



ARMY ANNOUNCES FORT HAMILTON PARTNER FOR RESIDENTIAL COMMUNITIES INITIATIVE

The Army announced the selection of the private partner for Fort Hamilton, Brooklyn, New York, under the Army's Residential Communities Initiative (RCI) on September 26, 2002.

Hudson Fort Hamilton, LLC is being awarded a contract for the Fort Hamilton family housing privatization project. In a collaborative effort, Hudson Fort Hamilton, LLC and the Army will work to jointly forge a Community Development and Management Plan (CDMP), which will be the blueprint for the Army's residential community at Fort Hamilton. The planning phase will take six months or less. Upon acceptance of the CDMP by the Army, OMB, DoD and Congress, project implementation will begin. It is estimated that construction will begin in the summer of 2003. Providing soldiers and their families with safe, attractive, affordable housing and modern communities is a major priority for the Department of Defense and the Army.

The Assistant Secretary of the Army for Installations and Environment has overall responsibility for the RCI program. Fort Hamilton's RCI vision is to provide world-class residential communities for uniformed service members and their families, not just build houses.

The first phase of the privatization project will result in the construction of approximately 221 new housing units, renovation of seven historic housing units and construction of a new community centers and a host of other ancillary facilities and amenities to meet the family housing needs at Fort Hamilton. Hudson Fort Hamilton, LLC will develop, redevelop, construct, own, manage and maintain the housing units; maintain the grounds of unoccupied and public areas; construct and maintain the roads and infrastructure in associated areas; and reinvest profits for future renovations and replacements.

The RCI effort will improve, in a short period of time, the quality of life for over 200 uniformed service members and their family members. The overall family housing appearance and function within Fort Hamilton will be improved by weaving the natural and built environments together as a planned community, while at the same time protecting cultural resources and meeting environmental responsibilities.

The Hudson Fort Hamilton, LLC will commit an estimated \$60 million for construction and renovation of the family housing communities at Fort Hamilton. The project is valued at approximately \$542 million over 50 years.

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Fort Hamilton is the ninth RCI contract to be awarded under the Request for Qualification (RFQ) process. The RFQ process demonstrates and implements the Army's philosophy of partnering -- not just outsourcing -- with the private sector. Under RCI, uniformed service members who reside on post will receive the Basic Allowance for Housing (BAH) and pay rent to the developer. BAH is based on family status, rank and geographic location. These rental revenues will cover all development costs, operations and maintenance costs, and debt service.

The Army has inadequate housing conditions at most of its posts and a \$6 billion revitalization requirement that would take many years to alleviate under existing procedures. Together with traditionally funded military construction and increased housing allowances, privatizing family housing under RCI is an essential element in solving the Army's acute family housing challenges.

The planning for the Fort Hamilton RCI housing will follow traditional community land planning concepts. RCI housing will be designed to meet the needs and lifestyles of today's Army families. The new housing will consist of two and three story, single family, steel framed, brick homes with basements designed to complement the historic campus like setting on the ocean view side of Fort Hamilton. All homes will have a similar traditional architectural theme, modern interior layouts - with plenty of storage and modern energy saving appliances. These amenities combined with the innovative community designs will dramatically increase the quality of life for the nations uniformed service personnel and their families in the Army's pursuit of installation excellence.

For more information contact the RCI Program Office at 703-692-9898.