

Installation and Site Visit Information Regarding Upcoming Virginia RCI Projects

Overview

The Department of The Army, Residential Communities Initiative (RCI) Office, intends to improve the quality of the on-post housing and communities currently provided to soldiers and their families. The improvement of military family housing at Fort Belvoir, Fort Eustis, Fort Story, and Fort Monroe, Virginia is being pursued under the Military Housing Privatization Initiative (MHPI) legislation enacted by Congress in 1996.

This RFQ will be utilized to establish a competitive range for all of the installations identified above, then two awards will be made: (1) Fort Belvoir with 2,070 units; (2) Fort Eustis with 952 units; Fort Monroe with 205 Wherry apartments and Fort Story with 163 units and the option for a proposed inclusion of 196 historic family housing units. The MHPI legislation allows the military services to leverage scarce appropriated funds and existing assets (land and improvements) to solve the military housing problem and obtain private-sector expertise, resources and market-based incentives to improve the quality of life for service members and their families. The objective of the RCI program is to create world-class residential communities.

The following is a breakdown of the two (2) Virginia Projects:

	<u>INADEQUATE</u>	<u>ADEQUATE</u>	<u>INVENTORY</u>
Fort Belvoir	1851	219	2070
Fort Eustis	940	12	952
Fort Monroe*	205	0	205
Fort Story	163	0	163
Total	3159	231	3390

In Step One of the solicitation process, The Army will issue a Request for Qualifications (RFQ), which establishes specific minimum requirements and seeks discussion of five general evaluation factors. Minimum requirements have been established to address the skill sets of development, property management, and financial capability. This first step of the RFQ process will identify those offerors determined to be highly qualified and thus eligible for further consideration for potential long-term business relationships. In descending order of importance, these highly qualified offerors will be selected based on their experience, financial capability, organizational capabilities (corporate level), past performance, and small business utilization (general history). These offerors will comprise an exclusive competitive range.

During Step Two of the RFQ process, each Project will be competed on sequentially by the offerors in the competitive range. Offerors may determine for which Project (s): Fort Belvoir, Fort Eustis, Fort Monroe, and Fort Story, they will compete. Step Two submissions are expected to be in the form of an oral presentation with written documentation. The offerors may, without penalty, elect not to submit on a specific Project. In descending order of importance, the offeror will be evaluated based on their specific preliminary project concept statement, financial return, organizational capabilities (on-site), and small business utilization plan (on-site).

Although the focus of the RCI Project is on family housing, the MHPI authorities also permit the construction of ancillary supporting facilities that relate to and support the residential nature of military family communities. Such facilities may include tot lots, community centers, housing offices, dining facilities, and other similar facilities for the support of Army family housing.

The awardee's return on the Project is expected to come from developing, operating, and managing existing, renovated, and newly constructed housing units. The awardee's main source of revenue will be rents paid by military service members from their Basic Allowance for Housing (BAH). The awardee will be responsible for all costs of the Project, including the cost of managing and maintaining all housing units and ancillary facilities.

Recognizing the complexity and breadth of issues that arise in planning and executing a Project of the size and scope of a military family housing community, the Project will be organized into two phases:

Phase 1 – Project Planning. During Phase 1, the selected awardee will work closely with The Army to craft a Community Development and Management Plan (CDMP). This will be the business plan for each specific Project, and will set forth the terms of the awardee's long-term relationship with The Army. The Army will pay the awardee a fixed sum of \$350,000 upon completion of Phase 1.

Phase 2 – Project Implementation. During Phase 2, the selected awardee will implement the CDMP, provided the Headquarters, Department of The Army (HQDA), Office of the Secretary of Defense (OSD), Office of Management and Budget (OMB), and the Congress approve the plan, and approval is given to consummate the CDMP and begin the transition / transfer of assets and operations.

A major benefit of the CDMP process is that it allows The Army, its associated consultants, and the awardee to work through issues collaboratively, and to ensure that important issues are anticipated and addressed before executing the plan. It also provides an opportunity for The Army to consider proposals from the awardee concerning the use of specific MHPI authorities, such as providing a loan guarantee or constructing certain ancillary supporting

facilities. Finally, this process gives The Army a mechanism for periodically conferring with Congressional oversight committees during Project planning, as well as with representatives from the local community and Army-related organizations who are essential to the success of the Project.

Installation Information and Site Visits

Fort Belvoir

Fort Belvoir. Fort Belvoir proposes to convey to the selected private partner occupancy of its entire inventory of 2,070 family housing units and lease the land on which the existing units are located and additional lands for new and replacement construction. In exchange, the partner will provide replacement housing, community amenities, new construction, demolition, long -term operation, management and maintenance, and rehabilitation of existing family housing. This conveyance will be for a fifty-year period with a twenty-five year renewal clause.

A comparison with current Army standards suggests that 89.4% of the 2,070 existing housing units, which includes 143 historical units, will need renovation or replacement within the first 10 years of the Fort Belvoir Project. In addition, all housing must reach an adequate condition within 10 years of assuming operation. Life-cycle renovation or replacement of the inventory will take place during the course of the Fort Belvoir Project on a schedule to be agreed upon by The Army and the awardee.

A Family Housing Market Analysis (FHMA) is currently underway and results will be provided at a later date.

Fort Belvoir has restricted access. As a part of the RCI process, a day has been set aside to enable potential offerors a site visit (bus tour) of the Fort Belvoir housing areas, with access to specific housing units. This site visit is on 17 Jan 2002. To gain access to the site visit, each visitor must contact Ms. Aimee Sheriff by email at sheriffa@emh1.ftmeade.army.mil. For additional information, contact Ms. Sheriff at (301) 677-4756.

Fort Eustis, Fort Story, and Fort Monroe

Fort Eustis, Fort Story, and Fort Monroe, are not contiguous, but are combined with Fort Eustis for award as one project.

Fort Eustis. Fort Eustis proposes to convey to the selected private partner occupancy of its entire inventory of 952 family housing units and lease the land on which the existing units are located and additional lands for new and replacement construction. In exchange, the partner will provide replacement housing, community amenities, new construction, demolition, long -term operation, management and maintenance, and rehabilitation of existing family housing. This conveyance could be for a fifty-year period with a twenty-five year renewal clause.

A comparison with current Army standards suggests that 99% of the

952 existing housing units, which includes 0 historical units, will need renovation or replacement within the first 10 years of the Fort Eustis Project. In addition, all housing must reach an adequate condition within 10 years of assuming operation. Life-cycle renovation or replacement of the inventory will take place during the course of the Fort Eustis Project on a schedule to be agreed upon by The Army and the awardee.

A Family Housing Market Analysis (FHMA) is currently underway and results will be provided at a later date.

Fort Eustis has restricted access. As a part of the RCI process, a day has been set aside to enable potential offerors a site visit (bus tour) of the Fort Eustis housing areas, with access to specific housing units. This site visit is on 22 and 23 Jan 2002. To gain access to the site visit, each visitor must contact Ms. Tania Benedetto by email at benedettot@eustis.army.mil. For additional information, contact Ms. Benedetto at (757) 878-3642.

Fort Monroe. Fort Monroe proposes to convey to the selected private partner occupancy of its entire inventory of 205 Wherry housing units and lease the land on which the existing units are located and additional lands for new and replacement construction. In exchange, the partner will provide replacement housing, community amenities, new construction, demolition, long -term operation, management and maintenance, and rehabilitation of existing family housing. This conveyance could be for a fifty-year period with a twenty-five year renewal clause.

A comparison with current Army standards suggests that 100% of the 205 existing housing units, which includes 0 historical units, will need renovation or replacement within the first 10 years of the Fort Monroe Project. In addition, all housing must reach an adequate condition within 10 years of assuming operation. During the CDMP development, the selected offeror may be given an opportunity to propose inclusion of the 196 historic family housing units at Fort Monroe. The Army retains the sole right to either include or exclude these additional units based on the overall value these units bring to the project. Evaluations of the preliminary concept factor will be based strictly on the proposed plan for the Wherry housing inventory to the degree indicated by the current Housing market analysis. Life-cycle renovation or replacement of the inventory will take place during the course of the Fort Monroe Project on a schedule to be agreed upon by The Army and the awardee.

A Family Housing Market Analysis (FHMA) is currently underway and results will be provided at a later date.

Fort Monroe has restricted access. As a part of the RCI process, a day has been set aside to enable potential offerors a site visit (bus tour) of the Fort Monroe housing areas, with access to specific housing units. This site visit is on 22 and 23 Jan 2002. To gain access to the site visit, each visitor must contact

Ms. Tania Benedetto by email at benedettot@eustis.army.mil. For additional information, contact Ms. Benedetto at (757) 878-3642.

Fort Story. Fort Story proposes to convey to the selected private partner occupancy of its entire inventory of 163 family housing units and lease the land on which the existing units are located and additional lands for new and replacement construction. In exchange, the partner will provide replacement housing, community amenities, new construction, demolition, long-term operation, management and maintenance, and rehabilitation of existing family housing. This conveyance could be for a fifty-year period with a twenty-five year renewal clause.

A comparison with current Army standards suggests that 100% of the 163 existing housing units, which includes 0 historical units, will need renovation or replacement within the first 10 years of the Fort Story Project. In addition, all housing must reach an adequate condition within 10 years of assuming operation. Life-cycle renovation or replacement of the inventory will take place during the course of the Fort Story Project on a schedule to be agreed upon by The Army and the awardee.

A Family Housing Market Analysis (FHMA) is currently underway and results will be provided at a later date.

Fort Story has restricted access. As a part of the RCI process, a day has been set aside to enable potential offerors a site visit (bus tour) of the Fort Story housing areas, with access to specific housing units. This site visit is on 22 and 23 Jan 2002. To gain access to the site visit, each visitor must contact Ms. Tania Benedetto by email at benedettot@eustis.army.mil. For additional information, contact Ms. Benedetto at (757) 878-3642.