



Fact Sheet

United States Air Force

MILITARY FAMILY HOUSING (MFH) DEMOLITION, CONSTRUCTION, RENOVATION AND LEASING (DCR&L) PROGRAM ENVIRONMENTAL IMPACT STATEMENT (EIS) EGLIN AIR FORCE BASE AND HURLBURT FIELD, FLORIDA

The Privatization Process

Purpose of Privatization

The purpose of privatizing military family housing at Eglin AFB and Hurlburt Field (the Proposed Action) is to utilize private sector investment and efficiencies to improve base housing. Privatization would be faster and less expensive than the traditional military construction (MILCON) process, and would result in quality, affordable housing for Eglin AFB and Hurlburt Field service members and their families.

Need for Privatization

In evaluating the condition of its current housing stock to accommodate the need to provide service members and their families with quality housing, the Department of Defense (DoD) has determined that the current condition of DoD owned housing is poor.

At Eglin AFB and Hurlburt Field, over 75% of housing units are more than 30 years old and require extensive renovation or rebuilding. The Air Force estimates it would cost more to use traditional approaches to revitalize its housing, and take a longer period of time to implement (approximately 20 years). Privatization would allow the Air Force to provide quality housing to its service members in a timely manner at lower cost to taxpayers.

What Is Privatization?

The National Defense Authorization Act of 1996 provided the DoD with the authority to enlist the help of the private sector to build new and/or renovate existing housing units through a process of housing privatization.

The DoD would rely on private sector housing developers and contractors to either renovate existing housing units or demolish existing units and build new ones, including the utilities, roadways, and community services needed to support such developments.

The units would be an investment for the developer, as the private developer would essentially own the units (the land would be leased) and collect rent from service members while providing maintenance and management.

The Air Force is using this process to improve quality of life for Air Force families.

Approximately 60 percent of the entire Air Force inventory requires revitalization. The cost to upgrade Air Force's housing is estimated to exceed \$7 billion.

Privatization would provide our airmen quality, affordable housing in approximately half the time it could be achieved through the traditional military construction (MILCON) process.

How Does Privatization Work?

- The Air Force identifies its housing needs by conducting *Housing Requirements Market Analysis* (HRMA) studies for each installation.
- Based on the information provided by these studies, the Air Force solicits proposals from private developers for housing revitalization.
 - o The Proposals outline the developers plans for phasing the demolition and construction of the housing units
 - o The Proposals provide a concept plan for the housing developments
- The Air Force selects the developer through the source selection process and awards the developer the contract to begin work.
- The developer provides a complete financing package for all construction, demolition, renovation, maintenance, and management of housing.
- The developer is responsible for coordinating with local governmental agencies to ensure development plans are compatible with their requirements.
- The developer owns, revitalizes, operates and maintains the facilities for a 50-year period.
- The Air Force retains ownership of all land under and around the housing.
- As new units are built, families are moved into the units and the old ones are demolished.
- When tenants move in they sign a one-year lease with the developer, pay rent via their allotment to the developer and pay for electric and gas services.
- Rental rates include water, sewer, refuse collection and renter's insurance.

Summary of Revitalization Plan at Eglin AFB and Hurlburt Field, Florida

The following outlines the revitalization plan, by housing area, as part of the privatization process.

Proposed Privatization Project Activities

Existing Housing Area	Current Number of Units	Year Built	Project-Related Activities				
			Action	# Units Demolished	New Construction	Total End-State Units	
<i>Eglin</i>						2,015	2,155
<i>Main Base</i>							
Hidden Oaks	126	2000	No Activity	N/A			
Georgia Avenue	5	1943	Adaptive Reuse				
Ben's Lake	236	1948	Demolition	2,049			
Wherry	625	1951-58					
Capehart	498	1958					
New Plew	300	1968					
Old Plew	390	1966-68					
<i>Poquito Bayou</i>							
Poquito Bayou	150	1976	Demolition	150			
<i>Camp Rudder</i>							
Camp Rudder	25	1975	Demolition	25			
<i>Hurlburt</i>							
<i>Hurlburt Main</i>							
Live Oak Terrace	100	1976	Demolition	306			
Pine Shadows	206	1957					
<i>Sound Side</i>							
Soundside Manor	2	1997	Renovation	60			
	12		No Activity				
	60	1957	Demolition				
<i>Total</i>	2,735			2,590			

Source: HFLD Housing Office, 2003.

No new housing would be constructed at the Ben's Lake location and a portion of Wherry Housing. These areas would be retained for future expansion of the Eglin Hospital and for community services. Housing at Live Oak Terrace and Pine Shadows would be demolished and no new housing construction would occur in these areas. This would provide Hurlburt with vacant land to support expansion of existing missions and future missions.

At Soundside Manor 60 units would be demolished and a maximum of 51 units constructed within the existing footprint. Additionally, two (2) units would be renovated and 12 would be conveyed as is. Three boat docks for General Officer's Quarters (GOQs) may also be constructed.