huntsville, AL
Fort Belvoir ^	4	Army	Springfield, VA
Joint Base San Antonio ("JBSA")– Lackland–Randolph–Fort Sam Houston ^	5	Air Force Army	San Antonio, TX

* **Source:** COPT 2016 proprietary study of 140 U.S. Defense Installations
^ COPT U.S. Government demand drivers

Fort Meade

In the 1950s, Fort Meade began transitioning from an active Army post into an administrative center in the National Capital Region focused on DOD intelligence activities. The **1988 BRAC** accelerated this transformation by closing Fort Meade's firing ranges, training areas, and airfield, and by realigning the **Criminal Investigation Command** ("CIC" or, more commonly, the "CID") to Fort Belvoir in Springfield, Virginia. The CID is the DOD's primary investigative organization and is "responsible for conducting criminal investigations in which the Army is, or may be, a party of interest." (Please see http://www.cid.army.mil/ for additional information.)

Fort Meade has a high military value given its tenancy and its proximity to Washington, DC; the **1995 BRAC** affirmed its strategic importance to the National Capital Region. Fort Meade's hospital was downsized to a clinic and the **Investigations Control and Automation Directorate ("IC&AD")** function moved from Fort Holabird, Maryland, to Fort Meade.

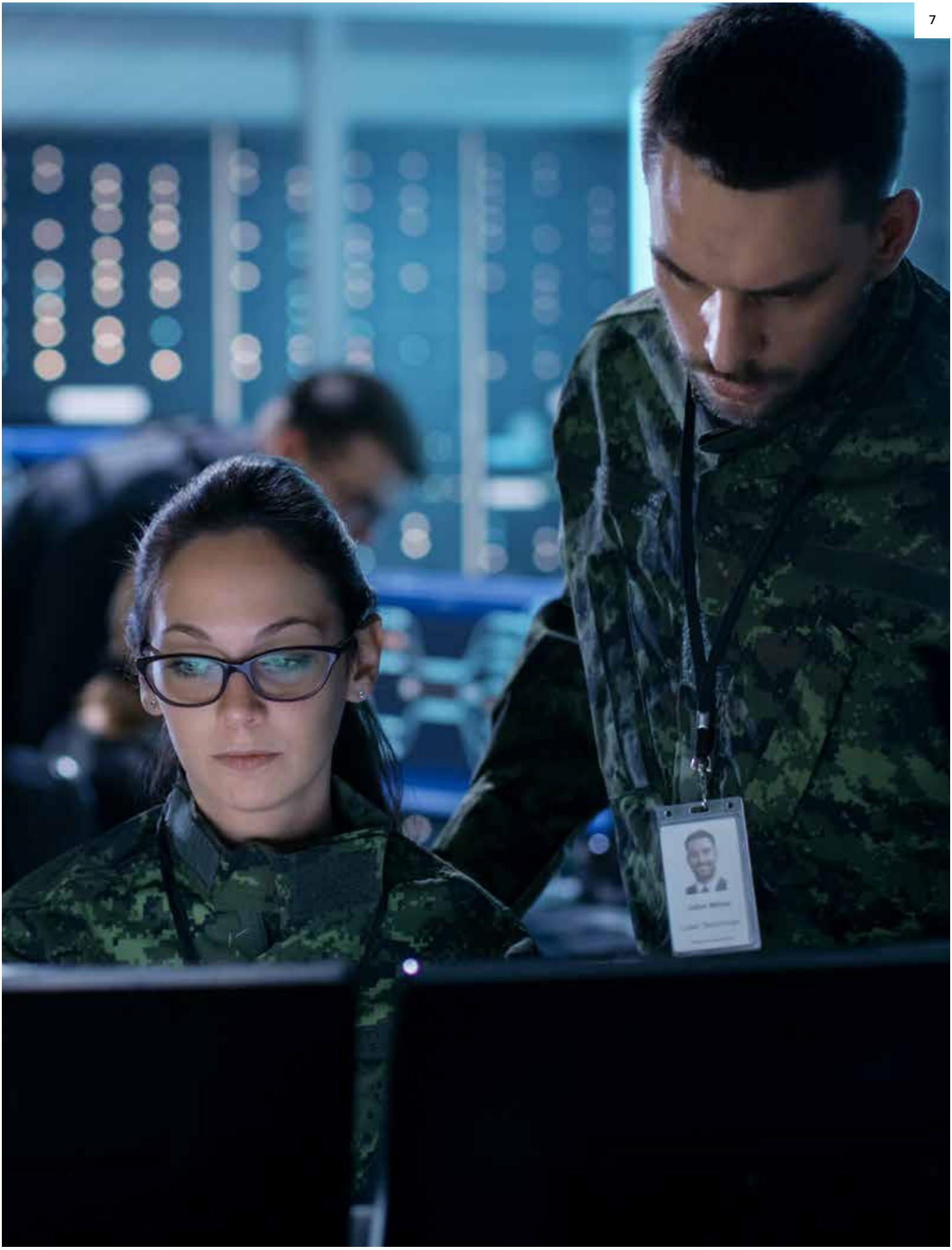


The **2005 BRAC** moved the **Defense Information Systems Agency ("DISA")** headquarters from Crystal City in Northern Virginia to Fort Meade, adding more than 4,500 jobs. DISA's facility on Fort Meade opened in 2011.

Non-BRAC Growth. Mid-2009, the Secretary of Defense directed the Commander of the U.S. Strategic Command to establish **U.S. Cyber Command ("USCYBERCOM"),** which became operational a year later at Fort Meade. More recently, in December 2016 the President signed into law a bill that would convert USCYBERCOM into a combatant command. Provided the Secretary of Defense and the Joint Chiefs of Staff follow through, USCYBERCOM would become the DOD's 10th combatant command (or "cocom"), whose commander will have full authority and operational control to organize and employ forces necessary to accomplish assigned missions.

The Fort Meade of today bears no resemblance to the pre-1950s army post that trained and prepared U.S. troops for battle. As summarized in **Table 3,** Fort Meade boasts the highest number of hi-tech, non-military jobs of any defense installation in the U.S. This conversion into a *DOD Center of Excellence* in technology and cybersecurity was made possible, in part, by the mission realignments that took place during the 1988, 1995, and 2005 BRACs.

COPT owns six office parks that support Fort Meade and its hi-tech missions: The National Business Park, Arundel Preserve, Airport Square, Columbia Gateway, and two other secure Government campuses. These six locations accounted for approximately 50% of COPT's annualized rental revenue.



Fort Belvoir

Founded during World War I, Fort Belvoir began transforming in the 1950s from training troops to research and development. One of Fort Belvoir's newest and largest tenants is the **National Geospatial-Intelligence Agency ("NGA"),** whose operations consolidated to Fort Belvoir during the 2005 BRAC.

Fort Belvoir & BRAC. The past five BRACs have radically realigned Fort Belvoir, which due to its proximity to Washington, DC, remains one of the defense installations listed among those serving the National Capital Region.

1988
Army Engineering School relocated to Missouri

1988
CIC relocated from Fort Meade to Fort Belvoir

1991–1995
DTRA formed by consolidating multiple functions

2005
NGA and five other major activities relocated to Fort Belvoir

- The 1988 BRAC:
  - Moved the **U.S. Army Engineer School** from Fort Belvoir to Fort Leonard Wood in Missouri; this diminished Fort Belvoir's future role as an engineering training center
  - The **Criminal Investigation Command** ("CIC" or "CID") realigned from Fort Meade in Maryland
  - Corrosion prevention and control related research was consolidated to the Belvoir Research, Development, and Engineering Center
  - The 1988 BRAC also closed Cameron Station in Alexandria, Virginia, and transferred its activities to Fort Belvoir. These activities included:
    - Defense Logistics Agency ("DLA")
    - Defense Contract Audit Agency ("DCAA")
    - Engineer Activity Capital Area
    - Joint Personal Property Shipping Office, Washington ("JPPSOMA")
- The 1991-1995 BRACs consolidated multiple functions to Fort Belvoir to form the **Defense Threat Reduction Agency ("DTRA")** in 1998
- The 2005 BRAC relocated the DTRA's Chemical Biological Defense Research function to Aberdeen Proving Ground in Maryland. This job loss was more than off-set by the influx of DOD jobs from six major realignments into Fort Belvoir:
  - **NGA** – 8,500 DOD jobs from Bethesda, Maryland, Reston, Virginia, the National Reconnaissance Office ("NRO") in Westfields, VA, and Washington, DC
  - **Washington Headquarters Services** – 7,800 DOD jobs from leased office space throughout Northern Virginia
  - **Program Executive Office, Enterprise Information Systems ("PEO EIS")** – 500 DOD jobs from Fort Monmouth, New Jersey
  - **Missile Defense Agency ("MDA")** headquarters – 140 DOD jobs relocated from facilities elsewhere in the National Capital Region

COPT owns one operational building totaling 238,000 square feet, and 6.6 acres of developable land that can support another 739,000 square feet adjacent to the NGA's newly constructed, 2.2 million square foot headquarters, which houses 8,500 employees and ranks as the capitol area's third largest federal building. (The Pentagon and the Ronald Reagan building respectively rank first and second.)

Navy Support Group

COPT OWNS THREE SETS OF OFFICE ASSETS THAT SUPPORT NAVY OPERATIONS:

COPT LOCATIONS	NAVY DEMAND DRIVER
Maritime Plaza (2 buildings)	Washington Navy Yard
Pax River (13 buildings)*	NAVAIR & NAVFAC
Dahlgren (6 buildings)**	NAVSEA & NAWCAD

* Consists of Exploration & Expedition Office Park and Wildewood Technology Park
** Dahlgren Technology Center in Dahlgren, Virginia

WASHINGTON NAVY YARD

COPT's Maritime Plaza is a two-building complex in the eastern portion of the Capitol Riverfront submarket, directly across the street from Washington, DC's Navy Yard. The **Washington Navy Yard** was established in 1799 as a shipbuilding facility and, today, is the Navy's longest continuously operated federal facility. The Navy Yard remains an essential defense installation, housing:

- Chief of Naval Operations ("CNO")
- Naval Sea Systems Command ("NAVSEA")
- Naval Reactors ("NR")
- Naval Facilities Engineering Command ("NAVFAC")
- U.S. Naval Judge Advocate General ("JAG") Corps
- Marine Corps Institute ("MCI")
- Naval History and Heritage Command
- National Museum of the U.S. Navy

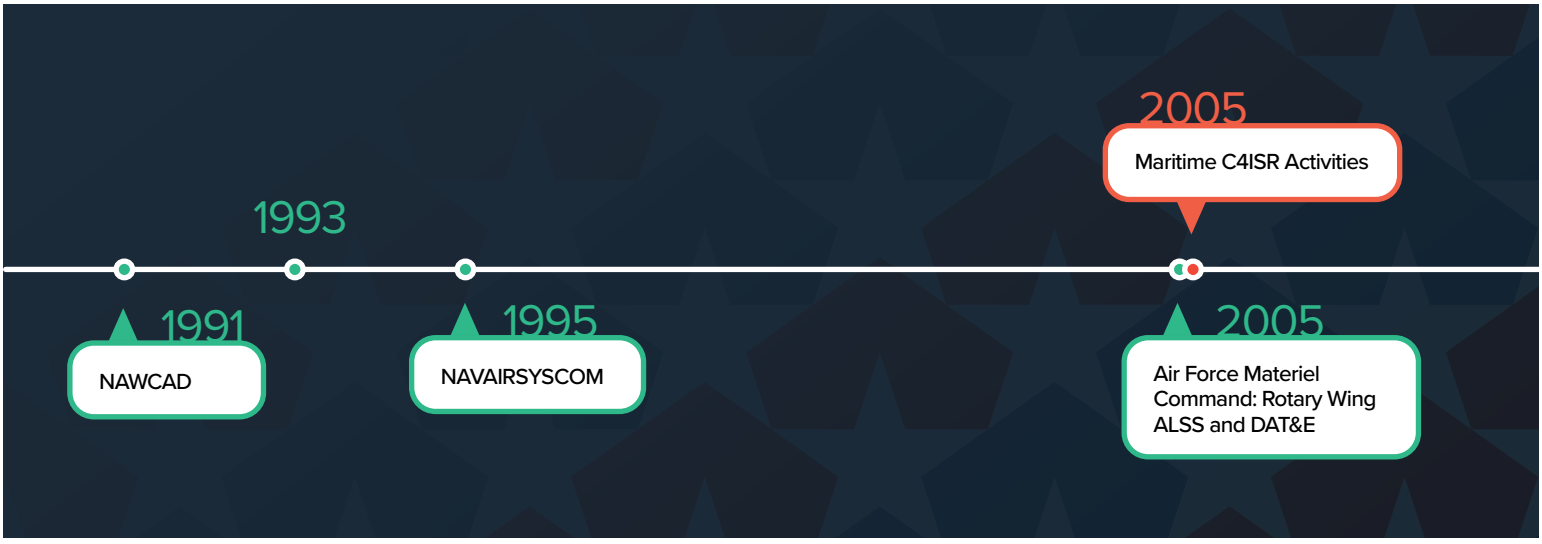
NAS PAX RIVER

COPT's two Pax River assets in St. Mary's County, Maryland, support operations at the **Naval Air Station Patuxent River ("NAS Pax River"),** known as the center of excellence for naval aviation. NAS Pax River is located at the mouth of the Patuxent River, 65 miles southeast of Washington, DC and was established in 1943 to centralize air testing facilities created during World War II. Today, NAS Pax River supports naval aviation research, development, testing and evaluation of aircraft and related components. Its major missions include the Naval Air Systems Command ("NAVAIR") headquarters, Naval Air Warfare Center Aircraft Division ("NAWCAD"), the U.S. Naval Test Pilot School, and the Atlantic Test Range. NAS Pax River's remoteness is essential to these missions, for it is removed from air traffic congestion and allows for weapons and aircraft testing.

NAS PAX RIVER & BRAC

While many Naval facilities were closed and realigned by previous BRACs, especially in 1991 and 1993, NAS Pax River benefitted from each of the BRAC rounds in 1991, 1993, 1995, and 2005.

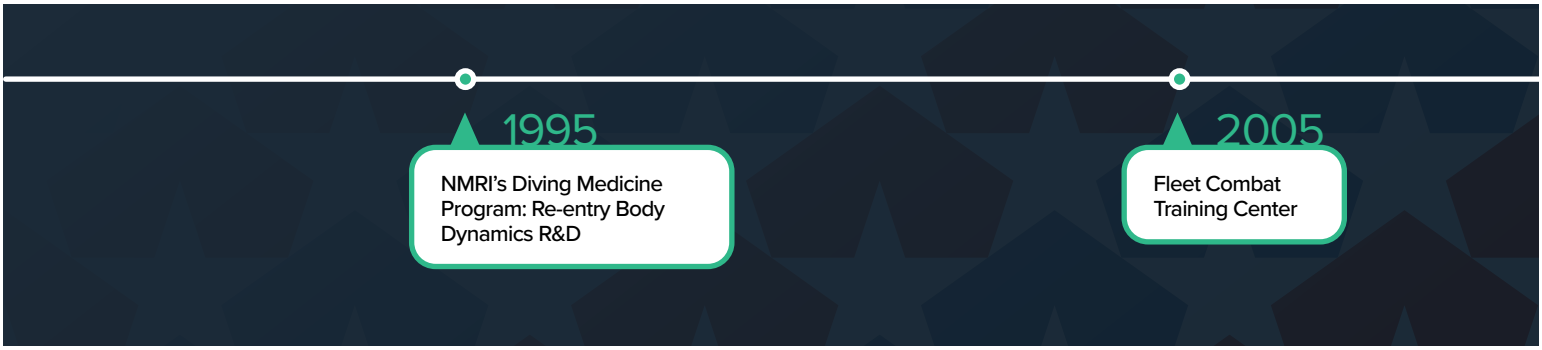
> In the 1991–1995 BRACs, NAS Pax River gained over 6,800 DOD jobs from the relocation of NAWCAD sites at Warminster, PA, and Trenton, NJ, and the relocation of Naval Air Systems Command ("NAVAIRSYSCOM") from Crystal City, VA. The relocations of Naval Aviation Research, Development, Test and Evaluation ("NAVAir RDT&E") facilities from Warminster and Trenton, and the NAVAIRSYSCOM from Crystal City to NAS Pax River during these years positioned NAWCAD to carry out its mission as the Navy's principal RDT&E, engineering, and fleet support mission.



> The 2005 BRAC fortified the Joint Center at NAWCAD by consolidating Rotary Wing Air activities to NAS Pax River. Though NAS Pax River lost activities involved in maritime Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance ("C4ISR") to the Naval Station Newport, RI, during the 2005 BRAC it gained Air Force Materiel Command V-22 activities in rotary wing air platform development, as well as Air Land Sea & Space ("ALSS") activities focused primarily on Rotary Wing Air Platform Development, Acquisition, Test & Evaluation ("DAT&E"). These BRAC actions co-located aircraft and aircraft support systems with development and acquisition personnel to enhance efficiency and effectiveness of rotary wing platform design and development activities.

DAHLGREN

Forty-five miles west along the Potomac River in Dahlgren, Virginia, the **Naval Surface Warfare Center Dahlgren Division ("NSWCDD," "Dahlgren Lab," or "Dahlgren")** is a weapons testing division of Naval Sea Systems Command ("NAVSEA"). Established in 1918 as a Naval Proving Ground, Dahlgren's location allows for long range ballistic testing. Today, NSWCDD conducts basic research in all systems-related areas and pursues scientific disciplines including biotechnology, chemistry, mathematics, laser and computer technology, chemical, mechanical, electrical and systems engineering, physics and computer science. Dahlgren technology is critical to new design concepts for ships and for systems integration and interoperability for the U.S. Navy. Current projects include the majority of U.S. research into directed-energy weapons, railgun technology, and weapons integration for the Littoral combat ship.



DAHLGREN & BRAC

> During the 1995 BRAC, the Navy closed the Naval Medical Research Institute ("NMRI") in Bethesda, MD, and relocated its Diving Medicine Program to the Experimental Diving Unit at Dahlgren. Additionally, the Navy closed the NSWC, Dahlgren Division Detachment located in White Oak, MD, and transferred the functions and personnel associated with re-entry body dynamics R&D to Dahlgren.

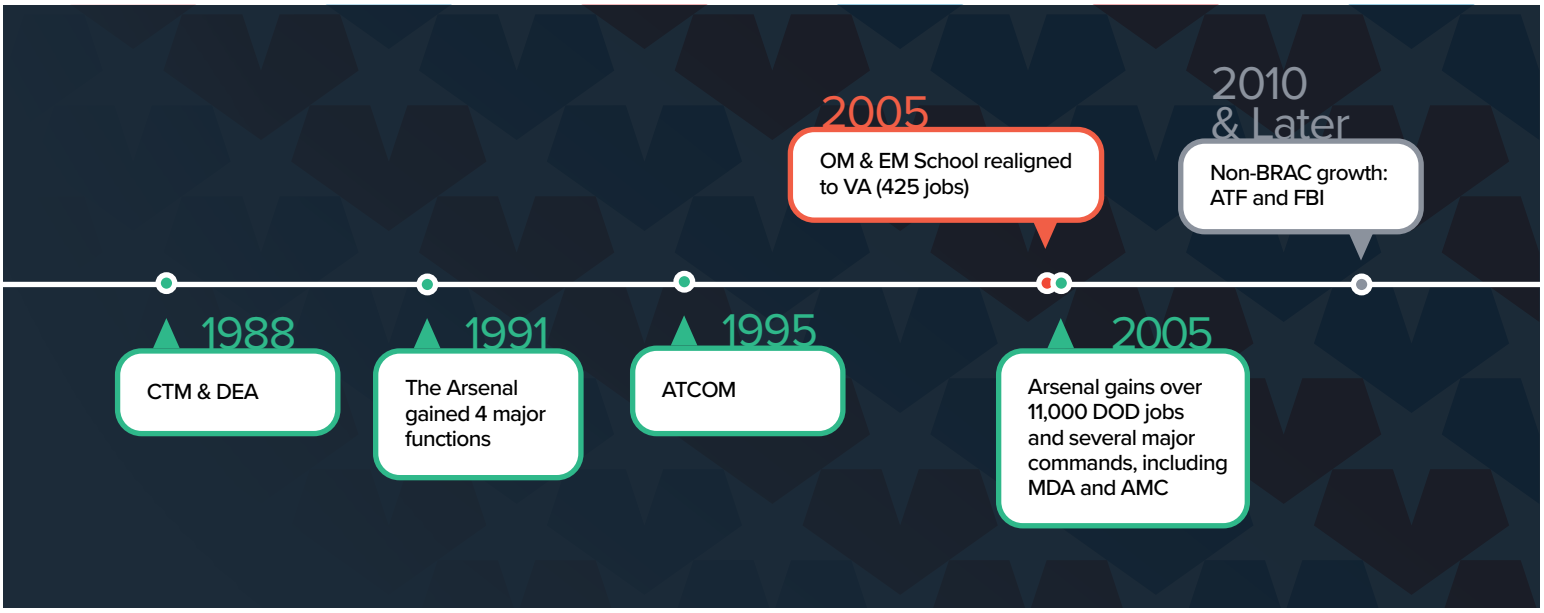
> During the 2005 BRAC, the Navy realigned the Fleet Combat Training Center from San Diego, CA, to Dahlgren.

Redstone Arsenal

COPT is developing Redstone Gateway on land leased from the Army at the Redstone Arsenal in Huntsville, Alabama. As of December 31, 2020, the Company had developed 11 contractor buildings totaling 1.3 million square feet that were 100% leased. As of the same date, the Company was developing another three buildings totaling 156,000 square feet. Additionally, COPT can develop another 3–4 million square feet on land it controls.

Established in 1941, Redstone Arsenal (the "Arsenal") has been the Army's center for missile and rocket programs since 1948. The Arsenal also is a DOD *Center of Excellence* for Integration, Research, Development, Testing and Evaluation of major programs and systems. Its on-base daily workforce of approximately 40,000 people includes fewer than 900 uniformed soldiers and, as shown in **Table 3,** ranks Redstone as the third largest defense installation in the U.S.

Redstone Arsenal & BRAC. During every BRAC that has affected Huntsville, the Arsenal has been a net winner of DOD jobs and funding. In similarity to Fort Meade, the few missions Redstone has lost were lower-tech in nature, and their realignment to other installations freed up capacity for hi-tech activity that was synergistic with existing commands at the Arsenal.



1000, 1100 & 1200 REDSTONE GATEWAY

Redstone Arsenal & BRAC (continued):

- The 1988 BRAC moved the **Test, Measurement & Diagnostics Equipment Activity ("TM & DEA")** from Lexington-Bluegrass Army Depot in Kentucky to the Arsenal
- The 1991 BRAC:
  - Moved **Logistics Control Activity ("LCA")** from the Presidio of San Francisco to the Arsenal, and – in a revision to the 1988 BRAC that moved **Materiel Readiness Support Activity ("MRSA")** to Letterkenny Army Depot in Pennsylvania from Lexington-Bluegrass Army Depot in Kentucky – the 1991 BRAC moved the MRSA from Pennsylvania to the Arsenal. The LCA and MRSA combined activities at the Arsenal to form **Logistics Support Activity ("LOGSA")**
  - The **Armament, Munitions, and Chemical Command ("AMCCOM")** was realigned from Rock Island Arsenal in Illinois to Redstone Arsenal
  - The **Fuse Development and Production Mission** Army Laboratory was moved to the Arsenal from Adelphi, Maryland
- The 1995 BRAC initiatives consolidated and realigned several aviation activities to the Arsenal from multiple locations throughout the country, including the **Aviation and Troop Command ("ATCOM")** from St. Louis, Missouri
- While the 2005 BRAC caused the **Ordnance Munitions & Electronics Maintenance School ("OM & EM")** (425 DOD jobs) to relocate to Fort Lee in Virginia, it also moved approximately 11,400 DOD, contractor, and civilian jobs to the Arsenal, including:
  - **Missile Defense Agency ("MDA")** headquarters remained at Fort Belvoir in Springfield, Virginia, but more than 2,200 MDA jobs moved to the Arsenal
  - **Army Materiel Command ("AMC")** was moved from Ft. Belvoir, where it had been headquartered for 50 years
  - **Security Assistance Command ("USASAC")** relocated from Fort Belvoir to the Arsenal, managing foreign sales of U.S. weaponry
  - **Aviation Technical Test Center** (merged into Redstone Test Center) from Fort Rucker in southern Alabama
  - **Space & Missile Defense Command ("SMDC")** moved its headquarters from Arlington, Virginia, to Fort Belvoir; all other function were moved from Arlington, Virginia, to the Arsenal. The mission also leased one local building in Huntsville; they did not renew and, instead, consolidated into the Arsenal
  - **Rotary Wing Air Platform** from Fort Rucker in southern Alabama
  - **2nd Recruiting Brigade** and the **2nd Medical Recruiting Battalion** were moved from Fort Gillem in Georgia to the Arsenal (Fort Gillem closed as a result of the 2005 BRAC actions)

Non-BRAC Growth. After the 2005 BRAC commission completed its work, the Arsenal continued to benefit from non-BRAC growth. In 2010, the **Bureau of Alcohol, Tobacco, Firearms and Explosives ("ATF")** moved its **National Center for Explosives Training and Research ("NCETR")** from Fort A.P. Hill in Virginia to a newly built facility at the Arsenal. More recently, the fiscal 2017 federal budget appropriated the final funds the **Federal Bureau of Investigation ("FBI")** needed to complete construction of its Investigation **Terrorist Explosive Device Analytical Center ("TEDAC")** and **Hazardous Devices School ("HDS")** on the Arsenal.

- In November 2018, the FBI announced they will be moving 1,450 employees from the Washington, DC, region to Redstone Arsenal by 2021 into a new $1 billion campus. Ultimately, they plan to relocate 5,000 employees to Redstone Arsenal. (https://www.al.com/news/2018/11/fbi-announces-1350-jobs-moving-to-huntsville.html and https://www.al.com/news/2020/11/9-fbi-buildings-under-construction-to-house-thousands-of-workers-at-alabamas-redstone-arsenal.html)

What's Next? The Call for BRAC 20??

In each National Defense Authorization Act ("NDAA" or "DOD Budget") since fiscal 2012, the Pentagon has asked for funds and authority to plan for the next round of BRAC. In a March 2016 report, the Pentagon's Deputy Defense Secretary, Robert Work, communicated that eliminating the unnecessary portion of the military's current infrastructure could save another $2 billion annually.

"Infrastructure" is a measure of 32 different categories, including the number of aircraft owned, aircraft hangers maintained, and acreage devoted to training troops. For example, both the Army and Air Force have determined that they have more space for training and basing troops than they need and would like to reallocate monies into priority missions. In all cases, the Pentagon continues to request that Congress authorize another round of BRAC in order to "right-size our infrastructure, capture the savings, and devote these savings to readiness, modernization, and other more pressing national security requirements."

It is unclear when (or if) Congress will ever authorize another BRAC. The infrastructure targeted by the next BRAC would not affect hi-tech, R&D-oriented defense installations like Fort Meade or Redstone Arsenal. To the contrary, these and other defense installations that have proven their military value and, accordingly, benefitted from past BRAC actions—and whose missions are essential to national defense—would likely benefit from the reallocation of future BRAC savings to their commands.

DEFENSE INSTALLATION(S)	COPT ASSET(S)	MISSION(S)
Fort Meade	NBP Arundel Preserve Columbia Gateway Airport Square	Cyber Signals Intelligence Info Assurance DOD IT Function
Fort Belvoir	Patriot Ridge	NGA
NOVA Agencies	Westfields	Intelligence Activities, FBI Cyber, National Reconnaissance Office ("NRO")
Washington Navy Yard NAS Pax River NSWCDD Dahlgren	Maritime Plaza Pax River I & II* Dahlgren Technology Center	NAVSEA, NAVAIR, NAVFAC, NAWCAD
Redstone Arsenal	Redstone Gateway	Missile Defense, Aviation & Rocket Testing, Army Materiel Command, NASA Space Program & Others

* Pax River I consists of COPT's Exploration & Expedition Office Parks;
Pax River II is also called Wildewood Technology Park.

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