



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

October 25, 2007

The Honorable Henry A. Waxman
U.S. House of Representatives
Washington, DC 20515

Dear Congressman Waxman:

Thank you for your letter regarding sharing agreements and leases at the Department of Veterans Affairs (VA) West Los Angeles (LA) campus. I regret the delay in the reply.

The enclosed fact sheet provides answers to the questions that we can immediately address. Additional time is required, however, to compile other information that you requested. I will send you a follow-up letter when that information is available.

I hope this preliminary information is helpful to you.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Gordon H. Mansfield", is written over a faint, illegible typed name.

Gordon H. Mansfield
Acting

Enclosures

**Department of Veterans Affairs (VA)
Veterans Health Administration (VHA)**

Fact Sheet

**Response to Congressman Henry A. Waxman
Land Use Issues at the West Los Angeles (LA) Campus
of the VA Greater LA Health Care System**

The following information is provided in response to the subjects raised in the Congressman's letter:

Sharing is one of four legal authorities which allow VA to sell access to its space:

- a. 38 U.S.C. § 8122--out lease up to 3 years
- b. 38 U.S.C. §§ 8161-8169--enhanced use leasing up to 35 years
- c. Revocable license--common law--permission revocable at will
- d. 38 U.S.C. §§ 8151-8153--sharing use of space

Sharing the use of space is a unique, statutorily created vehicle for providing "use of space." Use of space agreements under 38 U.S.C. § 8153 are not lease agreements. The sharing authority, 38 U.S.C. §§ 8151-8153, is a separate and distinct authority to provide use of underutilized VA space with the commensurate right to retain the proceeds of the transaction. Unlike a lease, a sharing agreement for the use of space does not transfer any property interest to the sharing partner. Further, there is no requirement in the law that the sharing partner use the space for health care purposes. Unlike any other authority listed above, when a VHA facility enters into a sharing agreement it may keep the proceeds of the agreement locally to be used for the benefit of veterans.

Breitburn Energy

The Department of Interior's mineral rights lease with Breitburn Energy mandates that VA provide Breitburn with a revocable license for oil drilling. A revocable license (number 691-67-010LI) is authorized under common law and is revocable at will. A copy of the most recent revocable license is attached.

Enterprise Rent-A-Car

VA does not have a contract with Enterprise Rent-A-Car. VA has an enhanced sharing agreement (number V691S-154) with Westside Services. VA is authorized to enter into this enhanced sharing agreement under statute 38 U.S.C. §§ 8151-8153 -sharing use of space. With facility approval, Enterprise Rent-A-Car was permitted by Westside Services to park vehicles at the campus.

Fox Entertainment

VA is authorized to enter into this enhanced sharing agreement under statute 38 U.S.C. §§ 8151-8153 - sharing use of space. A copy of the agreement is attached. VA is conducting an Environmental Assessment for the project as required by the National Environmental Policy Act (NEPA). Local permits and license are not required because the West LA campus is federal property. VA's General Counsel has confirmed the legality.

Tumbleweed Buses

VA does not have a contract with Tumbleweed. VA has an enhanced sharing agreement (number V691S-154) with Westside Services. VA is authorized to enter into this agreement under statute 38 U.S.C. §§ 8151-8153 - sharing use of space. With facility approval, Westside Services permitted Tumbleweed to park vehicles on the campus.

Buerge Ford

VA does not have a contract with Buerge Ford. VA has an enhanced sharing agreement (number V691S-154) with Westside Services. VA is authorized to enter into this agreement under statute 38 U.S.C. §§ 8151-8153 - sharing use of space. With facility approval, Westside Services permitted Buerge Ford to park vehicles on the campus.

Fisher House

As previously explained in the letter sent to your office on December 15, 2006, the Fisher House Foundation constructs and then donates houses to VA for temporary lodging of veterans' families while the veterans receive VA care. This is a national program with 38 homes at VA and Department of Defense hospitals throughout the country. The Fisher House Foundation pays for the complete design and construction of a house on the campus built for family members visiting loved ones in the hospital. Once the home is complete, the Foundation gives it as a donation to VA for VA to run. There is no lease or revenue for this project. Families stay at the home free of charge while their loved ones are undergoing inpatient procedures or receiving complex outpatient treatment such as radiation or chemotherapy. The Foundation hires the contractors to build the home; therefore, there is no competitive process for the construction contract. The blueprints are not complete, but the Foundation uses a similar design for all homes. The Fisher House program is a highly regarded national program that is widely supported by our veteran service organizations and will provide a much needed service for veterans and their families on the campus.

Richmark Entertainment/Wadsworth Theater Management

VA has an enhanced sharing agreement (number V691S-159) with Richmark Entertainment which includes the Wadsworth Theatre. VA is authorized to enter into this agreement under statute 38 U.S.C. §§ 8151-8153 - sharing use of space. A copy of the agreement is attached.

Los Angeles Film Festival, CineGear Expo and Other Short-term Leases

VA does not have a contract with the Los Angeles Film Festival or CineGear Expo. The Film Festival and CineGear Expo were permitted by Richmark Entertainment to be on the campus under the enhanced sharing agreement (number V691S-159) with Richmark Entertainment with approval from VA. VA is authorized to enter into this agreement under statute 38 U.S.C. §§ 8151-8153 - sharing use of space.

Westside Services and Parking Lots

VA has an enhanced sharing agreement (number V691S-154) with Westside Services. VA is authorized to enter into this agreement under statute 38 U.S.C. §§ 8151-8153 - sharing use of space. A copy of the agreement is attached.

Accounting for Leases and Alternative Revenue

The detailed accounting that was requested must to be manually prepared. It will be sent with the follow-up letter.