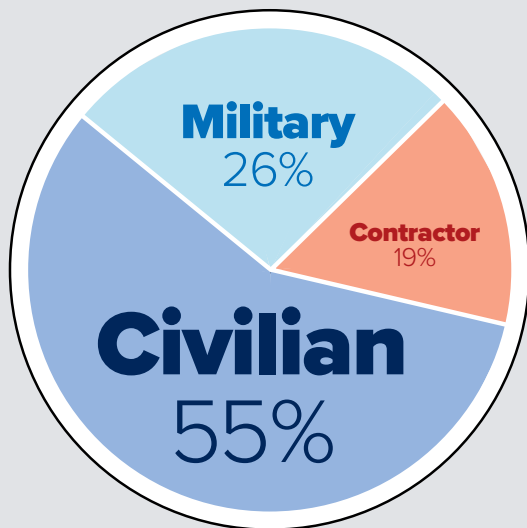


Ft. Meade + The National Business Park

With approximately 54,500 employees, **Fort George G. Meade (“Ft. Meade”)** is **Maryland’s largest employer¹** and has the **third-largest non-military workforce of any Army installation in the United States**. Geographically, Ft. Meade spans 5,067 acres bordered by I-295, and Maryland Routes 32 and 175. There are 119 organizations and 26 general officers located at Ft. Meade, including U.S. Cyber Command (“USCYBERCOM”), Defense Information Systems Agency (“DISA”), and other Department of Defense (“DoD”) organizations and agencies engaged in signals intelligence.

FT. MEADE TOTAL ASIP POPULATION



DEFINITIONS:

- **Military:** Active duty uniform service members
- **Civilian:** DoD and other agency government employees
- **Contractor:** Maintenance and building operations personnel, as well as defense contractors working on-base temporarily (see MILCON discussion on following page)
- **ASIP:** The Army Stationing and Installation Plan, or ASIP, is the official Army database that reflects the total population working on an Army Installation

Source: http://www.ftmeade.army.mil/pages/about/meade_101_2018.pdf
ASIP population as of November 14, 2017

NEW AND REPLACEMENT FACILITIES ON FT. MEADE

In September 2010, as 2005 Base Realignment And Closure (“BRAC”) related construction was nearing completion, the DoD published its initial Environmental Impact Statement (“EIS”) detailing the potential impact on surrounding infrastructure, utilities, and the environment associated with developing a tract of land on Ft. Meade known as the **East Campus** (also referred to as **Site M**).

In subsequent EIS, the DoD laid out Phases I & II of their plan to develop Site M in order to solve two issues. First, to provide AFTP (“Anti-Terrorism/Force Protection”) compliant facilities for an existing operational organization at the Fort, whose facilities include 1.9 million SF of structures that are obsolete, too close to an adjacent public road, and designated for demolition. Second, the construction would provide new facilities to accommodate the installation’s newest mission, **U.S. Cyber Command**, and elements of its subordinate units.

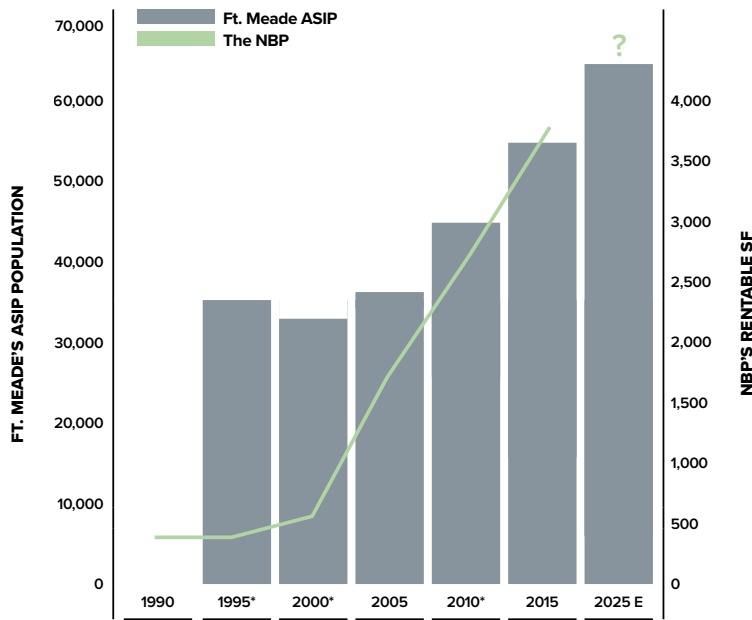
The most recent EIS was issued March 2017 and details plans to build 2.8 million SF and to demolish 1.9 million SF of existing, obsolete, non-AFTP compliant facilities (some dating back as far as the 1950s), to support an increase in DoD personnel. **Table 1** (on the back page) summarizes Phases I & II described in the various EIS. Of note, approximately 600,000 SF of the new facilities will house few or no personnel, resulting in **net new office space of only 277,000 SF**.

Among the 10 proposed projects, three have been completed, two more are under construction, and a sixth facility has been authorized but no funds have been appropriated. Two facilities totalling 400,000 SF have been cancelled, and the final two totalling 450,000 SF are still just conceptual. If these remaining projects receive MILCON funding, they will be constructed over the next 10 years to accommodate further recapitalization.



¹ Johns Hopkins Institutions is the second largest employer in Maryland (Source: 24/7 Wall Street, April 2018)

GROWTH AT FT. MEADE & THE NATIONAL BUSINESS PARK



*Estimate, based on multiple online sources

GROWTH AT FT. MEADE; GROWTH AT THE NATIONAL BUSINESS PARK

Historically, growth in the number of organizations and ASIP population at Ft. Meade have precipitated growth in square footage at The National Business Park ("The NBP").

Within The NBP, the U.S. Government leases 1.1 million SF of secure space, 750,000 SF of which can only be accessed through a recently-expanded Visitor Control Center ("VCC"). (These figures exclude the 190,000 SF in 310 NBP, which awaits lease-up.) COPT owns developable land in the northern part of The NBP that can accommodate another 2 million SF.

In the March 2017 EIS, in addition to referencing new buildings and infrastructure to support organizations already operating at Ft. Meade, the DoD also states that if MILCON funding is not made available in a timely manner, **"Alternative 1" is to lease up another 1 million SF of secure buildings at The National Business Park.**

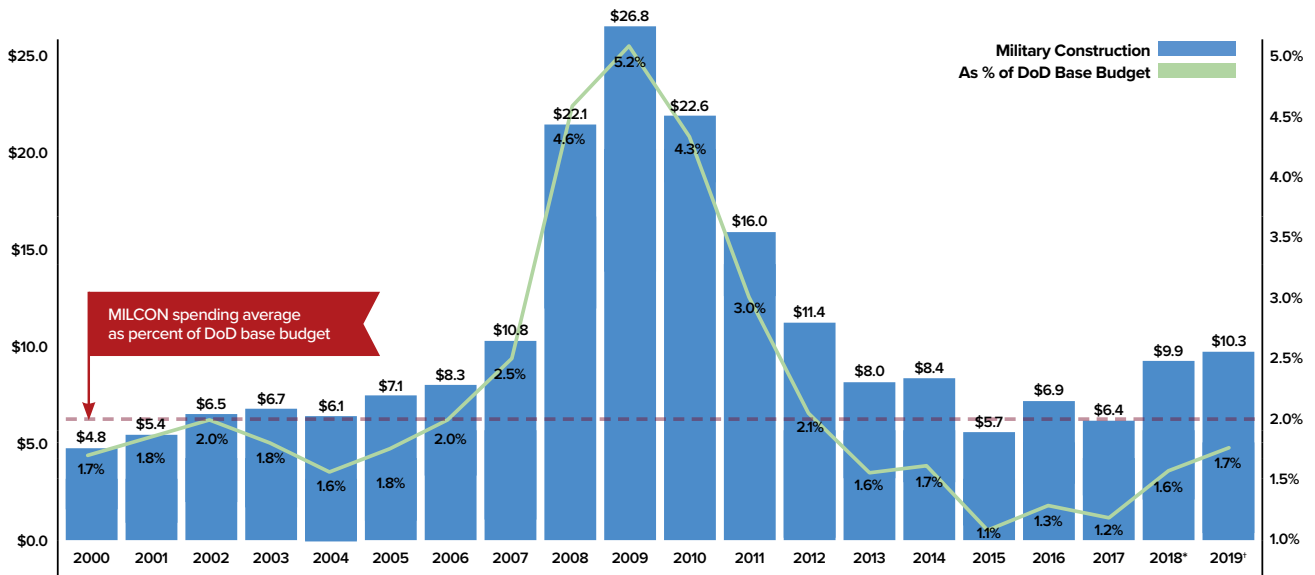
MILCON "101"

Military Construction ("MILCON") includes "all military construction work...necessary to produce a complete and usable facility or a complete and usable improvement to an existing facility... on a military installation."¹ In accordance with DoD regulations, **MILCON money cannot be used to construct facilities for non-DoD employees, such as defense contractors;** however, such

non-DoD personnel are permitted to work in MILCON constructed facilities on a contract basis to augment mission requirements.

Since 2000, MILCON funding has averaged 2% of the DoD's base budget, and as **Chart 1** shows is forecasted to revert back to less than 1.5% by 2020. The spike in MILCON funding from 2006–2011 coincided with the construction of new facilities at select bases to accommodate mission relocations mandated by the 2005

CHART 1: MILCON SPENDING SINCE 2000



Military construction or "MILCON" spending is in billions of current dollars.

Source: National Defense Authorization Act for FY 2018; Capital Alpha Partners; COPT's IR Department

*Per the FY 2018 National Defense Authorization Act (NDAA) appropriated in March 2018.

†Per the FY 2019 NDAA.

BRAC. Important to note is that the MILCON budget for each year is spread across more than 700 U.S. defense installations worldwide,² making the procurement of MILCON funding for any one installation a time-consuming and uncertain process.

Over several years leading up to BRAC 2005, few if any major operational facilities had been constructed at Ft. Meade. Between 2006–2011, defense installations in Maryland received \$1.8 billion of MILCON funding, of which Ft. Meade received approximately \$530 million.³ The majority of Ft. Meade’s 2005 BRAC MILCON money was used to build facilities and infrastructure to support the relocation of DISA and its 4,300 personnel from Northern Virginia.

U.S. Cyber Command was established in June 2009 and achieved Full Operational Capability at Ft. Meade in October 2010.

Because U.S. Cyber Command was formed after the 2005

BRAC, no facilities had been programmed at Ft. Meade to accommodate its immediate and future staffing needs. Phase I in **Table 1** shows 389,000 SF in two facilities—Building B (already completed) and Building D (delivering later in 2018)—on Site M to support U.S. Cyber Command. However, U.S. Cyber Command had an initial staffing goal of recruiting 6,000 “cyber warriors,” approximately half of which have been hired. The two facilities under construction at Ft. Meade’s Site M cannot accommodate existing Cyber staff, let alone 3,000 more.

¹ https://www.loc.gov/rr/frd/Military_Law/pdf/FLD_2014_Ch8.pdf

² <http://www.globalresearch.ca/the-worldwide-network-of-us-military-bases/5564>

³ **Source:** 2011 State of Maryland Base Realignment And Closure Update for the MD Joint Legislative Subcommittee (January 2011)

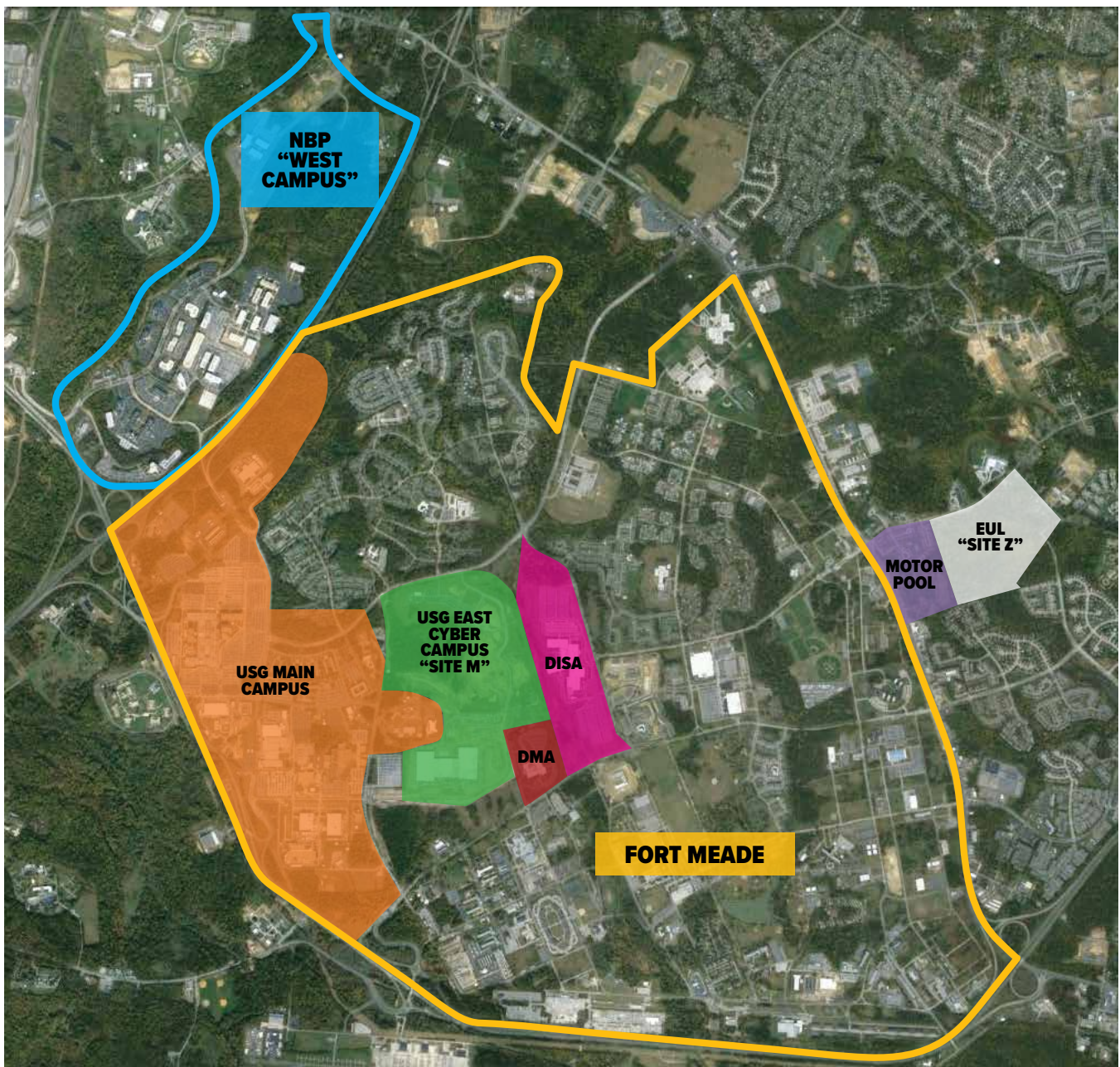


TABLE 1: EAST CAMPUS/SITE M DEVELOPMENT*

	Square Feet	Comments	Delivery Status
Phase I Buildings		2013–2020 Time Frame	
Authorized & Active:			
A	600,000	HPCC (data center)	Complete
B	241,000	U.S. Cyber/JOC	Completed in 2018
C	148,000	Replacement Facility #1	Completed in 2018
D	148,000	Marine Force Cyber	2018 Expected
E	820,000	Replacement Facility #2	2020
Subtotal, A–E	1,957,000		
Phase II Buildings		2020–2029 Time Frame	
Authorized but Not Active:			
F	820,000	Replacement Facility #3	Funding Authorized in 2019; delivery expected 2023
G	-	Planned New Facility	150,000 SF Cancelled/ No Funding
H	-	Replacement Facility #4	250,000 SF Cancelled/ No Funding
I	-	Replacement Facility #5	Conceptual 300,000 SF; no activity
J	-	Replacement Facility #6	Conceptual 150,000 SF; no activity
Subtotal, F–J	820,000		
Total, A–J	2,777,000		
Less: Planned Demolition	(1,900,000)		
Less: Non-Personnel Facilities	(600,000)		
Net New Office Space	277,000		

EIS EAST CAMPUS INTEGRATED PROGRAM– EIS HIGHLIGHTS:

- ① An EIS is not a construction plan and should not be confused with a master plan, the latter of which is a controlled document and subject to changes.
- ② Construction that is authorized for the East Campus/Site M falls into one of two categories:
 - (i) new facilities will replace existing facilities that are obsolete and/or non-ATFP compliant (in DoD parlance: “recapitalize” or “repair by replacement”), or
 - (ii) new facilities will support staff increases by U.S. Cyber Command and other Operational Organizations at Ft. Meade.
- ③ MILCON funding has not yet been appropriated for many of the structures and infrastructure referenced in the March 2017 EIS. MILCON funding is scarce and highly competed for by U.S. defense installations world-wide (see “MILCON 101” section).
- ④ **Per DoD regulations, MILCON funding cannot be used to construct facilities for non-DoD personnel; i.e., defense contractors.**



*Updated to include information provided in EIS issued through and including March 2017 EIS