Please cite OMB Control Number 0704–0259 in all correspondence related to this issue. E-mail comments should cite OMB Control Number 0704–0259 in the subject line.

FOR FURTHER INFORMATION CONTACT: Ms. Melissa D. Rider, at (703) 602–0131. A copy of this information collection requirement is available electronically via the Internet at:

http://www.acq.osd.mil/dp/dar/dfars.html

Paper copies may be obtained from Ms. Melissa D. Rider, PDUSD (A&T) DP (DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301–3062.

SUPPLEMENTARY INFORMATION:

Title, Associated Form, and OMB Number: Defense Federal Acquisition Regulation Supplement (DFARS) Part 216, Types of Contracts, and related clauses at DFARS 252.216–7000, Economic Price Adjustment—Basic Steel, Aluminum, Brass, Bronze, or Copper Mill Products, DFARS 252.216–7001, Economic Price Adjustment—Nonstandard Steel Items, and DFARS 252.216–7003, Economic Price Adjustment—Wage Rate or Material Prices Controlled by a Foreign Government; OMB Control Number 0704–259.

Needs and Uses: The clauses at DFARS 252.216–7000, 252.216–7001, and 252.216–7003 require contractors with fixed-price economic price adjustment contracts to submit information to the contracting officer regarding changes in established material prices or wage rates. The contracting officer uses this information to make appropriate adjustments to contract prices.

Affected Public: Businesses or other for-profit and not-for-profit institutions.

Annual Burden Hours: 1,212.

Number of Responses: 302.

Responses Per Respondent: 2.

Average Burden Per Response: 4 hours.

Frequency: On occasion.

Summary of Information Collection

Each clause requires the contractor to submit certain information that the contracting officer uses to adjust contract prices:

a. Paragraph (c) of the clause at DFARS 252.216–7000 requires the contractor to notify the contracting officer of the amount and effective date of each decrease in any established price. Paragraph (d) of the clause permits the contractor to submit a written request to the contracting officer for an increase in contract price.

b. Paragraph (f)(2) of the clause at DFARS 252.216–7001 requires the contractor to furnish a statement identifying the correctness of the established prices and employee hourly earnings that are relevant to the computation of various indices. Paragraph (f)(3) of the clause requires the contractor to make available all records used in the computation of labor indices upon the request of the contracting officer.

c. Paragraph (b)(1) of the clause at DFARS 252.216–7003 permits the contractor to provide a written request for contract adjustment based on increases in wage rates or material prices that are controlled by a foreign government. Paragraph (c) of the clause requires the contractor to make available its books and records that support a requested change in contract price.

Michele P. Peterson,

Executive Editor, Defense Acquisition Regulations Council.

[FR Doc. 99–7134 Filed 3–23–99; 8:45 am]

BILLING CODE 5000–04–M

DEPARTMENT OF DEFENSE

Department of the Navy

Record of Decision for the Disposal and Reuse of Naval Training Center, San Diego, California

SUMMARY: The Department of the Navy (Navy), pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. § 4332(2)(C), and the regulations of the Council on Environmental Quality that implement NEPA procedures, 40 C.F.R. Parts 1500–1508, hereby announces its decision to dispose of Naval Training Center (NTC) San Diego in San Diego, California.

Navy and the City of San Diego jointly analyzed the impacts of the disposal and reuse of Naval Training Center San Diego in an Environmental Impact Statement/Environmental Impact Report (EIS/EIR) prescribed by NEPA and the California Environmental Quality Act (CEQA), Cal. Pub. Res. Code, §§ 21000–21177. The EIS/EIR analyzed five reuse alternatives and identified the Naval Training Center San Diego Draft Reuse Plan dated June 1997 (Reuse Plan) as the Preferred Alternative. The City of San Diego is the Local Redevelopment Authority (LRA) for Naval Training Center San Diego. Department of Defense Rule on Revitalizing Base Closure Communities and Community Assistance (DoD Rule), 32 C.F.R. § 176.20(a).

The Preferred Alternative proposed a mix of residential, educational, commercial, public and recreational uses. These include housing, two hotels, an environmental monitoring laboratory and related administrative facility for the San Diego Metropolitan Wastewater Department, a public safety institute, a nesting site for the California least tern, and expansion of the adjacent San Diego International Airport (Lindbergh Field).

Navy intends to dispose of NTC San Diego in a manner that is consistent with the Reuse Plan. Navy has determined that a mixed land use will meet the goals of achieving local economic redevelopment, creating new jobs, and providing additional housing, while limiting adverse environmental impacts and ensuring land uses that are compatible with adjacent property. This Record Of Decision does not mandate a specific mix of land uses. Rather, it leaves selection of the particular means to achieve the proposed redevelopment to the acquiring entities and the local zoning authority.

Background

Under the authority of the Defense Base Closure and Realignment Act of 1990 (DBCRA), Public Law 101–510, 10 U.S.C. § 2687 note, the 1993 Defense Base Closure and Realignment Commission recommended the closure of Naval Training Center San Diego. This recommendation was approved by President Clinton and accepted by the One Hundred Third Congress in 1993. Naval Training Center San Diego closed on April 30, 1997, and Navy is currently maintaining the property in a caretaker status.

The Naval Training Center is located in San Diego County, California, within the corporate limits of the City of San Diego. The base is bounded on the north and west by Rosecrans Street and the San Diego communities of Loma Portal and Point Loma; on the south by San Diego Bay and Harbor Drive; and on the east by Lindbergh Field. Harbor Drive, a City road on Navy property, is located on the southern side of NTC San Diego and lies adjacent to San Diego Bay.

The 541-acre property consists of two areas that are separated by a 51-acre manmade waterway known as the Boat Channel. The main part of the base covers 377 acres and is situated west of the Boat Channel. The other part of the base, known as Camp Nimitz, covers 113 acres and is located east of the Boat Channel.

Navy will retain part of the NTC San Diego complex, *i.e.*, 30 acres containing the training and conference center known as the Admiral Kidd Club (Building A3); the United States Pacific Fleet Intelligence Training Center (Building 564); 7 acres containing the Consolidated Area Telephone Service facilities (Building 600); and 1 acre

containing the cogeneration power plant (Building 566). Navy made the remaining property available for possible use by other Federal agencies.

Navy approved requests from the Department of Justice and the United States Marine Corps for transfers of base closure property at the Naval Training Center. Navy transferred a two-acre parcel on Camp Nimitz containing the small arms range (Building 569) to the Department of Justice on July 27, 1998. Navy transferred a 72-acre parcel west of the Boat Channel to the Marine Corps for use as military family housing on August 10, 1998. The remaining 429 acres are surplus to the needs of the Federal Government.

This Record Of Decision addresses the disposal and reuse of these 429 acres, which contain about 270 buildings and structures that were used for training, related administrative activities, and housing. The base also contains recreational facilities and an undeveloped area that has been set aside as a nesting site for the California least tern, a Federally protected endangered species.

Some of the buildings and structures on the main part of the base at NTC San Diego were built during the 1920s and 1930s, and they constitute the Naval Training Center San Diego Historic District. The Historic District includes Buildings 1 through 12, 14 through 30, 32, 35, 175, 176, 177, 178, 193, 194, 195, 198, 200, 201, 202, 208, 210, and Quarters A, B, C, and D. The Historic District also includes other structures, *i.e.*, the USS Recruit (Building 430), two gun platforms (Buildings 453 and 454), two flagpoles (Buildings 451 and 528), and the Gate 1 Arch and Gatehouse (Main Gate). Finally, the Historic District includes open areas, roads, gardens and a burial site. These include Lawrence Court, Luce Court, John Paul Jones Court, Ingram Plaza, Sellers Plaza, Preble Field, Decatur Road, Dewey Road, Perry Road, Roosevelt Road, Sims Road, Truxtun Road, Stanley/Welty Terrace, the gardens in front of the officers quarters, six Bunya-bunya trees, a fir tree, and the Navy burial site on the Sail Ho golf course.

The historic buildings, which were the original structures at NTC San Diego, are important examples of the Spanish Colonial Revival style of architecture that is evident throughout Southern California. They reflect Navy's decision during the 1920's to build bases that adopt important regional architectural themes.

Navy published a Notice Of Intent in the **Federal Register** on May 13, 1996, announcing that Navy and the City of San Diego would prepare an EIS/EIR for the disposal and reuse of Naval Training Center San Diego. Navy and the City held a public scoping meeting at the Naval Training Center San Diego Support Center on June 11, 1996, and the scoping process concluded on June 19, 1996.

Navy and the City distributed a Draft EIS/EIR (DEIS/EIR) to Federal, State, and local governmental agencies, elected officials, community groups and associations, and interested persons on August 29, 1997, and commenced a 45-day public review and comment period. During this public review period, Federal, State, and local agencies, community groups and associations, and interested persons submitted oral and written comments concerning the DEIS/EIR. On September 30, 1997, Navy and the City held a public hearing at the Naval Training Center San Diego Support Center to receive comments on the DEIS/EIR.

Navy's and the City's responses to the public comments were incorporated in the Final EIS/EIR (FEIS/EIR), which was distributed to the public on July 31, 1998, for a review period that concluded on August 31, 1998. Navy and the City received eight letters commenting on the FEIS/EIR.

Alternatives

NERA requires Navy to evaluate a reasonable range of alternatives for the disposal and reuse of this surplus Federal property. In the FEIS/EIR, Navy and the City of San Diego analyzed the environmental impacts of five reuse alternatives. Navy also evaluated a ''No Action'' alternative that would leave the property in a caretaker status with Navy maintaining the physical condition of the property, providing a security force, and making repairs essential to safety.

The City of San Diego, acting as the LRA, established the Naval Training Center San Diego Reuse Planning Committee in November 1993. The Reuse Planning Committee held public design workshops in November 1994 and March 1995, at which it solicited comments concerning reuse of the Naval Training Center. The Committee also held public meetings in December 1995, February 1996, and May 1996, where it provided status reports and solicited additional comments concerning reuse of the base.

In May 1996, the Reuse Planning Committee submitted a conceptual land use plan entitled Policies and Priorities for Base Reuse, dated May 22, 1996, to the San Diego City Council. On July 16, 1996, the City Council modified this plan by increasing the area designated for airport expansion and proposing to build up to 350 homes in the residential area. City Council Resolution No. R–287661. Based upon this modified conceptual land use plan, the City Council developed the Draft Reuse Plan, dated September 30, 1996.

On October 21, 1996, the City Council modified its July 1996 decision by changing the mix of proposed uses for Camp Nimitz to make additional property available for expansion of the airport. In particular, the City Council removed a proposed emergency vehicle operations course from the Draft Reuse Plan dated September 30, 1996. City Council Resolution No. R–287949. These changes were embodied in another Draft Reuse Plan, dated June 1997, that Navy analyzed in the NEPA process. On October 20, 1998, the City Council approved the Draft Reuse Plan dated June 1997 as the final Naval Training Center San Diego Reuse Plan and issued this Reuse Plan in October 1998. City Council Resolution No. R–290901.

The Reuse Plan, identified in the FEIS/EIR as the Preferred Alternative, proposed a mix of land uses. For the main part of the base, west of the Boat Channel, the Reuse Plan designated areas for residential, educational, commercial, and recreational uses. In the southwest corner of the main base, the Reuse Plan proposed to remove all existing structures and build 350 new houses and townhouses on 39 acres. On 29 acres located northeast of this residential area, the Reuse Plan would use existing buildings for educational purposes and build new educational facilities. It would be necessary to remove about half of the existing buildings here to permit the new construction. This complex would provide more than 640,000 square feet of space for use as classrooms, vocational training shops, and related administrative facilities.

A 42-acre golf course would be developed along the northwestern and northern boundaries of the Naval Training Center property. About 58 acres southeast of the golf course would be used for offices, restaurants, retail businesses, and museums. This 58-acre area comprises nearly the entire Historic District, where all of the existing buildings and structures would be retained. The Preferred Alternative also proposed a 76-acre recreational area along the west side of the Boat Channel and construction of a 350-room, three-story hotel on an 18-acre site near Harbor Drive.

On the Camp Nimitz property, east of the Boat Channel, the preferred Alternative proposed to build a 650-room, eight-story hotel on 14 acres facing Harbor Drive. On an 8-acre parcel

north of this hotel, the Preferred Alternative would build an environmental monitoring laboratory and related administrative facility providing 100,000 square feet of space for use by the San Diego Metropolitan Wastewater Department. On 25 acres located east of the hotel and north of the laboratory, the Preferred Alternative would use some existing buildings and build new facilities for training local fire, police, and other public safety personnel. It would be necessary to remove some of the existing buildings here to permit the new construction associated with this public safety institute.

Under the Preferred Alternative, 26 acres of undeveloped property located east of the public safety institute and adjacent to Terminal 2 at Lindbergh Field would be used to expand San Diego International Airport. An additional 25 acres in this area would be used as a nesting site and buffer zone for the California least tern. A narrow strip of land that lies along the eastern shore of the Boat Channel would be used as a recreational area. Finally, the Preferred Alternative would retain Harbor Drive and the Boat Channel.

Navy analyzed a second alternative described in the FEIS/EIR as the Entertainment Alternative. On the main part of the base, west of the Boat Channel, the Entertainment Alternative would build 450 apartments and duplexes on the same 39-acre parcel in the southwest corner of the property where 350 houses and townhouses would be built under the Preferred Alternative. The Entertainment Alternative would create a 113-acre Naval theme park located northeast of the residential area. This part could provide restaurants, theaters, retail shops, and video entertainment and would include the Historic District. A 1,000-room, eight-story hotel would be built on 17 acres east of the residential area. Additionally, a 46-acre recreational area would occupy the western shore of the Boat Channel, and a 42-acre golf course would be located along the northern and eastern boundaries of the base.

East of the Boat Channel, the Entertainment Alternative proposed to make a 76-acre area at the Camp Nimitz property available for the expansion of Lindbergh Field. Finally, this Alternative proposed to maintain the 25-acre California least tern nesting site, Harbor Drive, and the Boat Channel.

Navy analyzed a third alternative described in the FEIS/EIR as the Low Traffic Alternative. This Alternative proposed a combination of uses that would result in traffic levels similar to those generated before closure of the Navy Training Center.

On the west side of the Boat Channel, the Low Traffic Alternative proposed a residential area that would provide 200 new residential units on a 22-acre parcel in the southwestern part of the Naval Training Center property. These residential units could include houses, townhouses, duplexes, and apartments. Southeast of this residential area, there would be an elementary school on about 9 acres. Northeast of the residential area, 38 acres would be used for educational buildings. Most of the existing facilities here would be demolished to permit the new construction.

The environmental monitoring laboratory would be located on 5 acres southeast of the educational area. A 72-acre golf course would be developed along the northwestern, northern, and eastern boundaries of the Naval Training Center property. A 77-acre recreational area would be located between the western shore of the Boat Channel and Rosecrans Street. Like the Preferred Alternative, the Low Traffic Alternative would introduce offices into the Historic District.

On Camp Nimitz, the Low Traffic Alternative proposed to build a 350-room, three-story hotel on 10 acres facing Harbor Drive and maintain the 25-acre California least tern nesting site. A 68-acre between the hotel and the least tern nesting site would be made available for the expansion of Lindbergh Field. Finally, this Alternative would retain Harbor Drive and the Boat Channel.

Navy analyzed a fourth alternative designated as the High Traffic Alternative. This Alternative would increase traffic above the levels experienced at the Naval Training Center before closure, because more of the property would be dedicated to commercial enterprises, *i.e.*, offices, retail stores, and research and development activities. This Alternative would not provide areas for residential uses or for expansion of the airport.

On the west side of the Boat Channel, seven areas covering 105 acres and providing more than one million square feet of space dedicated to commercial uses would be spread throughout the main part of the base. This Alternative would provide 35 acres along the northwest boundary of the base adjacent to Rosecrans Street for educational activities and about 18 acres at the northern end of the Naval Training Center property for a golf course. Light industrial facilities containing up to 230,000 square feet would be located in the center of the main part of the base.

On Camp Nimitz, the High Traffic Alternative would build a 751-room, eight-story hotel on 28 acres facing Harbor Drive. A 5-acre wetland would be established on land located between the hotel an the eastern shore of the Boat Channel. This Alternative would also provide a public safety institute on 38 acres between the Boat Channel and Lindbergh Field. Like the Preferred Alternative, the High Traffic Alternative proposed to retain the California least tern nesting site, Harbor Drive, and the Boat Channel. No part of the Camp Nimitz property would be made available for expansion of the airport.

Navy analyzed a fifth alternative designated as the Minimal Airport Expansion Alternative that is similar to the Preferred Alternative. On the main part of the base, it proposed to develop an educational complex, a golf course, restaurants, retail stores, museums, a recreational area, and a hotel in the same places and configurations as in the Preferred Alternative. This Alternative, however, would build 450 apartments and townhouses on the same 39-acre site in the southwestern part of the property where the Preferred Alternative would build 350 houses and townhouses.

On Camp Nimitz, the Minimal Airport Expansion Alternative proposed to build a 650-room, 8-story hotel on 14 acres facing Harbor Drive. North of the hotel, there would be an environmental monitoring laboratory on 8 acres. On 44 acres north and east of the laboratory and hotel, this Alternative would build a public safety institute. The California least tern nesting area would be maintained on a 21-acre site northeast of the institute. East of the nesting site, this Alternative proposed to make a 10-acre area available for the expansion of Lindbergh Field. Finally, the Minimal Airport Expansion Alternative would retain Harbor Drive and the Boat Channel.

Environmental Impacts

Navy analyzed the direct, indirect, and cumulative impacts of the disposal and reuse of this Federal property. The FEIS/EIR addressed the impacts of the Preferred Alternative, the Entertainment Alternative, the Low Traffic Alternative, the High Traffic Alternative, the Minimal Airport Expansion Alternative, and the ''No Action'' Alternative for each alternative's effects on land use, transportation and circulation, cultural resources, socioeconomic factors (including population, employment, income, housing, and environmental justice), infrastructure and utilities, biological resources, geology and soils, hydrology and water quality, air quality,

public health and safety, visual resources, noise, hazardous substances and waste, and community services and facilities. This Record Of Decision focuses on the impacts that would likely result from implementation of the Reuse Plan Alternative, designated in the FEIS/EIR as the Preferred Alternative.

The Preferred Alternative would have significant impacts on land use. The land uses proposed in the Reuse Plan would not be consistent with the traffic reduction policies articulated in the Peninsula Community Plan. This Plan was developed by the City of San Diego to evaluate projects proposed to be built in Point Loma. Navy and the City used this Plan to evaluate whether the reuse alternatives were consistent with the City's land use policies for the Point Loma area. The City recognizes that implementation of the Preferred Alternative would have significant unmitigable impacts on land use that are inconsistent with the traffic reduction policies set forth in the Peninsula Community Plan.

The proposed development of a public safety institute could have a significant land use impact if it were built on tidelands encumbered by the public trust established by California law. Known as the Tidelands Trust, it mandates that public tidelands and submerged lands be used for the benefit of the people of California for commerce, navigation, fisheries and recreation. The proposed safety institute, while public in nature, would constitute a municipal use that would not be permitted under the Trust's restrictions. The City of San Diego, however, proposes to avoid this impact by entering into an agreement with the California State Lands Commission that would impose public trust restrictions on non-trust lands in exchange for the removal of those restrictions on the property where the public safety institute would be developed.

The proposed educational, recreational, office, and retail land uses would have significant land use impacts because they are inconsistent with the Lindbergh Field Comprehensive Land Use Plan (CLUP) and San Diego's Progress Guide and General Plan (General Plan). The CLUP, adopted by the San Diego Association of Governments in 1992, describes the actions required to ensure that development around the airport is compatible with air operations. In particular, the CLUP establishes height limitations and noise attenuation requirements for new buildings and defines appropriate uses for property near the airport. The Naval Training Center property is subject to high levels of noise form Lindbergh Field. Thus, the educational, recreational, and retail uses proposed by the Preferred Alternative would be incompatible with the noise attenuation requirements of the CLUP.

San Diego's General Plan is a statement of goals, objectives, and implementing rules that guide the City's future development. Navy compared the proposed reuse alternatives with the land use policies set forth in the General Plan and concluded that the General Plan would bar the educational, recreational, and retail uses proposed by the Preferred Alternative from such noisy areas. These proposed uses, however, are not inconsistent with Navy's historical use of the property, and the City recognizes that implementation of the Reuse Plan would result in unmitigable noise-related land use impacts.

The Preferred Alternative would generate additional traffic in the area surrounding the Naval Training Center that would have significant impacts on transportation and circulation. This Alternative would generate about 53,525 average daily trips compared with 35,607 average daily trips that were associated with Navy's use of the property. Roadways that may experience traffic congestion include Rosecrans Street, Lytton Street, Barnett Avenue, Chatsworth Boulevard, and Midway Drive. The City has identified certain intersectional and roadway improvements that would reduce some of the traffic impacts. Even with these improvements, however, there would be significant impacts arising out of traffic generated by implementation of the Reuse Plan.

The Preferred Alternative could have a significant impact on cultural resources. Although no construction is currently proposed for the Historic District, future development could cause a significant impact by introducing buildings or landscaping that would be incompatible with the design or scale of the Historic District. In addition, property near Building 227 contains buried debris from the World War II era that could be disturbed by future grading.

In accordance with section 106 of the National Historic Preservation Act of 1966, 16 U.S.C. § 470(f), Navy consulted with the California State Historic Preservation Officer, the Advisory Council on Historic Preservation, the City of San Diego, and an interested party, the Save Our Heritage Organisation. These consultations focused on ways to avoid and mitigate adverse impacts to the Historic District that could result from disposal and reuse of the Naval Training Center.

In July 1998, Navy, the Advisory Council on Historic Preservation, and the State Historic Preservation Officer executed a Memorandum of Agreement (MOA). The City of San Diego and the Save Our Heritage Organisation also signed the MOA as concurring parties. This MOA defines actions that Navy must take before it conveys the Naval Training Center property.

Navy will nominate the Historic District for listing on the National Register of Historic Places in accordance with 36 C.F.R. § 60.9. Navy will also ensure that a determination of eligibility for listing on the National Register of Historic Places is concluded for the buried World War II era debris near Building 227, before that site is disturbed or before the property is conveyed. Additionally, the City of San Diego will comply with its historic preservation regulations before demolishing, altering or disturbing any building, surface or landscape element in the Historic District.

The Preferred Alternative would not have significant adverse socioeconomic impacts. On the contrary, this Alternative would generate 6,086 direct jobs and 10,767 indirect jobs.

The Preferred Alternative would not result in any significant impacts on infrastructure and utility systems. The existing utility systems are either adequate to accommodate the anticipated demand or will be upgraded by the acquiring entities to meet that demand.

The Preferred Alternative could have a significant impact on biological resources. The construction of facilities near the California least tern nesting area could have a significant impact on the suitability of this area as a nesting and breeding site for this Federally protected bird. For example, the structures, fences, lighting, and landscaping associated with the public safety institute, the hotels, and the environmental monitoring laboratory could provide perches for predators of the California least tern.

Navy held informal consultations with the United States Fish and Wildlife Service under Section 7 of the Endangered Species Act of 1973, 16 U.S.C. § 1536, to identify measures that would mitigate the impacts. During these consultations, the City of San Diego offered to restrict future development by limiting the height of structures and the number of exterior light poles near the nesting area. These measures will protect the California least tern by limiting the number of potential perches for predators. In a letter dated June 30, 1998, the Service concurred in Navy's determination that

the disposal and reuse of the Naval Training Center is not likely to have an adverse effect on the California least tern.

The Preferred Alternative could have a significant impact on other biological resources. Implementation of the Reuse Plan could result in the removal of ornamental trees that support a nesting colony of two species of herons on the main part of the base at the corner of Cushing Road and Worden Road. Construction activities or an increased human presence could also frighten herons and other waterbirds away from foraging areas in the Boat Channel. Additionally, changes in the volume and chemical composition of stormwater runoff resulting from redevelopmnet could introduce larger amounts of fertilizers, pesticides, herbicides, and hydrocarbon pollutants such as motor oils and fuels into the Boat Channel and adversely affect the eelgrass beds.

The impacts on herons and other waterbirds can be mitigated by minimizing construction noise near breeding, roosting, the foraging areas; preserving the heron nesting colony trees; and establishing a construction buffer zone around these trees during the nesting season. The potential impacts to eelgrass beds can be mitigated by adhering to best management practices for the control of erosion and runoff and by implementing stormwater pollution prevention plans.

The Preferred Alternative could have significant impacts on geologic and soil conditions. Naval Training Center San Diego is located in a highly active seismic region and is built on artificial fill that has a moderate to high potential for both liquefaction and severe erosion. Thus, new construction will be required to meet current building codes governing seismic safety. The impacts from hazards arising out of ground movement can be reduced to an insignificant level by upgrading the existing buildings to comply with current seismic safety standards. The acquiring entities can reduce the impacts from erosion by implementing soil erosion control measures.

The Preferred Alternative could have significant impacts on the quality of surface water. Stormwater discharges from paved road surfaces that contain small amounts of fuels, oils, and residual contaminants could degrade the quality of the surface water. Implementation of appropriate stormwater pollution prevention plans can reduce this impact to an insignificant level.

The Preferred Alternative would not have a significant impact on air quality. The annual emissions of the common or criteria pollutants regulated by the Clean Air Act, 42 U.S.C. §§ 7401–7671q, other than oxides of sulfur, would decrease. Emissions of these oxides would increase by about 1.34 tons per year for a total of about 7.89 tons per year. This level is well below the significance criteria threshold for this pollutant of 100 tons per year.

Section 176(c) of the Clean Air Act, 42 U.S.C. 7506, requires Federal agencies to review their proposed activities to ensure that these activities do not hamper local efforts to control air pollution. Section 176(c) prohibits Federal agencies from conducting activities in air quality areas such as San Diego that do not meet one or more of the national standards for ambient air quality, unless the activities conform to an approved implementation plan. The United States Environmental Protection Agency regulations implementing Section 176(c) recognize certain categorically exempt activities. Conveyance of title to real property and certain leases are categorically exempt activities. 40 CFR §§ 93.153(c) (2) (xiv) and (xix). Therefore, the disposal of Naval Training Center San Diego will not require Navy to conduct a conformity determination.

The Preferred Alternative could have significant impacts on public health and safety. Steam lines located above the ground and uncovered drainage channels could present hazards to children living in the proposed residential area. In addition, certain activities of the public safety institute, such as tactical training, could expose guests in the nearby hotel to safety-related hazards. The acquiring entities can mitigate these impacts by posting warning signs and installing fences.

The Preferred Alternative could have a significant impact on visual resources. Some of the existing structures would be demolished to build the proposed housing, educational facilities and hotels. Although the precise locations and dimensions of new buildings and structures have not yet been determined, the proposed redevelopment could impede the views of San Diego Bay that neighborhoods northwest of the Naval Training Center currently enjoy. This impact can be reduced to an insignificant level by following the design and visual quality policies set forth in local community plans, *i.e.*, the Peninsula Community Plan and the Midway/Pacific Highway Corridor Community Plan.

The Preferred Alternative would not have a significant impact on noise. Noise impacts from traffic generated by the Preferred Alternative would be insignificant. On all roadways for which the Preferred Alternative would contribute up to 10 percent of future traffic, the increase in noise attributable to traffic generated by the Preferred Alternative would be imperceptible to the human ear.

The proposed expansion of Lindbergh Field would not generate noise impacts. The airport expansion envisioned by the Preferred Alternative would consist of roadway and parking improvements and construction of support facilities. This expansion would not introduce any additional flight capacity. Finally, noise arising out of construction activities would be governed by the City's noise ordinance. San Diego Municipal Code, Section 59.5.0404.

Hazardous materials and hazardous waste that may be used and generated by the Preferred Alternative would not cause any significant adverse impacts. The quantity of hazardous materials used, stored, and disposed of, and the quantity of hazardous waste generated on the property would be less under the Preferred Alternative than during Navy's use of the Naval Training Center property. Hazardous materials used under the Preferred Alternative will be managed in accordance with Federal and State regulations. Hazardous wastes transported for disposal or generated under the Preferred Alternative and stored for more than 90 days will be controlled by the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901, *et seq*.

Implementation of the Preferred Alternative would not have any impact on existing environmental contamination at the Naval Training Center. Navy will inform future property owners about the environmental condition of the property and may, where appropriate, include restrictions, notifications, or covenants in deeds to ensure the protection of human health and the environment in light of the intended use of the property.

The Preferred Alternative would not have any significant impact on most community services and facilities. This Alternative would, however, have a significant cumulative impact on schools. The Reuse Plan's proposed new houses and townhouses would result in the introduction of about 101 students into the San Diego Unified School District. The military family housing proposed for the 72-acre property that Navy transferred to the Marine Corps would introduce an additional 373 students into the School District.

The impact of the Reuse Plan would be mitigated by the local development fee assessed on new construction and applied to finance the renovation and

construction of schools. Under the current local development fee schedule, the Preferred Alternative would generate about $1.4 million in school fees. Additionally, Navy will make property available for school facilities on the 72-acre Marine Corps tract.

Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, reprinted in 42 U.S.C. 4321 note, requires that Navy determine whether any low-income and minority populations will experience disproportionately high and adverse human health or environmental effects from the proposed action. While there are substantial minority and low-income populations residing in the vicinity of the Naval Training Center, these populations will not experience disproportionately high and adverse human health or environmental effects. Indeed, the employment opportunities created by implementing the Preferred Alternative would have beneficial effects on minority and low-income populations residing within the region.

Navy also analyzed the impacts on children pursuant to Executive Order 13045, Protection of Children from Environmental Health Risks and Safety Risks, 3 C.F.R. 198 (1998). Under the Preferred Alternative, the largest concentration of children would be present in the residential and recreational areas. The Preferred Alternative would not result in any disproportionate environmental health or safety risks to children.

Mitigation

The decision to dispose of Naval Training Center San Diego does not require Navy to implement any mitigation measures beyond those discussed here. Navy will take certain actions to implement existing agreements and regulations. These actions were treated in the FEIS/EIR as agreements or regulatory requirements rather than as mitigation. Before conveying any property at Naval Training Center San Diego, Navy will nominate the Historic District to the National Register of Historic Places and determine the eligibility of the property near Building 227, containing World War II era debris, for listing on the Register.

The FEIS/EIR identified and discussed those actions that will be necessary to mitigate impacts associated with the reuse and redevelopment of Naval Training Center San Diego. The acquiring entities, under the direction of Federal, State, and local agencies with regulatory authority over protected resources, will be responsible for implementing any necessary mitigation measures.

Comments Received on the FEIS

Navy and the City of San Diego received comments on the FEIS/EIR from four local governmental agencies, three organizations and one individual. The local agencies were the Metropolitan Transit Development Board, the San Diego Unified Port District, the San Diego County Water Authority, and the San Diego Unified School District. The organizations were the Harbor Lights Foundation, the San Diego Archaeological Center, and the San Diego Audubon Society. All of the substantive comments concerned issues discussed in the FEIS/EIR. Those comments that require clarification are addressed below.

The Water Authority asked Navy to conduct an analysis of the quantity of water that would be required by the redevelopment proposed in the Reuse Plan. Navy performed an analysis that meets the needs of the Water Authority in Section 4 of the FEIS/EIR, *i.e.*, Environmental Consequences. The Reuse Plan would not have a significant impact on the potable water supply.

The Water Authority also suggested mitigation measures to ensure that water conservation practices would be observed in the redevelopment proposed by the Reuse Plan. In particular, the Water Authority asked Navy to impose requirements such as the use of low flow plumbing fixtures; landscape plantings that need little watering; and reclaimed water on the golf course. Section 17921.3 of the California Health and Safety Code requires the use of low flow fixtures in new buildings constructed in the State, and the City's plumbing standards require the use of water conserving fixtures when replacing fixtures in existing structures. San Diego Municipal Ordinance Section 93.0208. In the exercise of its local land use authority, the City will place appropriate water conservation requirements on future development projects at the Naval Training Center property.

The Port asked Navy to clarify that the acquiring entities must grant aviation easements to mitigate noise impacts arising out of the incompatibility of the Reuse Plan with the Lindbergh Field CLUP. To address the Port's concern, the City will ensure that an navigation easement for noise impacts in favor of the Lindbergh Field operator, currently the Port, will be placed on the property.

The Port also commented that noise impacts on residential and hotel land uses might occur if the City does not require that subsequent developers conduct acoustical analyses and implement attenuation measures as a condition of granting building permits. Thus, the Port asked that a mitigation measure be included in the FEIS/EIR that would compel the City to comply with the noise insulation standards set forth in Title 24 of the California Administrative Code. The City will continue to comply with its own regulations and noise ordinances and it has adopted the State noise standards as part of its own noise ordinances. Therefore, no additional mitigation measures are required.

The School District commented that the proposed mitigation for the Reuse Plan's cumulative impact on school facilities was inadequate. The District asked that the mitigation include full funding for the construction of an elementary school. As explained in response to the School District's comments on the DEIS/EIR, Navy's disposal of the Naval Training Center property would not cause any impacts requiring Navy to fund the construction of new school facilities. The FEIS/EIR discussed mitigation measures that would reduce school overcrowding to an insignificant level. The acquiring entities and the School District will be responsible for implementing appropriate mitigation measures.

Regulations Governing the Disposal Decision

Since the proposed action contemplates a disposal action under the Defense Base Closure and Realignment Act of 1990 (DBCRA), Public Law 101–510, 10 U.S.C. § 2687 note, Navy's decision was based upon the environmental analysis in the FEIS/EIR and application of the standards set forth in the DBCRA, the Federal Property Management Regulations (FPMR), 41 CFR Part 101–47, and the Department of Defense Rule on Revitalizing Base Closure Communities and Community Assistance (DoD Rule), 32 CFR Parts 174 and 175.

Section 101–47.303–1 of the FPRM requires that disposals of Federal property benefit the Federal Government and constitute the ''highest and best use'' of the property. Section 101–47.4909 of the FPMR defines the ''highest and best use'' as that use to which a property can be put that produces the highest monetary return from the property, promotes its maximum value, or services a public or institutional propose. The ''highest and best use'' determination must be based upon the property's economic potential, qualitative values inherent in the property, and utilization factors affecting land use such as zoning,

physical characteristics, other private and public uses in the vicinity, neighboring improvements, utility services, access, roads, location, and environmental and historical considerations.

After Federal property has been conveyed to non-Federal entities, the property is subject to local land use regulations, including zoning and subdivision regulations, and building codes. Unless expressly authorized by statute, the disposing Federal agency cannot restrict the future use of surplus Government property. As a result, the local community exercises substantial control over future use of the property. For this reason, local land use plans and zoning affect determination of the ''highest and best use'' of surplus Government property.

The DBCRA directed the Administrator of the General Services Administration (GSA) to delegate to the Secretary of Defense authority to transfer and dispose of base closure property. Section 2905(b) of the DBCRA directs the Secretary of Defense to exercise this authority in accordance with GSA's property disposal regulations, set forth in Part 101–47 of the FPMR. By letter dated December 20, 1991, the Secretary of Defense delegated the authority to transfer and dispose of base closure property closed under the DBCRA to the Secretaries of the Military Departments. Under this delegation of authority, the Secretary of the Navy must follow FPMR procedures for screening and disposing of real property when implementing base closures. Only where Congress has expressly provided additional authority for disposing of base closure property, *e.g.*, the economic development conveyance authority established in 1993 by Section 2905(b)(4) of the DBCRA, may Navy apply disposal procedures other than those in the FPMR.

In Section 2901 of the National Defense Authorization Act for Fiscal Year 1994, Public Law 103–160, Congress recognized the economic hardship occasioned by base closures, the Federal interest in facilitating economic recovery of base closure communities, and the need to identify and implement reuse and redevelopment of property at closing installations. In Section 2903(c) of Public Law 103–160, Congress directed the Military Departments to consider each base closure community's economic needs and priorities in the property disposal process. Under Section 2905(b)(2)(E) of the DBCRA, Navy must consult with local communities before it disposes of base closure property and must consider local plans developed for reuse and redevelopment of the surplus Federal property.

The Department of Defense's goal, as set forth in Section 174.4 of the DoD Rule, is to help base closure communities achieve rapid economic recovery through expeditious reuse and redevelopment of the assets at closing bases, taking into consideration local market conditions and locally developed reuse plans. Thus, the Department has adopted a consultative approach with each community to ensure that property disposal decisions consider the LRA's reuse plan and encourage job creation. As a part of this cooperative approach, the base closure community's interests, as reflected in its zoning for the area, play a significant role in determining the range of alternatives considered in the environmental analysis for property disposal. Furthermore, Section 175.7(d)(3) of the DoD Rule provides that the LRA's plan generally will be used as the basis for the proposed disposal action.

The Federal Property and Administrative Services Act of 1949, 40 U.S.C. 484, as implemented by the FPMR, identifies several mechanisms for disposing of surplus base closure property: by public benefit conveyance (FPMR Sec. 101–47.303–2); by negotiated sale (FPMR Sec. 101–47.304–9); and by competitive sale (FPMR 101–47.304–7). Additionally, in Section 2905(b)(4), the DBCRA established economic development conveyances as a means of disposing of surplus base closure property. The selection of any particular method of conveyance merely implements the Federal agency's decision to dispose of the property. Decisions concerning whether to undertake a public benefit conveyance or an economic development conveyance, or to sell property by negotiation or by competitive bid, are left to the Federal agency's discretion. Selecting a method of disposal implicates a broad range of factors and rests solely within the Secretary of the Navy's discretion.

Conclusion

The LRA's proposed reuse of Naval Training Center San Diego, reflected in the Reuse Plan, is consistent with the prescriptions of the FPMR and Section 174.4 of the DoD Rule. The LRA has determined in its Reuse Plan that the property should be used for several purposes including residential, educational, commercial, public and recreational uses. These uses include housing, educational facilities, two hotels, retail stores, an environmental monitoring laboratory and administrative facility, a public safety institute, a nesting site for the California least tern, expansion of the adjacent Lindbergh Field, and athletic fields and open spaces. The property's location, physical characteristics and existing infrastructure as well as the current uses of adjacent property make it appropriate for the proposed uses.

The Preferred Alternative responds to local economic conditions, promotes rapid economic recovery from the impact of the closure of Naval Training Center San Diego, and is consistent with President Clinton's Five-Part Plan for Revitalizing Base Closure Communities, which emphasizes local economic redevelopment of the closing military facility and creation of new jobs as the means to revitalize the communities. 32 CFR Parts 174 and 175, 59 FR 16123 (1994).

Although the ''No Action'' Alternative has less potential for causing adverse environmental impacts, this Alternative would not take advantage of the property's location, physical characteristics and infrastructure or the current uses of adjacent property. Additionally, it would not foster local economic redevelopment of the Naval Training Center property.

The acquiring entities, under the direction of Federal, State, and local agencies with regulatory authority over protected resources, will be responsible for adopting practicable means to avoid or minimize environmental harm that may result from implementing the Reuse Plan.

Accordingly, Navy will dispose of Naval Training Center San Diego in a manner that is consistent with the City of San Diego's Reuse Plan for the property.

Dated: March 10, 1999.

William J. Cassidy, Jr.,

Deputy Assistant Secretary of the Navy (Conversion and Redevelopment).

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DEPARTMENT OF EDUCATION

[CFDA No. 84.303A]

Office of Educational Research and Improvement (OERI), Technology Innovation Challenge Grants Program; Notice Announcing a Two-Tier Review Process for Applications Received Under the Fiscal Year (FY) 1999 Competition

SUMMARY: The Secretary announces the use of a two-tier review process to evaluate applications submitted for new