

## HOUSING PRIVATIZATION-Fact Sheet

### GOAL / VISION

To provide 2,155 military families access to safe, quality, affordable on-base housing in a joint service community where they will **choose** to live.

### PROJECT OVERVIEW

This project involves a real estate transaction to privatize military family housing at Eglin AFB and Hurlburt Field (EAFB/HF). The Government will lease land for 50 years and convey 2,739 existing housing units and other improvements by quitclaim deed to the Successful Offeror (SO). The SO will:

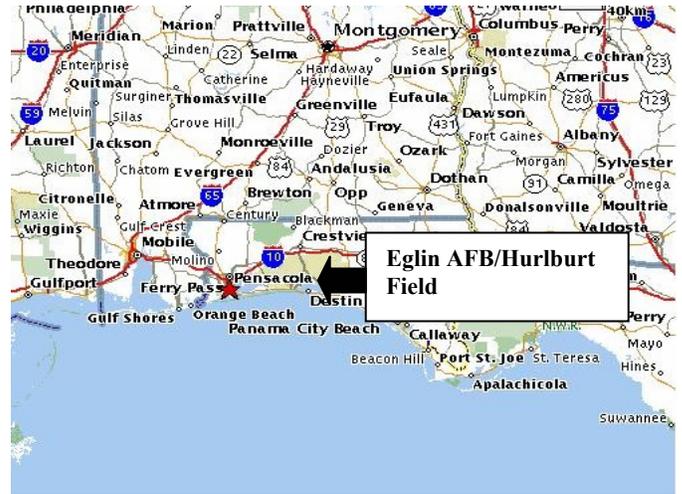
- Demolish 2,224 units at Eglin AFB and construct 1,504 units by 31 December 2014.
- Demolish 366 units at Hurlburt Field and construct 511 units by 31 December 2014.
- Renovate 0 units at Eglin AFB and 2 units at Hurlburt Field by 31 December 2014.
- Re-convey 9 historic units (Potentially demolish 4 historic units at Camp Pinchot through an agreement with SHPO and the Government).
- Meet end-state requirement of 2,155 housing units.
- Maintain housing inventory in good state of repair for entire term.

### MARKET OVERVIEW

Eglin AFB and Hurlburt Field are located in the northwest panhandle of Florida, approximately 40 miles east of Pensacola. Eglin AFB is operated by the Air Force Materiel Command and Hurlburt Field is the headquarters of the Air Force Special Operations Command.

The 2008 family housing demand at the installations, based on the August 2003 Housing Requirements and Market Analysis (HRMA), is 2,455 privatized units. 300 nearby 801 leased housing units fill part of this requirement leaving a total installation demand of 2,155 privatized units.

In 2008, Eglin AFB is expected to have 4,584 military families and 4,029 unaccompanied personnel assigned to the installation. There are expected to be 3,855 military families and 2,569 unaccompanied personnel assigned to Hurlburt Field. Currently, enlisted personnel comprise 87% of the Installations' total manning and officers comprise the remaining 13%.



### EXISTING HOUSING AREAS

Eglin AFB	Units
Ben's Lake	236
Wherry	625
Capehart	498
Hidden Oaks Terrace	126
Old Plew	390
New Plew	300
Poquito Bayou	150
Georgia Avenue (Historical)	5
Camp Pinchot (Historical)	4
Camp Rudder	25
<b>Unit Subtotal – Eglin AFB</b>	<b>2,359</b>
<b>Hurlburt Field</b>	
Live Oak Terrace	100
Pine Shadows	206
Soundside Manor	74
<b>Unit Subtotal – Hurlburt Field</b>	<b>380</b>
<b>Total Existing Units</b>	<b>2,739</b>
<b>Deficit/(Surplus)</b>	<b>(584)</b>
<b>Total Privatized Units</b>	<b>2,155</b>

### POTENTIAL HOUSING AREAS

Parcel	Acres	Location	Privatized Units
Parcel B	290	Eglin AFB	+/- 600
Parcel D	895	Eglin AFB	+/- 890
Parcel K	37	Hurlburt Field	+/- 65
Parcel G	220	Joint Development	+/- 600
Parcel H	190	Joint Development	0
<b>Total</b>	<b>1,632</b>		<b>2,155</b>

Table 1 – Eglin AFB Housing Development Demographics 2008

		RANK																Totals
		O7	O6	O5	O4	O3	O2	O1	E9	E8	E7	E6	E5	E4	E3	E2	E1	
Unit Size	2 Bdrm	0	0	0	0	46	12	18	0	0	0	152	433	172	49	0	2	884
	3 Bdrm	0	0	14	22	16	3	3	9	9	46	77	110	28	7	0	0	344
	4 Bdrm	2	16	16	15	13	2	6	7	11	66	120	104	20	4	0	0	402
	Totals	2	16	30	37	75	17	27	16	20	112	349	647	220	60	0	2	1,630

Table 2 – Hurlburt Field Housing Development Demographics 2008

		RANK																Totals
		O7	O6	O5	O4	O3	O2	O1	E9	E8	E7	E6	E5	E4	E3	E2	E1	
Unit Size	2 Bdrm	0	0	0	0	23	7	10	0	0	0	72	72	203	74	5	3	469
	3 Bdrm	0	0	10	25	9	2	2	6	9	48	55	20	22	6	0	0	214
	4 Bdrm	4	10	3	6	4	1	0	1	3	30	56	13	9	2	0	0	142
	Totals	4	10	13	31	36	10	12	7	12	78	183	105	234	82	5	3	825

**THE OPPORTUNITY**

The success of this project is based on long-term commitments between the Government and a Successful Offeror.

**EGLIN AFB AND HURLBURT FIELD BRING**

- Authority to provide a Direct Government Loan
- 2,739 housing units and improvements.
- Access to utilities.
- Provision for security and fire protection services.
- 50-year land lease.
- Potential option to lease Parcel H, 190 acres, expires in 2012.
- Initial demand for residential family housing.

**THE SUCCESSFUL OFFEROR BRINGS**

- A complete and feasible business and financing package.
- Well-developed community plans and quality home designs.
- Demolition of 2,590 units, renovation of 2 units, and construction of 2,015 units.
- Quality property management for 50 years.

**THE REAL ESTATE TRANSACTION**

This project involves a real estate transaction to privatize military family housing at Eglin AFB and Hurlburt Field (EAFB/HF). The Government will lease land for 50 years and convey 2,739 existing housing units and other improvements by quitclaim deed to the Successful Offeror (SO). Air Force real estate agreements will allow the Successful Offeror to acquire appropriate financing and collect revenues from the housing to help finance the project.

The Government will retain ownership of some facilities servicing the overall installation community located within the Eglin AFB and Hurlburt Field housing areas. Other community support facilities within the housing areas that directly support the residents, such as playgrounds and bike paths, will be conveyed to the Successful Offeror.

The majority of primary utility distribution, collection, and communications systems serving existing housing units will be retained by the installation or are already privatized. The majority of secondary utility distribution systems will be conveyed to the SO.

The Government has available funding for a direct loan. The basic allowance for housing (BAH) provided to military personnel to pay for housing rent and utilities does not count against the available funds for the project.

Offerors should carefully consider the best possible means of minimizing costs to the Government, while also providing attractive, quality homes in a well-planned community.

**BUSINESS ARRANGEMENT, FINANCIAL PLAN AND STRUCTURE**

- **Housing Privatization Legislative Authorities:**
  - Sect. 2873: Direct Loans & Loan Guarantees
  - Sect. 2878: Conveyance/Lease of Existing Property & Facilities
  - Sect. 2880: Unit Size & Type
  - Sect. 2881: Ancillary Support Facilities
  - Sect. 2882: Lease Payment by Allotments
  - Sect. 2883: Department of Defense Housing Funds
- **Legal Instruments:**
  - Real Property: Ground Lease, Operating Agreement and Quitclaim Deed
  - Financial: Forward Commitment, Intercreditor Agreement, Note for Government Direct Loan, Mortgage for Government Direct Loan, Lockbox Agreement, SO Counsel Opinion Letter.
- **Lockbox Accounts:**
  - Lockbox Revenue, Impositions Reserve, Replacement Reserve, Operating Reserve, Other Eligible Tenant Security Deposit, Utility Reserve, Construction Escrow and Reinvestment.
- **Other Financial Conditions:**
  - All imposed taxes are the responsibility of the Successful Offeror
  - No cross collateralization with other investments
  - The Government Direct Loan cannot exceed the value of the Private Permanent Loan with an interest rate no lower than 1.00%.
  - The debt coverage ratio must not fall below 1.05 for the Government Direct Loan and Private Permanent Loan combined.

**RENT STRUCTURE**

- Military personnel receive their basic allowance for housing (BAH) at the dependent rate and pay rent to the Successful Offeror by allotment.
- Referred military tenants pay rent equal to BAH less 110% of expected electric and natural gas charges after units are metered.
- Tenants pay telephone and cable TV charges to respective providers and will pay directly for electricity and gas after all units are metered.
- Rent includes refuse collection, water and sewage.
- All tenants other than referred military families pay a market rent and sign a maximum 12-month lease.

## DESIGN AND CONSTRUCTION REQUIREMENTS

### COMMUNITY PLANNING

- Improve integration of each housing community within the larger, surrounding community. Increase green space and improve landscaping, utilities, and recreation areas to enhance the overall environment of each neighborhood and improve quality of life.
- Geographic separation between officer and enlisted housing, as well as between grade groupings to the extent possible.
- Provide efficient and separate vehicular and pedestrian traffic patterns where possible.
- **Site Designs:**
  - Site designs for new and existing housing areas that provide an interesting, safe, attractive, livable, residential environment with underground utilities.
  - Informal building arrangements with varying setbacks.
  - ADA-compliant sidewalks on at least one side of the street.
- **Site Density:**
  - New construction shall not exceed three units per acre and no more than two units per acre in GOQ and SOQ neighborhoods.
- **Recreation/Common Areas:**
  - Open areas designed to encourage creative play and learning for children and a pleasant outdoor experience for adults.
  - Recreational areas are necessary to ensure that each neighborhood contains one "tot lot" for every 50 units for children 5 years old and under, one play area for every 60 units for children 6 to 12 years of age. Playground equipment and recreation facilities will comply with the Consumer Product Safety Commission, *Handbook for Public Playground Safety*.
  - Recreation facilities required include four lighted half-size basketball courts, one lighted regulation size basketball court, one regulation size soccer field, and adequate off-street parking.
  - Other outdoor community features, such as combined community and recreational center w/pool, shallow well water irrigation for all units, walking/bike path connecting to existing trails and playground, sheltered group picnic areas, and drinking fountains are desired features.
- **Landscaping:**
  - Landscaped common areas and building unit perimeters.
  - Landscaping and earth shaping techniques that establish privacy screening.
  - Landscaping designs incorporating features that conserve water and require minimal maintenance.
  - Provide adequate irrigation for landscaped common areas.
- **Force Protection:**
  - Offerors should refer to Vulnerability Assessment Management Plan (VAMP) for community planning guidance.

### UNIT DESIGN AND CONSTRUCTION

- Housing designs and construction will comply with all applicable codes, standards, and regulations, and will be appropriate to the climate and life-style of the area.
- At least 5% of units shall be either handicap accessible or "readily adaptable" to be accessible. The housing units shall comply with Fair Housing Act (FHA) requirements and Uniform Federal Accessibility Standards (UFAS).
- **Floor Plans:**
  - Floor plans should incorporate an orderly arrangement of functions, circulation and open spaces. Size and layout of rooms should accommodate typical household furnishings and interior design practices.
  - Kitchens with a modern, well organized work area with quality fixtures and finishes.

- Living, dining and family rooms.
- Number and layout of bathrooms that follow modern planning techniques and utilize quality fixtures.
- **Elevations:**
  - Overall design provides a pleasing and interesting appearance, comparable to market residential developments.
  - Varied rooflines, materials and colors that break up facades on larger structures and prevent uniformity.
- **Materials, Equipment, and Finishes:**
  - Durable, low maintenance materials, equipment and finishes.
  - Finishes with a richness of texture and detailing.
- **Energy Efficiency:**
  - Design, materials, equipment, and construction methods that meet current Energy Star criteria.
  - Design features shall include optimal glass locations and exterior wall, ceiling, and party-wall insulation.
- **Unit Requirements:** As a minimum, all units to be replaced or renovated will include the following:
  - No new units are to be stacked units.
  - No more than two units per building for new units.
  - Meet or exceed Air Force unit size standards for new units and renovated units by rank.
  - Units shall have provisions for parking two vehicles off-street. Additional parking spaces shall be provided throughout the neighborhoods for guest parking at a rate of one parking space for every two units. All units shall have at least one-car garage with an automatic door opener.
  - A kitchen including energy efficient appliances: refrigerator at least 18 cubic feet for 2-bdrm units and 21 cubic feet for 3- and 4-bdrm units, built-in two-level dishwasher, 4-burner stove with self-cleaning oven and view window, built-in space for microwave oven, vent hood exhausting to exterior, carbon monoxide detector, and garbage disposal and cabinets constructed with raised panel doors and concealed hardware.
  - Central heating/air conditioning/ventilating systems for each unit.
  - One two-wire telephone and one cable television jack per habitable room.
  - Dead bolts and peepholes on all entry doors.
  - Ceiling fans and overhead lighting in living rooms, family rooms and bedrooms, separately switched at the room entry door.
  - Floor finishes, all units shall have high quality, durable, low-maintenance hard finish flooring in kitchen, informal dining area, wet areas, and high traffic areas.
  - All units shall have carpet in bedrooms and other living areas.
  - Easily accessible hose bibs and exterior electrical outlets.
  - Rear porch with patio or deck.
  - Space and connections for a full size washer, dryer, and freezer.
  - Bathrooms including vanity sink, water closet, recessed medicine cabinet, mirror, exhaust fan, tub/shower combination with surround and enclosure.

### RENOVATION AND OTHER IMPROVEMENTS

- **Whole-House Renovation:**
  - Renovate to unit requirements identified above unless otherwise stated.
- **Other Improvements:**
  - Construct security fencing and guard shack at any undeveloped parcel.

**CONSTRUCTION MANAGEMENT PLAN**

Provide the following plans and schedules and update/revise as necessary to meet project requirements:

- Initial and Out-Year Construction and Renovation Plan
- Construction Phasing Plan
- Design Review and Pre-Construction Conference Schedule
- Transition Plan and Schedule, Demolition Plan, Job Site Safety Plan, Civil and Site Utility Plans, Environmental Plan, Landscaping Plans, Foundation and Framing Plan.
- Unit Floor Plans, Unit material finish schedules and samples, and Floor plans and elevations of supporting facilities.

**PROPERTY MANAGEMENT REQUIREMENTS**

- Professionally staffed on-site property management and maintenance staff.
- Property Manager certified by a national real estate management association.
- Operations and Maintenance Plan which includes:
  - Transition of Services
  - Periodic Maintenance and Replacement
  - Change of Occupancy Maintenance
  - Landscaping Grounds Maintenance
  - Emergency Maintenance
  - Pavements Maintenance and Repair
  - Utilities Maintenance and Repair
- Tenant leases including eviction and dispute resolution procedures in accordance with Federal and State law process.
- Allow in-home childcare and other in-home businesses, provided applicable permits are obtained.
- Permissible domesticated pet policy.
- Curbside refuse collection and recycling service.
- Utilities and refuse collection for common areas.
- Pest control services.
- Lock and key services.
- Capital Repair and Replacement Plan may include:
  - Long-term renovation and replacement plan
  - Long-term pavement replacement plan

**PRIORITY PLACEMENT PLAN**

- The Government will not guarantee occupancy, but will provide priority referrals of potential occupants.
- Military families will not be mandated to occupy privatized housing.
- Priority placement for all units is required as follows:
  - Referred Military Members and Families
  - Other Active Duty Military Members and Families
  - Federal Civil Service Employees
  - Retired Military Members and Families
  - Guard and Reserve Military Members and Families
  - Retired Federal Civil Service Employees
  - DoD Contractors and Permanent Employees (US Citizens)
  - General Public
- Units will be held open for referred military, unless occupancy levels fall below 95% for more than three consecutive months.

**TARGET MILESTONES**

Issue Solicitation	February 04
Evaluate Proposals and Select	March 04 – November 04
Close Deal	March 05
Start Construction	March 05

**HOUSING PRIVATIZATION WEBPAGE**

Information is subject to change. Please visit the website below for the latest public information on this housing privatization project.

<http://www.jillpsc.com>

