

## Appendix J – Enhanced Use Lease Opportunities

Enhanced Use Lease (EU) authority allows the VA to enter into agreements with non-government entities for the use of VA space or land for private development, resulting in some form of benefit back to the VA and to veterans. This benefit could be in the form of an annual reimbursement, discounted services, or the use of a building the non-government entity would build. An example of an Enhanced Use Lease opportunity might be a local health care provider building a dialysis unit on VA property. The local health care provider would serve non-veterans for a profit, but would also provide discounted services to veterans, thereby extending the capacity for dialysis at the VA medical center from which they were leasing the property.

The following tables represent the list of Enhanced Use Lease opportunities identified in VISN CARES Market Plans. Some of these Enhanced Use Lease opportunities were developed to the point where VISNs could determine the direct service that would be gained by the VA, and therefore they could use the EU Lease to help solve a workload or space gap within a CARES Category. Those opportunities are listed in the table below.

### Enhanced Use Lease Opportunities That Solve Workload Gaps

VISN	Facility Name	CARES Category	Start Year	End Year	EU Inside VA Sq Ft
V02	Syracuse	Research	2015	2022	5,000
V04	Butler	Specialty Care	2008	2022	28,000
V06	Durham	Research	2006	2022	34,000
V09	Nashville	Research	2004	2022	21,400
V11	Fort Wayne	Ancillary/Diagnostic	2004	2022	36,400
V11	Fort Wayne	Primary Care	2004	2022	19,500
V11	Fort Wayne	Specialty Care	2004	2022	52,000
V11	Illiana HCS (Danville)	Intermediate & NHCU	2004	2022	95,000
V16	Houston	Research	2022	2022	15,000
V16	Houston	Specialty Care	2007	2022	160,000
V18	Tucson	Medicine	2004	2022	7,000
V20	Portland	Administrative	2005	2022	8,000
V21	Palo Alto	Research	2005	2022	75,000
V21	San Francisco	Research	2007	2022	200,000
V22	West LA	Primary Care	2006	2022	26,000
<b>Square Feet Used For Enhanced Use to Expand VA Programs</b>					<b>782,300</b>

The remainder of the enhanced use lease opportunities outlined in the VISN CARES Market Plans have not been fully developed, or were not fully described, but were identified as being a potential use of vacant space. The VISNs may not know, at this point, what direct benefit the VA will gain. Further development of these opportunities will occur during the CARES Implementation process.

The Office of Asset Enterprise Management (OAEM) provided real property appraisals that helped the VISNs understand the value of their real property for potential selling or leasing. From these appraisals, OAEM identified the top twenty sites with the most potential for profitable enhanced use lease opportunities. This assessment was based on the location of the site and its potential for commercial use. The top twenty highest ranks sites are noted in the first column of the table below.

The following table identifies those opportunities that were proposed by VISNs as a potential use for vacant space. As indicated, opportunities are not developed to the point where the VISNs could use them to solve a workload or space gap in a CARES category.

**Enhanced Use Lease Opportunities Not Fully Developed  
Potential Use of Vacant Space**

Top 20 EU	VISN	Facility Name	FY2002 Vacant Space EU Sq Ft or Land	FY2012 Vacant Space EU Sq Ft	FY2022 Vacant Space EU Sq Ft
#01	V19	Denver	Land		
#02	V05	Baltimore/Fort Howard		297,613	297,613
#03	V16	Houston	Land		
#04	V22	Long Beach	Land		
#05	V03	Lyons	Land		
#06	V23	Minneapolis		45,932	45,932
#07	V03	Northport		71,697	162,025
#08	V18	Phoenix	Land		
#09	V21	Sacramento	Land		
#10	V22	San Diego	Land		
#11	V21	San Francisco	Land		
#12	V20	Seattle	Land		
#13	V03	St.Albans		90,993	115,592
#14	V05	Washington	No excess space/land available		
#15	V22	West LA		165,362	208,812
#16	V08	Bay Pines	106,940	122,386	171,085
#17	V10	Cleveland - Brecksv.		548,363	548,363
#18	V03	VAMC Bronx NY		145,000	145,000
#19	V03	Brooklyn	No excess space/land available		
#20	V04	Butler	Land		
	V01	Boston		34,000	38,629
	V02	Brockton		76,477	76,477
	V02	Canandaigua		23,000	23,000
	V03	Buffalo		50,000	50,000
	V03	Montrose		669,077	707,468
	V04	Wilmington		13,326	13,326
	V06	Durham	10,947	10,947	10,947

Top 20 EU	VISN	Facility Name	FY2002 Vacant Space EU Sq Ft	FY2012 Vacant Space EU Sq Ft	FY2022 Vacant Space EU Sq Ft
	V07	Columbia (SC)		24,911	24,911
	V09	Huntington		74,000	74,000
	V10	Lexington		215,000	215,000
	V11	Mountain Home		290,000	290,000
	V10	Cincinnati	69,805	69,805	69,805
	V11	Dayton	72,501	72,501	72,501
	V11	Ann Arbor	3,977	3,977	3,977
	V12	Fort Wayne		37,818	46,610
	V13	Detroit		41,860	54,110
	V14	Indianapolis	300,643	300,643	307,189
	V15	Leavenworth		474,848	477,478
	V15	St. Louis	Parking		
	V16	Gulfport		288,519	288,519
	V17	Kerrville	Land		
	V18	Albuquerque	Land		
	V19	Salt Lake City			
	V20	Portland	Land		
	V20	Roseburg	Land		
	V20	White City	Land		
	V21	Palo Alto	Land		
	V21	Menlo Park	Land		
	V22	Las Vegas, Loma Linda	Land		
	V23	Fort Meade	Existing		
	V23	Hot Springs	Existing		
	V23	St. Cloud	Land		
<b>Total Square Footage</b>			<b>564,813</b>	<b>4,258,055</b>	<b>4,538,369</b>