RESIDENTIAL COMMUNITIES INITIATIVE (RCI)

FAMILY & SENIOR UNACCOMPANIED HOUSING

Office of the Deputy Assistant Secretary of the Army, Installations, Housing, & Partnerships

Headquarters, Department of the Army
Military Housing – The Case for Change

- Chronic under-funding; housing deteriorating and deficit increasing

- 1996: 70% of housing needed replacement or major renovation, and Army needed $7B to correct conditions / deficits

- 1996: Congress helped by providing authorities that allow the Services to privatize family / unaccompanied housing

- 2002: Senior UPH privatization developed at locations where there are no adequate / affordable accommodations
RCI Overview

VISION
• Quality Residential Communities for Military Families & Single Senior Soldiers (Staff Sergeants & Above)

GOALS
• Eliminate inadequate Army Housing in the U.S.
• Eliminate the housing deficit

OBJECTIVES
• Sustain adequate housing
• Attract quality partners who provide expertise / innovation / capital to projects
• Ensure opportunities for reasonable profits
• Ensure incentive based fees
• Maximize use of local (large / small) businesses
• Protect interests with a RCI Portfolio & Asset Management (PAM) Program
RCI Process – From Concept to Transfer to Partner

Prepare / Issue / Award RFQ*
- Develop concept
- Start NEPA / surveys
- Start assessments
- Conduct due diligence
- Prepare 2-step RFQ
- Notify Congress
- Issue solicitations
- Conduct training
- Evaluate proposals
- Award project

Develop DMP** & Obtain Approvals
- Conduct training
- Complete envr assessments
- Complete real estate surveys
- Develop scope (construction / renovation) and schedule
- Develop / resolve issues
- Compete debt financing
- Submit CDMP to HQ Army
- Obtain Army approval
- Finalize scoring estimate
- Obtain OSD / OMB approvals

Notify Congress
- Project / DMP -- 45 days
- Reprogramming scoring $ into OSD account (FHIF) -- 30 days

Transition to Partner Opns
- Issue Transition Notice
- Complete business agreements
- Financial close
- Partner mobilization
- Begin oversight & Portfolio / Asset Management (PAM)
- Transfer Assets / Opns

Oversee DMP Execution
- Execute DMP
- Continue PAM
- Collect BAH
- Annual site visits
- Monthly / Qtrly reports
- Special reviews
- Restructure / refinance

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* Request for Qualifications

** Development and Management Plans (Community & Unaccompanied)
RCI/PAL Garrison Alignment to IMCOM Support Directorates (ISD)

RCI Family Housing Program – 44 Installations (34 Projects)

- $1.9B Army Equity = $13.3B Initial Private Development
- 6.9 to 1 leverage; the OSD goal is >3 to 1
RESIDENTIAL COMMUNITIES INITIATIVE
Assistant Secretary of the Army (Installations, Energy, and Environment)

Fort Bragg – Before / After Junior Enlisted Housing
Fort Belvoir’s Award-Winning Housing
Fort Polk Development

Junior Enlisted 4-Plex

Recycled Plastic & Accessible Playground
Picatinny Arsenal Ribbon-Cutting Ceremony
Single Senior Soldier UH RCI (Staff Sergeants & Above)

Fort Irwin (Part of Town Center)
  • 200 apartments

Fort Drum
  • 192 1 & 2-bedroom apartments

Fort Bragg
  • 432 1 & 2-bedroom apartments

Fort Stewart
  • 334 1 & 2-bedroom apartments

Fort Meade
  • 432 1 & 2-bedroom apartments
Single Senior Soldier UH RCI at Fort Stewart

Community Center

1 & 2 BR Apartment Building

Pool Area

Meeting Rooms

Living Room
Portfolio & Asset Management (PAM) – 50-Year Oversight

• Why PAM? Because 86,000-house portfolio:
  − Is comparable to largest publicly traded residential companies
  − Produces $13.3B in development 1st 10 years; has annual portfolio income of >$1.5B
  − Includes partners who are leaders in development, property mgt and construction

• Program designed to:
  − Monitor health of RCI Portfolio; solve problems before they occur or grow
  − Detect, research and implement project enhancements
  − Report to internal / external stakeholders on program / projects for next 50+ years

• Comprised of:
  − **Asset Management** – Day to day oversight / protection of housing assets / operations of a specific project -- **Installation Level**
  − **Program Management** – Oversight / protection of RCI assets and operations across all RCI projects – **HQDA Army Staff** – **OACSIM**
  − **Portfolio Management** – Oversight / protection of RCI assets and operations across entire portfolio of RCI projects – **HQDA Army Secretariat** – **OASA (IE&E)**
PAM – Portfolio Metrics

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TOP: JNCO single family units at the Presidio of Monterey
BOTTOM: CSM duplex at Fort Lewis
Achievements

• Increases the well-being of 86,000 Families & senior single Soldiers

• Resident Survey feedback shows continued overall improvement

• Positive results from RCI Energy Conservation Program

• Will continue listening to our residents through assessments, surveys, focus groups and development and property management reviews

• Focusing on resident services and support to ensure consistent experiences across all installations