Alternatives for Final Disposition of Plum Island

June 27, 2016

Fiscal Year 2016 Report to Congress

Homeland Security

Under Secretary for Management

Message from the Deputy Under Secretary for Management

June 27, 2016

I am pleased to submit the following report, "Alternatives for Final Disposition of Plum Island," which has been prepared by the U.S. Department of Homeland Security (DHS), in conjunction with the U.S. General Services Administration (GSA) with appropriate consultation from the U.S. Department of the Interior and the U.S. Environmental Protection Agency.

This report was prepared pursuant to language in Senate Report 114-68 accompanying the *Fiscal Year* (FY) *2016 DHS Appropriations Act* (P.L. 114-113).

Pursuant to congressional requirements, this report is being provided to the following Members of Congress:

The Honorable John R. Carter
Chairman, House Appropriations Subcommittee on Homeland Security

The Honorable Lucille Roybal-Allard
Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable John Hoeven
Chairman, Senate Appropriations Subcommittee on Homeland Security

The Honorable Jeanne Shaheen
Ranking Member, Senate Appropriations Subcommittee on Homeland Security

Inquiries relating to this report may be directed to me at (202) 447-5751.

Sincerely,

Chip Fulghum
Deputy Under Secretary for Management and
Chief Financial Officer

Executive Summary

Under section 540 of the *FY 2009 DHS Appropriations Act* (P.L. 110-329), DHS is directed to have GSA sell the Plum Island asset to the highest bidder in a single transaction. Proceeds from the sale of the island were directed to be used for the construction of the replacement laboratory, the National Bio-Agro Defense Facility (NBAF), or to offset the cost of the St. Elizabeths Campus should NBAF be fully funded, which it was on April 15, 2015. This report provides information on alternatives for Plum Island as requested in Senate Report 114-68 accompanying P.L. 114-113.

Each alternative for the final disposition of the property includes an analysis that addresses conservation of the island's resources (historic, cultural, and environmental significance), remediation responsibilities, cost and revenue, and any need for legislative change to implement the alternative. The alternatives considered are:

- Competitive sale as mandated by section 540 of P.L. 110-329, as amended
- DHS retention and reuse of the property
- Property Act Disposition Authority (116 Stat. 1062, 40 U.S.C. § 543)

Plum Island is an 840-acre island located in Long Island Sound, situated approximately 1.5 miles from the eastern end of the North Fork of Long Island, New York, and 10 miles from the coast of Connecticut. The North Fork begins about 75 miles east of Manhattan, and it comprises the easterly end of the North Shore of Long Island. Plum Island is located within the jurisdictional boundaries of the Town of Southold in Suffolk County, a community of about 21,000 people comprising 10 distinct hamlets and villages.

Alternatives for Final Disposition of Plum Island

Table of Contents

I. Legislative Language 1

II. Background 2
Location of Plum Island 2
Description of Plum Island 3
Description of Orient Point, New York 11
Overview of Personal Property 12
Legislation requiring the Sale of Plum Island, New York 13
Public Outreach 13
Due Diligence and Regulatory Compliance 15
Ongoing Operation and Closure Requirements 21
Marketing 23

III. Overarching Issues 25
Synergistic Relationship between Plum Island and the Orient Point Facility 25
Recognition of Inherent Conflict between the Built and Natural Environment 25
Regulatory Considerations 30
Town of Southold, New York Zoning 31
Transaction Structure (single or multiple transactions) 33

IV. Alternatives 35
Competitive Sale as Mandated by Section 540 of P.L. 110-329, as amended 35
DHS Retention and Reuse the Property 36
Property Act Disposition Authority (40 U.S.C. 543) 37

V. Conclusion 44

List of Tables

Table 1. Approximate Acreage of Land Uses on Plum Island 3

List of Figures

Figure 1. Location of Plum Island, New York 2
Figure 2. Aerial Image of Plum Island, New York 4
Figure 3. Overview Images of Plum Island 5
Figure 4. Examples of Built Environment on the Property 6
Figure 5. Plum Island Army Buildings Map (1826-1954) 8
Figure 6. Aerial View of Fort Terry Cantonment Area 9
Figure 7. Examples of Natural Environment on the Property 10
Figure 8. Aerial View of Orient Point 11
Figure 9. Aerial View of the Orient Point Facility 12
Figure 10. Examples of Personal Property 12
Figure 11. Locations of Areas of Potential Concern (AOPC) and Waste Management Areas (WMA) 18
Figure 12. NBAF Project Schedule 22
Figure 13. Proposed Fort Terry Historic District - Contributing Structures and Boundary 27
Figure 14. Town of Southold, New York - Plum Island Zoning 32

I. Legislative Language

This report was prepared pursuant to language in Senate Report 114-68 accompanying the *Fiscal Year* (FY) *2016 Department of Homeland* Security (DHS) *Appropriations Act* (P.L. 114-113).

Senate Report 114-68 states:

> As full funding for the construction of NBAF has been provided, the Committee directs the Department, in conjunction with GSA, the Department of the Interior, and the Environmental Protection Agency, to report on an analysis of alternatives for final disposition of Plum Island. The report shall consider: conservation of the island's resources including those of historic, cultural, and environmental significance; analysis of any remediation responsibilities; the need for any legislative changes; cost; and revenues from any of the alternatives. The report shall be submitted not later than 180 days after the date of enactment of this act.

II. Background

This report was prepared by DHS, together with the U.S. General Services Administration (GSA), which is responsible for disposal of excess federal property, and in conjunction with the U.S. Department of the Interior (DOI) and the U.S. Environmental Protection Agency (EPA).

Location of Plum Island

Plum Island is an 840-acre island located in Long Island Sound, situated approximately 1.5 miles from the eastern end of the North Fork of Long Island, New York, and 10 miles from the coast of Connecticut as shown in Figure 1. The North Fork begins about 75 miles east of Manhattan, and it comprises the easterly end of the North Shore of Long Island. Plum Island is located within the jurisdictional boundaries of the Town of Southold, Suffolk County, New York, a community of about 21,000 people comprising 10 distinct hamlets and villages. The North Fork is known primarily for its open space and agricultural land. Thousands of tourists visit the North Fork each year for winery tours, recreational fishing, bird watching, and boating.

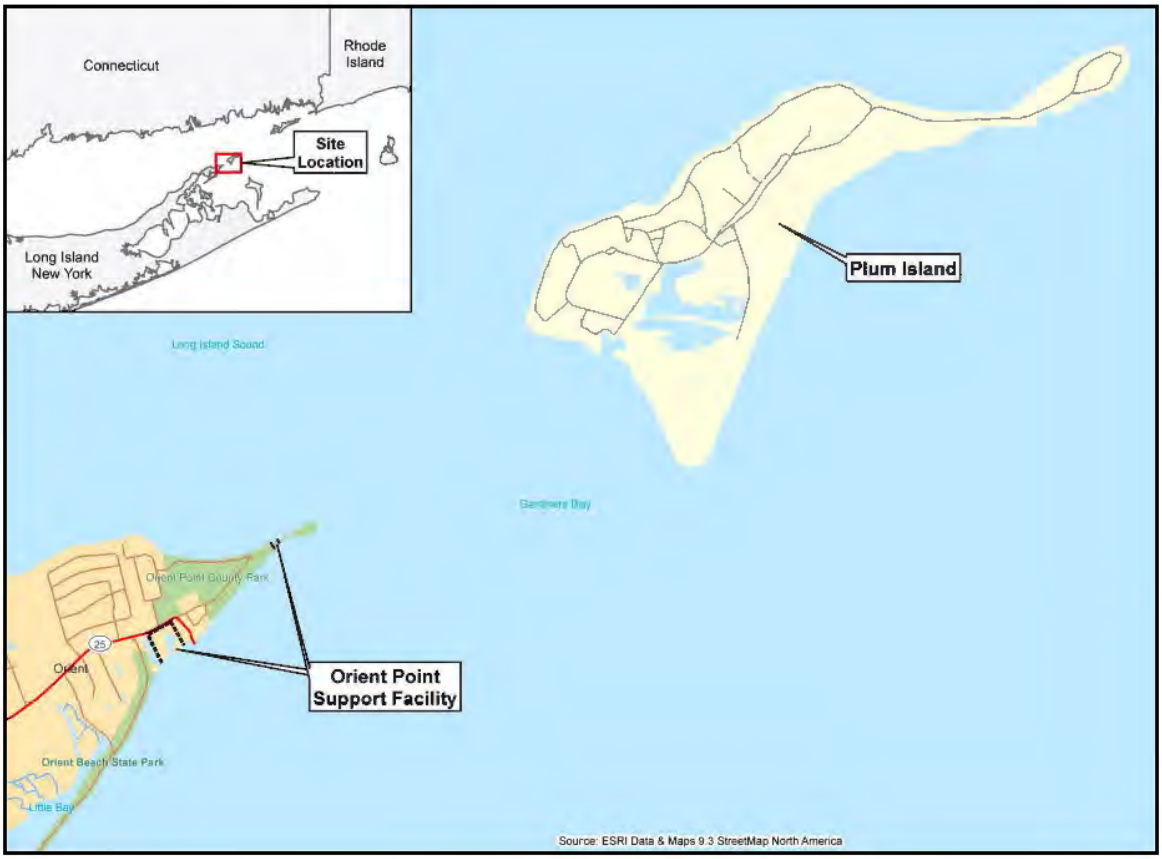

Figure 1. Location of Plum Island, New York

Description of Plum Island

The Plum Island Animal Disease Center (PIADC) occupies approximately 215 acres overlooking Long Island Sound and Plum Gut at the southwest corner of Plum Island. The PIADC facility comprises 47 buildings, including a 55,000-square-foot administrative building, a 190,500-square-foot laboratory, and a number of support buildings, including a water treatment plant and a power plant. Plum Island has a well-established infrastructure supported by underwater cables for electricity and communications, and includes utilities, a tank farm and fuel pipeline, fresh water wells, a water tower, and a water distribution system. Plum Island is improved further with a harbor facility, fire station, a helipad, 4 miles of paved roads, and 8 miles of gravel roads. There is a granite lighthouse, constructed in 1869 at the western tip of Plum Island. The granite structure was listed on the National Register of Historic Places in 2011 (Plum Island Lighthouse). The lighthouse was decommissioned in 1978 and is no longer an active aid to navigation; that function is provided by a 14-foot metal tower with an automated light adjacent to the historic lighthouse. An aerial view of Plum Island is shown in Figure 2 with a photographic overview seen in Figure 3. An approximate breakdown of acreage on Plum Island is described in the following table:

Table 1. Approximate Acreage of Land Uses on Plum Island[1]

Use	Acres
Active PIADC mission and associated support facilities	215
Fort Terry National Register District Boundary	493
Freshwater wetlands	110
Lighthouse	2

[1] Some of these land uses overlap (i.e., wetlands are in National Register District).

Figure 2. Aerial Image of Plum Island, New York

Figure 3. Overview Images of Plum Island

Figure 4. Examples of Built Environment on the Property[2]

A portion of Plum Island is occupied by structures associated with Fort Terry, a coastal fortification that was established in 1897 and was active until the end of World War II. Those structures include 13 buildings in the Cantonment Area, an area established for housing military personnel on the southerly coast and an extensive system composed of approximately 75 brick and concrete batteries and associated structures constructed between 1897 and 1944 ringing the easterly coastline. In 1952, the Army Chemical

[2] Photo descriptions (left to right, top to bottom): above-ground storage tanks, wastewater treatment facility, typical warehouse building, Administrative Building 100, Fort Terry-era military battery, Building 257, Fort Terry Cantonment Area, Plum Island Lighthouse, and Administrative Building at Orient Point, New York

Corps used the former Fort Terry facilities until the United States Department of Agriculture (USDA) took control of Plum Island in 1954. The use of these facilities continued through the early 1990s, when all but the fire station, motor pool, and duty officer's quarters were abandoned and left in place. Examples of the built environment can be seen in Figure 4. Figures 5 and 6 show existing and demolished structures mainly associated with Fort Terry.

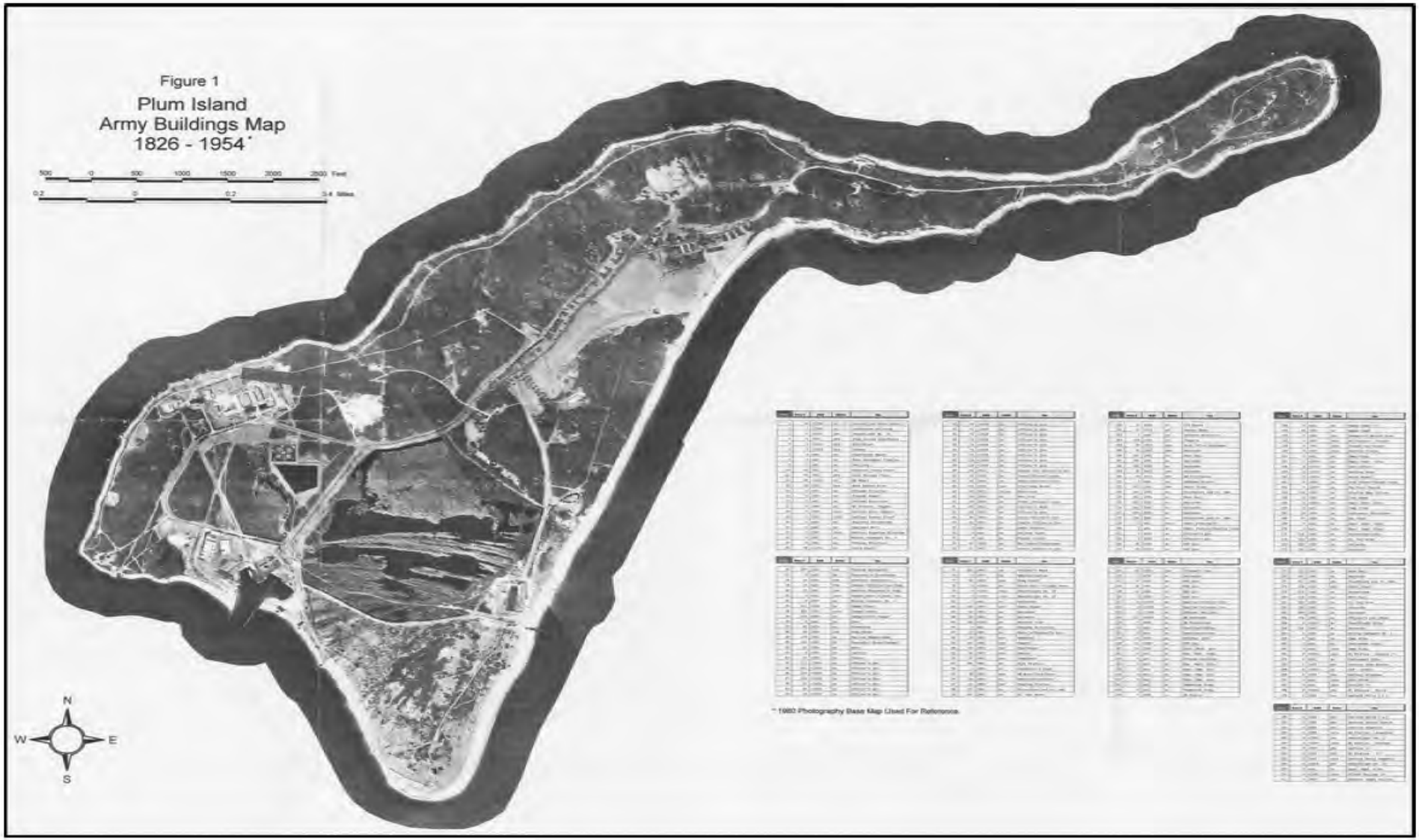

Figure 5. Plum Island Army Buildings Map (1826–1954)

Figure 6. Aerial View of Fort Terry Cantonment Area

Figure 7. Examples of Natural Environment on the Property[3]

The undeveloped portions of Plum Island contain natural resources and possess a mixture of habitats including a rocky shoreline, sandy beaches, wetlands, and various upland shrub, grassland, and forest habitats. Natural resources on Plum Island include more than 200 bird species documented as breeding or foraging on Plum Island and adjacent coastal waters, including birds of prey, shorebirds, wading birds, waterfowl, and songbird species. Of special interest is the presence of piping plovers and roseate terns, both federally endangered species, and common terns, a New York State threatened species that all breed on Plum Island's sandy beaches. In addition, the southern shore of Plum Island provides a habitat for harbor seals, gray seals, and harp seals. Examples of the natural environment on Plum Island are provided in Figure 7. Plum Island also provides a habitat for a variety of plant and wildlife species including Scotch lovage, slender

[3] Photo descriptions (left to right, top to bottom): forested upland, osprey nest, freshwater wetlands, seals off of southern shoreline, piping plovers, dirt road on northern shore, beach located on southern shore, aerial view of Plum Island looking west, rocky northern shoreline

knotweed, and sea-beach knotweed. The large freshwater wetland situated in the southeastern section of the island offers a suitable habitat for dozens of wetland-dependent plant and animal species. The maritime dune community found on the island, dominated by grasses and low shrubs, is a New York State Natural Heritage Program ranked community.[4]

Description of Orient Point, New York

Access to Plum Island is primarily by ferry. Consequently, the Plum Island government-owned asset also includes a 9.5-acre support facility at Orient Point with a man-made harbor. In addition, the parcel is improved with a 2,000-square foot administrative building, a supply warehouse, guard shack, and parking lot with approximately 200 spaces (Orient Point Facility), as shown in Figures 8 and 9. The Orient Point Facility is the primary access point to Plum Island and provides a strategic staging area. It is the main access point for personnel and delivery of supplies, vehicles, and equipment to Plum Island. DHS operates a second ferry from a leased facility in a private marina in Old Saybrook, Connecticut; the leased facility will not be included in the conveyance.

Figure 8. Aerial View of Orient Point

[4] "Preserve Plum Island," accessed on May 6, 2015, http://www.preserveplumisland.org/flora.asp

Figure 9. Aerial View of the Orient Point Facility

Overview of Personal Property

The following related personal property and transportation assets are anticipated to be included in the required sale:

- Three passenger/cargo ferries capable of carrying various-sized vehicles and up to 149 passengers;
- Emergency response vehicles; and
- Surplus laboratory and office equipment.

Examples of personal property can be seen in Figure 10.

Figure 10. Examples of Personal Property

Plum Island, the Orient Point Facility, and the aforementioned personal property are hereinafter referred to as the "Property."

A diverse mix of structures and facilities to support PIADC, as well as numerous historic buildings and structures primarily associated with Fort Terry, are scattered along the shoreline and uplands of Plum Island (built environment). The remainder of the Property features a broad array of habitats supporting plant and animal species (natural environment). This mix of actively used and abandoned structures and natural features will present challenges and opportunities for future owners and users.

Legislation requiring the Sale of Plum Island, New York

In September 2008, Congress passed legislation mandating the sale of the Property if DHS made the decision to relocate the current research mission. Section 540 of the *FY 2009 DHS Appropriations Act* (P.L. 110-329), as amended, states:

> *… should the Secretary of Homeland Security determine that the National Bio and Agro-defense Facility be located at a site other than Plum Island, New York, the Secretary shall liquidate the Plum Island asset by directing the Administrator of General Services to sell through public sale all real and related personal property and transportation assets which support Plum Island operations, subject to terms and conditions necessary to protect government interests and meet program requirements*

On January 16, 2009, DHS determined that the science mission would move to Manhattan, Kansas. Shortly thereafter, DHS and GSA entered into a memorandum of agreement (MOA) to establish roles and responsibilities as "Joint Lead Agencies" for the sale of the Property. Since the execution of the MOA, the Joint Lead Agencies have conducted public outreach, due diligence, regulatory compliance, and marketing activities to advance the public sale.

Public Outreach

The public outreach effort is guided by a communications plan. This plan defines roles and responsibilities for internal and external stakeholder engagement regarding the sale. The Joint Lead Agencies have briefed the following public officials, agencies, and advocacy groups:

- Elected officials and staff from New York and Connecticut;
- Governor of Connecticut;
- County officials including Suffolk and Nassau County, New York;
- Town supervisor, Town of Southold, New York;

- Planning Board Staff, Town of Southold, New York;
- Federal agencies including the U.S. Fish and Wildlife Service (FWS), EPA, and Council on Environmental Quality;
- New York State agencies including the State Department of Environmental Conservation and State Historic Preservation Office; and
- Nonprofit conservation advocacy groups including The Nature Conservancy, Audubon Society, Connecticut Fund for the Environment/Save the Sound, and the Preserve Plum Island Coalition.

Public access to Plum Island also is provided as part of regularly scheduled Media Days and Community Days. In addition, the public has visited the island numerous times on guided tours, which continue to be available to interested members of the public, upon request, for the purpose of increasing the visibility of PIADC's mission, mitigating stigma associated with government uses, and educating the public on the Built and Natural Environment. Participation in these tours is available, subject to a background check and availability of PIADC staff. Between January 2014 and January 2016, approximately 2,000 visitors toured the Property, including:

Congressional Delegations

- Representative Lee Zeldin (NY-1)
- Staff members of U.S. Senators Charles Schumer (NY), Kirsten Gillibrand (NY), Chris Murphy (CT), and Richard Blumenthal (CT), along with staff members from Representatives Zeldin, Joe Courtney (CT-2), Rosa DeLauro (CT-3) and Peter King (NY-2)

State, County, and Local Governments

- New York State Senator Ken Lavalle
- New York State Assemblyman Steve Englebright
- Town of Southold, Town Supervisor Scott Russell

Federal and State Agencies

- FWS
- EPA
- U.S. Coast Guard
- U.S. Department of Justice – U.S. Probation Services
- Federal Bureau of Investigation
- Connecticut Air National Guard (Civil Support Team)
- New York Air National Guard
- Greater New York Field Federal Safety and Health Council
- U.S. Department of Defense
- New York State Department of Environmental Conservation
- Connecticut Department of Energy and Environmental Protection

Nonprofit Organizations

- Connecticut Fund for the Environment/Save the Sound
- The Nature Conservancy
- Group for the East End
- Mystic Seaport
- New London Maritime Society
- Custom House Museum
- East End Seaport Museum and Marine Foundation
- Riverhead Foundation
- Saybrook Land Trust
- Audubon Society
- Boy Scouts of America
- Southold Voice
- Long Island Arboricultural Association

A Web site (www.gsa.gov/plumisland) supports information available to the public that provides relevant information regarding the Property as it pertains to the anticipated sale. In addition, to educate the public on the animal disease research mission on Plum Island, DHS and USDA maintain Web sites focused on research activities at PIADC: http://www.dhs.gov/science-and-technology/plum-island-animal-disease-center and http://www.ars.usda.gov/main/site_main.htm?modecode=80-64-05-05.

Due Diligence and Regulatory Compliance

Since Congress directed the sale in September 2008, the Joint Lead Agencies have conducted due diligence including a real estate title search, an historic resources survey and evaluation, a review of the capacity and condition of infrastructure, and identification of the Property's unique features, capacities, and constraints. This initial baseline review was fundamental to developing a strategy to address regulatory compliance responsibilities.

Although mission operations at PIADC will end in approximately August 2023, the Joint Lead Agencies are working to ensure that all regulatory compliance responsibilities will be resolved prior to conveyance of the Property. The Joint Lead Agencies are engaged in several regulatory compliance efforts to protect eligible historic resources, assess wetlands, consider effects on the coastal zone, determine the presence of threatened or endangered species, better characterize the presence of residual contamination, and, if necessary, take appropriate remedial actions. The following is a brief summary of these ongoing compliance efforts:

National Environmental Policy Act (42 U.S. Code [U.S.C.] §4321, et seq.)

The National Environmental Policy Act (NEPA) requires federal agencies to assess the environmental effects of its proposed actions prior to making decisions. The environmental planning process must use site-specific data, consider interdisciplinary aspects of the project, consider reasonable alternatives, and provide opportunity for public review and comment.

To comply with NEPA, the Joint Lead Agencies—with FWS and EPA participating as cooperating agencies—assessed the effects of the sale of the Property and completed an environmental impact statement (EIS) with the issuance of a record of decision (ROD) in September 2013.[5] To evaluate potential effects of the sale of the Property, potential reuse options were analyzed. These options represent reasonably foreseeable reuses at the Property. In developing the possible reuse options for the Property, the Joint Lead Agencies sought input from federal, state, county, and local governments; Native American tribes; and the general public, and held a number of meetings with the Town of Southold Planning Department. These meetings also clarified the interests and concerns of the Town of Southold government, as well as the public. The three reuse options analyzed in the EIS are:

1. Adaptive Reuse – This analysis evaluated the effects of using the existing buildings, infrastructure, and transportation facilities at current or similar levels with no additional development.
2. Development – This analysis was based on the premise that the Property would be suitable for residential development. This analysis evaluated three possible development scenarios: a single residence, large-lot zoning resulting in 168 houses, and a maximum density of 500 housing units (based on a calculation of the capacity of the Plum Island's aquifer).
3. Conservation/Preservation – This analysis was based on the premise that the Property would be used primarily for a conservation/preservation use. The conservation/preservation use analysis envisioned limited public access and development to conserve the natural and cultural resources present on the Property.

The ROD concluded that the Joint Lead Agencies would proceed with the sale of the Property while acknowledging that the EIS would be supplemented as the sale date drew closer if conditions at the Property changed significantly from the date of the ROD.

[5] The EIS, and other relevant documents, can be accessed via www.gsa.gov/plumisland.

Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §9601)

The Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) authorizes the Federal Government to respond to releases or threatened releases of hazardous substances into the environment. CERCLA Section 120 applies to federally owned or operated facilities and states the general principle that federal agencies must comply with substantive and procedural CERCLA requirements. CERCLA requires that any remedy selected at a federal facility must meet CERCLA's cleanup standards, including compliance with applicable state standards.

To establish a baseline understanding of the presence of hazardous substances on the Property, DHS performed an environmental gap analysis in 2010. The analysis used environmental data provided by the U.S. Department of Army and USDA. Since the completion of the gap analysis, DHS has worked with New York State Department of Environmental Conservation (NYSDEC) to address contamination on Plum Island. Specifically, NYSDEC has focused on the analysis of historic waste disposal "areas of concern" depicted on Figure 11; islandwide groundwater quality; decontamination of Building 257, which was used by the Army Chemical Corps and USDA; and anticipated closure/cleanup of existing buildings and infrastructure (e.g., wastewater plant). A contract was awarded recently to address these issues further.

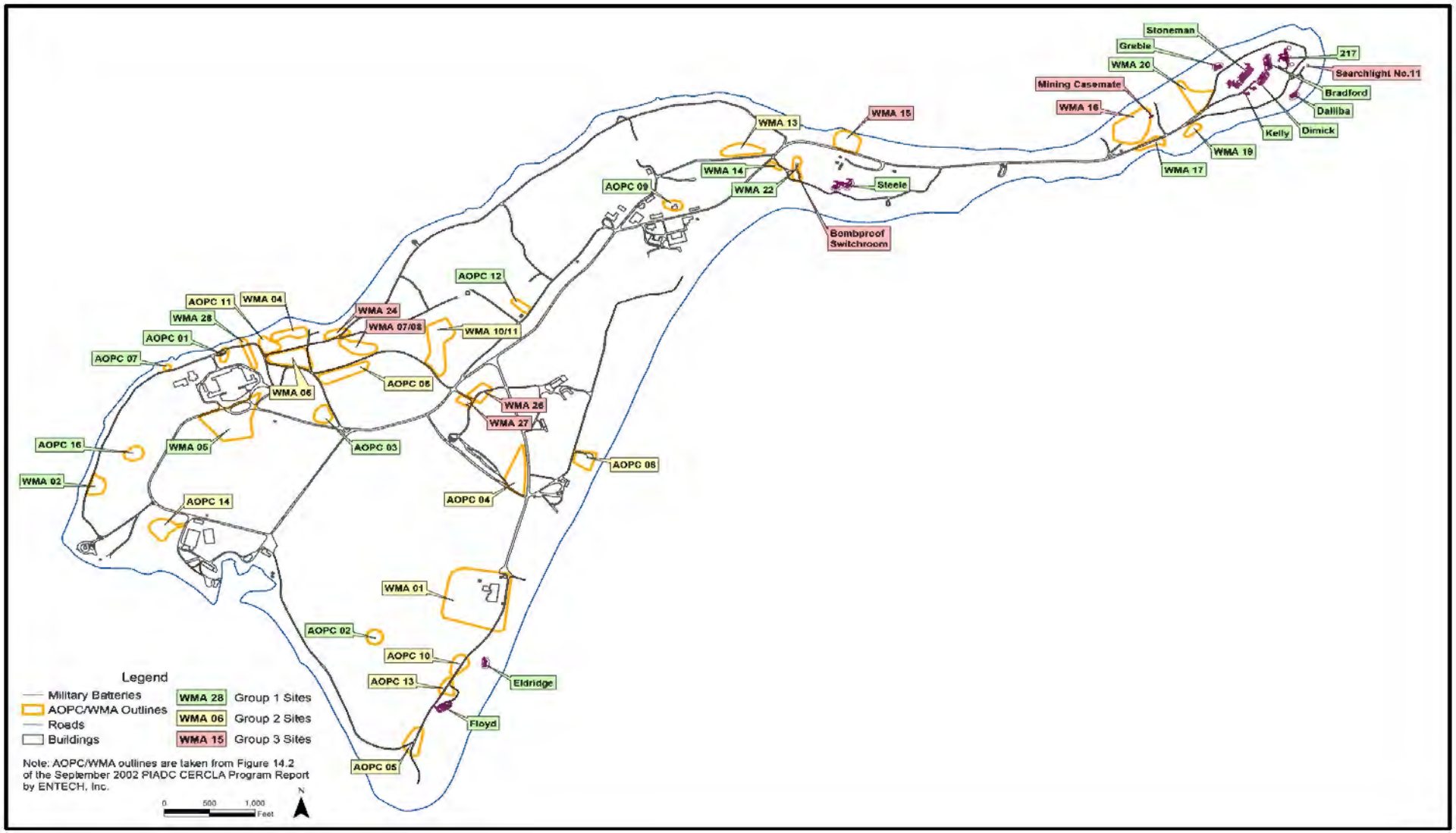

Figure 11. Locations of Areas of Potential Concern (AOPC) and Waste Management Areas (WMA)[6]

[6] See EIS for more information on Group 1, Group 2, and Group 3 Sites identified in Figure 11.

National Historic Preservation Act of 1966, as amended, (16 U.S.C. §470, et seq.)

The National Historic Preservation Act (NHPA) sets forth policies and procedures regarding historic properties, which are defined as districts, sites, buildings, structures, and objects included on or eligible for the National Register of Historic Places. Section 110 of NHPA requires federal agencies to identify, evaluate, and appropriately manage any historic resources in its inventory. Section 106 of NHPA requires federal agencies to consider the effects of their undertakings on such properties and to consult with the State Historic Preservation Office (SHPO). The Joint Lead Agencies have been in regular consultation with the New York SHPO, and staff of the New York SHPO has made several site visits to the Property.

Since 2011, the Plum Island Lighthouse has been listed on the National Register of Historic Places. Recently, DHS prepared a National Register nomination for historic resources associated with Fort Terry, and submitted it to the New York SHPO for review and concurrence. To comply with the requirement that actions taken by federal agencies will not have an adverse effect on historic resources, the Joint Lead Agencies will develop historic preservation covenants that will be included in documents conveying the Property out of federal ownership. The Joint Lead Agencies will continue to work with the New York SHPO as appropriate until the Property is conveyed.

Endangered Species Act (16 U.S.C. §1531, et seq.)

Endangered species and their critical habitat are protected under the Endangered Species Act (ESA). The ESA prohibits the unauthorized taking, possession, sale, and transport of endangered species and the destruction, modification, or curtailment of its habitat or range. The species protected under the ESA are listed on the federal list of threatened and endangered wildlife and plants, which includes vertebrates, invertebrates, flowering plants, and non-flowering plants. Critical habitat is defined as a habitat utilized by a threatened or endangered species that contains habitat that is essential for the conservation of said species.

To comply with the ESA, the Joint Lead Agencies have initiated consultation with the FWS Northeast Region Office staff pursuant to ESA Section 7. During this consultation, FWS has provided the Joint Lead Agencies with data regarding federally listed endangered species and assisted in developing a draft deed notice, which was included as an appendix to the EIS. The Joint Lead agencies will continue to comply with the ESA through consultation with the FWS until the Property is conveyed. In addition, the New York Natural Heritage Foundation, a partnership between NYSDEC and The Nature Conservancy, is conducting a year-round biodiversity study to catalogue further the natural and biological resources present on the Property.

Marine Mammal Protection Act (16 U.S.C. § 1361 et seq.)

The Marine Mammal Protection Act (MMPA) prohibits, with certain exceptions, the "take" of marine mammals in U.S. waters and by U.S. citizens on the high seas, and the importation of marine mammals and marine mammal products into the United States. Any federal action is coordinated with the National Marine Fisheries Service and the FWS to determine whether marine mammals under their respective jurisdictions may be affected.

As part of the EIS process, the Joint Lead Agencies reached out to the National Marine Fisheries Service regarding the agencies' responsibilities under MMPA. Because of this outreach, a draft deed notice regarding the presence of marine mammals was included as an appendix to the EIS. It is the intention of the Joint Lead Agencies to reengage with the National Marine Fisheries Service prior to the conveyance of the Property to ensure that all requirements of the MMPA are met.

Coastal Zone Management Act (16 U.S.C. §1431 et seq.)

Section 307 of the Coastal Zone Management Act (CZMA) commonly known as "Federal Consistency" requires that the federal agencies comply with a state's coastal management program when taking actions that are likely to affect coastal resources. Compliance with Federal Consistency regulations ensure that those activities are conducted in a manner that is consistent to the maximum extent practicable with the enforceable policies of approved state coastal management programs. The regulations for complying with Federal Consistency explain that the "determination should be prepared following development of sufficient information to reasonably determine the consistency of the activity with the management program, but before the Federal agency reaches a significant point of decision making in its review process … (and) at least 90 days before final approval of the Federal agency activity unless both the Federal agency and the State agency agree to an alternative notification schedule."[7]

As part of the NEPA process, the Joint Lead Agencies addressed comments from the States of New York and Connecticut regarding compliance with CZMA Federal Consistency requirements. The Joint Lead Agencies will file a consistency determination when they have sufficient information to determine reasonably the consistency of the disposition of the Property with the state's coastal management program. The consistency determination will be filed in compliance with the CZMA regulations.

[7] 15 CFR §930.36 (b)

Ongoing Operation and Closure Requirements

The FY 2015 budget fully funded the NBAF acquisition. Construction is scheduled for completion in December 2020, and the facility will be commissioned in May 2021. NBAF is projected to be fully operational in December 2022 when it will be registered for select agent research and possess all necessary permits. Final transition and closure is projected in August 2023. A detailed NBAF project schedule is provided in Figure 12. Plum Island facilities will continue to operate until the entire mission has transitioned to NBAF. During the transition time, DHS will continue to budget for costs to operate and maintain the mission at PIADC so that it remains in safe working condition.

The operating and closure requirements for the PIADC mission will not change, regardless of how the Property is ultimately disposed. The PIADC biorepository will be relocated to the new NBAF location. The laboratories, animal holding areas, ancillary rooms, and other mission support areas will be shut down in accordance with all applicable decontamination and closure procedures and requirements.

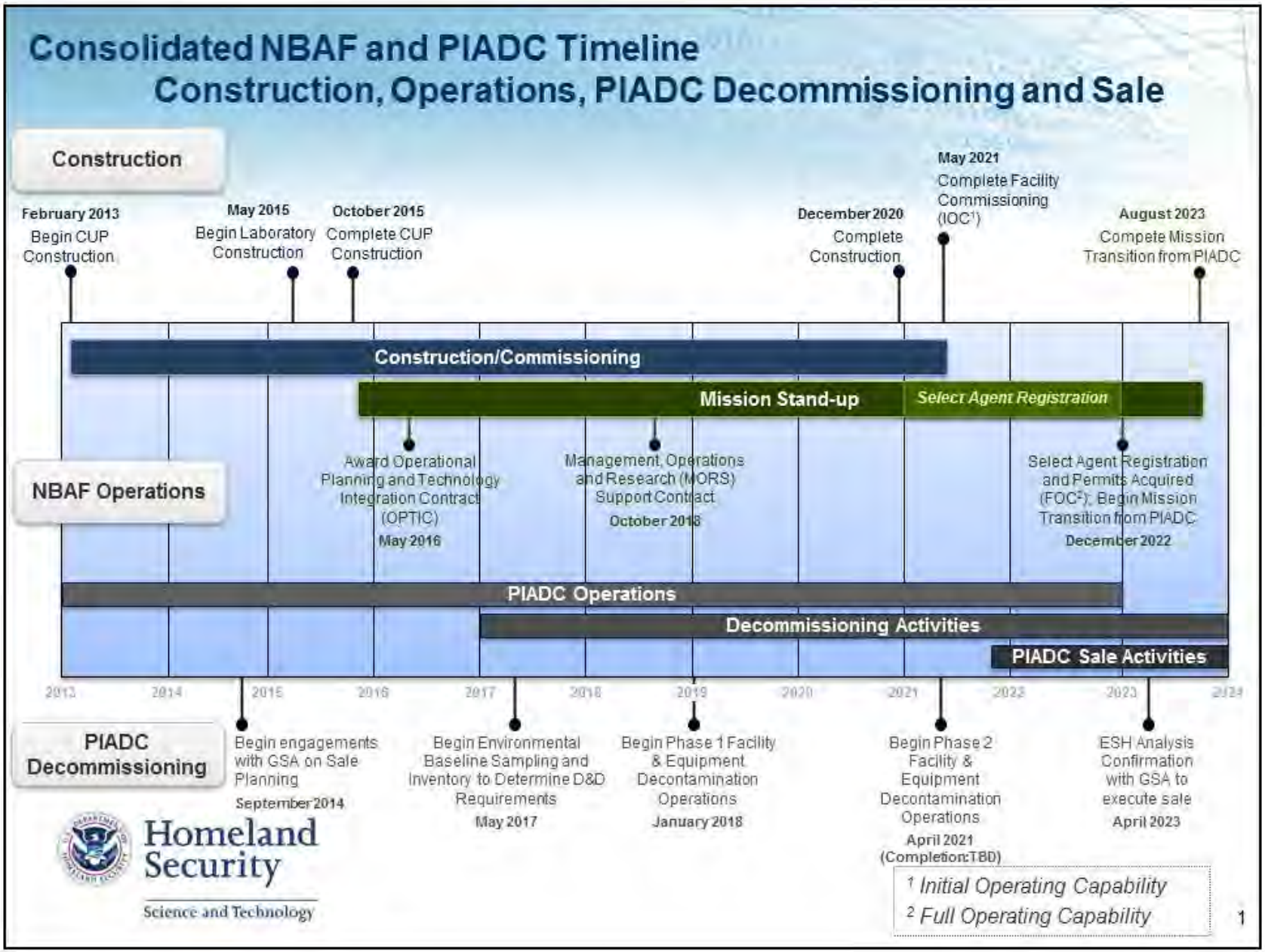

Figure 12. NBAF Project Schedule

Marketing

As the PIADC closure date approaches and access to the Property becomes less restrictive, the marketing activity will increase, with extensive market outreach, placement of ads, tours for prospective owners, and the issuance of formal sale terms and conditions.

GSA's dedicated project Web site (www.gsa.gov/plumisland) provides an overview of the Property. The Web site hosts information pertaining to the sale including frequently asked questions, maps, photos, and due diligence documents, which include an EIS completed in June 2013 and environmental characterization reports. The Web site averages approximately 1,000 unique page views per month and has generated several inquiries on the anticipated competitive sale process.

In November 2015, GSA contracted with a national real estate consultant firm to conduct a number of targeted focus group sessions to seek input from the marketplace of potential future owners to assist in the development of a sound marketing and sale strategy. The goal of these sessions is to gauge market interest by gaining an understanding of the expectations, concerns, and challenges raised by a competitive public sale, while also informing the marketplace about the anticipated terms, conditions, and restrictions resulting from the required regulatory actions. Issues to be explored during these sessions include:

- Method of sale;
- Optimum exposure time;
- Sale schedule;
- Due diligence expectations;
- Transaction documents;
- Regulatory requirements;
- Anticipated deed notices and restrictions; and
- Personal property, including the transportation assets.

It is anticipated that the focus group session participants will include representatives from the following market sectors:

- Conservation/recreation/preservation;
- Research and development;
- Institutional (i.e., education, healthcare, religious);
- Real estate developers; and
- Real estate brokers representing private purchasers.

Work continues on this marketing effort. Once the participants are identified, they will be given a guided tour of the Property, which will precede and inform the focus group sessions. The sessions will be led by an experienced facilitator who will provide the participants with a targeted questionnaire designed to solicit information from the marketplace. There also will be a facilitated discussion to elicit interests, concerns, and expectations. This first phase of the marketing effort is anticipated to conclude by early Fall 2016.

III. Overarching Issues

When real property is conveyed out of federal ownership, laws and regulations direct that the potential effects to important historic, cultural, and environmental resources and remediation responsibilities be considered regardless of the conveyance method. In addition to regulatory considerations, the following specific factors need to be considered in the analysis of alternatives for the final disposition of the Property:

- The synergistic relationship between Plum Island and the Orient Point Facility;
- Recognition of the inherent conflict between the built environment and natural environment;
    - Built environment (existing structures and infrastructure);
    - Natural environment (natural and biological resources);
- Regulatory considerations;
- Town of Southold zoning; and
- Transaction structure (single or multiple conveyances).

Synergistic Relationship between Plum Island and the Orient Point Facility

The close proximity and multiple amenities of the Orient Point Facility make it an ideal gateway to Plum Island for the transport of personnel, vehicles, equipment, and supplies. The ample parking, indoor and outdoor storage areas, and administration building complement the harbor operation and can support a broad range of uses and activities on Plum Island.

The continued relationship between Plum Island and the Orient Point Facility would benefit any alternative for the final disposition of the Property and is a vital link to those interested in the future reuse of the existing buildings and infrastructure on the Property. There likely would be a significant adverse impact on the value and utility of Plum Island if rights of access to and use of the Orient Point Facility are not included in future conveyance documents.

Recognition of Inherent Conflict between the Built and Natural Environment

Existing structures and infrastructure are a prime consideration in any alternative for the final disposition of the Property. The Property contains an estimated 500,000 square feet of building space in more than 130 buildings and structures. A majority of these buildings are abandoned and in a deteriorated state, and may have limited value to

potential new owners and users. However, it is conceivable that the location, density, and size of some of these structures, especially in the Cantonment Area, may prove to be valuable assets given that the current zoning and regulatory schemes likely would prohibit the construction of new facilities of similar size and scale in these locations. The undeveloped portions of Plum Island contain natural resources and possess a mixture of rocky shoreline, sand beaches, wetlands, and various upland shrub, grassland, and forest habitats. Regulations designed to protect the natural environment, such as ESA, MMPA, and CZMA, among others, will present challenges to a new owner who anticipates further development on Plum Island. Balancing the interests in and benefits and costs associated with the built environment and natural environment requires a clear understanding of how these two aspects of the Property could coexist in a complementary and sustainable manner under a new ownership structure.

Built Environment (existing structures and infrastructure)

The built environment on the Property includes approximately 130 structures, buildings, and manmade features on Plum Island and 4 structures at the Orient Point Facility. The structures on Plum Island include the actively utilized features associated with the PIADC mission including the harbor, the labs, and all support facilities. These facilities occupy approximately 215 acres on Plum Island. In addition to the actively used structures associated with current PIADC operations, more than 100 improvements are associated with the historic Fort Terry installation situated along the coastline and uplands of Plum Island. The Fort Terry Historic District National Register nomination catalogues and evaluates the structures and features. The structures and features identified in the National Register nomination were constructed of concrete or brick and were built between the years 1897 and 1944 within a boundary of approximately 493 acres of Plum Island, as shown in Figure 13. They include:

- 16 batteries designed for rifled artillery;
- 42 fire control structures, also known as observing stations;
- 9 submarine mining facilities to provide position finding for mines;
- 5 searchlight shelters;
- 3 power plants;
- 13 cantonment buildings including a tailor shop, military post hospital, commissary, quarter master's workshop, bakery, fireman's quarters, post exchange, barracks, storehouse, guard house, fire pump house, and chapel; and
- 3 additional features including Plum Gut Harbor, the Main Post Road, and the Second Parade Ground.

Figure 13. Proposed Fort Terry Historic District - Contributing Structures and Boundary

In addition to these 91 buildings, structures, and features identified in the National Register nomination, approximately 35 buildings and structures on Plum Island are outside of the National Register nomination boundaries and are considered noncontributing to the historic district. Building 257, a building completed in 1911 and considered a contributing structure in the National Register nomination, has received scrutiny because of its past uses. Originally constructed for munitions storage, the structure was used later by the U.S. Army Chemical Corps and USDA as a laboratory for animal testing and research. Building 257 was closed in 1995.

Plum Island utilities include underwater cables for power and telecommunications, potable water well fields and a water distribution system, wastewater and sewage treatment plants, a power distribution system with both aboveground and underground lines, fuel storage tanks, an emergency power plant, and electrical substations. An extensive road network encircles Plum Island and provides access to most of the structures identified above. There are approximately 4 miles of paved road and 8 miles of dirt road. The harbor at the Orient Point Facility is an 80,000-square-foot basin, and the Plum Island harbor measures 240,000 square feet. Each harbor includes four vessel berths and two movable boat ramps for loading and unloading freight and vehicles. Vessels up to 200 feet can be accommodated.

Natural Environment

The undeveloped portions of Plum Island contain natural resources and possess a mixture of rocky shoreline, sand beaches, wetlands, and various upland shrubs, grassland, and forest habitats. The following description of flora comes from the Preserve Plum Island Coalition Web site (www.preserveplumisland.org).

> Several regionally rare plant species occur here, including scotch lovage, slender knotweed, and sea-beach knotweed. A stand of blackjack oak represents the northernmost extent of the range of the species. Additionally, several rare species of orchids, such as Spring Ladies' Tresses, and carnivorous plants are found here. In addition, the island is extensively vegetated by several dozen woody and herbaceous plants and this vegetation provides habitat that supports a wide variety of bird and insect species. The large freshwater wetland situated in the southeastern section of the island offers suitable habitat for dozens of wetland-dependent plant and animal species.
>
> According to historical data, this wetland once comprised one of the larger Atlantic White Cedar swamps (now a rather rare type of wetland community in the state) in coastal New York and there may be opportunities for community restoration. The maritime dune community found on the island, dominated by grasses and low shrubs, is a New York

> State Natural Heritage Program-ranked community. This community consists of a mosaic of vegetation patches, reflecting past disturbances such as sand deposition, erosion, and dune migration. The composition and structure of the vegetation is variable depending on stability of the dunes, amounts of sand deposition and erosion, and distance from the ocean.[8]

With regard to fauna, the Preserve Plum Island Coalition Web site contains the following description:

> Based on detailed census work by Audubon staff over the past three years, over 200 bird species have been documented as breeding or foraging on Plum Island and adjacent coastal waters. These include a variety of birds-of-prey, shorebirds, wading birds, waterfowl, and songbird species. In 2009 Audubon staffers noted seven active Osprey nests and an active Bank Swallow colony, a species of bird on the decline in New York. Of special interest is the presence of Piping Plovers, a federally threatened species, which utilizes the shoreline habitat for breeding purposes. The Piping Plover shares this shoreline with several dozen Roseate Terns, a federally endangered species, and several hundred Common Terns, a NYS threatened species, which use the island as developmental habitat and for resting on its shoreline. The waters surrounding Plum Island are rich in nutrients and are vital feeding and courting grounds for birds such as these terns.
>
> As has been documented at other coastal islands and sites situated in southern New England, Plum Island undoubtedly provides critical stopover habitat for many fall migrant songbird species, many of which have not been fully documented in the census work discussed above because no detailed census work has taken place in late summer and autumn. Coastal islands are known to be vital for migrating land birds such as warblers, vireos, thrushes, and many other birds that take advantage of the habitat to rest and feed (thereby refueling) before they continue their migration over water.
>
> Moreover, the island and the waters surrounding it are important habitat for large congregations of numerous seabirds including several species of loons, grebes, and marine waterfowl species such as American Black Duck, Scaup species, Long-tailed Duck, all three Scoter species, Bufflehead, Common Goldeneye, Common Eider, and Red-breasted Merganser. Common Eiders, known to breed from nearby Fisher's Island may also breed on Plum Island; if so, this would be only the second location in the

[8] "Preserve Plum Island"

> state where this well-known sea duck breeds. Plum Island is part of the Orient Point to Plum Island Important Bird Area based upon the presence of species at risk, such as the previously mentioned Piping Plover and Common Terns along with Least Terns and for its water bird congregations.
>
> The wetlands in the southwestern portion of the island host Snapping and Painted Turtles. The offshore waters, especially of Plum Gut, host large concentrations of Striped Bass, Bluefish, Tautog, Summer Flounder, and others. Plum Gut is a major migration corridor for Striped Bass and Atlantic Salmon.
>
> Common Dolphins have been sighted off the waters of the island. Additionally, aerial seal censuses conducted by staff from the Riverhead Foundation for Marine Research and Preservation have found that the immediate offshore rocks and the waters surrounding the island are used extensively by several dozen to as many as three hundred Harbor and Grey Seals during the winter months. Over the past decade, the number of seals hauling out here has increased. According to researchers from the Riverhead Foundation, "Plum Island is one of the haul out sites most frequented by seals and consistently has the largest number of seals observed during surveys."[9]

The island has received a number of important designations by state and national organizations, including:

- Important Bird Area – Audubon New York
- Critical Natural Resource Area – United States Fish and Wildlife Service
- Peconic Bay Environs Critical Environmental Area – Suffolk County, New York
- Coastal Significant Fish and Wildlife Habitat – New York State Department of State
- Environmental Stewardship Area – Long Island Sound Study[10]

Regulations designed to protect the natural environment will present challenges to a new owner who anticipates further development on Plum Island.

Regulatory Considerations

Another major consideration for any alternative for the final disposition of the Property is the anticipated deed notices, covenants, and restrictions resulting from ongoing

---

[9] *Ibid*
[10] *Ibid*

environmental compliance activities. The specific language for each notice and restriction will be drafted in partnership and consultation with the regulatory body that has jurisdiction over the respective resource. Conveyance documents will include historic preservation covenants, notices regarding the presence of threatened and endangered species, and appropriate notice of hazardous substance activity and remedial actions. After conveyance out of federal ownership, any reuse of the Property will be subject to the Town of Southold zoning, and all applicable local, state, and federal permitting requirements.

Town of Southold, New York, Zoning

While under federal ownership, the Property is not subject to local zoning. To regulate development and land use after conveyance out of federal ownership, the Town of Southold passed a "Local Law in Relation the Marine (II) District and Plum Island" ("Plum Island Zoning") on March 26, 2013. The Plum Island Zoning established two distinct zoning districts for Plum Island: the Plum Island Research (PIR) district and the Plum Island Conservation (PIC) district. Enactment of the Plum Island Zoning sets forth a limited number of allowed uses, restricting the development potential of the Property. Boundaries of the PIC and PIR are shown on Figure 14.

Figure 14. Town of Southold, New York - Plum Island Zoning

The minimum lot size in the PIR district is 175 acres, and the boundary encompasses a majority of the existing PIADC facilities. The goal of this district is to "encourage the use of land for research and educational opportunities, provide quality employment opportunities and to preserve Plum Island's regionally significant natural, historic, scenic and cultural resources."[11] Permitted uses within the PIR include a research laboratory and educational facilities. Facilities for solar energy generation and a museum are permitted by special exception granted by the Southold Board of Appeals. The PIR district anticipates the preservation and reuse of the existing PIADC facility and consequently the creation of comparable job opportunities.

The PIC district requires a minimum lot size of 600 acres with a goal to "preserve the integrity of the regionally significant natural, scenic and historic resources of Plum Island for the benefit of the residents of the Town of Southold."[12] Permitted uses within the PIC include a nature preserve, a public park for passive recreation, education facilities to study natural resource conservation, and museums. The PIC would allow for use of this portion of the Property for solar energy generation by special exception of the Southold Board of Appeals.

The Plum Island Zoning did not change the Marine II Zone (MII) designation for the Orient Point Facility; however, it limited the permitted use to a ferry terminal. The MII zoning designation for other parcels within the Town of Southold allows for uses such as a one-family dwelling, marina, or retail space associated with waterfront uses and uses permitted by special exception including restaurants, ferry terminals, transient hotels, and other uses associated with waterfront uses.[13]

Once the Property leaves federal ownership, it will be subject to local zoning. Therefore, the Plum Island Zoning will be a significant consideration for prospective future owners and users of the Property. The restricted number of uses allowed at present and the very large minimum lot sizes (175 acres in the PIR and 600 acres in the PIC) established by the Plum Island Zoning create a scenario that mimics the existing land uses and dramatically limits reuse opportunities.

Transaction Structure (single or multiple transactions)

A comprehensive reuse plan would be needed to evaluate properly any alternative for the final disposition of the Property that includes multiple conveyance transactions. The diversity of current and historical uses of the Property creates challenges (and possibly opportunities) because of the number, size, and extent of vacant structures scattered

[11] Town of Southold, New York. "A Local Law in relation to the Marine (II) District and Plum Island Zoning." Resolution 2013-276. Adopted: March 26, 2013.
[12] *Ibid*, 4
[13] *Ibid*, 2

across Plum Island. The buildings and structures, mostly abandoned, may have limited value to potential new owners and users.

The perceived value of the existing infrastructure and structures will depend largely on the proposed reuse of the Property. Balancing the interests in and benefits and costs associated with the built and natural environments requires a clear understanding of how these two aspects of the Property could coexist in a complementary and sustainable manner under a new ownership structure. This would require the development of a comprehensive reuse plan for the Property to identify a viable mix of compatible future uses and the appropriate parcelization scheme to accommodate those uses.

Critical planning components of a comprehensive reuse plan would include:

- Financial and socioeconomic factors;
- Plum Island Zoning;
- Rights of access to, and use of, the existing utility and harbor infrastructures;
- Ownership and control of transportation assets and other personal property;
- Allocation of operation and maintenance costs;
- Regulatory requirements;
- Role of the Orient Point Facility; and
- Determination of whether legislation would be needed to implement the plan.

A comprehensive reuse plan has not been developed for the Property as subdividing the Property to accommodate multiple uses was not contemplated because of the legislative mandate to sell the Property competitively. Furthermore, in disposing of real property, the government does not have the authority to direct future uses. The development and validation of a comprehensive reuse plan would require significant time and resources. For these reasons, such a planning effort has not been undertaken to aid in this analysis.

IV. Alternatives

Alternatives for the final disposition of the Property have been identified and analyzed. The analysis of each alternative addresses conservation of the island's resources including those of historic, cultural, and environmental significance; remediation responsibilities; cost and revenue; and the need for legislative change to implement the alternative. The alternatives considered are:

- Competitive sale as mandated by section 540 of P.L. 110-329, as amended
- DHS retention and reuse of the Property
- Property Act Disposition Authority (116 Stat. 1062, 40 USC 543)
    - Federal screening
    - Surplus screening
    - Competitive public sale

Competitive Sale as Mandated by Section 540 of P.L. 110-329, as amended

Consistent with the requirements to sell Plum Island, as provided for under P.L. 110-329, the Joint Lead Agencies will continue to refine the marketing strategy through the focus group effort and input from other stakeholders, conclude regulatory requirements, and sell the Property in a single transaction through a competitive public sale process. Sale documents will be developed to describe the Property and to inform prospective bidders about the terms and conditions of the sale. Bidders would be afforded an opportunity to access and inspect the Property and review due diligence documents prior to the sale. A bid deposit would be required to register and participate in the sale. It is anticipated that the Property will be sold either through an online auction or sealed bid method, where the highest monetary bid would be the sole consideration in making an award. After the award, a mutually agreeable closing date will be established within the closing period specified in the sale documents. At closing, the purchaser will pay the balance of the purchase price and title to the Property will convey through a quitclaim deed. The personal property may be conveyed through a bill of sale.

The Joint Lead Agencies considered other feasible competitive sale methods including leaseback, lease-to-own, delayed closing, and the sale of an option. The feasibility of each scenario was weighed against security concerns, and potential costs associated with the same, and were all determined to be inconsistent with current security protocol and not in the best interest of the government. The considered "early sale" options potentially could result in either the entire island or portions of it coming under the purchaser's control prior to completion of the PIADC mission on the island. The burdens on the purchaser's rights of access prior to mission completion certainly could be detailed in the

sale agreements; however, DHS and GSA believe the requirements would place such a significant burden on the early purchaser that the likelihood of closing such a transaction is so small as not to be in the government's interest to pursue. The PIADC facility is a level IV laboratory certified Tier One level under the Federal Select Agent Program due to the dangers posed by the biological agents and toxins with which it works. Under current security protocols, an extensive security vetting process that must remain in place as long as the mission continues, DHS controls access of all persons coming to the island and their movements on the island. As a result, the abovementioned sale scenarios are not analyzed in this report.

Conservation of significant historic, cultural, and environmental resources:
The notices and restrictions discussed in Section III of this report will be included in the conveyance documents to protect significant resources.

Remediation Responsibilities:
All appropriate remedial actions to protect human health and the environment will be taken prior to the closing date. It is expected that all structures, regardless of their condition, will be included in the conveyance of the Property because demolition of structures before sale is not envisioned for a competitive sale of the Property.

Costs:
The cost required to implement the sale will include the expense to market the Property and conclude the sale. The cost to conduct necessary remediation and other regulatory closure activities is assumed to be constant for all disposition alternatives that result in a conveyance of the Property from government ownership.

Revenue Projections:
A competitive public sale likely would generate the most revenue compared to other alternatives analyzed for the final disposition of the Property.

Need for legislative change:
None.

DHS Retention and Reuse of the Property

This alternative is considered in the event that DHS determines that there is a viable mission need for the Property within the agency. However, in January 2016, DHS performed an internal assessment to determine if one of its operational or support Components could reuse the Property. On the basis of responses from its Components, DHS determined that the cost to retain and reuse existing facilities outweighs any potential benefit. Therefore, DHS has determined that there is no viable mission need for the Property within the agency and that the Property will be excess to its needs once

PIADC moves to NBAF. Given this determination, the alternative of DHS retention and reuse of the Property will be not be analyzed further.

Property Act Disposition Authority (40 U.S.C. 543)

Under this alternative, Property Act authorities would be used for the final disposition of the Property. The Property Act provides GSA with broad authority to dispose of excess and surplus real property, and the implementing regulations set forth an orderly method to identify and validate potential interests in such properties. Properties can be transferred to federal agencies to support other federal missions; conveyed at a discount to states, local governments, and eligible nonprofit organizations to address socioeconomic needs; and sold at fair market value through a negotiated or competitive sale process.

The Property Act process would begin upon DHS submitting a report of excess of real property to GSA. Once submitted, GSA initially would solicit interest from federal agencies through a formal federal screening process. If there is no federal interest, GSA would determine that the Property is surplus to the Federal Government and solicit interest from states, local governments, and eligible nonprofit organizations through a formal surplus screening process. If there is no valid response to the surplus screening, the Property would be sold through a competitive sale process. These three phases of the Property Act are discussed further in the paragraphs below.

The Property Act introduces the potential need for a subdivision of the Property based on the extent and validity of varied interest generated from the screening processes. A subdivision of the Property would create some benefits; however, additional risks to the government also would exist by creating the need for multiple conveyances to multiple parties. Multiple conveyances add to both the time and complexity to finalize each transaction, which in turn may result ultimately in the increased liability and holding costs for DHS.

Federal Screening Process

During the federal screening process, GSA will canvas all federal landholding agencies to identify potential interests in reusing all or portions of the Property to accommodate existing or new mission needs. The Property's built and natural environments may have the potential to advance or support federal missions such as preservation, conservation, recreation, research, and other institutional uses (i.e., correctional, educational, or health). To ensure that any proposed transfer is in the best interest of the Federal Government, the requesting agency must demonstrate that it is the appropriate agency to hold the Property, and the proposed land use will maximize use of the Property, in terms of economy and efficiency.

Requesting agencies are required by law to pay full fair market value. However, Property can be transferred without reimbursement if the Office of Management and Budget grants a waiver; it is authorized by Congress and for the following purposes:

(a) Migratory bird management under P.L. 80-537, as amended by P.L. 92-432
(b) Wildlife conservation under P.L. 80-537
(c) Federal correctional facilities

In the event that there are multiple requests, GSA will attempt to facilitate an equitable solution between the agencies involved and will consider many factors including how the request may hinder or facilitate a comprehensive Property disposition plan, in determining which requirement aligns with the Federal Government's best interests.

Conservation of significant historic, cultural, and environmental resources:
If the Property, or a portion thereof, is transferred to another federal agency, significant resources would be managed in accordance with the transferee's property management practices and policies and other federal natural and cultural resource management regulations. Any proposed new construction or alteration to the Property would undergo appropriate environmental reviews and mitigation actions. Funding to preserve historic resources and manage environmental resources would be the obligation of the federal agency acquiring the Property. The continuation of existing partnerships with federal, local, and nonprofit entities, and tours for interested members of the public that promote access to and study of Plum Island's natural environment, would be contingent on the security and other potential constraints associated with the new federal mission.

Remediation Responsibilities:
If the Property, or a portion thereof, is transferred to another federal agency, residual remediation responsibilities could be addressed in an interagency agreement between DHS and the requesting agency. There would be no obligation for DHS to undertake those remedial actions required for the conveyance of the Property from federal ownership because CERCLA does not apply to the transfer of property from one federal agency to another. Remedial actions including demolition and removal of structures required to support the new mission would be the responsibility of the transferee.

Costs:
If custody and accountability of the Property or a portion thereof is transferred to another federal agency, the expense to accommodate the new mission and the continued cost to access, operate, and maintain the Property to support that mission and costs associated with remedial actions, including removal of structures and restoration of the site, would be borne by the Federal Government.

Revenue Projections:
No net revenue would be generated if custody and accountability for the Property or a portion thereof remains with the Federal Government.

Need for legislative change:
DHS would need further legislation to carry out any alternative other than what is in current law.

Surplus Screening Process

If the Property, or a portion thereof, is not transferred to another federal agency, it is made available to state and local governments and certain nonprofit institutions at up to a 100-percent discount of fair market value for public benefit purposes. The purposes include homeless assistance, education, health, park and recreation, historic monuments, public airports, highways, correctional facilities, ports, and wildlife conservation. Each program has a designated federal agency that sponsors the respective public benefit purpose. Upon request, eligible entities are furnished with a public benefit application and instructions to apply for surplus property in coordination with the sponsoring federal agency. The sponsoring federal agency will review and approve the application and make a recommendation regarding the conveyance of the Property in furtherance of the public benefit program. Conveyance documents would include use restrictions consistent with the approved application and other terms and conditions to protect government interests, including a reversionary clause in the event of noncompliance. The implementing regulations for these public benefit programs are found in 41 CFR Part 102-75.

The decision to make real property available for certain public purposes is made case-by-case with significant consideration given to the property's highest and best use as defined below:

> Highest and best use means the most likely use to which a property can be put, which will produce the highest monetary return from the property, promote its maximum value, or serve a public or institutional purpose. The highest and best use determination must be based on the property's economic potential, qualitative values (social and environmental) inherent in the property itself, and other utilization factors controlling or directly affecting land use (e.g., zoning, physical characteristics, private and public uses in the vicinity, neighboring improvements, utility services, access, roads, location, and environmental and historical considerations). Projected highest and best use should not be remote, speculative, or conjectural.[14]

[14] 41 CFR § 102-71.20

The highest and best use of the Property, using the above definition, likely would support inclusion of the following public purposes in a surplus screening under a Property Act disposition alternative.

- Homeless assistance[15]
- Education
- Health
- Emergency management
- Law enforcement
- Correctional facilities
- Parks and recreation
- Historic monument
- Wildlife conservation

At the conclusion of the surplus screening process, all conveyance requests are evaluated in consultation with respective sponsoring agencies. In the event that there are multiple requests, GSA will attempt to facilitate an equitable solution between the entities involved and will consider many factors, including how the request may hinder or facilitate a comprehensive disposition plan for the Property. Depending on the nature and extent of interest, a comprehensive reuse plan may be required to aid in this evaluation.

Conservation of significant historic, cultural, and environmental resources:
The notices and restrictions discussed in Section III of the report will be included in the conveyance documents to protect significant resources. Additional benefits to the natural environment and historic resources could occur depending on the specific public purpose program.

Remediation Responsibilities:
All appropriate corrective or remedial actions required by state or federal law to protect human health and the environment to permit continued use of the same general nature (i.e., industrial/commercial/research) and required by law to be completed prior to closing will be taken prior to the closing date. Appropriate deed language will reflect any development constraints. Furthermore, pursuant to Section 120 of CERCLA, the deed from the United States will contain a warranty that the United States will undertake any further remedial action found to be necessary after the date of such transfer by reason of newly discovered contamination. In the event that the subsequent owner wishes to use the property in a manner requiring elimination of the deed restriction, such owner will remediate further under the National Contingency Plan and Section 121 of CERCLA

[15] The McKinney-Vento Homeless Assistance Act mandates that homeless use be afforded a priority of consideration over other surplus conveyance options, regardless of the property's highest and best use, if the Department of Housing and Urban Development deems the property suitable to assist the homeless.

depending on that future use of the property. It is expected that all structures, regardless of their condition, will be included in the conveyance of the Property because demolition of structures before transfer of title is not envisioned for a public benefit conveyance of the Property.

Cost:
The cost required to implement this alternative will include the added expense to screen and evaluate potential interests, and to prepare and execute pertinent conveyance documents. The cost to conduct necessary remediation and other regulatory closure activities is assumed to be constant for all disposition alternatives that result in a conveyance of the Property from government ownership.

Revenue:
The conveyance of the Property through a public benefit discount program will not produce any revenue.

Need for legislative change:
DHS would need further legislation to carry out any alternative other than what is in current law.

In addition to the above-mentioned public benefit discount programs, state and local governments also may acquire surplus property through a negotiated sale at fair market value for other public purposes such as economic development.

Conservation of significant historic, cultural, and environmental resources:
The notices and restrictions discussed the Section III of this report would be included in the conveyance documents to protect significant resources.

Remediation Responsibilities:
All appropriate remedial actions to protect human health and the environment will be taken prior to the conveyance date. It is expected that all structures, regardless of their condition, will be included in the conveyance of the Property because demolition activity is not envisioned to facilitate a negotiated sale of the Property.

Cost:
The cost required to implement this alternative will include the added expense to appraise the Property, engage in negotiations, and prepare and execute pertinent conveyance documents. The cost to conduct necessary remediation and other regulatory closure activities is assumed to be constant for all disposition alternatives that result in a conveyance of the Property from government ownership.

Revenue:
Under a negotiated sale, revenue will equate to fair market value.

Need for legislative change:
DHS would need further legislation to carry out any alternative other than what is in current law.

Competitive Public Sale

Under this alternative, the Joint Lead Agencies will continue to refine the marketing strategy through the planned focus group effort and input from other stakeholders, and conclude regulatory requirements. The Joint Lead Agencies will sell the Property (or remnant if portions of the Property are transferred or conveyed as a result of the aforementioned federal and surplus screening processes) in a single transaction through a competitive public sale. Sale documents will be developed to describe the Property and to inform prospective bidders about the terms and conditions of the sale. Bidders would be afforded an opportunity to access and inspect the Property and to review due diligence documents prior to the sale. A bid deposit would be required to register and participate in the sale. It is anticipated that the Property will be sold either through an online auction or sealed bid method, where the highest monetary bid would be the sole consideration in making an award. After the award, a closing date will be set within the closing period specified in the sale documents. At closing, the purchaser will pay the balance of the purchase price, the title to the Property will be conveyed through a quitclaim deed, and personal property may be conveyed through a bill of sale.

Conservation of significant historic, cultural, and environmental resources:
The notices and restrictions discussed in Section III of this report will be included in the conveyance documents to protect eligible resources.

Remediation Responsibilities:
All appropriate remedial actions to protect human health and the environment will be taken prior to the closing date. It is expected that all structures, regardless of their condition, will be included in the conveyance of the Property because demolition activity is not envisioned for a competitive sale of the Property.

Costs:
The cost required to implement this alternative will include the added expense to market the Property and conclude the sale. The cost to conduct necessary remediation and other regulatory closure activities is assumed to be constant for all disposition alternatives that result in a conveyance of the Property from government ownership.

Revenue:
A competitive public sale likely would generate the most revenue compared to other alternatives analyzed for the final disposition of the Property.

Need for legislative change
DHS would need further legislation to carry out any alternative other than what is in current law.

V. Conclusion

DHS, as the Department responsible for Plum Island, and GSA, as the agency responsible for disposal of federal property, are prepared to discuss any information in this report. The Joint Lead Agencies are proceeding as directed by section 540 of P.L. 110-329, as amended, by continuing regulatory closure due diligence activities and marketing efforts in advance of a competitive public sale. Many of the regulatory due diligence activities currently underway will benefit any alternative for the final disposition of the Property. DHS would need further legislation to carry out any alternative other than what is in current law.