

**FORT DETRICK, MARYLAND; FORT HAMILTON, NEW YORK; PICATINNY ARSENAL,
NEW JERSEY; AND WALTER REED ARMY MEDICAL CENTER, DISTRICT OF
COLUMBIA
REQUEST FOR QUALIFICATIONS (RFQ)
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DACA31-02-R-0004

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1.0 INTRODUCTION

a. The Department of The Army intends to improve the quality of the on-post housing and communities currently provided to soldiers and their families. At many installations, Army Family Housing (AFH) does not meet current housing standards and there is a deficit of adequate/affordable housing off-post. The Army has considered a wide range of alternatives to address the persistent funding shortfall and resulting revitalization (construction and major maintenance and repair) backlog. This shortfall is the backlog of work needed on existing units to bring them up to current standards. During the mid-1990s, studies by several agencies [e.g., Marsh Quality of Life Task Force, Army Science Board, Congressional Budget Office (CBO), the General Accounting Office (GAO), and others] all came to the same conclusion that family housing could not be revitalized using only the traditional Military Construction (MILCON) Program.

b. The Army has awarded four pilot sites (Forts Carson, Hood, Lewis, and Meade) under a program for housing and community development privatization called the Residential Communities Initiative (RCI). Through RCI, The Army seeks to bring private sector resources and market-based incentives to bear in improving the quality of life for soldiers and their families. RCI is an innovative program developed and managed under the oversight and direction of the Office of the Assistant Secretary of The Army (Installations and Environment), (OASA (I&E)) on behalf of the Secretary of The Army. The Army believes that housing privatization provides an excellent opportunity for addressing the housing needs of America's soldiers while providing an excellent business opportunity for its private partners.

1.1 Overview

a. The improvement of military family housing at Ft. Detrick, Maryland (MD); Fort Hamilton, New York (NY); Picatinny Arsenal, New Jersey (NJ); and Walter Reed Army Medical Center, District of Columbia (DC) is being pursued under the Military Housing Privatization Initiative (MHPI) legislation enacted by Congress in 1996.

b. This RFQ will be utilized to establish a competitive range for all of the installations identified above, then four awards will be made: (1) Fort Detrick with 155 units; (2) Fort Hamilton with 436 units; (3) Picatinny Arsenal with 116 units; (4) Walter Reed Medical Center with 221 units. The MHPI legislation allows the military services to leverage scarce appropriated funds and extensive existing assets (land and improvements) to solve the military housing problem and obtain to 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 based upon a private sector model. Additional information on the RCI program can be found at the website <http://rci.army.mil>.

c. 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. 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.

d. During Step Two of the RFQ process, offerors in the competitive range will compete sequentially on each project. Offerors may determine for which project (s): Fort Detrick, MD, Fort Hamilton, NY, Picatinny Arsenal, NJ, and Walter Reed Army Medical Center, DC, 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. If an offeror competes for a project, the offeror must compete for the entire project and not individual sites within the project. The offeror will be evaluated based on their specific preliminary project concept statement, expected financial return, organizational capabilities (on-site), and small business utilization plan (on-site). The offeror will be expected to identify, in detail, their plans to achieve the following goals for each project:

- 1) Ensuring that soldiers and their families have access to high quality, safe, attractive, and affordable housing by upgrading or replacing existing family housing and, if necessary, by building new housing to meet the on-post family housing requirement at the installation (if a deficit is applicable);
- 2) Transforming existing military housing areas into planned and integrated residential communities which foster family lifestyles, while preserving the existing historic character and military culture of these properties, protecting cultural resources, and meeting environmental stewardship responsibilities;
- 3) Providing ancillary supporting facilities that enhance the installation's residential communities;
- 4) Maintaining positive relations with all stakeholders and communities that surround the installation;
- 5) Providing for the effective long-term, high-quality management and operation of the family housing inventory, and ancillary supporting facilities;
- 6) Providing for realistic financial management of the assets including viable reserves and earning a mutually acceptable return on investment for the offeror and The Army.

e. To achieve these goals, the developer will be expected to assume ownership of the family housing units and will be provided a long-term interest in the underlying land.

f. 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. Instructions for requesting approval to construct ancillary supporting facilities may be found in section 2.1.1(f)(2) of this document. Final approval authority for such facilities rests with the Office of the Assistant Secretary of The Army (Manpower and Reserve Affairs) (OASA (M&RA)). The installation will facilitate the process of review and action on these proposals with the appropriate agencies.

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

h. 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:

1) **Phase 1 – Project Planning.** During Phase 1, the selected developer 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 developer's long-term relationship with The Army. Payment for Phase 1 is discussed in Section 2.1.4 of this solicitation.

2) **Phase 2 – Project Implementation.** During Phase 2, the selected developer will implement the CDMP, provided the installation, MACOM, 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.

i. At each specific installation, the selected developer (contractor), having been duly qualified as the best value for the Government to revitalize family housing may be permitted to undertake a variety of other residential and transient housing projects. Any future projects will be within the geographic boundaries of the installation(s) included in this solicitation.

j. A major benefit of the CDMP process is that it allows The Army, its associated consultants, and the developer 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 developer 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.

1.2 Administrative Information

1.2.1 Applicability of the Federal Acquisition Regulation (FAR)

The Federal Acquisition Regulation (FAR) applies to Phase 1 of each project only. Appendix E contains a listing of the FAR and Defense FAR Supplement (DFARS) clauses that apply to Phase 1. The Army considers the deliverable for Phase 1 to be a commercial item. (See FAR Part 12). Prospective developers should also take note of Section 6.0 of this RFQ, concerning additional terms and conditions that apply to Fort Detrick, MD; Fort Hamilton, NY; Picatinny Arsenal, NJ; and Walter Reed Army Medical Center, DC.

1.2.2 Documents

- a. Prior to the submission date for Step Two of the RFQ, prospective offerors may review pertinent information regarding existing housing assets in the document rooms located at all installations. The point of contact for each installation is identified below.
- b. All installations have Restricted Access. Request offerors to call the applicable RCI Project Officer to view the document room or to gain entry to the installation. To gain access, each visitor must provide a Social Security number and a photo identification, i.e., driver's license. Appointments must be made at least one week in advance.
 - 1) **Fort Detrick:** To gain access to the site visit, each visitor must contact Mr. Robert Canny by email at robert.canny@det.amedd.army.mil. A "Virtual" Document Room is available on the following website: <http://140.139.90.129/detrick/rci/index.cfm>. For additional information, contact Mr. Canny at (301) 619-2154.
 - 2) **Fort Hamilton:** 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.
 - 3) **Picatinny Arsenal:** To gain access to the site visit, each visitor must contact Mr. John Costea by email at jcostea@pica.army.mil. For additional information, contact Mr. Costea at (973) 724-2100.
 - 4) **Walter Reed Medical Center:** A "Virtual" Document Room is available on the following website: <http://www.wramc.amedd.army.mil/rci>. To gain access to the site visit and the website, each visitor must contact Mr. Jordan Lewis by fax at: 202-782-3422. For additional information contact Ms. Pindell by email at michelle.pindell@na.amedd.army.mil or by telephone at (202) 782-3119.

1.2.3 Inquiries

a. The Army RCI website (<http://rci.army.mil>) contains the solicitation by clicking on the NE Request for Qualifications. Prospective offerors will be requested to register before viewing or downloading the solicitation. Registered offerors will receive electronic notification when the solicitation and amendments are posted to the web page.

b. Inquiries regarding the projects other than site visits at Fort Detrick, Fort Hamilton, Picatinny Arsenal, and Walter Reed Army Medical Center should be directed to: US Army Corps of Engineers, Baltimore District, CENAB-CT, Contract Specialist, Mary FitzGerald, PO Box 1715, Baltimore, MD 21203-1715 (or facsimile to 410-962-0933). Email address: mary.fitzgerald@usace.army.mil. Refer to RFQ Number DACA31-02-R-0004.

1.2.4 Industry Forum

An Industry Forum was held 18 January 2002 in Baltimore, Maryland for the projects. The forum included an RCI program overview, RFQ procurement process overview, and installation presentations. Specific information can be found at the RCI website at <http://rci.army.mil>.

1.2.5 Site Visits:

Opportunities for site visits were provided on the following dates:

17 January- Walter Reed Army Medical Center

24 January – Fort Detrick

30 January - Picatinny Arsenal

31 January- Fort Hamilton

2.0 WORK STATEMENT

2.1 Phase 1 – Project Planning

a. Each project will occur in two phases. During Phase 1, the developer will work closely with The Army to craft a CDMP that is acceptable to the Government and that offers the best value for the military family housing at each installation. The CDMP process is expected to require no more than three months of coordinated, intensive effort between The Army and the developer. The CDMP coordination will take place at a location identified by the installation.

b. The deliverable is the CDMP, which will consist of three main components: 1) Development Plan; 2) Financial Plan and Transactional Instruments; and 3) Operations, Maintenance, and Property Management Plan acceptable to the Government.

c. The CDMP will be provided in sufficient detail so as to allow the specific installation, cognizant US Army Command (Army Material Command (AMC), Medical Command (MEDCOM) and Military District of Washington (MDW)), and Headquarters, Department of Army (HQDA) to make a determination as to the CDMP effectiveness. An outline of the

CDMP can be found at Appendix G. A general description of these components is provided below. The Army and developer will establish specific elements for each component jointly during Phase 1.

d. During Phase 1, the developer may be allowed access to facilities or space on the installation, to be used as office space, that the developer may modify or tailor to meet its own needs at its own expense. During Phase 1, the developer may be permitted to physically test its pro-forma estimates provided the developer complies with appropriate laws, regulations, and policies at its own expense.

2.1.1 CDMP Development Plan

a. The development plan will address all aspects of the development effort at the respective installation with a specific focus on long-term master planning and environmental stewardship. Renovation and construction of housing units and / or ancillary facilities, if approved, is expected to take place over the life of the project.

b. At a minimum, the development plan will specify the number, type, and size (e.g., three-bedroom, four-bedroom, etc.) of housing units that are to be renovated, rehabilitated, or newly constructed in each neighborhood within the family housing community. The plan will indicate the life cycle (50-year) schedule under which the renovation and new construction will occur. In the development plan, the developer will be expected to provide proposed land-use maps, model floor plans, and exterior architectural sketch renderings of the proposed housing. The plan will specify appropriate performance standards and incentives to ensure appropriate attention to design, construction, and finish standards and to achieve planned completion schedules and budgets.

c. A development plan that attempts to satisfy only the minimums expressed in this paragraph will be deemed unacceptable. The Army expects the developer to employ their expertise to craft a plan that goes beyond the minimums and takes full advantage of the assets and revenues for benefit of soldiers and soldiers' families.

1) **Fort Detrick:** A comparison with current Army family housing standards suggests that 90.3% of the 155 existing housing units will need renovation or replacement within the first 10 years of the Fort Detrick, Maryland project. In addition, all housing must reach an adequate condition within ten years of transfer of operations. Life-cycle renovation or replacement of the inventory will take place during the course of the Fort Detrick project on a schedule to be agreed upon by The Army and the developer. The Family Housing Market Analysis (FHMA) conducted in late 2001, identifies an on-post requirement for 354 military housing units (35 officer, 319 enlisted) at Fort Detrick. The requirement is further broken down by bedroom category – 205 two bedroom, 100 three bedroom, and 49 four bedroom. Fort Detrick proposes that their privatization partner consider these requirements while preparing a scope that can be supported by project economics. Fort Detrick has 1 historical housing unit.

2) **Fort Hamilton:** A comparison with current Army standards suggests that all 436 existing housing units will need renovation or replacement within the first 10 years of the Fort Hamilton, New York project. In addition, all housing must reach an adequate condition within ten years of transfer of operations. Life-cycle renovation or replacement of the inventory will take place during the course of the Fort Hamilton project on a schedule to be agreed upon by The Army and the developer. The Family Housing Market Analysis (FHMA) conducted in late 2001, identifies an on-post requirement for 228 military housing units (7 officer, 221 enlisted) at Fort Hamilton. The requirement is further broken down by bedroom category – 59 two bedroom, 100 three bedroom, and 69 four bedroom. Fort Hamilton proposes that their privatization partner consider these requirements while preparing a scope that can be supported by project economics. Fort Hamilton has 6 historical housing units.

3) **Picatinny Arsenal:** A comparison with current Army standards suggests that 63% of the 116 existing housing units will need renovation or replacement within the first 10 years of the Picatinny Arsenal, New Jersey project. In addition, all housing must reach an adequate condition within ten years of transfer of operations. Life-cycle renovation or replacement of the inventory will take place during the course of the Picatinny Arsenal project on a schedule to be agreed upon by The Army and the developer. The Family Housing Market Analysis (FHMA) conducted in late 2001, identifies an on-post requirement for 70 military housing units (25 officer, 45 enlisted) at Picatinny Arsenal. The requirement is further broken down by bedroom category – 9 two bedroom, 36 three bedroom, and 25 four bedroom. Picatinny Arsenal proposes that their privatization partner consider these requirements while preparing a scope that can be supported by project economics. Picatinny has 8 historical housing units.

4) **Walter Reed Army Medical Center:** A comparison with current Army standards suggests that 4.5% of the 221 existing housing units will need renovation or replacement within the first 10 years of the Walter Reed Army Medical Center (WRAMC), District of Columbia project. In addition, all housing must reach an adequate condition within ten years of transfer of operations. Life-cycle renovation or replacement of the inventory will take place during the course of the WRAMC project on a schedule to be agreed upon by The Army and the developer. The Family Housing Market Analysis (FHMA) conducted in late 2001, identifies an on-post requirement for 877 military housing units (156 officer, 721 enlisted) at WRAMC. The requirement is further broken down by bedroom category – 544 two bedroom, 214 three bedroom, and 119 four bedroom. WRAMC proposes that their privatization partner consider these requirements while preparing a scope that can be supported by project economics. Walter Reed has 9 historical housing units.

5) The following is a breakdown of the four (4) Northeast projects:

	<u>INADEQUATE</u>	<u>ADEQUATE</u>	<u>INVENTORY</u>
Fort Detrick	140	15	155
Fort Hamilton	436	0	436
Picatinny Arsenal	73	43	116
Walter Reed Army Med Cntr	10	211	221
Total	659	269	928

d. Expansion of housing stocks beyond that required to meet the on-post requirement (at each installation as applicable) will not be authorized. In the future, the government may contract with a third party to conduct periodic market analyses aimed at determining necessary adjustments to on-post family housing needs. The potential for adjustments to the inventories, and subsequent actions /procedures, will be addressed in the CDMPs.

e. To further The Army's goals, The Army may authorize the developer to construct and operate one or more ancillary supporting facilities (e.g., tot lots, community centers, day care centers, etc.) that relate to and support the family housing community and complement business operations in the local community. However, such facilities may not be in direct competition with the activities of the Boards of Directors for Army Morale Welfare and Recreation (MWR) organizations, The Army and Air Force Exchange Service (AAFES), and the Defense Commissary Agency (DeCA) without the approval of these organizations. In the CDMP, the developer will be expected to include the type, size, location, and features of each ancillary supporting facility they propose to build and operate in the residential housing community. However, the developer is not required to take ownership and operational responsibility for any existing ancillary supporting facilities other than playgrounds, ball fields, etc., located specifically in the housing areas.

f. The steps below outline the process to follow during the CDMP development to request approval for a private commercial or retail activity / hub, or a facility or service that falls in the area of MWR. The developer must be aware that private competition on a military installation with AAFES, DeCA and MWR is strictly prohibited per Sec. 2804, pages 346-347, of the National Defense Authorization Act for Fiscal Year 2000, Conference Report to Accompany S. 1059, unless approved by the OASA (M&RA).

1) The developer must work with the Installation Commander (or their staff, if so directed) to determine requirements.

2) The developer must submit a letter (as soon as the requirement is known) to the Installation Commander who will then forward the request through Army channels to the OASA (M&RA) of their intent to contact the relevant commander(s) of MWR, AAFES, or DeCA Commissaries. The letter is intended to seek approval for private revenue or non-revenue producing activities, hubs, centers, facilities, or services. Approval authority for these

types of activities is vested with the OASA (M&RA). A letter or memo signed by the Installation Commander concurring with the proposed effort shall be attached to this correspondence.

ADDRESS:

Assistant Secretary of The Army (Manpower and Reserve Affairs)
111 Army Pentagon
Washington, DC 20310-0111

g. The developer is responsible for working with the Commanders of AAFES, DeCA, and/or US Army Community and Family Support Center (CFSC) on these types of ancillary support projects. The developer will submit command approved final proposals regarding construction and maintenance of revenue producing and non-revenue producing endeavors related to these programs, through the commander(s) of AAFES, DeCA and / or CFSC to OASA (M&RA). OASA (M&RA) has final jurisdictional authority to approve the developer's proposed revenue-producing and non-revenue producing endeavors, and the OASA (M&RA) will inform the RCI Director of the decision on the proposed requirement, terms and scope.

h. The Army will prepare and provide documents required for compliance with the National Environmental Policy Act (NEPA) to the selected developer, which will become part of the CDMP. A part of the NEPA documentation will include coordination of Section 106 of the National Historic Preservation Act and Section 7 of the Endangered Species Act. Funding for preparation of environmental documentation outside The Army's currently proposed scope will be the responsibility of the selected developer. The Army will disclose the information it has collected on existing environmental hazards through the NEPA process and the preparation of the Finding of Suitability to Lease (FOSL). The developer will assume management responsibilities for these environmental hazards upon implementation of the CDMP.

i. The CDMP will include a subcontracting plan describing the developer's standards for selecting subcontractors to work on the project, and will provide details about the developer's goals for subcontracting with small businesses.

j. Finally, the CDMP will specify schedules for the performance of all development activities related to the project.

2.1.2 CDMP Financial Plan and Transactional Instruments

a. The financial plan and transactional instruments will describe the offeror's plan for financing projected long- and short-term expenses associated with the project, and the transactional instruments required to execute the project. At a minimum, this plan will include:

- 1) An integrated financial pro-forma analysis covering expected income and expenses over the life of the project, including that which is necessary to ensure quality long-term operation, maintenance, and property management for the residential community. The pro forma analysis will incorporate development and operational elements.
- 2) A detailed statement of sources and uses of funds and cash flows, identifying any applicable MHPI financial tools that the offeror proposes to use in conjunction with the project.
- 3) Drafts of legal documents describing the relationship between The Army and offeror, and the rights and obligations of each party for implementing the project (e.g., drafts of limited partnership agreement, ground lease, management and incentive agreements, government loan, and guarantee instruments and / or other appropriate instruments).

2.1.3 CDMP Operations, Maintenance, and Property Management Plan

The operations, maintenance, and property management plan will describe the offeror's concept, and approach to, operating, maintaining, and managing the family housing residential community. At a minimum, the plan will specify appropriate performance standards and incentives designed to ensure that the residential community, including historic district areas if applicable, is effectively operated, managed and maintained including historic district areas where if applicable at high levels of quality and repair. Compliance with Section 106 of the National Historic Preservation Act and Section 7 of the Endangered Species Act is required. Compliance with applicable local, state, and Federal environmental regulations is required. The operations, maintenance, and property management plan should also describe the offeror's strategy for making capital improvements to the residential community throughout the life of the project.

2.1.4 Completion of Phase 1 – Project Planning

- a. The Army will pay the developer a fixed sum of \$200,000 upon completion of Phase 1, as described in Appendix E, CDMP completion is defined by the acceptance of the CDMP by the installation, applicable Major Army Command (AMC or MEDCOM or MDW), HQDA, OSD, OMB, and the Congress. This payment will be made in lieu of any other formula for compensation. In return for this payment, The Army will be granted full and unlimited rights to use the CDMP, including the right to provide the CDMP to other developers in this or other military housing privatization projects. At this point, the contract will be complete and the developer will have no right, title, or interest in Phase 2 by virtue of its participation in Phase 1.
- b. If The Army and developer are unable to reach agreement on a project CDMP, the plan is not otherwise acceptable to The Army, or the offeror fails to provide the CDMP within the agreed time, The Army may terminate the developer's work on the project. At its own discretion, The Army may continue to proceed with the project by working with

another developer deemed most advantageous to the government or by seeking new RFQ responses. Consequently, offerors within the competitive range are requested to keep their responses to each project RFQ open for twelve (12) months following the CDMP contract award.

2.2 Phase 2 – Project Implementation

a. The Army desires to have the successful CDMP developer implement the approved plan. Once the installation, the cognizant command (AMC / MEDCOM / MDW), HQDA, OSD, OMB, and the Congress approve the CDMP, the developer and installation may be given approval to begin transition toward project implementation. This approval will mark the beginning of Phase 2 of the project. During Phase 2, the developer will implement the approved CDMP. The Army, in conjunction with other agencies who have a vested interest in the land, will transfer ownership of the existing housing units and provide an appropriate interest in the underlying land to the developer to facilitate implementation in a manner consistent with the approved CDMP and with prudent business practices.

b. The developer should not expect, and will not be compensated by the Government for costs they incur following acceptance of the CDMP and payment of the contracted price. Additional costs to the developer may arise between CDMP submission and acceptance. These costs remain the sole obligation of the implementation developer regardless of the amount and purpose and will not be reimbursed through appropriated funds.

3.0 MILITARY HOUSING PRIVATIZATION INITIATIVE (MHPI) LEGISLATION

The MHPI legislation (10 U.S.C. §§ 2871-2885) provides special authorities for the construction and improvement of military housing. It was specifically enacted to enable the Military Services to leverage housing assets (land and buildings) and limited financial resources in an effort to obtain private sector capital and expertise to improve the quality of life for Service Members and their families.

3.1 MHPI Authorities

The MHPI provides four main financing tools that can be used separately or in conjunction. This summary is provided to help the offeror gain a general understanding of the MHPI legislation, but reference should be made to the actual MHPI language in order to fully understand this law. The offeror should consider the effect of OMB scoring on each financing tool.

3.1.1 Direct Loans and Guarantees

The Secretary of The Army can provide direct loans to private firms in the form of second mortgages when external financing is not adequate to make a project financially feasible. Loan guarantees can be used to help a developer obtain private sector financing by reducing project risks that are specific to military installations, such as base closure,

downsizing, or extended deployments. The selected developer will be expected to assume normal business and market risks, such as construction delays.

3.1.2 Conveyance or Lease of Existing Property and Facilities

The Army can convey or lease existing Army land, housing, and related facilities to the developer for the purposes of privatizing military family housing.

3.1.3 Differential Lease Payments

The Army can enter into an agreement to pay a rent subsidy to the developer. However, this authority will be used only in unusual cases such as, when the total income stream is insufficient to ensure a reasonable return on investment.

3.1.4 Investments

The Army can make investments in nongovernmental entities carrying out authorized housing privatization activities. Such investments may take the form of acquiring a limited partnership interest, purchasing stock or other equity instruments, purchasing bonds or other debt instruments, or any combination of these. The Army's cash contribution is limited to one-third (33 1/3 percent) of the project's capital cost. If land and facilities are conveyed to the developer as part of the investment, the value of the land and facilities together with any cash contribution cannot exceed 45 percent of the project's total capital cost.

3.2 Other Provisions and Considerations

3.2.1 Local Standards

The MHPI legislation allows developers to build housing to local market standards and exempts the project from all MILCON standards, such as statutory square-footage standards for various military pay grades. However, if one submission proposes to provide a higher level of quality than another, the higher quality submission would receive a more favorable evaluation.

3.2.2 Basic Allowance for Housing (BAH)

The BAH is a monetary entitlement granted to service members who live in non-government housing. Service members will use this allowance to pay rent to the developer for housing that is developed and managed under this program. Under current Army policy, rents for on-post housing under this program (including a reasonable amount allocated to cover average utility usage) must not exceed the soldier's BAH. The developer will be required to set rents in accordance with this policy. Revisions to the BAH rate are processed annually and are based on market surveys and other cost indicators of the local housing market, but are subject to Congressional approval. Revisions to the individual BAH entitlement are processed on a continual basis based on changes in the service

member's rank, deployment status, etc. For more information on the BAH system, refer to the following website: <http://www.dtic.mil/perdiem/pdrates.html>. The service member's BAH includes a utilities component, insurance component, and rent component. The developer's responsibility for utility costs is described below in the "Utilities" paragraph.

3.2.3 Mandatory Allotments and Assignments

The MHPI legislation also enables The Army to mandate housing allotments (i.e., automatic payment deductions from the service member's pay for rent payments) and to mandate housing assignments (i.e., require service members to live in Army housing). The Army does not intend to use mandatory housing assignments. Rather, the development partner should market these housing units to attract service members and their families as in the private market. The Army has already used allotments in housing privatization. In future transactions, The Army will use a third party vendor to transfer the service member's BAH once the member elects to live in the privatized housing.

3.2.4 Non-Military Renters

In the event that the military requirement for the housing diminishes, non-military members may be allowed to occupy privatized housing. Together with the developer during the CDMP development, The Army will establish a priority order of assignment much like that in Army Regulation (AR) 210-50 and the current minimum-vacancy threshold for military renters that must be exceeded before non-military tenants are allowed. If allowed, non-military tenants will likely pay market rent plus utilities, however, this will be addressed during the CDMP development. If non-military tenants are allowed, arrangements for access to the installation during times of heightened security will be addressed during the development of the CDMP.

3.2.5 Real Estate Taxes

The developer will be responsible for any real estate or other ad valorem taxes assessed on the project. The requirement to pay local real estate or other ad valorem taxes will vary from locality to locality. Each prospective developer must make its own assessment of the likelihood that the project will be required to pay such taxes. Any agreement between The Army and the selected developer reached as a result of this RFQ will not relieve the developer of the obligation to pay taxes if required by appropriate law.

3.2.6 Ancillary Supporting Facilities

Housing projects developed under this legislation can include facilities related to military housing units, including tot lots, community centers, housing offices, dining facilities, and other similar facilities for the support of military family housing. Final approval authority for such facilities related to MWR, AAFES, or DeCA rests with the ASA (M&RA). Instructions to request approval for such facilities can be found in section 2.1.1

3.2.7 Utilities

a. The developer will be responsible for all costs of utilities provided to common areas of the project and all vacant units during the entire project period. Further, the developer will be responsible for all utilities in occupied housing units covered by the project until: (1) the units have been renovated or replaced, (2) utility meters (electric, gas, and / or oil) are installed, and (3) a 12-month consumption record has been established. When these three (3) conditions are met in an entire housing area and appropriate notice is provided to the service member occupant, the service member will become responsible for the cost of utilities (electric, gas, and / or oil) for their residence.

b. After consumption records have been established, an average utility consumption cost will be determined for each housing unit type. The service member will then receive this amount from his BAH and be responsible for paying utilities. Should the utility costs exceed the service member's identified utility allowance, the service member will be responsible to pay that amount from basic pay. If the utility bill is less than the calculated allowance, the service member retains those funds. The remainder of the service member's BAH will go to the selected developer as rent. The developer should plan to implement energy efficiency improvements and meter all the housing units as soon as practicable (e.g., new and renovated units) but no later than the end of year ten (10) of the project at which time all residents will be responsible for their utilities. Details of utility costs and allowances will be developed during the CDMP process.

3.3 Office of Management and Budget (OMB) Scoring

Each MHPI agreement entered into by The Army with a private developer may be "scored" by OMB for budget purposes prior to approving the CDMP. Scoring is an accounting convention that measures the value of a potential future financial obligation of The Army, recognizes it for budget purposes, and records it as a Departmental of Army obligation at the time an agreement is signed. Sufficient appropriations must be available to cover the scored amount for each agreement. Therefore, OMB scoring rules may affect the attractiveness of using available MHPI tools in conjunction with Army housing privatization project. OMB guidelines on scoring are provided in Appendix H. Section 4.6.7 below (Financial Return) outlines the relationship between OMB scoring and The Army's evaluation of each offeror's proposal. Accordingly, the effect of OMB scoring should be taken into account when considering how best to leverage The Army's assets at the specific installation. Consequently, offerors should attempt to maximize total private sector resources available for the specific installations while minimizing the effect of OMB scoring on The Army's commitment of assets.

4.0 CONTRACTOR SELECTION PROCESS

In Step One (establishment of competitive range) of the two-step RFQ process, the prospective offeror's submission should include Part (A) Information requested in Section 4.2 (Administrative Minimum Experience Requirements) of this RFQ and Part (B) Information requested in Section 4.3 (Statement of Qualifications), subsections 4.3.1

through 4.3.5 of this RFQ. The Army will evaluate this information in accordance with the process, procedures, and evaluation factors set forth in this RFQ. An offeror's submission must first demonstrate satisfaction of the Administrative Minimum Experience Requirements. The Evaluation Team's assessment of responses to Sections 4.3.1 through 4.3.5 will establish a competitive range of offerors. The offerors selected for the competitive range will be the firms whose submissions, in The Army's judgment, are determined to be highly qualified and thus eligible for further consideration for potential long-term business relationships designed to achieve the goal of improving military housing communities. The Army reserves the right, however, to reject all responses to the RFQ and resolicit.

STEP ONE

4.1 Information Request Instructions

a. Both single-firm offerors and joint venture offerors are required to furnish information to The Army in accordance with the instructions provided below. For the purposes of this RFQ, a single-firm offeror would manage the project under the direction of a single principal member (defined below). By contrast, a joint venture is a single business entity such as a partnership, limited liability company or other legal entity consisting of two or more principal members. A legally capable partnership (joint venture) can also include one or more members of the partnership that is a 501c3 corporation or other non-profit organization. The percentage of ownership of each of the principal members of the joint venture should be specifically identified. (This language is intended to illustrate one means by which a tax exempt entity may participate in the process, i.e. as a member of a joint venture. However, this language does not prevent an entity, which is capable of meeting the minimums outlined in the RFQ, from submitting a proposal as a single offeror.) To compete for inclusion in the competitive range and for specific installation opportunities, a joint venture must commit to work with The Army as a single business entity. The offeror will be required to provide information concerning both the joint venture itself, as a single business entity, and on the joint venture's principal members. Once included within the competitive range, an offeror should have a formally established legal single business entity or it may be excluded from further consideration.

b. The term "principal member" means a legal entity that has an identified ownership interest in the single business entity that is responding to this RFQ. In this RFQ, the term offeror is synonymous with single business entity. The principal member concept allows newly formed joint ventures to compete based on the experience of their principal members. Additional information on this aspect of The Army's evaluation is provided in Section 4.5.1. However, only experience of principal members will be used to evaluate any proposals. Single business entities planning to use a non-profit structure are advised to clearly demonstrate the experience of each principal member.

4.1.1 Submission Instructions

a. Administrative Minimum Experience Requirements, Statement of Qualifications, as well as completed representations and certifications required from Appendix E and paragraph 7.0 of the RFQ, must be signed and submitted in a clearly identified original hardcopy version (plus five copies), and provided electronically on compact disk (CD). Executive Order 13101 (Greening the Government through Waste Prevention, Recycling, and Federal Acquisition) must be followed for submission of hard copy proposals. Executive Order 13101 is included at Appendix F. The Administrative Minimum Experience Requirements, Statement of Qualifications and required representations must be produced in Microsoft™ Word (no exceptions), 8 ½" x 11" format (no exceptions). Spreadsheets must be produced in Microsoft™ Excel(no exceptions), 8 ½" X 11" format (no exceptions). Tables, charts, and 3rd party documentation may be in any format, type and size format. Third party generated documents may be reproduced without format change and entered on the CD using any readily available format. The Army must receive signed submissions no later than 01 March 2002 at 1630 hrs (4:30PM), Eastern Time (ET):

If Mailed:

Army RCI Task Force
US Army Corps of Engineers, Baltimore District
Attn: Mary FitzGerald, CENAB-CT
PO Box 1715
Baltimore, MD 21201-1715
Reference: RFQ No. DACA31-02-R-0004

If Hand carried (or sent via overnight delivery):

Army RCI Task Force
US Army Corps of Engineers, Baltimore District
Attn: Mary FitzGerald, CENAB-CT
10 South Howard Street, Room 7000
Baltimore, MD 21201
Reference: RFQ No. DACA31-02-R-0004

Submissions failing to arrive by the established deadline will not be evaluated.

b. In addition to the Administrative Minimum Experience Requirements, offerors should provide the legal jurisdiction under which the firm is organized and operating by submitting the proof of existence as an established legal entity, providing a proper Data Universal Numbering System (DUNS) number (<http://www.dnb.com>) and providing a Commercial and Government Entity (CAGE) Code with the submission. The Government requests the DUNS Number for the legal entity, however as a minimum at Step One, Part B, the Offeror shall provide the DUNS number of at least one principal member.

c. To be eligible for Department of Defense (DOD) contract award, offerors must be registered with the Department of Defense Central Contractor Registry, which can be accomplished through <http://www.ccr.gov>.

4.1.2 Submission of Step One, Part A

a. The Administrative Minimum Experience Requirements (Part A); Section 4.2, information shall be submitted separately from Part B information requested in Section 4.3 (Statement of Qualifications), and shall stand alone in determining an offeror's ability to satisfy the minimum experience requirements. This information serves to insure that offerors meet a basic level of experience prior to being further evaluated. Only the information contained in Part A will be considered in determining if an offeror meets the administrative minimum experience requirements. However, information in Part A will be considered when evaluating Part B.

b. Submissions for the Administrative Minimum Experience Requirements (Section 4.2) are limited to a total of five (5) single-spaced pages. Page tabs shall not be used in Part A.

1) The Offeror's cover page or Transmittal letter will not count toward the page count for Section A.

4.1.3 Submission of Step One, Part B

a. The Statement of Qualifications (Part B) should be submitted in sufficient detail to:

1) Permit the Evaluation Team and Source Selection Authority (SSA) to reach a reasoned judgment regarding the offeror's qualifications.

2) Distinguish the offeror from other candidates.

b. Part B submissions are limited to a total of 75 single-spaced pages, including tables or charts where appropriate. Blank tab pages do not count toward the 75-page count. Submissions shall be in Microsoft™ Word format, 12-point type in the Arial font, except that tables, charts and 3rd party documentation may be in any format, type and size font. The following are not included in the 75-page limit: information requested in Section 4.2 (Administrative Minimum Experience Requirements); audited financial statement(s) (or 10K(s) if the entity is publicly owned) requested under Section 4.3.2; and "Offeror Representations and Certifications" requested in Appendix E.

c. Submittals exceeding the 75 single-spaced page limitation will result in the information provided on pages over the 75-page limit not being considered.

PART (A)

4.2 Administrative Minimum Experience Requirements

a. The single-firm offeror or a principal member in a joint venture must submit a list of projects with sufficient detail to demonstrate satisfaction of the following administrative minimum experience requirements. Only information submitted in Part A of your proposal

will be considered in the evaluation of minimum requirements. Questions which may arise as to the interpretation of the requirements of 4.2 should be resolved with the Contracting Officer prior to submission of your proposal. An offer that fails to satisfy the administrative minimum experience requirements will not be eligible for further consideration and will be eliminated from competition. One principal member must meet minimum experience requirement 1, one principal member must meet minimum experience requirement 2, and one principal member must meet minimum experience requirement 3, although each need not be the same principal member: The minimum experience requirements are:

- 1) The offeror has, within the past ten (10) years, served as the primary developer and principal sponsor (with an ownership interest) in at least three (3) completed development projects, or completed project phases, each of which included a residential component consisting of a minimum of 100 units of multi-family *low rise* (three stories or less), attached or detached family housing units. A phase or project is completed if at least 100 units have received a certificate of occupancy or similar occupancy permit and lease up has begun.
- 2) The offeror has, within the past ten (10) years provided property management and asset management for at least three (3) major residential projects, each of which included a rental residential component of at least 100 units. These managed residential projects do not have to be the same projects discussed in number 1 above.
- 3) The offeror has, within the past ten (10) years, structured, arranged, and managed the capital formation (See Glossary, Appendix I) including, equity and both short and long term debt, for at least three (3) completed residential projects or completed project phases, each resulting in actual development costs of at least \$10 million. It is acceptable to inflate historical development costs to current dollars using a commonly accepted inflation factor. The source of the inflation factor shall be identified including the computations and the actual costs incurred. A phase or project is completed if at least 100 units have received a certificate of occupancy or similar occupancy permit and lease-up has begun. These financed residential projects do not have to be the same projects discussed in number 1 and 2, above.

PART (B)

4.3 Statement of Qualifications

In the Statement of Qualifications, include the following information:

4.3.1 Experience

- a. An offeror should provide a list of all-major development projects completed or currently in development by its principal members relevant to residential communities. This list may include projects noted in the Administrative Minimum Experience Requirements list. For each major development project listed, include a brief description of the project, including its name, size (dollar value/number of units), type (single family, town homes,

apartment complex, etc), nature of construction (whether new construction, moderate rehabilitation, substantial rehabilitation or redevelopment) and location.

b. In addition, for the five (5) most relevant projects to the development of Army family housing communities, provide information as indicated below in this paragraph 4.3.1. The responsibility of the offeror is to determine which five example projects it considers most relevant to the RCI process. Relevant projects include, but are not limited to, those that a principal member currently owns and manages. Specific factors of importance to The Army include: new construction of attractive market rate housing; properties involving the rehabilitation of existing housing, including historic units, and the relocation of current tenants; properties needing to be made more market competitive; and properties that have been owned, managed, and financed for a long time (e.g. 10 years) which remain viable and competitive. The more recent a particular activity occurs, be it management, development, construction or other, the more it demonstrates current skill in that activity.

1. Name of Project
2. Location (address, city or town, county, state)
3. Land-Use Program/Phasing
4. Key Dates (for each project)
 - a) Date land acquired
 - b) Date construction started / ended
 - c) Date occupancy began
 - d) If applicable, date sold or refinanced
5. Project Economics and Finance
 - a) Budget development costs, including “hard” and “soft” costs
 - b) Total development costs, including “hard” and “soft” costs
 - c) Financing, including debt (short- and long-term) and equity (developer and investors) financing
 - d) Description of ownership structure, including percentage of ownership by principal member
 - e) Occupancy rate (initial and sustained)
 - f) Contact information (names, addresses, e-mail addresses and telephone numbers) for all debt and equity sources (to be used for reference check)
6. Operation, Maintenance and Repair, and Property Management
 - a) Scope of services provided
 - b) Customer service levels and standards of performance
 - c) Operation, maintenance, and property management services and related standards of performance, including services provided for historic properties

7. Issues Encountered and Resolved, such as:
 - a) Environmental activities and remediation (such as lead based paint, asbestos, radon, chlordane, and underground storage tank analysis)
 - b) Involvement in public approval and zoning processes
 - c) Historic preservation (including renovations, conversions and / or landscaping)
 - d) Seismic mitigation
 - e) Regulatory public approvals and entitlements
 - f) Community concerns
 - g) Quality Assurance / Control

8. Strategic Partnering and Relationship Issues
 - a) Details concerning cooperation with other business entities or organizations in projects involving long-term real estate management services
 - b) Information regarding material disagreements with other participants, the offeror's approach to dispute resolution and how these disagreements were resolved
 - c) The offeror's experience (if any) with public-private housing partnerships involving affordability objectives regulations and subsidy funding.
 - d) The offeror's experience (if any) working in partnerships, joint ventures, or other collaborations

4.3.2 Financial Capabilities

- a. Provide documentation and statements relevant to the offeror or its appropriate principal member(s) as identified below. Among other things described in this RFQ, The Army is seeking a firm that demonstrates a strong financial structure. This can be demonstrated through audited financial statements. There is no minimum net worth requirement, however, total net worth is considered in the evaluation.

- b. Audited financial statements (or 10Ks if the entity is publicly owned) for the last three (3) years. (Parent and holding companies should submit audited financial statements if they intend to commit resources to a developer or joint venture in which they own a controlling interest.)

- c. Documentation demonstrating the firm's capability to secure financing and operating capital for the project as well as the offeror's capability to obtain financing and capacity to secure payment and performance bonds (or alternate forms of security, in sufficient detail so The Army can evaluate same) in a timely manner for a project the size of Fort Detrick, Fort Hamilton, Picatinny Arsenal, and Walter Reed Army Medical Center.

- d. Joint ventures should submit audited financial statements and documentation demonstrating financial capabilities and bonding capacity only for the single business entity itself, unless the single business entity has been newly formed for this specific

project or if principal members of the single business entity will be independently responsible for financial commitments. In the latter cases, audited financial statements and documentation relating to financial capability and bonding capacity should be submitted for the single business entity and, individually, for all principal members of the offeror responsible for obtaining financing for the project.

e. Documentation that addresses and identifies the expected equity necessary (i.e., sources and amount) to obtain financing for a project the size and scope of Fort Detrick, Fort Hamilton, Picatinny Arsenal, and Walter Reed Army Medical Center.

f. Economics of sharing arrangements between the principal members and investors, including identification of all sources of return to the owners and investors.

g. All financial information submitted for this RFQ will be protected from public disclosure if the provider identifies and justifies the information as proprietary, and requests such protection at the time of submission. Information that is considered proprietary should be clearly marked as such on each page. Prospective developers should be aware, however, that The Army may share financial information with financial consultants assisting The Army with this initiative as well as Congressional committees, if requested by the committees as part of their legislative oversight function.

4.3.3 Organizational Capabilities (Corporate Level)

Provide basic background information on:

- 1) The offeror's history and background.
- 2) The status and structure of the firm's organization (e.g. limited liability company).
- 3) In the case of joint ventures, each principal member's appropriate history and background, assigned areas of responsibility, and any legally enforceable agreements or other mechanisms that will be relied on to ensure the firm's successful long-term operation.
- 4) The firm's capabilities to plan, develop, redevelop, renovate, operate, manage and maintain large-scale, residential, rental development projects, including providing for their construction, financing, and long-term operation and protection of existing historic aesthetic values.
- 5) The name, address, telephone number, fax number, and e-mail address of the person authorized to represent your firm and to serve as the single point of contact during the developer selection.

4.3.4 Past Performance

a. Provide names, titles, organizational affiliations, addresses, email address, and telephone numbers of individuals who will serve as references for each of the five projects identified as most relevant to the development and management of Army family housing communities (those for which you provided information pursuant to Section 4.3.1).

- 1) Provide at least one reference for each of the following categories that are relevant to each project: financial institutions, local government agencies, business partners, major customers, and major contractors.
- 2) List any of the firm's (in the case of joint ventures, any principal member's) projects, over the last 10 years, in which (a) the ownership has been restructured due to adverse circumstances (including default, need for new capital renovations, material negative cash flow, change of controlling partner), (b) the management company has been replaced at the instigation of the owner, the lender, or a regulator, and/or (c) any action that has been commenced by a lender to replace, sanction, or suspend any of the principals from future participation in lending activities and describe the circumstances of such restructuring. If you have not had any projects restructured because of financial difficulties, provide an affirmative statement so indicating.
- 3) List all material instances of litigation or formal Alternative Dispute Resolution (ADR) processes (e.g., binding arbitration) during the last ten (10) years and involving a claim in excess of \$50,000 to which each principal member has been a party relating to partnering, financial performance, and/or treatment of residents. For those matters involving a claim equal to or in excess of \$500,000, provide a detailed description of the litigation or ADR process.

4.3.5 Small Business Utilization (General History)

Provide information concerning your offeror's use of small business concerns that:

- 1) Describes the offeror's documented policies relating to small business participation and the extent of participation of small business concerns in your offeror's past and current projects. In case of a joint venture, information, as stated above, on the use of small business concerns on past projects should be provided separately for each principal member.
- 2) A point of contact who can validate your use of subcontractors, to include small businesses, is required for each project within the last three years. If multiple subcontractors were on each project, a point of contact is only required for one subcontractor, to include small businesses, per project.
- 3) For your reference in providing this information, the term small business concerns refers to Small Businesses, Small Disadvantaged Businesses, Women-Owned Small Businesses, Veteran-Owned Small Businesses and Service-Disabled Veteran-Owned Small Businesses. Information concerning the definition and size standards for small business concerns may be found at 13 Code of Federal Regulations (CFR) Parts 121 and 124.
- 4) Although the above CFR section contains the accurate definition, in general, a small business is defined as an independently owned and operated business, not

dominant in its field of operation and generally restricted by number of employees or average annual gross revenue. For instance, for many service industries, the firm must have less than \$5 million in average annual gross revenue over a three-year period to be considered small. For other service industries, the firm must employ less than 500 employees. A small disadvantaged business must, in addition to being small, also be at least 51 percent unconditionally and directly owned by one or more socially and economically disadvantaged individual(s) who is/are a citizen(s) of the United States. A woman-owned small business is a small business that is at least 51 percent owned and controlled by one or more women. A veteran-owned small business is a small business that is at least 51 percent owned and controlled by one or more veterans (as defined at 38 U.S.C.101 (2)) and management and daily business operations of which are controlled by one or more veterans. A service-disabled veteran-owned small business is a small business that is at least 51 percent owned and controlled by one or more service-disabled veterans (service-disabled veteran means a veteran with a disability that is service connected as defined in 38 U.S.C.101 (16)).

STEP TWO

4.4 Submission of Step Two

- a. On the basis of responses to Sections 4.3.1 through 4.3.5, those offerors, determined to be highly qualified and thus eligible for further consideration for potential long-term business relationships designed to achieve the goal of improving military housing communities, will comprise an exclusive competitive range. For Step Two, offerors, who have been selected for the competitive range must supply information and any amendments as outlined in the following sections. Offerors may avoid unnecessary expense by waiting to prepare Step Two until they are notified of their inclusion in the competitive range and advised by the solicitation amendment.
- b. Only the offerors in the competitive range will be considered for Step Two of the RFQ. Step Two of the specific project will be issued via an amendment to the RFQ. Responses to the amendment will be used to select a developer whose submission, in The Army's judgment, is determined to offer the best value for improving military family housing at the specific installation.
- c. Along with the Step Two submittals, offerors shall provide the legal jurisdiction under which the firm is organized and operating by submitting proof of existence as an established legal entity, providing a proper Data Universal Numbering System (DUNS) number (<http://www.dnb.com>) and providing a Commercial and Government Entity (CAGE) Code with the submission. Offerors not providing this information by Step Two, Part B will be considered unresponsive and eliminated from further consideration.
- d. The contractor will be selected based on a four-factor evaluation during Step Two of the solicitation process. In Step Two, the offeror will be evaluated on its installation specific preliminary project concept statement, financial return, organizational capabilities (both on-

site and off-site, including a detailed organizational chart and a description of operational, management, and financial controls), and small business utilization plan (on-site). The details of the winning proposal will provide the baseline for negotiation of the CDMP. Step Two submissions will be made in an oral presentation format with written documentation. The oral presentation allows offerors, among other things, to explain and display how they satisfy the Step 2 evaluation factors. The firm's written portion of the oral presentation should detail the facts and information that is described and discussed during oral presentation period. The date, time, and location for the oral presentations will be provided to those firms within the competitive range following the Step Two Amendment (see section 4.5.2). Firms in the competitive range may decline to participate in a specific Step Two Project RFQ without a penalty of participating in other project specific RFQ's in this solicitation. Firms electing to compete for a specific project shall notify the contract specialist in writing of their intent to participate at least 15 days prior to the closing date of the Step Two RFQ amendment.

4.4.1 Preliminary Project Concept Statement

- a. The offeror should provide a preliminary project concept statement, the purpose of which is to give The Army illustrative information about the offeror's overall vision, strategy, and approach to improving and maintaining the military family housing community at the project sites. The actual, detailed, agreed-upon specific CDMP, which is the plan for community development and management at a specific installation will be negotiated and formalized during Phase 1 of the contract.
- b. In crafting the preliminary project concept statement, assume that your firm is selected as the developer for the Fort Detrick, Fort Hamilton, Picatinny Arsenal, or Walter Reed Army Medical Center project(s). Beginning from the time of selection, describe your vision of The Army family housing community at the specific installation. The preliminary project concept statement should also describe your approach to accomplishing the vision.
- c. Your statement should include your firm's assessment of Army family housing needs at the installations and then discuss how you would address those needs. It should discuss the existing housing stocks and how you would alter or enhance those stocks to improve the family housing communities. This would include a description of how you would provide quality operation, maintenance, and property management services to the communities over the life of the project. It should consider elements of community safety and recommended steps toward improvement. It should also include a general description of how you would enhance the aesthetic character and quality of the residential communities. It should also include items such as a conceptual land-use plan and a general description of potential housing products. You should indicate how you will protect the project scope during the initial development period and identify those contingencies that might make your plan unexecutable. Detailed drawings, specifications, or other detailed technical information are not required as part of the preliminary project concept statement. However, schematics that help explain your vision may add value to your presentation.

- d. Describe how you would incorporate existing on-base community assets and design principles to achieve your vision. If you envision including ancillary supporting facilities, your statement should describe the general nature of these facilities and how they relate to and support family housing. Explain your approach for integrating them into the residential communities for Army families and the surrounding civilian communities, and describe how you would finance, build, and operate them.
- e. The preliminary project concept statement should also describe your approach to building a long-term working relationship with The Army and other community stakeholders, and summarize your methodology for successfully completing the CDMP planning process and undertaking the ensuing community development and management.
- f. The statement should also describe your plan for reinvesting revenue earned from the project back into the project itself or, as appropriate, returning revenue to The Army. Particular attention should be given to your strategy as it relates to reinvestments for capital upgrades and other ongoing development tasks.
- g. The preliminary project concept statement should include your concept for bringing the housing inventory to an adequate condition within 10 years of the transfer of operations. You should indicate how you will ensure that this milestone is reached and identify those contingencies that might make it unexecutable. Adequate: Quality of what is required without being in excess.

4.4.2 Financial Return

- a. Provide a written statement, either in text or table form that addresses:
- 1) The firm's range of expected rates of return for each specific project based on your experience, approximate fee structure and incentive fees (if any), including all other sources of financial return and why these sources are competitive and reasonable, any other sources of return your firm or affiliates would expect to earn on similar projects, and economics of sharing arrangements between the principle member and investors.
 - 2) The anticipated sources of capital (debt and equity) that will be used to finance short- and long-term project expenses. This should include the firm's plan for competing both the debt and the underwriting during Phase 1 of the CDMP development.
 - 3) The firm's intent concerning the use of Army assets and resources as permitted under the MHPI authorities in order to implement the firm's preliminary project concept statement as described in Section 4.4.1
 - 4) The anticipated relationship, if any, between the firm's approach to reinvestment as described in the preliminary project concept statement and its expected financial return for the project. This should include anticipated timing and levels of refinancing and the proposed disposition of proceeds from refinancing as

well as plans for adjusting the reinvestment approach in response to market standards and evolving property needs over time.

- 5) The anticipated relationship, if any, between the firm's expected financial return and its approach for ensuring that service and maintenance standards are met over the life of the project, including the offeror's plan for keeping quality comparable with market standards over time.
- 6) A written statement articulating the firm's strategy for financing the project on a long-term basis including anticipated costs and why these are optimum. The statement should relate the proposed strategy to the firm's vision, documented financial capabilities, and identified expectations for financial return as well as how adjustments will be made in response to changes in the capital markets or the housing market.
- 7) Provide a rudimentary 50-year pro forma analysis depicting your initial and out-years development period construction budgets and 50-year operating cash flow. Include all development periods, all derived income, BAH growth, and all other assumptions and limitations.
- 8) Expected sources and uses of funds must be clearly explained in the pro forma.
- 9) Presentation should include a cash waterfall diagram, a summary of key assumptions with footnotes, and an accompanying explanation of the lock box accounts.

4.4.3 Organizational Capabilities (On-Site, Installation Specific)

Provide basic background information concerning the following:

- 1) The key person who will be responsible for representing the offeror in all matters and for coordinating and integrating all functional elements of program requirements into seamless strategies, processes, and solutions throughout both the procurement phase and during the CDMP.
- 2) Key personnel to be assigned to the CDMP development process and their anticipated roles throughout all phases of the required work effort. Key personnel are those who are considered critical to the accomplishment of the required services. For each key person identified, submit a one-page resume that, at a minimum, describes the key person's duties and responsibilities, his/her education, knowledge, skills, expertise, and other qualifications relevant to the accomplishment of the project. Also, on a separate page, indicate the extent to which key personnel worked together on projects relevant to the specific effort. This section should include an organization chart that depicts the relationship between the key people.

3) Key personnel to be assigned to the CDMP implementation and their anticipated roles throughout all phases of the required work effort. Key personnel are those who are considered critical to the accomplishment of the required services while at the installation. For each key person identified, submit a one-page resume that, at a minimum, describes the key person's duties and responsibilities, education, knowledge, skills, expertise, and other qualifications relevant to the accomplishment of the project. Also, on a separate page, indicate the extent to which key personnel worked together on projects relevant to the specific effort. This section should include an organization chart that depicts the relationship between the key people.

4.4.4 Small Business Utilization Plan (On-Site, Installation Specific)

a. Provide information concerning your firm's proposed use of small business concerns that:

1) Articulates your firm's approach to ensuring that small business concerns will have subcontracting opportunities during Phase 2 (CDMP implementation) to the maximum practicable level. For example, this discussion should include an illustrative list of work areas (e.g., building, maintenance, etc.) in which you will use small business concerns.

2) Provide your plan for how much (either in dollars or as a percentage) of the overall cost of this project will be subcontracted to small business concerns.

4.5 Evaluation Process and Evaluation Team

The Army will establish an Evaluation Team to review responses to this RFQ in order to select the developers for each specific project. The Evaluation Team will include Army executives and other personnel and will seek advice from consultants with specific expertise in large-scale residential community development, historic preservation projects, environmental issues, financing, operations, and management services. An initial review will be conducted to ascertain whether submittals have met the administrative minimum requirements as outlined in RFQ Step One, Part A. The Evaluation Team in Step One, Part B will review only submissions that have met the administrative minimum experience requirements. Additional communication with prospective developers, as well as independent background analyses, may be conducted at the discretion of the Contracting Officer. References identified by prospective developers in their submissions and other third parties may also be contacted.

4.5.1 Competitive Range Based on Initial Submissions (Step One)

The Army intends to evaluate submissions received in response to this RFQ without providing prospective offerors the opportunity to revise their submissions during Step One. Consequently, the offeror's initial submission should contain all information that the offeror thinks is needed to demonstrate to The Army that the offeror is qualified to advance to

Step Two. While the government does not intend to meet with offerors to encourage revisions to their submissions, The Army may contact offerors to clarify certain aspects of their submission or to correct clerical errors. As an example, The Army may contact an offeror to clarify the scope of the offeror's involvement in a past development project. The number of firms included in the competitive range may be limited in order to make the evaluation process as efficient as possible. Additional details concerning the competitive range and its formation may be found in Appendix E.

4.5.2 Award Based on Oral Presentation (Step Two)

a. The Army intends to select the awardee for each project contract following oral presentations. Offerors in the competitive range will be notified in order to properly arrange for their oral presentations. Firms electing to compete for a specific project shall notify the Contract Specialist, in writing, of their intent to participate at least 15 days prior to the closing date of the Step Two RFQ amendment. Each offeror choosing to participate will then be assigned one presentation date within a number of consecutive available dates. The order of appearance will be selected on a random basis. Offerors within the competitive range agree to hold their proposals open for one year (365 calendar days) from the date of closing for receipt of their Step One proposal in the event issuance of Step Two is delayed.

b. Notice of intent to participate in Step Two shall be delivered as follows:

If Mailed:

Army RCI Task Force
US Army Corps of Engineers, Baltimore District
Attn: Mary FitzGerald , CENAB-CT
PO Box 1715
Baltimore, MD 21203-1715
Reference: RFQ No. DACA31-02-R-0004

If Hand-Carried:

Army RCI Task Force
US Army Corps of Engineers, Baltimore District
Attn: Mary FitzGerald , CENAB-CT
Room 7000
10 South Howard Street
Baltimore, MD 21201
Reference: RFQ No. DACA31-02-R-0004

c. During Step Two, each offeror will be allowed eight (8) hours to make an oral presentation, which will be recorded on videotape. One copy of the videotape will be provided to the offeror within two weeks of the completion of the presentation. Offerors will be given approximately 30 days to prepare for their oral presentation.

d. Offerors will provide one clearly identified original hardcopy version of the content of their presentation (plus five copies) at the time of the presentation, as well as electronically on a compact disk (CD). There is no page limit on the written portion of the oral presentation. Offerors will have 72 hours after the conclusion of the presentation to submit clarifications and responses to questions to the address above. This final submittal document must be signed by the offeror's principal members and be submitted in a clearly identified original hardcopy version (plus five copies), and provided electronically on compact disk (CD). This document shall not exceed 25 pages. Blank tab pages do not count toward the 25-page count. Submissions shall be in Microsoft Word format, 12-point type in the Arial font, except that tables, charts and 3rd party documentation may be in any format, type and size font.

e. Source Selection Decision. At the conclusion of the oral presentation (as described above) and subsequent evaluation, the Evaluation Team will present its assessment to the Source Selection Authority (SSA). The SSA's decision shall be based on a comparative assessment of proposals against all source selection criteria in the solicitation. While the SSA may use reports and analyses prepared by others, the source selection decision will represent the SSA's independent judgment. Upon receipt of the SSA's decision, the Contracting Officer will make the award.

4.6 Evaluation Factors

a. The Evaluation Team will use five factors to evaluate the information provided in response to this RFQ for Step One, Part B. These factors are listed here in descending order of importance: (1) Experience, (2) Financial Capability, (3) Organizational Capability (Corporate Level), (4) Past Performance, and (5) Small Business Concerns as Subcontractors (General History).

b. The assessment of Past Performance will be used in making the "Best Value" selection. Past Performance enables The Army to better predict the quality of, and customer satisfaction with, future work. The contractor in this initiative must deliver the same high quality of service to The Army as it delivers to its best private sector customers. The emphasis placed on past performance demonstrates Army commitment to select the offeror that will accomplish what it promises in its proposal and negotiates in the CDMP for the entire term of the project. Accordingly, offerors will be required to submit project past performance information as stated in Section 4.3.4.

c. The Past Performance Questionnaire (Appendix J) will be used by the Evaluation Team to obtain customer input on the projects submitted and this information will be consolidated into an overall Past Performance rating. The evaluation team may consider information about other projects performed by offerors and identified through any and all means, including but not limited to customer surveys and comments from Government agencies.

d. The Evaluation Team's review of an offeror's Step One submission will form the basis for determining the competitive range. Offerors advancing to the competitive range will be invited to compete in Step Two for award of the individual RCI Projects.

e. Step Two oral presentations will be evaluated on four factors. These factors are listed here in descending order of importance: (1) Preliminary Project Concept Statement, (2) Financial Return, (3) Organization Capability (On-Site), and (4) Small Business Utilization Plan (On-Site).

f. For each step, the elements and questions for each factor will be evaluated comprehensively to determine an overall rating for that factor, which will be used to analyze the offeror's ability to plan and implement the project.

g. Each individual evaluation factor will be rated (as indicated below). The evaluators will assign one of the following ratings to each factor:

1) Exceptional: The offeror has demonstrated, based on an assessment of significant strengths and minimal, if any, weaknesses that it can exceed the requirements of the specific projects.

2) Acceptable: The offeror has demonstrated, based on an assessment of significant strengths and some weaknesses that it can meet or possibly exceed the requirements of the specific projects.

3) Unacceptable: The offeror has not demonstrated, based on an assessment of minimal strengths and significant weaknesses that it can meet the requirements of the specific installation projects.

4) Neutral: This rating will only be used to evaluate an offeror in the past performance evaluation factor (4.3.4). The offeror did not have a sufficient history that could be evaluated in a level of detail that allowed the evaluation team to draw a conclusion about the offeror's past performance.

h. In addition, the evaluators will assign an overall rating to each proposal.

1) Exceptional: The offeror has demonstrated, based on an assessment of significant strengths and minimal, if any, weaknesses across all evaluation factors, that it can exceed the requirements of the specific projects.

2) Acceptable: The offeror has demonstrated, based on an assessment of significant strengths and some weaknesses across a majority of evaluation factors, that it can meet or possibly exceed the requirements of the specific projects.

3) Unacceptable: The offeror has not demonstrated, based on an assessment of minimal strengths and significant weaknesses across a majority of evaluation factors, that it can meet the requirements of the specific installation projects.

i. The evaluators will justify the evaluation factor rating by drawing upon the strengths, weaknesses, and risks identified for each of the evaluation factors. In addition to the adjectival ratings above, a risk rating will be assigned to the overall proposal. The purpose of this rating is to assess the level of risk associated with selecting the contractor to perform Phase 1: Project Planning and Phase 2: Project Implementation.

j. The individual member bases the risk-rating scheme for the overall evaluation rating on a risk assessment of the entire submittal. The evaluators will assign one of the following ratings to the offerors' submittal:

1) Low Risk: Any weaknesses identified by the evaluators in the experience, approach, capabilities, and/or past performance record of the developer have little potential to cause disruption to the planning and implementation phases. Normal contractor/government effort and monitoring will probably minimize any difficulties.

2) Moderate Risk: These are weaknesses identified by the evaluators in the experience, approach, capabilities, and / or past performance record of the offeror that can potentially cause disruption to the planning and implementation phases. Special contractor/government emphasis and close monitoring will probably minimize any difficulties.

3) High Risk: These are weaknesses identified by the evaluators in the experience, approach, capabilities, and / or past performance record of the developer that have the potential to cause significant disruption to the planning and implementation phases even with special contractor/government emphasis and close monitoring.

k. The evaluators will document the weaknesses and their potential impact on disruption to the planning and implementation phases of the installation specific projects to justify the contractor selection rating.

STEP ONE EVALUATION

4.6.1 Experience

a. For firms that meet the minimum requirements, the following questions and elements will aid the Evaluation Team in evaluating the experience factor.

Does the offeror possess the experience necessary to plan, design, finance, partner, and implement projects such as those identified in this solicitation?

1. To what extent has the offeror demonstrated through experience the ability to plan, develop, redevelop, manage, and maintain large-scale residential development projects, including providing for their construction, financing,

environmental management, and long-term operation, as well as recognizing and mitigating seismic conditions?

2. To what extent has the offeror demonstrated through experience the ability to serve as a contractor and partner in working with the federal government, state or local governments, or non-profit institutions?

3. To what extent has the offeror demonstrated through experience the ability to address environmental and historic property treatment issues and conforms to restrictions and guidelines for the environmental remediation and preservation of these property types?

4. To what extent has the offeror demonstrated the ability through experience to renovate housing units while residents occupy units in another portion of the same development project?

5. To what extent has the offeror demonstrated through experience, and in relation to its approach to managing the project, the ability to work successfully in cooperation with other business entities or organizations on complex projects requiring long-term real estate operation, maintenance, and property management?

6. This last factor element evaluates the extent to which a single-firm offeror has worked with other organizations (e.g., subcontractors, financial institutions) on projects requiring long-term real estate operation, maintenance, and property management functions. In the case of a joint venture, this last factor element also evaluates the extent to which the joint venture's principal members have experience working together or with other organizations on these projects in joint ventures or similar types of business relationships.

4.6.2 Financial Capabilities

a. The following questions and elements will aid the Evaluation Team while evaluating the Financial Capabilities factor.

Can the offeror structure, arrange, and manage the financing required for the successful development and long-term operation of a large, complex residential project?

b. In reviewing financial capabilities, the Evaluation Team will consider the following questions:

1. Does the offeror possess the financial capability, bonding capacity, and institutional relationships necessary to obtain financing for a project of this size and scope and to weather temporary or near-term cash flow shortfalls?

2. Does the offeror have a viable strategy for financing the project on a long-term basis, and is the strategy supported by the offeror's identified capabilities?

3. Does the offeror identify sources and amounts of equity to be used in the project and the duration of this equity investment?

4.6.3 Organizational Capabilities (Corporate Level)

- a. The following questions and elements will aid the Evaluation Team in evaluating the organizational capabilities factor.

To what extent can the offeror field a qualified, experienced project team with the expertise and workload capacity necessary to manage all of the disciplines required to plan a large-scale, long-term, quality residential community development project?

- b. In reviewing corporate level organizational capabilities, the Evaluation Team will consider the following questions:

1. Does the offeror possess the organizational capability to field a team to cover all of the disciplines required to make the CDMP creation process successful and to maintain high levels of quality? The disciplines include, but are not limited to: business planning, master planning, financing, public approvals, environmental stewardship, seismic mitigation, community and governmental relations, and historic preservation (architecture, landscape, and archeology).
2. Does the offeror present an organizational structure that allows for successful oversight and creation of a CDMP?
3. Does the offeror successfully demonstrate the workload capacity to incorporate the proposed RCI project into their current and planned business operations?
4. This factor considers the offeror's ability to manage and integrate various functional disciplines relevant to the successful planning of the project. In the case of joint ventures, this factor evaluates the organizational capabilities of each principal member of the joint venture in their assigned areas of responsibility (see Section 4.3.3) and any previous or current third-party certification of such ability. This factor addresses corporate level organizational capabilities. Resumes for individual personnel are not required until Step Two.

4.6.4 Past Performance

- a. The following questions and elements will aid the Evaluation Team in evaluating the past performance factor.

How acceptable is the offeror's risk of non-performance or poor performance in either crafting or implementing the CDMP for the project, based on past performance?

1. The Army's evaluation of past performance will be based on information provided by the prospective offeror as required in Section 4.3.4, as well as on independent background analyses. The Past Performance Questionnaire (Appendix J) will be used by the Evaluation Team to obtain customer input on the projects submitted, and this information will be consolidated into an overall performance rating. References identified in the submission, and by third parties, may be contacted as part of this evaluation. The Army's analysis of the offeror's past performance will take into account the currency and relevancy of information examined, the context of the data, and general trends in the offeror's performance.

2. Consistent with Section 4.3.3, the past performance for a joint venture will consider both the joint ventures' past performance and that of its principal members. Offerors and principal members in a joint venture that lack a past performance history will be given a neutral past-performance evaluation.

4.6.5 Small Business Utilization (General History)

a. The following questions and elements will aid the Evaluation Team in evaluating the Small Business Utilization (General History) factor.

**How has the offeror used small business concerns in past projects?
Does the offeror have proactive policies with regard to the use of small business concerns and can the offeror demonstrate that small business utilization has been emphasized, even when not required by the government?**

1. This factor considers the participation of small business concerns in the firm's past and current projects. This would include type of work subcontracted, percentage of the dollar amount of work that was subcontracted per project compared to the overall cost of the project, what your goals were and if you met your goals (by what percentage), etc. In the case of a joint venture, information on the use of small business concerns on past / current projects should be provided separately for each principal member.

STEP TWO EVALUATION

4.6.6 Preliminary Project Concept Statement

a. The following questions and elements will aid the Evaluation Team in evaluating the preliminary Project Concept factor.

Has the offeror provided a creative, robust vision that meets The Army's needs and signals a realistic, successful outcome?

1. This factor considers the prospective offeror's overall project concept for the long-term development, operation, maintenance, and property management of the

specified military family housing community, and the offeror's creativity in meeting The Army's objectives.

2. Does the prospective offeror understand The Army's goals and needs for the project as identified in Section 1.1 of this solicitation?
3. Is the offeror's approach to the project, including its plan for reinvestment and its plan for providing quality long-term operation, maintenance, and property management, practical and likely to succeed from a long-term business and financial standpoint?
4. Does the offeror's approach adequately consider the installation information, including the vision and goals for the specific installation's RCI Project as summarized in Section 2.1.1 and the Appendices?
5. Do all ancillary supporting facilities proposed as part of the overall project concept relate to and support housing? Similarly, to what extent are proposed ancillary supporting facilities incorporated into an overall development vision that seeks to complement (and not compete with) business operations in the local community or on-post operations such as those run by MWR activities and organizations such as AAFES or DeCA (see Section 2.1.1)?

4.6.7 Financial Return

- a. The following questions and elements will aid the Evaluation team in evaluating the Financial Return factor.

How and to what extent will the offeror's expected capital structure and financial return (taking into account the proposed ownership structure, reinvestment plan, and use of MHPI authorities) promote the successful improvement in the quality of the residential community at the installation and the quality of life for soldiers and families living on the Installation?

1. Does the offeror's proposed approach to generating a financial return provide incentives to reward good service and high-quality maintenance over the life of the project?
2. Does the offeror outline a plan for ensuring that the lowest cost debt is available to the project?
3. Does the offeror's proposed use of MHPI authorities and implementation of the offeror's concept under OMB scoring rules affect the level or quality of improvements in the housing community?
4. Does the offeror's financial plan (including debt, equity, fees and MHPI authorities) accurately reflect the risk borne by the various parties?

5. Does the offeror's financial plan demonstrate an understanding of both the use of capital and the cash flow stream generated by the Basic Allowance for Housing (BAH)?

b. The effect of implementing an offeror's concept under OMB scoring rules will be taken into account by The Army in answering this question and will affect offeror evaluations. However, cost or price will not be the primary determinant of contractor selection.

4.6.8 Organizational Capability (On-Site, Installation Specific)

a. The following questions and elements will aid the Evaluation Team in evaluating the Organizational Capability (On-Site, Installation Specific) factor.

To what extent will the prospective contractor field a qualified, experienced project team with the expertise and workload capacity necessary to manage all of the disciplines required to develop, redevelop, manage, and maintain a large-scale, long-term, quality residential community?

1. More specifically, to what extent will the prospective offeror field a team that possesses the skills necessary to cover all of the disciplines required to successfully implement the CDMP over the long-term and to maintain high levels of quality. Some of these disciplines include public approvals, community and governmental relations, construction, environmental management, marketing, sales, rentals, historic preservation (architecture, landscape, and archeology) and long-term property management and maintenance.

2. This factor considers the prospective offeror's ability to manage and integrate various functional disciplines relevant to the successful implementation of the project. Offeror's should address their joint venture's workload and bonding capacity and how they would successfully incorporate award of this project into their other business operations. In the case of joint ventures, this factor evaluates the organizational capabilities of each member of the joint venture in their assigned areas of responsibility (see Section 4.3.4) and any previous or current third-party certification of such ability. One-page resumes for individual personnel who have been identified as key participants in this project should be included in the hard copy submission but will not count against the 25-page limit.

4.6.9 Small Business Utilization Plan (On-Site, Installation Specific)

a. Following questions and elements will aid the Evaluation Team in evaluating the Small Business Utilization (On-Site, Installation Specific) factor.

How will the offeror use small business concerns for this project?

1. It is Army policy to ensure that small business concerns have the maximum practicable subcontracting opportunity to participate during Phase 2 (implementation of the CDMP). This factor considers the offeror's plan (i.e., illustrative list of work areas) for utilization of small business concerns during Phase 2 of this project, as well as percentage of work or dollars that will be subcontracted to small business concerns.

5.0 ADVISORS

Representatives from Jones Lang LaSalle, Colliers Seeley International, Inc. and the University of Maryland have been retained to assist The Army in planning and implementing the RCI program. In addition, the firm of Jones Lang LaSalle is under contract with The Army to assist in planning and implementing the RCI program. Each of these entities and their subcontractors are precluded from working with prospective offerors on their submissions for the RCI Projects.

6.0 ADDITIONAL TERMS AND CONDITIONS

Prospective offerors interested in pursuing this opportunity should also review the provisions set forth in Appendix E of this document and include with their submissions the requested representations and certifications. Depending on the specific terms of the CDMP, the selected contractor may be required to comply with other applicable public laws and regulations as a condition of proceeding with implementation. Clauses required to implement the CDMP will be added or deleted by The Army as appropriate. A glossary of terms, Appendix I, is provided to assist in the preparation of your submissions.

7.0 SOLICITATION, OFFER, AND AWARD

The Army will treat all submissions received in response to this RFQ as offers. If an offer is accepted by The Army, the undersigned agrees to perform all work required in the Work Statement for the project (Section 2.0) and to comply with all other provisions of the solicitation, including all clauses incorporated by reference (see Appendix E). The undersigned further warrants that, to the best of its knowledge and belief, all information provided in their submission is accurate and may be relied on by The Army for the purposes of selecting a contractor for contract award. Prior to acceptance, the respondent may withdraw its submission. However, unless withdrawn by written notice, the offeror agrees to leave its offer open and capable of being accepted by the government for 12 months (365 calendar days) from the date of initial contract award (see Section 2.1.4). The offeror understands that the details of the winning submissions will be the baseline for negotiation of the CDMP with The Army.

Solicitation DACA31-02-R-0004

[Department of the Army]

Name _____ Title _____
(Print or Type)

By: _____ Date signed _____
(Signature of person authorized to sign on behalf of the U.S. Army)

Offeror

Name _____ Title _____
(Print or Type)

Firm Name _____

By: _____ Date signed: _____
(Signature of person authorized to sign on behalf of the offeror)

**PART II
APPENDICES**

APPENDIX A, PART I

FORT DETRICK, MARYLAND

SITE DESCRIPTION AND ECONOMICS OF THE REGION

1.0 SITE DESCRIPTION

a. Fort Detrick

1. The installation is located within the boundaries of the city of Frederick, MD which offers modern housing, schools, recreation areas, utilities, and access to major metropolitan areas.
2. Situated between Baltimore, MD., (46 miles) and Washington, D.C., (45 miles), Frederick County, MD, adjoins Virginia, West Virginia and Pennsylvania. The major highways that access the county are I-70, I-270, U.S. 15, U.S. 40, U.S. 40A and U.S. 340. Frederick County is easily accessible by automobile, air, train and bus. Reagan National, Dulles International and Baltimore/Washington International airports are less than an hour from Frederick, which is also served by Frederick Municipal Airport. A Greyhound Bus Service is also located in Frederick City. The MARC train is scheduled to open a station in downtown Frederick.
3. From Washington D.C., take I-270 North to Frederick, Md., where it merges with U.S. Route 15 North. Take the Seventh Street Exit, Exit 7A, and follow the signs to Fort Detrick's Main Gate. From Baltimore, take I-70 West to Frederick, Md., and follow signs to Route 15 North, Exit 53A. Take the Seventh Street Exit, Exit 7A, and follow the signs to Fort Detrick.

b. Units

U.S. Army Garrison

1. The Headquarters, U.S. Army Garrison, provides installation support to on-post Department of Defense and non-Department of Defense tenant organizations. Among its services the Garrison furnishes financial management, civilian and military personnel, quality of life programs, legal services, housing management, security, fire and emergency

services, building maintenance, and logistical support to Headquarters U.S. Army Medical Research and Materiel Command and tenant activities.

2. Fort Detrick serves four cabinet-level agencies, which include: The Department of Defense, Department of Justice, Department of Agriculture and Department of Health and Human Services. Fort Detrick's DoD support also includes elements of the U.S. Navy, U.S. Marine Corps, U.S. Air Force and the Joint Chiefs of Staff. Beyond that, Fort Detrick supports several unified and major Army commands, U.S. Army Forces Command, U.S. Army Space Command, U.S. Army Signal Command and U.S. Army Medical Command.

c. The following web sites provide additional information on the communities around Fort Detrick:

Local Frederick, MD newspaper - <http://www.fredericknewspost.com>
Local info - <http://www.cityoffrederick.com>
Waynesboro, PA newspaper - <http://www.therecordherald.com>
Hagerstown, MD newspaper - <http://www.heraldmail.com>

2.0 FORT DETRICK MISSION/VISION/VALUES/GOALS

a. **Vision** – Fort Detrick as a highly technical, innovative, business enterprise, providing an ideal environment for living, learning and working.

b. **Mission** –

1. The mission of the U.S. Army Garrison and Fort Detrick is to command, operate and administer the use of resources to provide installation support to on-post Department of Defense and non-Department of Defense tenant organizations; and to furnish automated data processing, financial management and logistical support as directed to selected Headquarters, Department of the Army staff and field operating agencies.
2. Fort Detrick serves four Cabinet-Level agencies, which include: The Department of Defense, Department of Justice, Department of Agriculture and Department of Human Services. Fort Detrick's DoD support also includes elements of the U.S. Navy, U.S. Marine Corps, U.S. Air Force and the Joint Chiefs of Staff. Beyond that, Fort Detrick supports several Unified and Major Army Commands: Unified U.S. Army Forces Command, U.S. Army Space Command, U.S. Army Information Systems Command, and U.S. Army Health Services Command.

3. Major tenants located on Fort Detrick are the U.S. Army Medical Research and Materiel Command, 1110th Signal Battalion, and the U.S. Army Medical Materiel Agency.
- c. **Values** – Honesty, Integrity, Responsibility, Loyalty and Commitment
 - d. **Goals** –
 1. Develop effective and efficient business processes and practices in support of customers' requirements.
 2. Provide a safe, secure and healthy environment for the Fort Detrick community applying best risk management practices.
 3. Enhance the quality of life by continuous improvement to the living and working environment of the Fort Detrick community.
 4. Enhance professional and technical development of the military and civilian population to be a highly trained and ready force.
 5. Develop, maintain and improve a quality infrastructure.
 - (a) Sustain and modernize the installation infrastructure, systems and processes to enhance readiness and improve quality of life.
 - (b) Institutionalize quality of life initiatives
 - (c) Maximize resource opportunities

3.0 RESIDENTIAL COMMUNITIES INITIATIVE (RCI) PROJECT: Fort Detrick is proposing to partner with the private sector for the purpose of improving the military family housing community, utilizing applicable legislative authorities and the provisions of the Army's RCI Program.

4.0 RCI PROJECT VISION AND GOAL

- a. **VISION.** The RCI project will deliver exceptional family housing communities that foster family lifestyles.
 1. Community design techniques will produce effective solutions that appeal to residents, improve the curb appeal of the existing housing areas and deliver multiple opportunities for recreational and community activities.
 2. Community design standards will result in timeless communities that meet the complex demands of the Army's culturally diverse families.

3. Resources will be optimized to meet the established priorities of upgrading communities and improving in the quality of housing.

b. **GOALS**

1. **Community**

- (a) The communities will be designed to foster a sense of pride in the community.
- (b) Residents will feel safe walking through their community day or night.
- (c) The communities will be pedestrian friendly and provide linkages to neighboring communities and to the community facilities.
- (d) Traffic designs will be considerate of the needs of pedestrians to allow them to safely coexist with vehicular traffic.
- (e) Green and open spaces will be readily available in all of the housing communities.
- (f) Community centers, recreational facilities and other amenities will be integrated into the communities and will serve as focal points of the communities.

2. **Dwelling Units**

- (a) All dwelling units will be green within 10 years of transfer of operations.
- (b) Address the identified requirement with particular emphasis on the buildout that will be accomplished during the initial development.
- (c) Units will be designed to accommodate the lifestyle of the military family.
- (d) Storage will be sufficient to allow the soldiers to safely store personal effects and limit visual pollution in housing areas.
- (e) Residents will have access to sufficient covered / garaged parking to prevent excessive on-street parking.

- (f) Units will include an outdoor area that provides privacy and connectivity to the community.

3. Asset and Property Management

- (a) The financial structure will maximize the development scope and support short and long-term needs.
- (b) Operations and maintenance services are provided in a prompt, courteous, and efficient manner, exceeding current service standards.
- (c) Units will be revitalized or replaced on a periodic basis to maintain economic and structural viability allowing for the inclusion of state of the art features.

5.0 PROJECT SUMMARY:

a. Fort Detrick's family housing privatization initiative promotes high-quality family housing within the military member's basic allowance for housing, less an amount sufficient to cover average utility usage.

b. Fort Detrick proposes to convey its entire inventory of 155 family housing units and 40 units to be constructed during FY02 and lease the land on which the existing units are located and additional lands for new and replacement construction to a non-Department of Defense entity. In exchange, this partner will provide replacement housing, community amenities, new construction, long-term operation, management and maintenance, and rehabilitation of some existing family housing. This conveyance will be for a fifty-year period with a twenty-five year renewal clause.

c. The Family Housing Market Analysis (FHMA) conducted in late 2001 identifies an on-post requirement for 354 military housing units (35 officer, 319 enlisted) at Fort Detrick. This requirement is further broken down by bedroom category – 205 two bedroom, 100 three bedroom, and 49 four bedroom. Fort Detrick proposes that their privatization partner consider these requirements while preparing a scope that can be supported by project economics.

6.0 FINANCIAL FEASIBILITY: Fort Detrick's financial feasibility analysis is under development.

7.0 NEED FOR MILITARY HOUSING PRIVATIZATION INITIATIVE

AUTHORITIES (MHPI): Due to Fort Detrick's geographic location, and local economic activities, some of the legislative authorities provided by the MHPI may

be necessary for the financial viability of the project. The development partner may recommend use of any of these authorities.

8.0 CURRENT INVENTORY OF FAMILY HOUSING:

The following table depicts the current total family-housing inventory as designated by grade and bedroom count.

GRADE	2BR	3BR	4BR	5BR	TOTAL
GFOQ	0	0	1	0	1
SGOQ	0	0	1	0	1
FGOQ	0	13	16	0	29
CGOQ	0	0	0	0	0
SNCOQ	0	1	12	0	13
JNCOQ	30	81	0	0	111
TOTAL	30	95	30	0	155

GFOQ – General/Flag Officer Quarters

SGOQ – Senior Grade Officer Quarters

FGOQ – Field Grade Officer Quarters

CGOQ – Company Grade Officer Quarters

SNCOQ – Senior Non-Commissioned Officer Quarters

JNCOQ – Junior Non-Commissioned Officer Quarters

The following table lists the construction dates of the current Family Housing inventory.

YEAR BUILT or ACQUIRED	GRADE	1 BR	2BR	3 BR	4 BR	5 BR	TOTAL
1780	GFOQ	0	0	0	1	0	1
1950	JNCO	0	0	32	0	0	32
1951	JNCO	0	0	16	0	0	16

1953	SGOQ	0	0	0	1	0	1
1953	SNCOQ	0	0	1	0	0	1
1953	FGOQ	0	0	1	0	0	1
1958	JNCO	0	22	25	0	0	47
1959	JNCO	0	8	8	0	0	16
1965	SNCO	0	0	0	12	0	12
1965	FGOQ	0	0	12	14	0	26
1967	FGOQ	0	0	0	2	0	2
TOTAL		0	30	95	30	0	155

The following table shows the actual assignment of quarters as of December 2001 as well as the monthly rental income that the developer could expect from this specific assignment.

Pay Grade	2001 BAH with Dependents	On - Post Housing					Potential Monthly Income
		2 BR	3 BR	4 & 5 BR	Housing by Rank		
E1	\$769	0	1	0	1	\$769	
E2	\$769	0	0	0	0	\$0	
E3	\$769	1	3	0	4	\$3,076	
E4	\$769	10	27	3	40	\$30,760	
E5	\$850	14	16	5	35	\$29,750	
E6	\$983	0	14	2	16	\$15,728	
E7	\$1,010	0	10	2	12	\$12,120	
E8	\$1,039	0	2	1	3	\$3,117	
E9	\$1,098	0	1	1	2	\$2,196	
WO1	\$983	0	0	0	0	\$0	

O1	\$866	0	0	1	1	\$866
O1E	\$1,015	n/a	n/a	n/a	0	\$0
WO2	\$1,022	0	1	0	1	\$1,022
O2	\$980	0	0	1	1	\$980
O2E	\$1,052	n/a	n/a	n/a	0	\$0
WO3	\$1,058	0	1	0	1	\$1,058
O3	\$1,056	0	4	4	8	\$8,448
WO4	\$1,114	0	0	0	0	\$0
O4	\$1,206	0	5	4	9	\$10,854
WO5	\$1,179	0	0	0	0	\$0
O5	\$1,312	0	1	1	2	\$2,624
O6	\$1,323	0	0	3	3	\$3,969
O7	\$1,338	0	0	0	0	\$0
O8	\$1,338	0	0	1	1	\$1,338
O9	\$1,338	0	0	0	0	\$0
O10	\$1,338	0	0	0	0	\$0
TOTAL ASSIGNED:		25	86	29	140	\$128,675
TOTAL INVENTORY:		30	95	30	155	
DIFFERENCE:		5	9	1	15	
Weighted BAH per month for assigned quarters:						\$919

Additional potential monthly income if all habitable, unoccupied house occupied:		\$13,787
Total Potential Monthly Rental Income @ Fort Detrick		\$142,462

Based on effective inventory as of December, 2001.

9.0 COMMUNITY SUPPORT FACILITIES

a. Housing

1. There are 31 permanent officer units and 124 permanent enlisted units, each furnished with a stove and refrigerator. However, the number of family-type housing units falls far short of the number needed to provide quarters for all military personnel with family members. The estimated waiting lists are from 6 to 18 months before on-post housing is available. A project is planned in fiscal year 2002 that will replace 48 current housing units with new units.
2. Community Home Finding, Relocation and Referral Services (CHRRS). Formerly known as the Housing Referral Office, the Community Home Finding, Relocation and Referral Services (CHRRS) Office has a broad array of services to offer military and civilian personnel. The CHRRS office maintains a list of available home listings for rent or purchase. CHRRS assists newcomers with temporary lodging, an overview of community resources and amenities, and provides maps, school information and other community services information. Desk spaces and telephones are provided well as information about the housing market at the new duty station. Military personnel reporting for duty at Fort Detrick must report to the housing office before seeking off-post-rental housing.

b. Transient Housing, Visitor Quarters (VOQ & DVQ) and Guest House

1. Fort Detrick has five modernized guesthouse units available for families under Permanent Change of Station (PCS) orders. The units are available to others on a space-available basis. The units have a living room, dining area, kitchen, at least two bedrooms and one-and-one-half baths. They are air-conditioned and have cable television. A laundry room is available free of charge. There are also 16 Visiting Officer Quarters (VOQ) and one Distinguished

Visitors Quarters (DVQ). The rooms are primarily used for personnel under Temporary Duty orders.

c. Unaccompanied Enlisted Personnel Housing (UEPH)

There are six UEPH buildings, five of which were constructed in 1998. The housing office is responsible for assigning adequate space to the bachelor soldiers in pay grades E-1 to E-6.

10. FACILITIES/SERVICES

a. Army Community Service (ACS) provides soldiers, retirees and family members with a centralized source of information, guidance, and assistance in solving personal problems.

b. Exceptional Family Member Program (EFMP) is a Department of Army program to assist family members who have various disabilities. The EFMP ensures that family members receive the services necessary to meet their basic needs.

c. Chapel Activities. The Chaplain Activities Office has a comprehensive religious program and invites you to become a part of it. Join the worship, engage in religious education, enjoy fellowship and serve the community. Stop by anytime at the Chaplain Activities Office at 1776 Ditto Avenue (next to the Child Development Center) or call 301-619-7371.

d. Child Development Center

1. The nationally certified Child Development Center (CDC) opened in March 1993 at 1776 Ditto Avenue (next to the Chapel). The Child Development Center accepts children six weeks old to kindergarten age. Active duty military, DoD civilians and contract employees at Fort Detrick are eligible sponsors for this program.

2. The center enhances the development of children socially, emotionally, intellectually, creatively, and physically. The staff develops an atmosphere in which program assistants and children work together to make children's time away from home happier and more secure.

e. The FCC program is an in-home alternative to center-based care and accepts children ages four weeks to 12 years. Child Development Services certify the individuals and homes. FCC offers a family atmosphere with a limited number of children. Active duty military, DoD civilians and contract employees associated with Fort Detrick are eligible sponsors for the program.

f. Dental Clinic. The U.S. Army Dental Clinic, in the Barquist Army Health Care Facility, located at 1434 Porter Street, provides care for active duty military personnel. It is a satellite clinic of Carlisle Barracks Dental Clinic Command.

g. Health Services. Health Services are located in the Barquist Army Health Care Facility, 1434 Porter Street. It is a TRICARE Region 1 outpatient PRIME facility. The clinic provides general medical care to include family practice, internal medicine, cardiology and physical therapy. Pharmacy, laboratory and x-ray services are available.

h. Recycling. Fort Detrick recycles. There are two recycling collection points on Fort Detrick. Cans, paper, plastic, glass bottles, newspaper and cardboard may be deposited in recycling trailers located just inside the Rosemont Gate (Gate 7) and the Commissary parking lot, located along Porter Street. Most offices and buildings on post recycle office material. The recyclable are collected weekly.

i. Youth Development Program

1. The program provides activities for youth ages 6 to 18 years, designed to provide opportunities for community service, workforce preparation, youth sponsorship, and to enhance leadership development. A Teen Lounge for ages 13 to 18, opened in May 1999, gives teens a "space to call their own" away from the younger children. Some programs available to teens are summer camps, computer lab, job fairs, teen council meetings, sponsorship programs, and volunteer opportunities. Opportunities available to pre-teens include volunteering, sponsorship programs, computer labs, and pre-teen council meetings.

2. A Sports and Fitness Program is available to youth ages 6 to 18. Programs are age appropriate and are offered on a seasonal basis. Individual sports offered are golf, tennis and Tae Kwon Do karate. Team sports include baseball, soccer, and basketball.

3. Adventure sports, such as canoe trips, rock climbing, hiking, mountain biking, rafting, and High Adventure camps, are offered. Seasonal and annual special events scheduled include "Christmas Around the World," Easter Egg Hunt, block parties, Halloween carnival, fashion show and talent shows and NASCAR Race Day.

11.0 RECREATION

a. Automotive Skills and Development Center. The Automotive Skills Center is available for the "do-it-yourselfer," for the person who wants to learn new skills by having access to the proper equipment to do minor repairs, or have it serviced while you work.

b. Community Activities Center (CAC). The Community Activities Center (CAC) contains a multi-purpose room, which is available for private parties, classes, wedding receptions, promotion parties and special events.

c. Fitness Center. The new Capt. Jennifer Odom Fitness Center opened in October 2000. It features a wide-variety of fitness equipment, volleyball and basketball courts, men's and women's saunas, aerobic classes, and locker room facilities. H.O.T. Dome. The Henry O. Tuell (H.O.T.) Dome is a pre-fabricated structure with full-court basketball and volleyball courts. Informally named after a former U.S. Army Garrison commander.

d. Garden Plots. Military personnel may rent a garden plot to grow their own vegetables, fruits or flowers. The garden plots are located on Ditto Avenue adjacent to Post housing, across the road from the Post Chapel, 1776 Ditto Avenue

e. Picnic Area. The Nallin Farm Recreational Area is open to military and civilian activities and group picnics. The area is complete with shelters, horseshoe pits and a stocked trout pond.

f. Swimming Pool

(1) The Fort Detrick swimming pool is open from Memorial Day weekend through Labor Day. Pool facilities include a tubular sliding board, diving board, two kiddie wading pools, beach chairs, umbrellas and a shower and bathhouse.

(2) A regulation-sized sand volleyball court, large dance floor and concession stands are also available. The pool can be reserved for private parties.

h. Tennis. Six surfaced tennis courts are available to military and civilian personnel. Military members have priority if the courts are filled. The courts are lighted, allowing for night play.

12.0 SERVICES

a. Electric – Fort Detrick's electric system is scheduled for privatization in 2003.

b. Gas/Water/Wastewater - The gas system is currently privatized, with an implementation date in family housing as of 1 Sep 01. Water and sewage privatization is currently being negotiated and may be implemented in 2003.

- c. Centralized Heating/Cooling Systems - No housing is currently served by a central plant.
- d. Landfill Operations - Fort Detrick Directorate of Installation Services maintains and operates a landfill in Area B.
- e. Refuse Collection - The Directorate of Installation Services collects household refuse, yard waste and recyclable items weekly.
- f. Recycling - A Recycling Center is located on Fort Detrick. Recycling is currently mandatory for those who live and work at Fort Detrick. Weekly curbside service is provided to housing areas. Additionally, several drop-off centers are available on post. Paper, plastic, aluminum, steel, motor oil and glass products are recycled.
- g. Fire Protection - The Fort Detrick Fire Department operates from one station, located in Building 1504 and consists of two engine companies, a HAZMAT unit, 2 pumpers, one crash/pumper engine, one command vehicle, one confined space rescue trailer and fire prevention and administrative offices. The department has Mutual Aid Agreements with local communities for fire protection and HAZMAT response.

13.0 INSTALLATION BUILDING GUIDELINES: Partners are encouraged to use their ingenuity and innovation in the planning and development process. However, they are expected to propose plans that are compatible with existing architectural and design guidelines.

- a. Architectural Style - Most of the housing at Fort Detrick was constructed in the 50's and 60's, and the homes have the architectural style typical of that period. New and replacement construction in recent years has been designed to today's modern standards with a family room, separate laundry areas, and more amenities. New housing, under this program, should be constructed in accordance with modern styles in the local community and accepted industry standards. There is one historical house on the National Register.
- b. Height - Generally, the recommended height is no more than two stories.
- c. Americans with Disabilities Act - The developer and the Community Development and Management Plan to be crafted must meet the requirements of this act. At Fort Detrick, it is projected that ten percent of the units to be replaced plus the additional units to be constructed will need to be handicap accessible or easily modifiable to be accessible to meet the requirements of the Americans with Disabilities Act. The actual number will be agreed upon between the

developer and the Government during the CDMP process. Special consideration will be given to the specific needs of the population at Fort Detrick.

14.0 ENVIRONMENTAL CONSIDERATIONS

a. The housing areas proposed for this project are thought to be suitable for the intended development. An Environmental Baseline Survey (EBS) will be prepared and will be available to the partner during the development of the CDMP.

b. All asbestos-containing materials and lead-based paints have been fully abated in all housing units except the historical quarters. Almost all such materials have been abated by physical removal from the structure, a small amount of lead-based paint on the exterior of some quarters has been encapsulated with aluminum siding.

c. An Environmental Assessment (EA) of the CDMP will be required prior to the implementation of the project. The EA will be developed in conjunction with the preparation of the CDMP, and will comply with the provisions of the National Environmental Protection Act (NEPA). The partner will be responsible for the payment of all costs associated with performing any necessary additional environmental studies to prepare the CDMP or to obtain project financing.

d. Construction is allowed after assuring NEPA compliance, reviewing encumbrance restrictions and conditions, and obtaining all applicable permits for construction activities. For example, general encumbrances may involve preparing NEPA documents and securing digging permits for subsurface mechanical construction or exploration activities.

15.0 OTHER CONDITIONS

a. Jurisdiction - Fort Detrick will maintain exclusive federal jurisdiction over the real estate within the borders of the Installation.

b. Industrial Areas - Absolutely no construction of family housing will be allowed in the current industrial or training areas of the Installation. Fort Detrick may allow construction of administrative and maintenance facilities in the industrial area.

c. Fire and Police Protection - Fort Detrick will provide fire and police protection in the family housing areas. The partner shall adhere to Fort Detrick requirements concerning physical security of facilities. The partner shall also adhere to any fire prevention policies established by Fort Detrick, as well as by federal, state, county, and local governments.

d. Escrow Accounts - The selected partner is to establish the following escrow accounts as a minimum. These accounts would require the signatures of the selected partner and the Installation Commander or his representative prior to withdrawal of funds.

- (1) Capital repair and replacement
- (2) Deferred maintenance and repair
- (3) New construction and historic preservation
- (4) Reserves
- (5) Incentive Performance

e. Installation Controls - The following controls will be retained by the installation.

- (1) Security of the Installation
- (2) Fire and Police Protection
- (3) Authority to withdraw authorization to reside on-post
- (4) Authority to negotiate use of escrow accounts with partner
- (5) Housing grade categories and designation of housing
- (6) Designation approval of key and essential positions

Designation approval of key and essential positions

f. Rent Methodology - The maximum allowable income to be derived from occupancy of family housing is not to exceed the sum of the on post military members' basic housing allowances, less an amount sufficient to cover average utility usage. Military members are not expected to expend out-of-pocket funds to reside in family housing provided by the developer as long as their utility consumption is not such that it exceeds the amount set aside to cover average utility usage.. Rental adjustments will be linked to the Basic Allowance for Housing (BAH) with appropriate controls.

g. Community Amenities - Community amenities are those generally provided in a typical housing development such as community centers, child care centers, playgrounds, ball fields, tennis courts, swimming pools, jogging trails, and other recreational facilities. The developer is to provide such amenities as

part of the replacement and construction portion of the project. The developer may help operate, maintain, and staff these facilities in collaboration with existing government programs or to augment such programs.

h. Storage Facilities - Typically, military families accumulate items from around the world that require storage and accessibility, more so than the typical American family. The developer is to provide adequate space to include Recreational Vehicle and boat storage facilities in or near the family housing units or at a central location within the Installation. If a central location is proposed, the Government shall provide the necessary land for construction of such facilities.

i. Construction Sites - Fort Detrick will identify adequate and appropriate land on which the developer will commence construction. A Construction Site Feasibility Study will be developed and provided by the partner during the development of the business and financial plans.

j. Metes and Bounds - Fort Detrick will identify housing areas and surrounding available land within the housing areas to accommodate revitalized neighborhoods. A metes and bounds survey will be conducted and will be developed and provided by the partner during the development of the CDMP.

k. Historic Housing - Fort Detrick has one family-housing unit on the National Register for Historic Places. The Army has manuals and guidelines that apply to these considerations and copies of these will be available in the Fort Detrick Document Room

l. Installation and Facility Access - Fort Detrick is considered a "closed post". Access to Installation facilities, including housing units, are generally limited to military members, visitors, relatives, DOD civilians, and DOD contractors (entrance passes are required). To a limited extent, the public may be authorized access to other community facilities. Fort Detrick will establish on a case-by-case basis, in coordination with the selected developer, the conditions that may limit or extend access to community facilities.

m. Condition of Property Title - The Army holds fee title to the property upon which the existing family housing is located and to the lands upon which any new family housing may be constructed.

APPENDIX A, PART II

FREDERICK CITY AND COUNTY, MARYLAND, AND SURROUNDING COMMUNITIES

(FORT DETRICK)

1.0 COMMUNITIES

A. Frederick

1. Frederick County was ideally located to become the transportation hub in Western Maryland as colonists began to migrate west toward the Cumberland Gap. Founded in 1748, the rich cultural heritage of Frederick spans the Colonial, Revolutionary and Civil War eras. Eight years before the Boston Tea Party, Frederick publicly repudiated the Stamp Act. The City of Frederick celebrated its 250th in 1995. Frederick citizens fought on both sides of the Civil War, including the battles of Antietam, South Mountain and the Battle of the Monocacy.
2. Patriots and citizens calling Frederick "home" included Maryland's first Governor Thomas Johnson, John Hanson, Francis Scott Key and the legendary Barbara Fritchie. George Washington, Thomas Jefferson, the Marquis de Lafayette and Abraham Lincoln were frequent visitors to Frederick.
3. Frederick County is Maryland's largest county in land area. As of 2000, the county population is 199,369 including 52,816 residents in Frederick City.
4. Farming remains an important part of Frederick's economic picture. However, many industries are located in the area primarily because of the close proximity to the Baltimore and Washington metropolitan areas and support to Fort Detrick activities.
5. Frederick has a large area devoted to parks, including playgrounds, picnic facilities, tennis courts, ball fields, civic centers, sports complexes, swimming pool, and Baker Park's Culler Lake in downtown Frederick. Church services, band concerts, and theatrical productions are held in Baker Park during the summer. Baker Park has the largest Carillon in Maryland with weekly concerts from spring to fall.
6. Frederick County is home to many state and national parks that offer a variety of recreational environments. A portion of the Appalachian Trail, which runs from Maine to Georgia, travels along the western border of Frederick County, bisecting South Mountain. Catoclin Mountain National Park offers 6,000 acres of hiking, camping, picnic grounds, scenic drives and seasonal interpretive

programs. Washington Monument State Park features the first monument to George Washington, built of stone by the citizens of Boonsboro, Md., in 1827. It also offers 100 acres of camping, hiking and picnicking land. Cunningham Falls State Park has a 42-acre lake for swimming, canoeing and fishing.

7. Downtown Frederick has been revitalized and offers a variety of restaurants, quaint shops, and antique shops. The atmosphere has earned downtown Frederick the nickname, "Georgetown North." The Weinberg Center for the Arts, built in 1926 as the Tivoli Theater, offers silent movies accompanied on the restored MIGHT Wurlitzer Theater Organ, and theatrical productions throughout the year. The Delaplaine Center provides an outlet for education through the arts.
8. Frederick is the home of the National Museum of Civil War Medicine, located in downtown Frederick in its newly renovated and upgraded facility. Fort Detrick and the museum signed a unique partnership offering the general public educational opportunities of "then and now" medical displays.
9. Frederick County offers many opportunities for higher education. Frederick Community College, located in the center of Frederick City, offers its students three paths to reach future goals: career, transfer and skill enhancement. The 40-year-old facility has alumni including community leaders, business owners and successful professionals.
10. The 50-acre campus of Hood College, a private liberal arts college, is located in the heart of Frederick. Hood College was founded in 1893 as Frederick Woman's College, but today is a residential college for women, enrolling both women and men as undergraduate commuters and graduate students. The college offers degrees in 25 fields of study.
11. Mount Saint Mary's College and Seminary, a liberal arts college, is located in the northern part of Frederick County in Emmitsburg, Md. America's first independent Catholic college was originally opened in 1808 by French priests. The Mount has a long tradition of excellence in intercollegiate athletics and it fields 18 varsity sports teams at the NCAA Division I level.
12. Included in a 50-mile radius of Frederick County are such prestigious universities as Georgetown University, University of Maryland, American University, George Washington University, Western Maryland College, Gettysburg College and Frostburg State University.
13. There are eight high schools, ten middle schools and 26 elementary schools throughout Frederick County. For information on the schools nearest to your home, contact the Frederick County Public School's Main Office at 115 East Church Street, Frederick, Md., 21701, 301-694-1000.

14. Frederick Memorial Hospital is a modern primary-care facility. It features modern diagnostic and treatment equipment. A large number of physicians and dentists practice in the city and county.
15. Frederick has its own Class A League Baseball Team--the Keys, a minor league team for the Baltimore Orioles. Frederick intersects five interstate and national highways. It is one hour from three major airports, Reagan National in Washington, D.C., Baltimore/Washington International in Baltimore, Md., and Dulles International in Virginia. Frederick operates Municipal Airport that offers charter flights and small commercial traffic.
16. A benefit of being in Frederick is the location within 50 miles of both Baltimore and Washington, D.C. The Metro System makes everything accessible. The closest Metro stop to Frederick is Shady Grove, about 25 miles south of Frederick off I-270.

B. Washington, D.C.

1. Only 46 miles from Frederick is our nation's capital. Home of the White House, the Supreme Court, the U.S. House of Representatives and the U.S. Senate, Washington, D.C., is the center of most federal agencies. A modern city with a rich history, there is something for everyone from young club-goers to history buffs.
2. For culture lovers, Washington, D.C., offers enough museums and cultural events to fill up a lifetime. Most famous of all is the Smithsonian Institution comprised of 16 museums, galleries, and the National Zoo.
3. Visitors can see art from American Indians, Africa, Asia and the Portrait Gallery. They can tour the Museum of Natural History, the Air and Space Museum, and the Center for Folklife and Cultural Heritage. For more information on planning a visit to the Smithsonian, contact the Information Center at 202-357-2700.
4. The Vietnam Wall and Korean Memorial are two of the newer popular attractions. Both are located near the famous Lincoln Memorial. Visitors can see the city from a view atop the newly renovated and remodeled Washington Monument, opened in August 2000, for the first time in several years since the renovations began. Arlington National Cemetery is located across the Potomac River. Among its famous sites are the Tomb of the Unknown Soldier and the John F. Kennedy family gravesites. Take a shopping break and visit several innovative malls in the Union Station, Reagan National Airport, underneath the Pentagon, and in Georgetown.

5. The city is also home to a number of sports teams--the NFL Washington Redskins, NBA Washington Wizards and the NHL Washington Capitals. For soccer fans, there is the D.C. United.

C. Baltimore

1. The 12th largest city in the country, nearby Baltimore has a lot to offer visitors, as well as residents. Baltimore is undergoing revitalization and features the new Camden Yards baseball complex, the home of the Baltimore Orioles, and the brand-new football stadium where the Baltimore Ravens play.
2. The Inner Harbor is a fascinating place to stroll along the Chesapeake Bay Harbor, watching boats, shopping at the more than 100 shops, eating at the many diverse restaurants, or visiting the National Aquarium and the Maryland Science Center. Take a harbor boat over to Fort McHenry, the birthplace of the National Anthem, or meander through Fell's Point, one of the country's oldest seaports.

D. History

1. Fort Detrick has written new chapters in its history in the past decade. Its service to the nation carries on the legacy of the Frederick County Patriots who played major roles in the development of the Nation.
2. Fort Detrick traces its roots to the small municipal airport known as Detrick Field in the 1930s.
3. The first military presence was the encampment of the 104th Aero Squadron of the Maryland National Guard. It was named Camp Detrick to honor Squadron Surgeon Maj. Frederick L. Detrick, who served in France during World War I. Major Detrick died in June 1931, two months before the first encampment, August 10, 1931.
4. Detrick Field became a cadet pilot training center until December 1941.
5. The 2nd Bombardment Squadron, U.S. Army Air Corps, was reconstituted at Detrick Field between March and September 1942, when it deployed to England becoming the nucleus of the new Eighth Air Force headquarters.
6. The U.S. Biological Laboratories were established at Detrick Field in 1943 achieving pioneering efforts in decontamination, gaseous sterilization and agent purification.

7. Camp Detrick became Fort Detrick in 1956 continuing its mission of biomedical research and its reputation as the world's leading research campus for agents requiring specialty containment.
8. The program was dis-established in 1971, when Fort Detrick became one of three U.S. Army Health Services Command Installations. The closing of the former biological warfare laboratories gave way to a period of transition in the 1970s.
9. Fort Detrick has four structures on the National Historic Register including the Nallin Farm House, the Bank Barn, Spring House and the One Million Liter Sphere, the Eight-Ball.
10. Five farms originally constituted what is today known as Area A, or the Main Post Area, where most activities are located. Fort Detrick was annexed into the city of Frederick in 1983, and partners with the City on many progressive endeavors for a better future for everyone in the community.
11. The installation has matured as a center for advanced biomedical research and development, medical materiel management and long-haul telecommunications for the White House, Department of Defense and other governmental agencies.
12. Its units have deployed to the Middle East, Central America, Africa, and Southwest Asia. Its organizations have been deeply involved in humanitarian efforts throughout the world. Fort Detrick looks forward to the 21st Century and continuing the legacy of a Community of Excellence.

E. HOUSING FACTS

There are 74,300 housing units in Frederick County. The median price of a home is \$163,000. The property tax rate is \$1.00 per \$100 assessed full market value. There are 43,723 acres (10.3%) of residential land used in the county.

F. BUSINESS FACTS

Increases in population have been complemented by increases in basic industry and services in Frederick County since the 1970s. Today, occupational patterns show a fairly evenly divided cross section of industrial, manufacturing, trade, service and government employment.

Frederick County Employment by Major Industry Groups, 1998 Annual Average:

INDUSTRY	NUMBER	PERCENT
Construction	7,127	10%
Manufacturing	6,824	10%

Transportation, Communications & Utilities	1,768	3%
Trades (Wholesale & Retail)	17,928	25%
Finance, Insurance & Real Estate	5,670	8%
Services	18,450	26%
Federal Government	2,524	4%
State Government	423	1%
Local Government	7,664	11%
Other	1,489	2%
TOTAL	69,867	100%

G. DEMOGRAPHIC INFORMATION

The rate of population growth in Frederick County lagged behind the rate of growth found in the State as a whole for the first part of the twentieth century. New businesses, industry and the mass of immigrants, who entered the U.S. and Maryland following World Wars I and II, went largely to the manufacturing and port areas along the Chesapeake Bay. Frederick County, relatively isolated from the impacts of this new growth, remained almost exclusively a population of farm families and merchants who served the local residents. In the late 1950s and 1960s, however, the pressure of the growing metropolitan centers of Baltimore and Washington resulted in ever-increasing movement into the County, using the newly built interstate highways. In 1970 the population of Frederick County was 84,927, while the July 1997 population was 185,523. This represents approximately an 118% increase. The County's rate of growth has outpaced the State's growth rate between 1980 and 1990 by a margin of roughly 4 to 1. By 1999, the estimated population of Frederick County numbered 195,600. Population growth is expected to continue at a healthy rate in response to the good economic climate of the Washington region. In fact by the year 2010 population is expected to reach 238,290, 22% higher than the 1999 numbers.

APPENDIX B, PART I

SITE DESCRIPTION AND REGIONAL ECONOMICS

FORT HAMILTON, NY

1.0 SITE DESCRIPTION

- a. Fort Hamilton, N.Y., is among the oldest and most historic installations of the U.S. Army. The seacoast fort at the Narrows, once part of a series of installations for protecting New York Harbor and City from naval forces, is now the Army's primary presence in the New York City metropolitan area. Fort Hamilton is the only active duty Military installation in the New York City Metropolitan Area. It serves the region's large retired and reserve communities and headquarters, one of the busiest of the Army's recruiting battalions.
- b. During World War I, Fort Hamilton served as training, embarkation and separation center, a role it again played during World War II. Between the wars it became an infantry center, as a new generation of coastal artillery, able to engage ships from greater distances, was installed farther away from the city.
- c. During the Korean War, the installation, now under First U.S. Army, which until 1966 was headquartered on Governors Island in New York Harbor, was a staging area for United Nations troops going to fight on that Asian peninsula.
- d. In 1975, Fort Hamilton and its sub-installations (Fort Totten, and Bellmore) were designated New York Area Command and Fort Hamilton, and came under Fort Dix, N.J. In October 1997, Fort Hamilton joined the U.S. Army Military District of Washington because of the similarity of its mission with that of MDW's and the decision that Fort Dix be closed.
- e. The post has been the site of a number of MDW ceremonial missions and the base for many others since becoming part of the command. Millennial Year activities included the post's own celebration of its 175th anniversary and New York City's welcoming of tall ships from around the world in OpSail 2000.
- f. The installation is working on a number of infrastructure improvements, having already built a new commissary facility for the large community it serves, to include an innovative utilities privatization initiative that is improving service throughout the post. More than 546 civilian employees and 587 military work and live on the Fort Hamilton installation. It is home to 13 tenant organizations from Army, Navy and Air Force military services, federal agencies and Department of Defense.

1.1 FORT HAMILTON MISSION

a. **Mission.** Fort Hamilton exists to:

Provide a safe and secure living and working environment and to promote individual well being through recreational and family support services at Fort Hamilton, New York. Proudly serve uniformed service members, retirees, the civilian workforce, their families, and other clients who live in the New York City metropolitan area.

b. **Vision.** Our vision of Fort Hamilton for the 21st century:

Build upon its proud heritage and carry on its long tradition of service to provide our clients with an unmatched level of quality in all that we do, and continuously strive to enhance our value to the community, The Army, and the Nation.

c.

In addition, the 252-unit complex at Fort Wadsworth, Staten Island, New York may become a part of this project. If the Fort Wadsworth units are added, details will be provided via the Fort Hamilton Step Two RFQ Amendment.

2.0 RCI PROJECT

Fort Hamilton is proposing to partner with the private sector for the purpose of improving the military family housing community, utilizing applicable legislative authorities and the provisions of the Army's Residential Communities Initiative (RCI) Program.

2.1 PROJECT VISION AND GOAL

a. **Goals.** Focus on Families and Residential Communities

1. Revitalize, renovate, replace housing
2. Build new modern housing communities
3. Build to local standards.

b. All dwelling units will be green within 10 years of transfer of operations.

2.2 PROJECT SUMMARY

a. Fort Hamilton's family housing privatization effort promotes the provision of high-quality family quarters within the military member's housing allowance, less an amount sufficient to cover average utility usage.

b. Fort Hamilton proposes to convey its entire inventory of 436 family housing units and lease the land on which the existing units are located (and additional lands for

new and replacement construction, if necessary) to a non-DoD entity. In exchange, this partner will provide replacement housing, community amenities, new construction (if warranted), long-term operation, management and maintenance, and rehabilitation of existing family housing. This conveyance will be for a 50-year period with a 25-year renewal clause.

c. The current Family Housing Market Analysis (FHMA) identifies an on-post requirement for 228 military housing units (7 officers, 221 enlisted) at Fort Hamilton. The requirement is further broken down by bedroom category – 59 two bedroom, 100 three bedroom, and 69 four bedroom. The military requirement does not reflect military personnel from other services, independent duty personnel, or single service members assigned for duty in the New York City area. Fort Hamilton proposes that their privatization partner consider these requirements and the total existing housing inventory while preparing a scope that can be supported by project economics.

d. The Army is considering adding the 252 apartments at Fort Wadsworth, Staten Island, New York in the Fort Hamilton project. If the fort Wadsworth units are added, details will be provided in the Fort Hamilton Step Two Amendment.

2.1 PROJECT RECAP

- a. Revitalize 8 historic units.
- b. Renovate, demolish, and/or replace housing units to meet the identified requirement.
- c. Operate, maintain, and repair remaining military family housing inventory and replace as needed over the life of the lease.
- d. Develop a plan for utilizing excess military housing units to provide the highest benefit to the overall project scope. It is not permissible to use military BAH to develop and maintain houses not envisaged to be occupied by military personnel.
- e. Possible demolition of existing facilities to make additional land available for construction of the new residential community.
- f. Construction of a neighborhood center to accommodate multipurpose meeting space, property management office, RCI residual staff, centralized community family support services, and recreational activities.

2.2 INSTALLATION CONTROLS

Installation Controls - The following controls will be retained by the installation:

- 1) Security of the Installation
- 2) Fire and Police Protection
- 3) Authority to withdraw authorization to reside on-post
- 4) Authority to negotiate use of escrow accounts with partner

- 5) Housing grade categories and designation of housing
- 6) Designation approval of key and essential positions

3.0 CURRENT INVENTORY OF FAMILY HOUSING

The following tables depict current family housing demographics and potential revenue based on Basic Allowance for Housing (BAH) rates for calendar year 2002.

Table A-1. Estimated Monthly Earnings Potential – Current Inventory

This table shows the actual assignment of existing family housing and the monthly rental income the developer could expect from Fort Hamilton, based on the current BAH rates and on 100% occupancy rate. The actual BAH stream will vary over time based on the pay grade of the person who resides in the unit and the actual achieved occupancy rate. (Unless otherwise indicated, data is as of the week of December 2001.)

Table A-1. Estimated Monthly Earnings Potential – Current Inventory (Occupancy)

This table shows the actual assignment of existing family housing and the monthly rental income the developer could expect from Fort Hamilton, based on the current BAH rates and on current occupancy. The actual BAH stream will vary over time based on the pay grade of the person who resides in the unit and the actual achieved occupancy rate. (Unless otherwise indicated, data is as of the week of December 2001.)

Pay Grade	2002 BAH Rate	2 Bedroom Units	3 Bedroom Units	4+ Bedroom Units	Total Units	Potential Monthly Income
E1	\$1,519				0	\$0
E2	\$1,519	4	2		6	\$9,114
E3	\$1,519		2		2	\$3,038
E4	\$1,519	8	6		14	\$21,266
E5	\$1,640	44	28	9	81	\$132,840
E6	\$1,739	34	40	12	86	\$149,554
E7	\$1,845		39	17	56	\$103,320
E8	\$1,961		5	2	7	\$13,727
E9	\$2,065			4	4	\$8,260
W1	\$1,741			1	1	\$1,741
O1	\$1,651				0	\$0
O1E	\$1,868				0	\$0
W2	\$1,892				0	\$0

O2	\$1,737	1				1	\$1,737
O2E	\$2,012					0	\$0
W3	\$2,033					0	\$0
O3	\$2,028	4	4			8	\$16,224
O3E	\$2,085		1			1	\$2,085
W4	\$2,077					0	\$0
O4	\$2,150		2			2	\$4,300
W5	\$2,129					0	\$0
O5	\$2,234		2	2		4	\$8,936
O6	\$2,252		2	4		6	\$13,512
O-7	\$2,278		1			1	\$2,278
TOTALS	N/A	95	134	51	280	\$491,932.00	

Table A-2. Housing Inventory by Year of Construction

The following table lists the construction year of the current family housing inventory at Fort Hamilton.

HSG AREA	YR BUILT	GRADE *	1BR	2BR	3BR	4+BR	TOTAL
Hamilton Manor	1953	JNCO	24**	40	32	18	114
		SNCO	0	45	33	6	84
		CGO	0	43	58	24	125
		FGO	0	0	0	0	0
		SGO	0	0	0	0	0
Ocean View	1961	SNCO	0	32	24	0	56
		CGO	0	0	0	0	0
		FGO	0	4	41	2	47
		SGO	0	0	1	0	1
Colonel's Row***	1911	GO	0	0	1	0	1
		SGO	0	0	0	6	6
Lee House	1856	SGO	0	0	2	0	2
TOTAL			24	164	192	56	436

GFOQ – General Flag Officer
 FGO – Field Grade Officer
 SNCO – Senior Noncommissioned Officer
 **Diverted for UPH Use

SGO – Senior Grade Officer
 CGO – Company Grade Officer
 JNCO – Junior Noncommissioned Officer
 ***Historical Units

Table A-3. Existing Family Housing Inventory by Grade Category

The following table depicts the current total family housing inventory as designated by grade and bedroom count.

GRADE	2BR	3BR	4+BR	TOTAL
GFO	0	1	0	1
SGO	0	3	6	9
FGO	4	41	2	47
CGO	43	58	24	125
SNCO	77	57	6	140
JNCO	40	32	18	90
TOTAL	164	192	56	412**

GFOQ – General Flag Officer

SGO – Senior Grade Officer

FGO – Field Grade Officer

CGO – Company Grade Office

SNCO – Senior Noncommissioned Officer

JNCO – Junior Noncommissioned Officer

**24 one bedroom AFH units have been diverted for UPH use (total AFH units = 436)

Table A-4. Estimated Monthly Earnings Upon Completion of Construction

The following table represents an estimate of monthly earnings after demolition of 436 homes and construction of 339 new homes are fully occupied at 100%. It assumes the distribution of anticipated grade structure and the existing Basic Allowance for Housing for calendar year 2001.

Pay Grade	2002 BAH Rate	2* Bedroom Units	3 Bedroom Units	4 Bedroom Units	5* Bedroom Units	Total Units	Potential Monthly Income
E1	\$1,519	0	0	0	0	0	\$0
E2	\$1,519	0	3	2	2	7	\$10,633
E3	\$1,519	0	0	1	1	2	\$3,038
E4	\$1,519	0	9	6	4	19	\$28,861
E5	\$1,640	0	26	35	23	84	\$137,760
E6	\$1,739	0	36	35	15	86	\$149,554
E7	\$1,845	0	37	8	11	56	\$103,320
E8	\$1,961	0	5	1	0	6	\$11,766
E9	\$2,065	0	1	1	2	4	\$8,260
W1	\$1,741	0	2	1	0	3	\$5,223
O1	\$1,651	0	3	0	0	3	\$4,953
O1E	\$1,868	0	3	0	0	3	\$5,604
W2	\$1,892	0	4	1	1	6	\$11,352
O2	\$1,737	0	10	3	0	13	\$22,581
O2E	\$2,012	0	4	1	1	6	\$12,072
W3	\$2,033	0	1	1	0	2	\$4,066
O3	\$2,028	0	13	0	2	15	\$30,420
O3E	\$2,085	0	4	0	0	4	\$8,340

W4	\$2,077	0	0	2	1	3	\$6,231
O4	\$2,150	0	3	0	0	3	\$6,450
W5	\$2,129	0	0	1	1	2	\$4,258
O5	\$2,234	0	2	2	0	4	\$8,936
O6	\$2,252	0	3	4	0	7	\$15,764
O-7	\$2,278	0	1	0	0	1	\$2,278
TOTALS	N/A	0	170	105	64	339	\$601,720

* Note the elimination of requirements for two bedroom units and the increase of five bedroom units from the existing family housing inventory.

** Note the existing family housing inventory decreases from 436 to 339 homes based on the most current Housing Market Analysis. However, the final determination as to number of family housing units required to meet the Fort Hamilton requirement will be made jointly during the formulation of the Community Development and Management Plan.

Table A-5. Historic Annual Occupancy Rates at Fort Hamilton

The following table depicts the average annual occupancy rate experienced at Fort Hamilton over the last three calendar years.

Year	Inventory	Avg Units Occupied	Avg Annual Occupancy Rate
CY 1998	442	310	70.14
CY 1999	442	294	66.52
CY 2000	436	278	63.76
Average	440	294	66.81

3.1 Housing Area General Site Description:

- a. Fort Hamilton occupies approximately 117 acres and includes 71 government-owned buildings. Development of Fort Hamilton has occurred in a number of phases over a period of 170-years, with much of the current installation property developed. Open spaces are primarily limited to the Parade Grounds and several athletic fields. A majority of areas are landscaped.
- b. The Hamilton Manor parcel consists of a cluster of four buildings around the termination point of Battery Avenue. The Ocean View parcel is bordered by the Belt Parkway (off-post) to the south and west, Pershing Loop South to the east, and Sterling Drive (on-post) also to the west. Marshall Drive and the east end of Sterling Drive border the north side of the south parcel.
- c. The buildings are heated either by oil-fired units, with heat oil tanks located adjacent to the buildings, or by natural gas supplied by Keyspan. Consolidated Edison provides electric service.

- d. Some of the installation's sanitary and storm water system was originally constructed as a combined system. Portions of the installation are served by the original combined system with discharge to the New York City treatment system. Both Hamilton Manor and Ocean View parcels are within this system.
- e. Sanitary wastewater/storm water treatment or pretreatment at the installation is limited to a single oil-water separator at the Motor pool (Building 128).
- f. Portable water for the installation and surrounding vicinity is supplied by the City of New York via the New York City Aqueduct System. No surface water supply sources were identified within the site vicinity.

3.2 Hamilton Manor Housing Area - General Parcel Site Description:

- a. Hamilton Manor is located in the northeastern portion of the installation. This area has paved road surfaces, concrete sidewalks and minimal landscaping. The topography for this area slopes gently to the south. The post industrial area, post exchange, several administrative buildings, and the off-post athletic field (associated with the Polytechnic Preparatory School) all border the Hamilton Manor housing area.
- b. In general, the Hamilton Manor parcel consists of a cluster of four hi-rise (six stories) buildings (buildings 135, 136, 137, and 138). The buildings are currently occupied and used for military family housing. Occupancy turnaround generally runs one to two years. Building operations and maintenance is conducted under a base operations contract.
- c. The buildings are constructed of concrete and include basement areas with boiler/utility rooms, laundry rooms, and storage areas. Steam lines from the boiler room in Building 137 provide heat for buildings 135, 136, and 138. Building 137 has two 25,000-gallon underground heating oil tanks adjacent to the north end of the building.

Figure 1 SUMMARY OF STRUCTURES ON HAMILTON MANOR PARCEL

BLDG	NUMBER OF UNITS	YEAR CONSTRUCTED	DESCRIPTION
135	135A – 24 135B – 30 135C – 30 135D – 24	1953	Six-story concrete building (approximately 140,640SF) with basement area (consisting of a utility room, laundry room, storage and parking areas).
136	136A – 24 136B – 29* 136C – 24	1953	Six-story concrete building (approximately 121,000SF) with basement area (consisting of a utility room, laundry room, storage and parking areas).

137	137A – 30** 137B – 30 137C – 30***	1953	Six-story concrete building (approximately 136,000SF) with basement area (consisting of a boiler room, laundry room, and storage areas). The boiler room in this building supplies heat to Buildings 135, 136, and 138. Two 25,000-gallon underground heating oil tanks are located adjacent to the north side of the building.
138	138A – 24 138B – 24	1953	Six-story concrete building (approximately 92,140SF) with basement area (consisting of a utility room, laundry room, and storage areas).

*Apartments 136B-3C and 136B-3D where combined to create one larger apartment.

** The 30 units shown for 137A include 12 one-bedroom apartments that have been diverted for single soldier occupancy.

*** The 30 units shown for 137C include 12 one-bedroom apartments that have been diverted for single soldier occupancy.

3.3 Ocean View Housing Area - General Site Description:

The Ocean View area is located at the southern end of Fort Hamilton, with land areas consisting of paved road surfaces, concrete sidewalks, and landscaping. The topography for this area slopes gently to the north. This area is bordered by Marshall Drive and Sterling Drive to the north, Pershing Loop South and open field areas to the east, the Belt Parkway to the south, and an open field area and Sheridan Loop to the west. Athletic fields and Parade Grounds are located directly north of Marshall Drive. Administrative and community activity buildings are located to the north. The Community Club and other community related facilities are located to the west while administrative and billeting facilities are located in the east. The Ocean View parcel consists of two-story townhouses and two single-family ranch homes. The buildings are primarily constructed of brick. The townhouses have a basement with a laundry room, boiler room and crawl space. The buildings are currently occupied and used for military family housing. Occupancy turnaround generally runs about one to two years. Building operations and maintenance is conducted under a base operations contract.

Figure 2. SUMMARY OF STRUCTURES ON OCEAN VIEW PARCELS

BLDG	NUMBER OF UNITS	YEAR CONSTRUCTED	DESCRIPTION
221	8	1961	Two-story brick structure with eight living units (approximately 12,000SF) with a basement boiler room and laundry room. The boiler is fueled by natural gas.
222	7*	1961	Two-story brick structure with seven living

			units (approximately 12,000SF) with a basement boiler room and laundry room. The boiler is fueled by natural gas.
223	6**	1961	Two-story brick structure with six living units (approximately 12,000SF) with a basement boiler room and laundry room. The boiler is fueled by natural gas.
224	1	1961	One-story (single family unit) brick structure (approximately 2,000SF). The boiler is fueled by natural gas.
225	1	1961	One-story (single family unit) brick structure (approximately 2,000SF). The boiler is fueled by natural gas.
304	8	1961	Two-story brick structure with eight living units (approximately 11,160SF) with a basement boiler room and laundry room. The boiler is fueled by natural gas.
305	8	1961	Two-story brick structure with eight living units (approximately 11,160SF) with a basement boiler room and laundry room. The boiler is fueled by natural gas.
306	8	1961	Two-story brick structure with eight living units (approximately 11,160SF) with a basement boiler room and laundry room. The boiler is fueled by natural gas.
307	8	1961	Two-story brick structure with eight living units (approximately 11,160SF) with a basement boiler room and laundry room. The boiler is fueled by natural gas.
310	2	1961	Two-story brick structure with two living units (approximately 3,661SF) with a basement boiler room and laundry room. The boiler is fueled by natural gas.
311	8	1961	Two-story brick structure with eight living units (approximately 9,000SF) with a basement boiler room and laundry room. The boiler is fueled by natural gas.
312	8	1961	Two-story brick structure with eight living units (approximately 12,000SF) with a basement boiler room and laundry room. The boiler is fueled by natural gas.
313	8	1961	Two-story brick structure with eight living units (approximately 12,000SF) with a basement boiler room and laundry room. The boiler is fueled by a 1,080-gallon underground heating oil tank.
314	8	1961	Two-story brick structure with eight living units (approximately 12,000SF) with a basement boiler room and laundry room. The boiler is fueled by a 1,080-gallon

			underground heating oil tank.
315	8	1961	Two-story brick structure with eight living units (approximately 12,000SF) with a basement boiler room and laundry room. The boiler is fueled by a 1,080-gallon underground heating oil tank.
316	8	1961	Two-story brick structure with eight living units (approximately 12,000SF) with a basement boiler room and laundry room. The boiler is fueled by a 1,080-gallon underground heating oil tank.

*Units 222G and 222H were combined to make one larger unit.

**Unit 223A and 223B, and 223C and 223D were also combined into two larger units

3.4 Colonels Row and Lee House Housing – General Site Description

Colonels row (bldg 201, Units A – E) is a line of historic eligible, 19th century brick row houses. Located just north of the eastern corner of the Ocean View housing area, the front of these homes face an open green field lined by large trees. Each unit has a basement and attic space. Building 203 is a garage with individual parking units for each of these townhomes. The oil burning boiler in 201A provides heat to all five of these units.

Just north of Colonels Row, at the corner of Lee and Schum Avenues, is the Lee House (bldg. 117). The Lee House has two separate four-bedroom units.

Figure 3. SUMMARY OF COLONELS ROW AND LEE HOUSE HOUSING

117	2	1856	Two-story duplex structure with two 3-br living units
201	6	1961	A 6 unit row of historic townhomes.

4.0 COMMUNITY SUPPORT FACILITIES

a. Housing Policy. Eligible military personnel for assignment to family housing located at Fort Hamilton include those assigned or attached for duty at Fort Hamilton that are accompanied by authorized families members. Currently, various accompanied civilian personnel reside in family housing where family housing has been determined to be excess to the needs of military personnel.

1. **Family Housing.** Fort Hamilton’s on-post family housing inventory.
2. **Single Soldier Housing.** Accommodations for single, permanently assigned personnel resemble college dormitories in the private sector. Each unit contains a bedroom, private or shared bath. Some units have kitchenettes.

3. **Hotel-style Accommodations.** A total of 88 transient lodging units accommodate the needs of short-term visitors, including military members or civilian employees on temporary duty and leisure travelers in the New York City area. These housing accommodations are standard army lodging facilities.
4. **Health Care.** Fort Hamilton provides an occupational health clinic only, with most health care services provided under tricare by the numerous private and public treatment facilities in the near-by area.
5. **Recreation.** On Fort Hamilton, there are baseball, flag football, and softball fields. As well, there are tennis courts and two outdoor pools in the summer. The Sports and Fitness Center is currently being renovated with renovations expected to be completed this year. However, the center is still offering universal weights, free weights, fitness classes, and a personal trainer available at a temporary location. In addition, the installation is in the process of constructing a new community activity center and a bowling alley.

Other recreational activities on Fort Hamilton include a library, a theater, and scenic running routes all along the New York Harbor front in the view of the Verrazano Bridge.
6. **Child Development Services.** Child Development Services provides center-based, family housing-based, and supplemental child care programs for children ages six weeks to twelve years. Full-day care is provided up to 11.5 hours per day. Hourly care is provided for children attending on an intermittent basis, up to 25 hours per week.
7. **Religious Facilities.** Fort Hamilton provides a chapel with family life and religious services. The chapel can accommodate religious services of all kinds, such as prayer, weddings, funerals, and counseling.
8. **Retail Stores.** An appropriate size shopping center complex, near the center of Fort Hamilton, hosts the Army and Air Force Exchange (AAFES) store and a variety of concessions. A new commissary was recently built to accommodate the demand of military members and retirees in the area.
9. **Fort Hamilton Museum.** The Fort Hamilton U.S. Army Museum was established in 1986. Its purpose is two-fold: to collect, preserve, study, and exhibit military artifacts, particularly those items related to Fort Hamilton and the U.S. Army, and to provide educational services to military members and their families, civilian employees, military retired population, and the interested general public.
10. **Youth Services.** The Youth Services Program was established at Fort Hamilton to provide meaningful, organized, leisure time activities for youths.

Youth Services is responsible for developing coordinated sports, social, educational, and recreational programs for children grades 1 through 12. These services and activities are designed to meet the recreational interests and needs of the installation's young people and to assist in preparing them for responsible citizenship.

5.0 INFRASTRUCTURE

Fort Hamilton has privatized all of the utility systems and services. As of December 2001, Fort Hamilton utility systems and services are as follows:

1. Electric – Con Edison
2. Gas – Keyspan
3. Water – New York Water Board
4. Sewer – New York Water Board
5. Refuse Collection – Base Operations
6. Fire Protection – City Based
7. Police Protection – Military Police/NYPD

6.0 INSTALLATION BUILDING GUIDELINES

a. Developers are encouraged to use their ingenuity, creativity, and innovation in the planning and development process. However, they are expected to propose plans that are compatible with existing architectural and design guidelines.

1. **Architectural Style.** Most of the family housing at Fort Hamilton was constructed from to the early 1960s, and the homes have the architectural style typical of those periods.
2. Replacement housing should be constructed in accordance with modern styles and accepted industry standards, such as family rooms, separate laundry areas, adequate storage space, and more amenities.
3. **Height.** No new or altered building may be higher than six stories, or 75 feet as measured from the ground to the highest point on the roof ridge. Generally, two stories are recommended but three stories units are acceptable.

7.0 OTHER CONDITIONS

a. **Jurisdiction.** Fort Hamilton will maintain exclusive federal jurisdiction over the real estate within the boundaries of the installation or, at a minimum, within the boundaries of the existing and new family housing areas.

- b. **Development in industrial Areas.** Construction of family housing residences will not be allowed in the installation's industrial areas. Fort Hamilton may consider construction of housing-related administration and maintenance facilities in the industrial areas.
- c. **Americans with Disabilities Act.** The CDMP must meet the requirements of this Act. Both new construction and revitalization, if any, of family housing units and supporting facilities will be accessible for, or readily and easily modifiable for, use by people with disabilities. The actual number of family housing units that must meet these requirements will be agreed upon between the developer and the Army during the CDMP process.
- d. **Installation and Facility Access.** Fort Hamilton is considered a "closed post" with validation of proper identification and vehicular permits necessary as of 01 September 2001. Access to installation facilities, including family housing units, is generally limited to military members, their families and visitors, DoD civilians and DoD contractors. To a limited extent, the public may be authorized access to other community facilities. On a case-by-case basis, Fort Hamilton and the developer may establish the conditions that may limit or extend access to community facilities.
- e. An Environmental Assessment (EA) of the CDMP will be required prior to the implementation of the project. The EA will be developed in conjunction with the preparation of the CDMP, and will comply with the provisions of the National Environmental Protection Act (NEPA). The partner will be responsible for the payment of all costs associated with performing any necessary additional environmental studies to prepare the CDMP or to obtain project financing.

APPENDIX B, PART II

FORT HAMILTON (BROOKLYN), NEW YORK AND SURROUNDING COMMUNITIES DEMOGRAPHICS

2.0 HOUSING MARKET AREA: This section defines the housing market area for Fort Hamilton and describes its general population and economic characteristics.

2.1 Overview:

- a. The Fort Hamilton is located at the eastern end of the Verrazano Narrows Bridge in Kings County, New York. Brooklyn and communities in the eastern end of Staten Island are the principal support communities for the installation.
- b. Job growth in the New York Primary Metropolitan Statistical Area (PMSA) measure 2.1 percent annually over the 1995-1998 period, reversing a decline averaging 0.8 percent per year over the 1990-1995 period. Job growth has been primarily in the services sector with job losses posted in the manufacturing sectors. The unemployment rate in 2000 was 4.9 percent in Richmond County and 6.8 percent in Kings County. This compares to 5.3 percent in the U.S. as a whole.
- c. The Fort Hamilton housing market area, based on a one-hour commute during peak traffic periods by private automobile, consists of all Kings, Queens, and Richmond counties, and portions of New York, Bronx, and Nassau counties in New York; and portions of Middlesex, Union, Essex, and Hudson counties in New Jersey. However, this study focuses on an effective market area comprising those communities where most of the post personnel actually reside. This effective market area comprises most of Kings County (Brooklyn).

Figure 1 maps both the 60-minute commute area and the effective market area.

- 1) The 60-minute commute area is defined by DOD policy as that region within a one-hour commute from an installation's principal work area by private auto during peak traffic periods under average weather conditions. This market area was determined based on timed drives undertaken during peak travel periods both incoming during the morning commute hours and outbound during the afternoon commute hours in September 2001. During these timed drives, no delays due to construction activities, accidents, or adverse weather conditions were encountered. This 60-minute commute area extends southwest to Perth Amboy in New Jersey; north to the southern end of Bronx County; and east to Oceanside in Nassau County.
- 2) The effective market area, however, is much smaller. It includes only those nearby areas where most base personnel live. Discussions with Fort Hamilton Housing Office staff indicate that most personnel reside on post. Personnel who live off-post generally live in Brooklyn, though some live on Staten Island (Richmond County).

3) The Military District of Washington (2001), the major command responsible for Fort Hamilton, and Headquarters, Department of the Army have determined that military personnel should not pay excessive commute costs in order to live in community housing. Commuting across the Verrazano Narrows Bridge to Staten Island results in significant commute costs. Consequently the effective market area was defined to be Brooklyn. The Brooklyn effective market area was given primary emphasis in this report. This focuses the analysis on the portion of the market area in which the large majority of military personnel live and corresponds roughly to the limit of a thirty-minute commute without the need to pay tolls.

2.2 Population:

- a. The market area boundaries were then overlaid on census tract maps of market area counties to determine which tracts were included in each of the respective market areas. Data for these census tracts were then extracted from 1990 census files to compile a comprehensive database on population and housing characteristics within the market areas as of April 1990. The 1990 population of the one-hour market area was approximately 6.9 million persons while the population of the effective market area totaled approximately 2.3 million persons.
- b. Population counts from the 2000 census were then obtained for Brooklyn. The rate of change in Brooklyn’s population was calculated as 0.7 percent per year (on average) from April 1999 to April 2000. This rate of change was used to extrapolate population in the borough to October 2000. In addition, annual population estimates for 1990 through 1999 for area counties are available from the U.S. Bureau of the Census (2000b). The data through 1999 were compiled for Brooklyn to assess the change in population year by year. The estimated population of Brooklyn as of October 2000 was thus computed to be 2,475,500 persons.
- c. Population growth appears to have been uneven during the 1990’s. Brooklyn (Kings County) experienced several years of net out-migration over the 1991 to 1997 period and only recently has population increased (Figure 2.1)
- d. Cornell Institute for Social and Economic Research (2000) forecasts population growth in Brooklyn to slow slightly to 0.6 percent annually through 2005. Brooklyn’s population is thus projected to reach 2,550,700 persons by 2005.

2.3 Economic Conditions:

Figure 1. Displays key economic indicators for the period 1990-1998 for the New York PMSA, the state of New York, and the United States.

Jurisdiction/Indicator	1990	1995	1998

New York PMSA:			
Total Jobs (000)[1]	4,818	4,626	4,929
Percent Change/Year [2]	0.6%	-0.8%	2.1%
Earnings Per Job [3]	\$46,281	\$51,232	\$56,363
Per Capita Income	\$31,676	\$33,848	\$37,586
State of New York:			
Total Jobs (000)	9,819	9,621	10,088
Percent Change/Year	1.1%	-0.4%	1.6%
Earnings Per Job	\$38,705	\$40,949	\$44,380
Per Capita Income	\$28,586	\$30,055	\$33,231
United States:			
Total Jobs (000)	139,427	149,359	160,199
Percent Change/Year	2.3%	1.4%	2.4%
Earnings Per Job	\$30,851	\$32,027	\$34,254
Per Capita Income	\$24,011	\$25,546	\$28,154

Notes

[1] Total Jobs are average annual full-and part-time jobs, by place of work.

[2] Percentage Change/Year in the 1990 column is for the 1985-90 periods; in the 1995 column, for 1990-95; and in the 1998 column, for 1995-98.

[3] Earnings per Job and Per Capita Income were converted to constant 2000 dollars using the implicit price deflator for gross domestic product, personal consumption expenditures.

Sources: U.S. Bureau of Economic Analysis 2000; Council of Economic Advisors, 2000a and 2000b.

- a. Total jobs in New York PMSA (including civilian, military, wage and salary, and self employed persons in all sectors); stood at approximately 4.9 million in 1998, the most recent year for which this comprehensive measure is available.
- b. The national recession of the early 1990's adversely affected the region's economy with job losses totaling approximately 192,000 jobs over the 1990 to 1995 period. However, the region has enjoyed a sharp turnaround and the number of jobs has increased by 2.1 percent per year between 1995 and 1998. This increase was greater than the increases in statewide by slightly less than the gains experienced at the national level.
- c. Recent job growth has been primarily in the services sector with job losses posted in the manufacturing sectors (New York City of 1998). Loss in manufacturing employment has most adversely affected the Brooklyn area whose economic base is most closely tied to the manufacturing sector.

Between 1990 and 1998 Kings County lost approximately 18,000 manufacturing jobs (U.S. Bureau of Economic Analysis, 2000). Unemployment rates in the two market area counties have historically been higher than national averages. Unemployment rates peaked in the early 1990's at approximately 12.0 percent in Kings County and 10.0 percent in Richmond County. Unemployment rates generally have been on the decline since then. The Kings County unemployment rate was 6.8 percent as of 2000 and in Richmond County is was 4.9 percent. This compares to a national unemployment rate of 4.6 percent in 2000.

- d. Average earnings per job in the PMSA are substantially greater than both the state as whole and the U.S. (\$56,363 per job in the PMSA in 1998 compared to \$44,830 per job state-wide and \$34,254 in the U.S.)
- e. Per capita income in the PMSA also is substantially greater than both the state and U.S. averages (\$37,586 in the PMSA compared to \$33,231 in the state and \$28,154 in the U.S.).

2.4 Area Housing Stock:

This chapter is divided into three sections covering private-sector housing, public-assisted housing, and military family housing. Data and forecasts were compiled and are presented for the effective hosing market area.

2.5 Private Sector Housing:

Private-sector owners control most of the area's housing stock. Therefore the availability and cost of housing are generally subject to market forces. However, approximately 70 percent of the rental housing stock is regulated under a variety of local ordinances. An integrated assessment of relevant demand and supply factors is presented in this section, covering recent trends, current conditions, and projected future changes in the availability and cost of housing.

2.6 Trends to Date:

The population of the market area is currently about 2,475,500 persons, and has increased 0.7 percent per year on average from its 1990 level. The market area currently includes a total of approximately 934,700 housing units, up from approximately 873,700 in 1990. This represents an average annual increase of approximately 5,800 units per year. The year-by-year pattern of development, as estimated by the U.S. Bureau of the Census prior to the 2000 census, is shown in Figure 2.

Figure 2. POPULATION AND HOUSING UNITS, FORT HAMILTON MARKET AREA, 1990, 2000, AND 2005

Housing Market Indicator	1990	2000	2005
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Total Population	2,300,664	2,475,498	2,550,660
Average Annual Change (%)	N/A	0.7%	0.6%
Household Population	2,266,401	2,438,632	2,512,674
Average Annual Change (%)	N/A	0.7%	0.6%
Total Housing Units	873,671	934,652	962,660
Average Annual Change (%)	N/A	0.6%	0.6%
Occupied Housing Units	828,199	886,775	913,700
Average Annual Change (%)	N/A	0.7%	0.6%
Vacant Housing Units	45,472	47,877	48,960
Vacancy Rate (%)	5.2%	5.1%	5.1%
Average Persons Per Occupied Housing Unit	2.74	2.75	2.75

2.7 Affordability and Adequacy:

- a. Cost is one of four DoD criteria used to determine whether housing is acceptable for accompanied military personnel. Location (i.e.; within the market area), adequate condition and facilities (e.g., safe and sanitary facilities), and bedroom entitlement are the three other criteria. However, all three non-cost criteria are related closely to cost. If market area housing is not affordable for military families, they are more likely to reside outside the market area, or to live in housing of substandard condition or with inadequate facilities, or in units with fewer bedrooms than their entitlements.
- b. Accompanied military personnel residing in community housing receive Basic Allowance for Housing (BAH) in addition to basic pay. DOD policy does not mandate that BAH meet all housing costs for uniformed personnel and their families. If necessary, each member is expected to pay additional money, and “out-of-pocket” expense, to meet housing costs.
- c. This (OOP) amount varies by pay grade and ranges from \$130 per month for E1-E3 personnel up to \$256 per month for general officers. The sum of BAH and (OOP) equals the Maximum Acceptable Housing Cost (MAHC). If a military member finds it necessary to pay more than MAHC to obtain adequate housing, that member is, by definition, in unacceptable housing. In the Fort Hamilton area, MAHC ranges from \$968 per month to \$2,198 per month depending on grade.
- d. The future escalation of BAH (and therefore MAHC) is not certain at this time.

Based on current DoD guidance, it is assumed that OOP will be reduced to zero by 2005 and BAH rates will increase to reflect projected rent plus utility costs within the market area. This analysis assumes the MAHC increases 2.8 percent annually through 2005 (the same rate of escalation projected for rents plus utilities).

- e. The market area is substantially different in its composition of housing compared to other metropolitan areas and the U.S. in general. Single-family homes presently comprise about 15.5 percent of the market area housing stock. In contrast, single-family homes comprised 64.3 percent of all housing units in the U.S. in 1990 (U.S. Bureau of the Census, 1991). About 85.7 percent of the market area housing stock is multiple-family units, whereas the percentage is 27.4 percent nationwide. The share of the market area housing stock in mobile homes is estimated at approximately 1.5 percent. This compares to 8.2 percent in the U.S. as a whole in 1990. The share of single-family units of the total housing stock in the market area has increased from 11.8 percent in 1990 to 12.8 percent in 2000.
- f. These trends are important because single-family units tend to be predominantly owner-occupied, while multiple-family units are generally renter-occupied. Currently, about 238,800 units (26.9 percent of occupied market area housing units) are owner-occupied. The share of owner-occupied units in all occupied units has increased slightly from 1990 levels. Renter-occupied units are estimated at about 647,900 units in the market area, currently about 73.1 percent of all occupied units, down from about 74.1 percent in 1990.
- g. The total vacancy rate in the market area is currently estimated to be 3.6 percent. This includes vacant units for sale, vacant units for rent, boarded up units, and vacant units held for seasonal or recreational use.
- h. Vacancy rates in the rental market are currently estimated to be 5.1 percent. This includes vacant units for sale, vacant units for rent, boarded up units, and vacant units held for seasonal or recreational use. The rental real estate market, however, is very tight.
- i. Based on construction trends identified above, the 2000 census, and interviews with property managers and other persons knowledgeable about the rental real estate market in the area (Dowling, 2000; Scalzo, 2000; New York City Rent Guidelines Board, 2000) the rental vacancy rate in the market area is estimated to be about 3.7 percent. The rental vacancy rate for units for rent less than six months is 2.6 percent. Vacancy rates in the rental market are lower than 1990 levels and are very low by national standards. The U.S. Bureau of the Census estimates that the national average rental vacancy rate has fluctuated between 7.2 percent and 7.9 percent between 1988 and 1998, and in 2000 has averaged 8.2 percent (Council of Economic Advisors, 2000b).

Figure 4. NUMBER OF UNITS IN STRUCTURE FORT HAMILTON HOUSING MARKET AREA, 1990, 2000 and 2005

Type of Structure	1990	2000	2005
Total Housing Units	873,671	934,652	962,660
Average Annual Change (#)	N/A	5,808	5,602
Share of Total Housing (%)	100.0%	100.0%	100.0%
Single-Family Units	103,147	119,685	127,166
Average Annual Change (#)	N/A	1,575	1,496
Share of Total Housing (%)	11.8%	12.8%	13.2%
Multiple-Family Units	757,325	800,848	820,951
Average Annual Change (#)	N/A	4,145	4,021
Share of Total Housing (%)	86.7%	85.7%	85.3%
Mobile Homes/Trailers/Other	13,199	14,120	14,543
Average Annual Change (#)	N/A	88	85
Share of Total Housing (%)	1.5%	1.5%	1.5%

Figure 5. Owner-and Renter-Occupied Units, Fort Hamilton Housing Market Area, 1990, 2000, and 2005

Tenure of Occupancy	1990	2000	2005
Total Occupied Units	828,199	886,775	913,700
Owner-Occupied Units	214,788	238,839	249,787
Percent of Total	25.9%	26.9%	27.3%
Renter-Occupied Units	613,411	647,936	663,912
Percent of Total	74.1%	73.1%	72.7%

About 30 percent of all rental units citywide are unregulated or “free-market” units (New York Rent Guidelines Board, 2000). The remaining units are regulated under a variety of local ordinances, with the majority of these units falling under rent-stabilization laws. In rent-stabilized units, rent increases are generally limited to increases following the general trend in prices in the area, although a variety of exceptions involving capital improvements made to the units, conversions to co-op condominium status, expiration of tax incentives, as examples, exist.

Figure 6. Vacant Units Fort Hamilton Housing Market Area, 1990, 2000 and 2005

Tenure of Occupancy/Vacancy	1990	2000	2005
Owner-Occupied Units	214,788	238,839	249,787
Renter-Occupied Units	613,411	647,936	663,912
Total Vacant Units	45,472	47,877	48,960
Total Vacancy Rate	5.2%	5.1%	5.1%
Vacant Units for Sale	5,093	5,572	5,785
For Sale Vacancy Rate	2.3%	2.3%	2.3%
Vacant Units for Rent	24,193	25,135	25,564
Rental Vacancy Rate	3.8%	3.7%	3.7%
Vacant Units for Rent less than 6 months	16,418	17,057	17,349
Rental Vacancy Rate	2.6%	2.6%	2.5%

2.8 Bedroom Composition of Housing:

The market area's renter-occupied housing stock is comprised mostly of one and two-bedroom units, with a distribution as shown below (U.S. Bureau of the Census, 1991).

- a. Studio units- 6.4%
- b. One-bedroom units- 39.6%
- c. Two-bedroom units- 37.8%
- d. Three-bedroom units- 13.9%
- e. Four-plus-bedroom units- 2.4%

2.9 Mobile Homes:

Information on mobile homes is included here because the mobile home inventory exhibits somewhat different characteristics with respect to tenure, condition, costs, and vacancies compared to other units within the general market. However, mobile homes (including trailers and other non-permanent residences, such as houseboats and recreational vehicles) represent just 1.5 percent of all housing units in the market area, or about 14,100 units in 2000. The majority of mobile homes, 67.2 percent, are renter-occupied, with the remaining units owner-occupied vacant.

Figure 7. Tenure and Occupancy of Mobile Homes, Fort Hamilton Housing Market Area, 1990, 2000 and 2005

Tenure	1990	2000	2005
Owner-occupied			
Number of Units	3,813	4,079	4,201
Share of All Mobile Homes	28.9%	28.9%	28.9%
Renter-occupied			
Number of units	8,869	9,488	9,772
Share of All Mobile Homes	67.2%	67.2%	67.2%
Total Vacant			
Number of Units	517	553	570
Share of All Mobile Homes	3.9%	3.9%	3.9%
Vacant for Rent			
Number of Units	224	244	252
Share of All Mobile Homes	1.7%	1.7%	1.7%
Total Mobile Homes	13,199	14,120	14,543
Rental Vacancy Rate	2.5%	2.5%	2.5%
Rental MH Share of All Rentals			

- a. Information on housing quality in the market area is available from the 1990 census; local housing plan documents; informal windshield surveys; and interviews with community and base housing professionals.
- b. Data from the 1990 census provide basic information about selected housing quality characteristics (U.S. Bureau of the Census, 1991 and 1992)
 1. 0.1 percent of housing units were not connected to a public or private water system or well and relied on some other (generally less reliable or lower-quality) water source.
 2. 0.7 percent of units had neither a public sewer connection or a private septic tank or cesspool.
 3. 2.2 percent of units were heated by wood or some source other than gas, electricity, or fuel oil.

4. 1.1 percent lacked complete kitchen facilities and 0.5 percent lacked complete plumbing facilities.
- c. These proportions are not additive, for example, units lacked complete plumbing facilities are very likely also to lack complete kitchen facilities.
- d. For this analysis, 32 percent of the rental housing stock is estimated to be of inadequate quality. This figure puts greatest weight on the results of the published condition survey, because it applies a consistent and objective methodology to assess housing quality throughout the borough. This figure includes those units considered unacceptable by the interviewees. It also includes the known extent of deficiencies as revealed in the 1990 census and considers the age of the housing stock. This percentage was scaled across all market-area units such that the largest shares of poor-quality units were in the lowest cost ranges.

2.10 General Market Conditions

- a. In 2000, an estimated 238,800 housing units in the market area in 2000 are owner-occupied. The vacancy rate for units for sale is about 2.3 percent.
- b. Home prices vary considerably based on location. In the Bay Ridge/Bensonhurst area the average selling price was \$264,400 as of September 2000 (Bay Ridge/Bensonhurst Multiple Listing Service, 2000) with prices ranging from 96,300 for co-ops to \$ 331,800 for a typical 2-bedroom family home. In Staten Island, the average selling price was \$ 238,800 as of January 2001, up from \$209,000 in January of 2000 (New York State Association of Realtors, 2000). By comparison, the average selling price of homes statewide was \$133,100.
- c. As with the sales housing market, the forces of supply and demand together determine cost and availability of rental housing. Renters currently occupy about 647,900 housing units in the market area. The rental vacancy rate is approximately 3.7 percent, reflecting a very tight rental market. Rents consequently have increased dramatically in recent years. Interviews with local property managers indicated rents in some area communities have increased from 10 percent to 20 percent per year over the past three years. Long-term rent increases as measured by the Consumer Price Index for the greater New York metropolitan area indicate average annual increases of 3.2 percent per year.
- d. Data on market area rental rates were compiled from advertised listings of homes and apartments for rent in local area newspapers and rental listings from area property managers. A total of 390 observations are included in the database, including rents for 242 two-bedroom units, 133 three-bedroom units, and 15 units with four or more bedrooms.

- e. Rental listings for market area housing units were sorted by number of bedrooms and rent to determine the average and distribution of rental prices for each category of housing. An example of the distribution of rental prices for rental units with two bedrooms is presented in Figure 1.
- f. Median prices and overall prices range for all market area units are summarized below:
 - 1. The median for rent for two-bedroom units is \$1,200 per month, with a minimum of \$665 and a maximum of \$3,500.
 - 2. The median rent for three-bedroom units is \$1,500 per month, with a minimum of \$725 and a maximum of \$4,000.
 - 3. Median for rent for units with four or more bedrooms is \$1,600 per month, with a minimum of \$1,100 and a maximum of \$2,700.
- g. As in the for-sale market rents vary substantially depending upon location Figure 1. Rents are greatest in the Brooklyn Heights area with a median rent of about \$2,500 per month (across all unit and bedroom types) and in Park Slope, at around \$2,400 per month. In the neighborhoods around Fort Hamilton, (Bay Ridge and Bensonhurst), median rents are in the \$1,200 to \$1,300 per month range.
- h. Based on information provided by the Fort Hamilton Housing Office (2000), the American Chamber of Commerce Research Association (2001), and the New York City Rent Guidelines Boards (2000b) average monthly utilities costs for renters are about \$ 97 per month for two-bedroom units; \$166 for three-bedroom units; and \$259 for units with four or more bedrooms.
- i. These utility costs exclude telephone charges and cable television fees. Utility costs are averages for 2000 and may not include all of the recent increases in electricity and fuel costs.
- j. The median rent plus utilities for a two-bedroom unit is \$1,297 per month \$1,666 per month for a three-bedroom unit and \$1,859 per month for a four-or-more bedroom unit.

2.11 Future Outlook:

- a. Growth in market area population is forecast at 0.9 percent per year (Cornell Institute for Social and Economic Research, 2000). The majority of this growth is projected in Kings County, where population growth is projected to increase 0.9 percent annually through 2005. In contrast, population in Richmond County is projected to increase at an annual rate of 0.7 percent through 2005.

- b. The share of multiple-family units of the total housing stock is expected to continue to fall as most new development is expected in the single-family category. The percentage of owner-occupied households in total occupied housing units is expected to continue to increase slightly through 2005. By 2005, an estimated 280,200 units in the market area will be owner-occupied units. The number of renter-occupied homes also is expected to increase, to approximately 655,400 units by 2005. Vacancy rates are projected to be 1.8 percent in the for-sale market and to 2.8 percent in the rental market.

APPENDIX C, PART I

SITE DESCRIPTION AND REGIONAL ECONOMICS

PICATINNY ARSENAL, NEW JERSEY

1.0 SITE DESCRIPTION

- a. Picatinny Arsenal, a multiple winner of the Army's Community of Excellence award, is located approximately 37 miles from New York City in beautiful Morris County, NJ. The Arsenal, officially known as United States Army Tank–Automotive and Armaments Command - Armament Research, Development and Engineering Center (TACOM-ARDEC), services all branches of the military and their families, as well as civilian employees and retirees in an exceptional manner. Picatinny occupies 6493 acres of land with 84 miles of paved roads, two lakes and 2.7 million square feet of indoor area, about half of which are devoted to research activities. The Arsenal is situated about one mile west of the intersection of Interstate 80 and NJ Route 15 near Dover, NJ.
- b. Picatinny Arsenal is home to 14 tenant organizations in addition to the regularly assigned ARDEC personnel, with a total military complement of 253 personnel and a civilian workforce of just under 3000. Its annual payroll of \$196.1 million makes it one of the largest employers in Morris County. The following web sites provide additional information on Picatinny, Morris County and the state of NJ:

Picatinny Arsenal: <https://w4.pica.army.mil/Picatinny/>

Morris County: <http://www.co.morris.nj.us/>

<http://www.morrischamber.org/affiliations/madg.html>

New Jersey: <http://www.state.nj.us/>

- c. Because of the post's proximity to New York City, and the high concentration of Independent Duty personnel in the surrounding area, Picatinny Arsenal supports half again as many military as assigned here. Indeed, these independent duty personnel occupy 48 percent of our family housing. Abundant rail and bus service into New York is provided, and because of the relative ease of commuting to the city, as well as the highly developed commercial and light industrial local economy, off-post housing is scarce and most of it unaffordable. The Morris County Chamber of Commerce has repeatedly stated that Morris County has the second highest cost of living in New Jersey. Many locations within Picatinny's commuting area such as Mendham, Basking Ridge, Chatham, Summit and the part of Somerset County within our commuting area are so expensive as to be virtually unavailable to our soldiers. Other areas, such as Essex County, are undesirable. This results in few, if any, soldiers willing to live on the local economy.

1.1 TACOM-ARDEC MISSION

- a. TACOM-ARDEC is a Department of the Army organization that provides the United States military with the firepower necessary to achieve decisive battlefield victory. Its mission is to provide research, product development and full life cycle engineering for ammunition, weapons, sophisticated fire control ("targeting") technology, and explosives and propellants.
- b. TACOM-ARDEC serves its customers by exploring advanced technologies, designing new products, procuring demonstration quantities, supporting the manufacturers with product and manufacturing know-how, trouble-shooting user problems in the field and supporting demilitarization (disposal). They are also the Army's executive agent for research and development of pollution prevention technology. TACOM-ARDEC partners with industry, academia and other governmental agencies via multi-functional integrated product teams (IPTs) to achieve the customers' highest goals.

2.0 RCI PROJECT

Picatinny Arsenal is proposing to partner with the private sector for the purpose of improving the military family housing community, utilizing applicable legislative authorities and the provisions of the Army's Residential Communities Initiative (RCI).

2.1 PROJECT VISION AND GOAL

- a. Vision – Continue to provide high-quality family housing accommodations and amenities, but with little or no Government investment.
- b. Goals – Revitalize, demolish and replace, and operate, maintain, and repair the existing housing inventory
- c. All dwelling units will be green within 10 years of transfer of operations.

2.2 PROJECT SUMMARY

a. Picatinny Arsenal's family housing privatization effort promotes the provision of high-quality family quarters within the military member's housing allowance, less an amount sufficient to cover average utility usage.

b. Picatinny proposes to convey its entire inventory of 116 family housing units and lease the land on which the existing units are located (and additional lands for new and replacement construction, if necessary) to a non-DoD entity. In exchange, this partner will provide replacement housing, community amenities, new construction (if warranted), long-term operation, management and maintenance, and rehabilitation of existing family housing. This conveyance could be for a 50-year period with a 25-year renewal clause.

The Family Housing Market Analysis (FHMA) conducted in late 2001 identifies an on-post requirement for 70 military housing units (25 officer, 45 enlisted) at Picatinny Arsenal.

This requirement is further broken down by bedroom category – 9 two bedroom, 36 three bedroom, and 25 four bedroom. The military requirement does not reflect military personnel from other services, or independent duty personnel assigned for duty in the Picatinny area. Picatinny Arsenal proposes that their privatization partner consider these requirements while preparing a scope that can be supported by project economics.

2.3 PROJECT RECAP

- a. Renovate, demolish, and/or replace housing units to meet the identified requirement.
- b. Operate, maintain, and repair remaining military family housing inventory and replace as needed over the life of the lease.
- c. Develop a plan for utilizing excess military housing units to provide the highest benefit to the overall project scope. It is not permissible to use military BAH to develop and maintain houses not envisaged to be occupied by military personnel.
- d. Construction of a neighborhood center to accommodate multipurpose meeting space, property management office, RCI residual staff, centralized community family support services, and recreational activities.

3.0 CURRENT INVENTORY OF FAMILY HOUSING

The following table depicts the current total family housing inventory (including Spicer Village as it will be built) as designated by grade and bedroom count:

GRADE CAT	2BR	3BR	4+BR	TOTAL
GFOQ	0	0	1	1
SGOQ	0	0	11	11
FGOQ	0	12	16	28
CGOQ	6	1	1	8
SNCOQ	7	18	2	27
JNCOQ	14	24	3	41
TOTAL	27	55	34	116

GFOQ – General/Flag Officer Quarters

SGOQ – Senior Grade Officer Quarters

FGOQ – Field Grade Officer Quarters

CGOQ – Company Grade Officer Quarters

SNCOQ – Senior Non-Commissioned Officer Quarters

JNCOQ – Junior Non-Commissioned Officer Quarters

Family housing at Picatinny is located in six housing areas as listed below. Once again, this information includes Spicer Village, which is currently under construction and expected to be completed in 2002.

1. JP Farley Housing Area – After completion of Spicer Village, this area will include only SGOQ and FGOQ with the exception of one GFOQ assigned to the Arsenal's Commanding General (CG) and one CGOQ for use by the CG's aide-de-camp.

This area is in good repair with large older houses dating from 1880 to 1939. All but one of our five historic units are located in this area.

2. Lenape Place – This area consists of 38 townhouses built in 1964 under the military construction program. With the exception of two four-bedroom units (converted from four two-bedroom units), all are three-bedroom units ranging from 1040 to 1205 gross square feet. They are well maintained but suffer from lack of covered parking, inadequate floor space, inadequate storage and poor layout. They currently consist of 18 JNCOQ, 12 SNCOQ and eight FGOQ.
3. Middle Forge Apartments – These are 26 garden-style two-bedroom apartments built in 1984 under the military construction program. They are 950 net square feet with good storage, air conditioning (heat pumps) and detached single car garages. They currently consist of 16 JNCOQ, five SNCOQ and five CGOQ.
4. Spicer Village (East) – Currently under construction under the military construction program. This area will consist of six SNCOQ three-bedroom units and four SNCOQ four-bedroom units.
5. Spicer Village (West) – Currently under construction under the military construction program. This area will consist of eight FGOQ three-bedroom units, two all grade handicapped three-bedroom units, and nine FGOQ four-bedroom units.
6. Naval Hill Housing Area – Used to encompass all of the above except, JP Farley, includes four units: one SGOQ four-plus bedroom unit know as the Naval Commander's House (historic), one FGOQ four-plus bedroom duplex, and one SNCOQ four-bedroom unit.

The following table shows the actual assignment of quarters as of the week of August 30, 2001, as well as the monthly rental income that the developer could expect from this specific assignment.

PAY GRADE	BAH with Dependents	2 BR On-Post	3 BR On-Post	4-5 BR On-Post	Post Housing By Rank Assigned	Potential Monthly Rental Income Picatinny Arsenal
E-1	\$ 1220	0	0	0	0	0
E-2	1220	0	0	0	0	0
E-3	1220	0	0	0	0	0
E-4	1220	0	4	0	4	4,880
E-5	1274	9	6	0	15	19,110
E-6	1298	10	10	1	21	27,258
E-7	1304	1	16	0	17	22,168
E-8	1311	1	2	0	3	3,933
E-9	1317	0	0	1	1	1,317
WO-1	1298	0	0	0	0	0
O-1	1277	0	0	0	0	0
O-1E	1306	0	0	0	0	0
WO-2	1307	0	0	0	0	0
O-2	1297	0	0	0	0	0
O-2E	1314	0	0	0	0	0
WO-3	1315	0	0	1	1	1,315
O-3	1315	1	0	0	1	1,315
O-3E	1318	0	0	0	0	0
WO-4	1317	0	0	0	0	0
O-4	1320	1	8	6	15	19,800
WO-5	1319	0	1	0	1	1,319
O-5	1383	0	1	10	11	15,213
O-6	1399	0	0	4	4	5,596
O-7	1424	0	0	0	0	0
O-8	1424	0	0	0	0	0
O-9	1424	0	0	0	0	0
O-10	1427	0	0	0	0	0
Total Assigned:	1311	27	44	23	94	123,224
Total Inventory:		27	61*	38*	116	
Difference:		0	8	15	22	

Additional Potential Monthly Income if all habitable, unoccupied houses occupied:					\$ 28,842
(Assuming an average monthly BAH per house of \$1,311.)					
Total Potential Monthly Rental Income at Picatinny Arsenal:					\$ 152,066
*Numbers do not depict Spicer Village construction					

4.0 COMMUNITY SUPPORT FACILITES

- a. **MILITARY FAMILY HOUSING (MFH)** – The MFH office assists military members to secure housing on post. It also assists military and DoD civilian employees to secure off post housing. Picatinny Arsenal has a total of 116 sets of quarters, of which 48 are designated for officers and 68 are designated for enlisted personnel. MFH is authorized for all military personnel drawing Basic Allowance for Quarters (BAH) at the “with dependent” rate.
- b. **BACHELOR QUARTERS** – Twelve units of Bachelor Enlisted Quarters (BEQ) are available to enlisted personnel. Each consists of a room with a private bath and shared kitchen and recreation areas. Private, assigned bulk storage is also on premises. There are no Bachelor Officer Quarters.
- c. **GUEST HOUSE (GH)** – The GH is similar to a small private motel. It consists of three rooms and a VIP suite. The three rooms share a common-use kitchen and laundry.
- d. **SCHOOLS** - All residents of Picatinny Arsenal will attend the Rockaway Township School District. Dennis B. O'Brien School - Grades K-5; Copeland Middle School - Grades 6-8; Morris Knolls High School - Grades 9-12.
- e. **HEALTH CARE** - Picatinny Arsenal Health Clinic is an occupational health clinic primarily tasked to serve the needs of the civilian work force at Picatinny.
- f. **ON POST SHOPPING** - The DeCA (Defense Commissary Agency) Commissary is located on Navy Hill. The Commissary is open to all active duty and retired military and their dependents. The facility is open to all active duty, retired military and their family members, Reservists and National Guard. The Post Exchange is a military retail store and provides an assortment of items including health and beauty aids, CD's, tapes, televisions, hardware, greeting cards and more. There is also a Package/Class Six store inside the PX that offer a wide variety of beers, wines and liquors.

g. RECREATION

Aquatic Park - Four Swimming/Activity Areas, heated water, Six 25 meter long lanes for lap swim, Zero depth entry, Deep water (12 ft.) section, Two Slides, Lazy River; Men's & Women's Rest Rooms, Bathhouse, Food Concession Area, Ticketing Area, Storage Lockers, Parking, First Aid Station Staffed by Certified Lifeguards

Outdoor Recreation – The following are featured:

Ski and Snow Boarding

White Water Rafting and Kayaking

SCUBA

Sky Diving

Wind Surf, Hang Gliding and Sailing

Mountain Biking and Road Biking

Rod and Gun Club

Picatinny Salt Water Fishing Club

Picatinny Ski Club

Outdoor Recreation Magazine Library and ski resort information

Instructional Videos and CDs

Lake Denmark Recreation Area - Located on Lake Denmark Road. The facility is open to all military and civilian office organizations at Picatinny Arsenal. The popular picnic grounds, which include grill areas and outdoor game courts may be rented seven days a week. A recreation vehicle site is located inside Lake Denmark Recreation area at building 3800. There are sewer and electric hookups for two vehicles. Additional sites are available without hookups. A baseball field is located adjacent to the RV site.

Picatinny Golf Club - Consists of 18 holes, a practice putting green, a practice fairway and a golf shop. Golf Course hours are: Tue-Fri, 7:30am to dusk, Sat-Sun, 7:00am to dusk and closed on Mondays, April through October. The golf course is open to all active duty military, retired military, DA civilian employees and DoD contractors that work fulltime at Picatinny.

Total Fitness Center - is located in Bldg. 3150, at Belt and Gately Rd. The facilities include a Basketball court, racquetball court, four outdoor tennis courts, four softball fields, a complete Nautilus Room, a free weight room, an aerobic exercise machine (stepper, treadmills, bikes, Crossrobics, StairMaster, Nordic Tracks) modern Men's and Ladies locker rooms, Sand volleyball court, and a soccer field. Instruction is available in tennis, Karate, and Yoga for a nominal fee.

ITR Customer Service Center - A wide array of recreation services is provided by the Customer Service Center to include: one day trips to popular events such as baseball games, Atlantic City, Statue of Liberty; tickets; tour and travel brochures, videos and books; discount coupons for major theme parks such as Disney, Busch Gardens, Sea World, Hershey Park, Dorney Park, Sesame Place, & Great Adventure. Resale items include Mylar balloons, mugs, and hats.

Sign ups for arts and crafts classes; reservations for the Lake Denmark picnic area; and sale of hunting and fishing permits are also offered here. The Recreation Trailer Park offers 14 furnished mobile homes permanently located near Lake Denmark. The primary purpose of the trailers is to provide recreational lodging for military personnel. The trailers are also used for PCS personnel to give them an opportunity to locate more permanent housing.

h. **CHILD CARE**

Child Development Center (CDC) - The CDC provides quality childcare for children ages 6 weeks to 5 years. A trained and caring staff provides full day, hourly care, and part day preschool programs. The Family Child Care Program is in home care provided by certified providers with oversight by Child Development Services management staff.

School Age Services - The Before and After School program operates in building 3228 from September until June. It includes indoor activities such as science, arts and crafts, a Homework Center and Computer Lab. The program also provides services during school holidays and teacher in-service days in accordance with the Rockaway Township school calendar. Children attending the Rockaway Township Schools are bused to and from the program. The parent must transport those outside of the district. The program also operates a nine-week Junior and Senior Camp Program for children 6 to 14 years of age. The program includes swimming, field trips, arts and crafts, outdoor activities and computer lab activities.

Teen Center - The Teen Center located in building 3228 provides a place for Preteens and Teens to socialize, enjoy recreation activities, and take part in life skills building programs. The youth have access to the Computer Lab for homework, Internet research and games. The program includes center-based activities as well as fieldtrips. The Middle School Program includes a before and after school program in building 3228 for youth ages eleven through fifteen. The program provides supervised activities, a homework center, and access to our computer lab. After school snacks are provided for the youth attending the program. A full day nine-week summer program with weekly field trips and daily trips to the Picatinny Aquatic Park is also offered through the Middle School Program.

i. **RELIGIOUS FACILITIES**

One non-denominational chapel is located on Picatinny. The chaplain and his assistant serve the needs of military, retirees and civilians.

j. **MUSEUM** - There is a military museum at Picatinny Arsenal. Its collection covers both the history of the arsenal and the history of ammunition. The Museum is open to the public. However, Picatinny does at times restrict access to the installation.

5.0 INFRASTRUCTURE

Picatinny Arsenal is in the midst of privatizing its utility plants and distribution systems. Additional information is available from DPW at 973-724-4561 or in the Picatinny RCI document room.

6.0 INSTALLATION BUILDING GUIDELINES

Partners are encouraged to use their ingenuity and innovation in the planning and development process. However, they are expected to propose plans that are compatible with existing architectural and design guidelines.

- a. Picatinny's design guide is available in various formats by calling DPW at 973-724-3448.
- b. The developer and the CDMP to be crafted must meet the requirements of Americans with Disabilities Act.

7.0 Environmental Considerations

- a. Picatinny Arsenal is a Superfund site.
- b. No construction will be permitted in any wetlands or environmentally protected areas without proper permits if obtainable.
- c. All housing sites are believed to be asbestos free. However, lead-based paint can be expected in some older homes. Any hazardous materials encountered during renovations must be properly abated. The partner is expected to abide by all regulatory guidance.
- d. An Environmental Assessment (EA) of the CDMP will be required prior to the implementation of the project. The EA will be developed in conjunction with the preparation of the CDMP, and will comply with the provisions of the National Environmental Protection ACT (NEPA). The partner will be responsible for the payment of all costs associated with performing any necessary additional environmental studies to prepare the CDMP or to obtain project financing.
- e. The partner shall operate in full compliance with all applicable federal, state, and local environmental laws and regulations, including but not limited to recycling, pesticide management, hazardous waste management, water pollution, and air pollution control regulations. The partner shall be responsible for permit requirements and for payment of all fines and litigation based on the partner's negligence in relation to environmental compliance.
- f. Construction is allowed after reviewing encumbrance restrictions and conditions and obtaining all applicable permits for construction activities.

g. For example, general encumbrances may involve securing digging permits for subsurface mechanical construction or exploration activities.

8.0 OTHER CONDITIONS

a. **Jurisdiction** - Picatinny Arsenal will maintain exclusive federal jurisdiction over the real estate within the borders of the installation.

b. **Industrial Areas** - Absolutely no construction of family housing will be allowed in the industrial or training areas of the installation. Picatinny Arsenal may allow construction of administrative and maintenance facilities in the industrial area.

c. **Fire and Police Protection** - Picatinny Arsenal will provide fire and police protection. The partner shall adhere to Picatinny Arsenal requirements concerning physical security of facilities. The partner shall also adhere to any fire prevention policies established by Picatinny Arsenal, as well as by federal, state, county, and local governments.

d. **Utility Services** - The selected partner is to reimburse the provider of utilities at a negotiated rate. The Government will not be a party to these negotiations unless the Government is the provider of the utilities.

e. **Escrow Accounts** - The selected partner is to establish the following escrow accounts as a minimum. These accounts would require the signatures of the selected partner and the Garrison Commander or his representative prior to withdrawal of funds.

1. Capital repair and replacement
2. Deferred maintenance and repair
3. New construction and historic preservation
4. Reserves
5. Incentive Performance

f. **Installation Controls** - The following controls will be retained by the installation:

- (1) Security of the Installation
- (2) Fire and Police Protection
- (3) Authority to withdraw authorization to reside on-post
- (4) Authority to negotiate use of escrow accounts with partner
- (5) Housing grade categories and designation of housing
- (6) Designation approval of key and essential positions

g. **Rent Methodology** - The maximum allowable income to be derived from occupancy of family housing is not to exceed the sum of the on-post-military members' basic housing allowances less an amount sufficient to cover average utility usage. Military members are not expected to expend out-of-pocket funds to reside in family housing provided by the developer as long as their utility consumption is not such that it exceeds the amount set aside to cover average utility usage. Rental adjustments will be linked to the Basic Allowance for Housing with appropriate controls.

h. **Anti-Lobby Act** - The developer must comply with the requirements established by the Anti-Lobby Act.

i. **Community Amenities** - Community amenities are those generally provided in a typical housing development such as community centers, child-care centers, playgrounds, ball fields, tennis courts, swimming pools, jogging trails and other recreational facilities. Picatinny already has most of these amenities. Therefore the developer is to provide initiative in determining additional amenities and maintenance and repair projects he will provide as part of this project. The developer may help operate, maintain and staff these facilities in collaboration with existing government programs or to augment such programs.

j. **Storage Facilities** - Typically, military families accumulate items from around the world that require storage and accessibility, more so than the typical American family. The developer is to provide adequate storage facilities in or near the family housing units or at a central location within the installation. If a central location is proposed, the Government shall provide the necessary land for construction of such facilities.

k. **Mandatory Assignments** - Picatinny Arsenal will not impose mandatory assignments or utilization of the facilities and services provided by the developer.

l. **Installation and Facility Access** – Picatinny Arsenal is not considered an “open post.” Access to installation facilities, including housing units is generally limited to military members, visitors, relatives, DoD civilians, and DoD contractors. To a limited extent, the public may be authorized access to some community facilities except during a state of national heightened security. Picatinny Arsenal will establish on a case-by-case basis, in coordination with the selected developer, the conditions that may limit or extend access to community facilities.

m. **Condition of Property Title** – The Army holds fee title to the property upon which the existing family housing is located and to the lands upon which any new family housing may be constructed.

APPENDIX C, PART II
MORRIS COUNTY, NEW JERSEY

1.0 AREA DESCRIPTION

- a. Picatinny Arsenal is located in Morris County, just 35 miles west of New York and 20 miles east of Pennsylvania. Part of the Newark Metropolitan Area, Morris is one of the faster growing counties in New Jersey. With an area of 469 square miles and an estimated 1999 population of 463,545, Morris' 988 persons per square mile, compared with 1,098 for the state, makes Morris one of the northern region's less densely populated counties.
- b. While the county has become increasingly suburban with most residents living in the eastern portion, many parts retain a rustic nature, enhanced by many lakes and wooded areas. Morris County has a predominantly non-farm economy, but some agriculture, such as dairy and livestock, fruit orchards and field crops, is evident in the western portion of the county despite advancing suburban development. Since Morris County has a mix of corporate headquarters, office/business parks and firms involved in research and development, a large part of the county's labor force hold relatively stable, high-paying professional/technical, and managerial/ administrative jobs.
- c. The county's per capita personal income is one of the highest in the state, ranking third among New Jersey's 21 counties (1997 data), and its average annual unemployment rate of 2.8 percent in 1999 was one of the lowest in New Jersey. The county's sophisticated, highly skilled labor pool, efficient road network and rail transportation systems and its quality of life are some of the great attractions that continue to lure businesses, such as AT&T, Allied-Signal Corp., Warner-Lambert, Novartis and RJR Nabisco, to the area. Several universities and colleges, including Drew University, Fairleigh Dickinson University, The College of St. Elizabeth and the County College of Morris, are located within the county. In addition, the International Trade Center (ITC) in Mt. Olive Twp. has continued to attract major companies, such as BASF, BMW of North America, Calvin Klein Cosmetics Co. and Hattori Corp., to its Foreign Trade Zone, one of three such zones in New Jersey. (A Foreign Trade Zone, which is authorized by the US Customs Service, allows a company in the zone to gain a cash-flow advantage by deferring duty payments on imported goods.)

2.0 POPULATION

- a. Morris County's population grew to 463,545 in 1999. The growth of 42,215 (10 percent since 1990) nearly doubled the statewide gain of 5.1 percent. This rapid population growth in the county was the result of both natural increment (births in excess of deaths: 27,943) and net international migration into the county (15,710). Morris County ranked sixth highest among the 21 counties when comparing the rate of population change. Residential development continued to flourish in Morris County, particularly in the western portion, where the availability of undeveloped land is greatest.

Fifteen of the county's 39 municipalities recorded population gains of 1,000 or more from 1990 to 1998 (latest data available by municipality).

- b. Due to its attractive, suburban environment, it is expected that the county will continue to attract substantial business investment and associated population growth. According to 1996–2006 projections, Morris County's resident population should increase 37,677 (8.4%) by the year 2006, outpacing the 5.4 percent statewide projection and placing it seventh highest in the state.

3.0 HOUSING

From 1990 through 1999, Morris County has added 17,000 new residential units to its housing stock with Montville accounting for the largest contribution with 2,500 new units (15%). Other municipalities experiencing large residential increases include Randolph, Roxbury, Morris Township and Parsippany. According to a report from the Newark Star-Ledger, Morris County's median sales price for a house increased almost 25% from 1995 to 1999.

4.0 EMPLOYMENT

The New Jersey Department of Labor projects that Morris County will gain 26,650 new jobs between 1996 and 2006. Morris County's unique geographic location and the region's excellent intra-state and interstate highway system allows it to draw labor from other bordering counties. The 1997 US Economic Census Report shows that Morris County gained 41,644 new jobs between 1992 and 1997.

5.0 INCOME

Morris County is one of the most affluent counties in New Jersey and the nation. The county's per capita personal income of \$42,913 in 1997 (the latest available county data) was the third highest behind Somerset (\$46,392) and Bergen (\$43,123), among New Jersey's 21 counties. With faster overall economic growth in the county and the amenities of suburban living that have attracted highly paid management and professional workers, Morris County's per capita personal income was \$10,557 above the state average in 1997. Total personal income steadily increased in Morris County from 1992 to 1997 and, in 1997, accounted for 7.5 percent of the total personal income in the state. This represents a 32.5 percent gain since 1992, compared with gains of 24.5 percent in the state and 29.2 percent across the United States.

6.0 AIRPORT SERVICES

- a. The Morristown Municipal Airport is a 24-hour facility capable of handling aircraft as large as B-737 and MD-80 located in the heart of Morris County's business district. It has more than 320 aircraft based at its facility and services such corporate clients as Lucent Technologies, Honeywell, and AT&T.

Airport amenities are tailored to service the needs of corporate aviation and include U.S. Customs for direct international service, gourmet catering, aircraft maintenance, aircraft cleaning, limousine, taxi and car rental service, as well as domestic and international air charter. Our unimpeded airspace and award winning snow removal team results in minimal delay as compared with other airports in the New York metro area. All of these advantages are available in the center of New Jersey's corporate environment with easy access to Manhattan.

b. In addition, Newark International Airport is a 25-minute drive from downtown Morristown via Route 24/78. The airport is vital for businesses' shipping needs and international corporate travel. In 1999, Newark International Airport's passenger volume of 33.2 million surpassed JFK Airport. Continental Airlines accounts for approximately 50 percent of the airport's annual passenger volume. Between 1998 and 1999 international passenger travel increased 25 percent. More than 1,060,000 tons of cargo was shipped from Newark in 1999.

7.0 CORPORATE COMMUNITY

Many of the Fortune 500 Companies have headquarters or major facilities in Morris County.

FORTUNE 500 COMPANIES – 2000

7. CITigroup	111. Liberty Mutual Insurance Group
8. AT&T	121. Emerson Electric (Automatic Switch)
9. Philip Morris/Nabisco	129. American Home Products
13. Hewlett Packard	130. Hartford Financial Services
14. State Farm Insurance	148. Toys "R" Us
17. American International Group	185. Schering-Plough
22. Lucent Technologies	186. Marsh & McLennan
25. MCI Worldcom	187. Colgate-Palmolive
29. Merrill Lynch	191. General Dynamics
30. Morgan Stanley Dean Witter	224. Bear Stearns
31. Chase Manhattan Corp.	225. Pain Webber Group
33. Bell Atlantic/Verizon	230. PNC Financial Services Group
34. Merck	245. Ashland
39. Intel (Dialogic)	251. Bank of New York
46. United Parcel Service	257. Chubb
48. Prudential Insurance Co. of America	298. Automatic Data Processing
53. Metropolitan Life Insurance	304. Gannett (Daily Record)
60. Conagra (International Home Foods)	308. Cendant
65. Honeywell	333. Litton Industries
67. First Union Corp.	338. GPU/First Energy Corp.
70. New York Life Insurance	363. Dover (CTI & PRC Laser)
71. American Express	408. Cablevision Systems
75. CIGNA	
79. Pepsico	
80. FleetBoston	
83. Coca-Cola	GLOBAL FORTUNE 500s
87. Xerox	BASF
91. Electronic Data Systems	Novartis
100. Bergen Brunswig	Bayer A.G.
104. FEDEX	Aventis
107. Pfizer	

Fortune 500 companies that either have a HQ or major facility (100 or more employees) in Morris County.

Bold indicates Corporation HQ located in Morris.

Source: Fortune Magazine, April 17, 2000

COUNTY TOTAL POPULATION ESTIMATES 1990-1998-1999

COUNTIES	Census 4/1/90	Estimate 7/1/98	Estimate 7/1/99	%Change '90 to '99
New Jersey	7,747,750	8,095,542	8,143,412	5.1%
Atlantic	224,327	237,988	239,626	6.8%
Bergen	825,380	854,428	857,052	3.8%
Burlington	395,066	421,283	424,510	7.4%
Camden	502,824	504,268	503,093	.05%
Cape May	95,089	98,001	98,009	2.1%
Cumberland	138,053	140,389	140,112	1.5%
Essex	777,964	748,322	747,355	-3.9%
Gloucester	230,082	248,012	250,492	8.8%
Hudson	553,099	553,030	552,819	-.05%
Hunterdon	107,802	122,389	124,553	15.53%
Mercer	325,824	331,474	333,861	2.4%
Middlesex	671,811	712,368	717,949	6.8%
Monmouth	553,093	603,214	611,444	10.5%
Morris	421,361	459,012	463,545	10.0%
Ocean	433,203	490,104	497,533	14.8%
Passaic	470,864	483,050	485,064	3.0%
Salem	65,294	64,935	64,534	-1.1%
Somerset	240,245	282,274	282,090	19.9%
Sussex	130,943	143,139	144,700	10.5%
Union	493,819	498,893	498,759	1.0%
Warren	91,607	98,699	100,312	9.5%

Note: The 1990 census counts include a correction of +17,562 residents to Passaic County and the state total.

MUNICIPAL AND COUNTY POPULATION ESTIMATES AND PROJECTIONS

Municipality	1990 Census	1999 Estimates	2000 Projection	2010 Projection
Boonton Town	8,343	8,505	8,525	8,723
Boonton Twnshp.	3,566	3,837	3,956	4,117
Butler	7,392	7,579	7,588	7,678
Chatham Borough	8,007	8,115	8,139	8,177
Chatham Twnshp.	9,361	9,901	9,909	9,986
Chester Borough	1,214	1,465	1,519	1,655
Chester Twnshp.	5,958	6,617	6,708	7,613
Derwille	13,812	14,736	15,080	15,654
Dover	15,115	15,375	15,401	15,660
East Hanover	9,926	11,689	11,786	12,67
Florham Park	8,521	12,159	12,762	13,266
Hanover	11,538	13,559	13,686	14,206
Harding	3,640	3,787	3,802	3,958
Jefferson	17,825	19,760	20,019	22,611
Kinnekon	8,470	9,016	9,095	9,893
Lincoln Park	10,978	11,455	11,718	12,259
Long Hill Twnshp.	7,826	8,511	8,567	8,958
Madison	15,850	16,096	16,123	16,382
Mendham Borough	4,890	4,991	5,001	5,101
Mendham Twnshp.	4,537	5,023	5,082	5,681
Mine Hill	3,333	3,483	3,498	3,648
Montville	15,600	21,496	21,791	23,747
Morris Twnshp.	19,952	21,816	21,863	22,232
Morris Plains	5,219	5,392	5,400	5,481
Morristown	16,189	17,175	17,269	17,284
Mount Arlington	3,630	4,641	4,973	5,142
Mount Olive	21,282	23,292	23,458	25,119
Mountain Lakes	3,847	3,912	3,925	4,047
Netcong	3,311	3,379	3,386	3,452
Parsippany	48,478	51,080	51,300	52,855
Pequanock	12,844	13,738	13,756	13,941
Randolph	19,974	24,051	24,448	28,422
Riverdale	2,370	2,516	2,889	2,967
Rockaway Borough	6,243	6,454	6,473	6,659
Rockaway Twnshp.	19,572	21,127	21,266	22,657
Roxbury	20,429	23,835	24,203	25,816
Victory Gardens	1,314	1,370	1,556	1,626
Washington	15,600	17,481	17,735	20,277
Wharton	5,405	5,721	5,739	5,919
TOTAL	421,361	464,131	469,392	495,546

Source: Morris County Planning Board, April 27, 2000

NEW JERSEY ANNUAL AVERAGE UNEMPLOYMENT RATE BY COUNTY 1990-1999

County	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Atlantic County	6.2	8.8	10.3	9.4	8.7	8.6	8.4	7.4	7.8	7.2
Bergen County	3.9	5.4	7.3	6.7	6.2	5.8	5.3	4.4	3.6	3.7
Burlington County	3.9	5.4	7.3	6.7	6.2	5.8	5.3	4.4	3.6	3.7
Camden County	5.9	7.7	9.3	7.4	6.8	6.4	6.0	4.9	4.5	4.6
Cape May County	7.7	10.2	13.1	13.1	12.7	12.1	11.8	10.9	10.3	10.1
Cumberland County	7.5	10.1	12.2	11.3	10.5	9.8	9.9	8.6	8.9	8.6
Essex County	6.3	8.1	10.0	9.1	8.3	7.7	7.8	6.5	5.6	5.7
Gloucester County	5.6	7.5	8.8	7.2	6.7	6.5	6.2	4.9	4.6	4.5
Hudson County	7.3	8.7	11.2	10.0	9.3	9.3	9.2	7.8	7.3	7.2
Hutendon County	2.7	3.8	5.1	4.4	3.7	3.2	3.1	2.4	2.2	2.1
Mercer County	4.4	5.6	6.6	5.8	5.3	5.4	5.7	4.6	4.1	4.0
Middlesex County	4.5	5.8	7.6	6.8	5.8	5.5	5.2	4.2	3.7	3.8
Monmouth County	4.1	5.8	7.4	6.2	5.7	5.4	5.3	4.4	4.0	4.0
Morris County	3.2	4.9	6.3	5.7	5.0	4.3	4.0	3.3	2.8	2.8
Ocean County	5.1	6.9	8.3	7.0	6.6	6.2	6.1	5.4	4.8	4.6
Passaic County	6.4	8.2	10.6	10.0	9.3	8.6	8.3	6.8	5.8	6.2
Salem County	5.3	7.2	8.5	7.0	6.7	6.5	7.2	5.6	5.0	4.7
Somerset County	2.9	3.9	5.2	4.8	4.3	3.8	3.4	2.8	2.6	2.5
Sussex County	4.2	6.1	8.0	7.2	6.3	5.7	5.3	4.3	3.6	3.5
Union County	5.4	7.0	8.7	8.0	7.2	6.5	6.3	5.4	4.8	4.8
Warren County	4.3	6.1	7.8	7.0	6.3	5.7	5.5	4.5	4.0	4.2
Statewide	5.1	6.7	8.5	7.5	6.8	6.4	6.2	5.1	4.6	4.6

1999 Benchmark (Not Seasonally Adjusted)
3/1/2000

Source: New Jersey Department of Labor
Labor Planning and Analysis
Labor Market and Demographic Research
Bureau of Labor Force Statistics

All Information extracted from Morris Area Development Group Factbook.

APPENDIX D, PART I

SITE DESCRIPTION AND ECONOMICS OF THE REGION

WALTER REED ARMY MEDICAL CENTER, DISTRICT OF COLUMBIA

1. SITE DESCRIPTION

- a. Walter Reed Army Medical Center was the major Army General Hospital in operation east of the Mississippi River at the outbreak of the Korean War. Many of the wounded were transferred by air transport directly to the hospital from the battlefield. The Vietnam War further increased this type of service. Thus, with improved medical techniques in the field and rapid air evacuation, every field station on the firing line became a potential emergency entrance to the Walter Reed Army Medical Center.
- b. The Walter Reed Army Medical Center (WRAMC) consists of three geographically separate sections. The Main Section, located at the northern limits of Washington, DC, encompasses the hospital and major research and teaching facilities. Forest Glen functions as an auxiliary research, service and support area located in Montgomery County, Maryland, approximately three miles north of the Main Section. Glen Haven, also located in Montgomery County, located approximately four miles north of the Main Section and provides family housing for enlisted military personnel assigned to Walter Reed Army Medical Center.
- c. The Main Section contains numerous historical buildings constructed in the early part of the Twentieth Century and several large temporary buildings that could be demolished for new building sites and to improve vehicular circulation. The Walter Reed Historic District, a National Register Eligible District covers a large part of the Main Section. This district places some constraints on development at the Main Section.
- d. The Forest Glen Section of Walter Reed AMC is a 183-acre site in Montgomery County, Maryland. The site is situated approximately three miles north of Main Section. I-495 on the north, the B&O railroad on the east, Brookville Road and a light industrial area on the south, and Rock Creek Park and the Forest Glen suburb on the west bound the property. The area surrounding the Forest Glen Annex consists primarily of dispersed subdivision development of detached, single-family dwellings.
- e. The Glen Haven Section is utilized solely for family housing. Currently, 211 units occupy approximately 20 acres of land, or roughly 10 dwelling units per acre. Redevelopment is essentially the main potential of this fully utilized area.

Based on RT 12.5 zoning on the west side of Horde Street, the site density could be increased to 15 dwelling units per acre.

- f. The following web sites provide additional information on the communities around Walter Reed Army Medical Center: Walter Reed Army Medical Center:
www.wramc.amedd.army.mil

2. WALTER REED ARMY MEDICAL CENTER'S VISION/MISSION//VALUES/GOALS

- a. **Vision** – Provides the nation's most effective population-based primary and specialty military health care for soldiers, other service members, families and retirees in the National Capital Area. Includes the pre-eminent federal medical center for worldwide referral care, clinical education and clinical research.
- b. **Mission** – The Walter Reed Army Medical Center (WRAMC) is a major medical care, research and teaching center of international importance under the command jurisdiction of the United States Army Medical Command (MEDCOM), Fort Sam Houston, Texas. It's mission is to operate a tertiary care medical center, which provides general and specialized medical care, inpatient and outpatient, for eligible beneficiaries, provide area health maintenance support; provide specialty and subspecialty health services on a worldwide referral basis, coordinate and evaluate health care delivery of, and provide consultative services to, medical facilities within the Walter Reed Health Service Region; conduct graduate medical education programs, and technical education and training programs for health care professional and paramedical personnel; provide professional training to, and serve as the principal clinical teaching hospital facility for, medical students from Uniformed Services University of the Health Sciences; conduct clinical investigation programs; provide authorized veterinary services; provide administrative and logistical support to tenant units, reserve component units, and satellite activities, as may be assigned; and test and evaluate new systems and concepts.
- c. **Values** –
- (1) Professionalism:
 - (2) Accountability:
 - (3) Teamwork:
 - (4) Commitment:
 - (5) Honesty:
 - (6) Sensitivity:

- d. **Goals** – The Walter Reed Army Medical Center’s (WRAMC) long-term vision, as it enters the 21st Century, is to be recognized for its contributions as a historic medical campus grounded in the traditions and contributions of its founder, Major Walter Reed. Major Reed was a renowned scientist, researcher and educator, and WRAMC will continue to be the leader among health care institutions in the Department of Defense for health care, training, and research and work climate. To ensure that WRAMC continues its key role in providing for quality health care, the training and education of health care providers, and the development of medical research, the following generalized development goals have been formulated. They are as follows:
1. Advance the medical, teaching and research mission of the installation.
 2. Enhance the quality of life and morale support mission of the installation.
 3. Develop WRAMC in an efficient, effective and aesthetically beneficial manner, which corresponds to its historical evolution, natural setting and environmental impact.

3. RESIDENTIAL COMMUNITIES INITIATIVE (RCI) PROJECT

Walter Reed Army Medical Center is proposing to partner with the private sector for the purpose of improving the military family housing community, utilizing applicable legislative authorities and the provisions of the Army’s RCI Program.

4. RCI PROJECT VISION AND GOAL

a. VISION

- (1) The RCI project will deliver exceptional family housing communities that foster family lifestyles.
- (2) Community design techniques will produce effective solutions that appeal to residents, improve the curb appeal of the existing housing areas and deliver multiple opportunities for recreational and community activities.
- (3) Community design standards will result in timeless communities that meet the complex demands of the Army’s culturally diverse families.
- (4) Resources will be optimized to meet the established priorities of upgrading communities and improving in the quality of housing.

b. GOALS:

1. Community

(a) The communities should be fenced and gated to promote safety and well being. This will allow residents to feel safe walking through their community day or night.

(b) The communities will be pedestrian friendly and provide linkages to neighboring communities and to the community facilities.

(c) Traffic designs will be considerate of the needs of pedestrians to allow them to safely coexist with vehicular traffic.

(d) Green and open spaces will be readily available in all of the housing communities.

(e) Community centers, recreational facilities and childcare amenities will be integrated into the communities and will serve as focal points of the communities. Community overall planning and design, to include landscaping, shall be done in such a fashion to minimize maintenance and repair costs.

2. Dwelling Units

(a) All dwelling units will be green within 10 years of transfer of operations.

(b) The cost factor to maintain the “green” status will be based on the basic allowance for housing (BAH), less an amount sufficient to cover average utility usage.

(c) Units will be designed to accommodate the lifestyle of the military family.

(d) Storage will be sufficient to allow the soldiers to safely store personal effects and limit visual pollution in housing areas.

(e) Residents will have access to sufficient covered / garaged parking to prevent excessive on-street parking.

(f) Units will include an outdoor area that provides privacy and connectivity to the community.

(g) Units shall be designed in a fashion to minimize maintenance, repair, and preservation efforts. Selections of materials and/or electrical, mechanical and plumbing equipment shall be taken into consideration to minimize energy savings.

3. Asset and Property Management

(a) Based on the BAH, the financial structure will maximize the development scope and support short and long-term needs.

(b) Operations and maintenance services are provided in a prompt, courteous, and efficient manner, exceeding current service standards.

(c) Units will be revitalized or replaced on a periodic basis to maintain economic and structural viability allowing for the inclusion of state of the art features.

5. PROJECT SUMMARY:

- a. Walter Reed Army Medical Center’s family housing privatization initiative promotes high-quality family housing within the military member’s basic allowance for housing, less an amount sufficient to cover average utility usage.
- b. Walter Reed Army Medical Center proposes to convey its Glen Haven Section, which includes an inventory of 211 family housing units and lease the land on which the existing units are located. The historic units will also be included in this project, however, some of the ten may be withdrawn for other purposes. In exchange, this partnership will provide replacement housing, community amenities, new construction, long-term operation, management and maintenance, and rehabilitation of some existing family housing. This conveyance will be for a fifty-year period with a twenty-five year renewal clause.
- c. The Family Housing Market Analysis (FHMA) conducted in late 2001 identifies an on-post requirement for 877 military housing units (156 officer, 721 enlisted) at Walter Reed Army Medical Center. This requirement is further broken down by bedroom category – 544 two bedroom, 214 three bedroom, and 119 four bedroom. WRAMC proposes that their privatization partner consider these requirements while preparing a scope that can be supported by project economics.

6. FINANCIAL FEASIBILITY

Walter Reed Army Medical Center’s financial feasibility analysis is under development.

7. NEED FOR MILITARY HOUSING PRIVATIZATION INITIATIVE AUTHORITIES (MHPI)

Due to Walter Reed’s geographic location, and local economic activities, some of the legislative authorities provided by the MHPI may be necessary for the financial viability of the project. The development partner may recommend use of any of these authorities. (Refer to Appendix A, Paragraph A. 1. and Appendix B.).

8. CURRENT INVENTORY OF FAMILY HOUSING:

The following table depicts the current total family housing inventory as designated by grade and bedroom count.

GRADE	1BR	2BR	3BR	4BR	5BR	TOTAL
GFOQ	0	0	0	2	0	2
SGOQ	0	0	1	5	2	8
FGOQ	0	0	0	0	0	0
CGOQ	0	0	0	0	0	0
SNCOQ	0	126	44	41	0	211
JNCOQ	0	0	0	0	0	0

TOTAL	0	126	45	48	2	221
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GFOQ – General/Flag Officer Quarters
 SGOQ – Senior Grade Officers Quarters
 FGOQ – Field Grade Officers Quarters
 CGOQ – Company Grade Officer Quarters
 SNCOQ – Senior Non-Commissioned Officer Quarters
 JNCOQ – Junior Non-Commissioned Officer Quarters

The following table lists the construction dates of the current Family Housing inventory.

Main Section	1920	04-010			1	7	2	10
Glen Haven Section	1976	E1-E9		126	40	45		211
Housing Area (s)	Year Built	Grade	1 BR	2BR	3Br	4Br	5BR	Total

The following table shows the actual assignment of quarters as of December, 2001 as well as the monthly rental income that the developer could expect from this specific assignment.

Pay Grade	2002 BAH with Dependents	On - Post Housing					Potential Monthly Income
		2 BR	3 BR	4 & 5 BR	Housing by Rank		
E1	\$1185	0	0	0	0	\$0	
E2	\$1185	8	0	3	11	\$13035	
E3	\$1185	17	5	3	25	\$29626	
E4	\$1185	66	15	11	92	109020	
E5	\$1265	13	12	7	32	\$40480	
E6	\$1546	1	5	6	12	\$18552	
E7	\$1651	0	0	3	3	\$4953	
E8	\$1766	1	1	2	4	\$7064	
E9	\$1887	0	0	0	0	\$0	
WO1	\$1548	0	0	0	0	\$0	
O1	\$1297	0	0	0	0	\$0	
O1E	\$1673	0	0	0	0	\$0	
WO2	\$1698	0	0	0	0	\$0	
O2	\$1540	0	0	0	0	\$0	
O2E	\$1816	0	0	0	0	\$0	
WO3	\$1837	0	0	0	0	\$0	
O3	\$1832	0	0	0	0	\$0	
WO4	\$1906	0	0	0	0	\$0	
O4	\$2020	0	0	0	0	\$0	

WO5	\$1986	0	0	0	0	\$0
O5	\$2150	0	1	0	1	\$2150
O6	\$2167	0	0	4	4	\$8668
O7	\$2193	0	0	0	0	\$0
O8	\$2193	0	0	2	2	\$4386
O9	\$2193	0	0	0	0	\$0
O10	\$2193	0	0	0	0	\$0
TOTAL ASSIGNED		106	38	41	187	\$237,934
TOTAL INVENTORY		126	46	49	221	
DIFFERENCE		20	8	8	36	
Additional potential monthly income if all habitable, unoccupied house occupied:						\$29,645
Assuming an average monthly BAH per house @ \$539						
Total Potential Monthly Rental Income @ WRAMC						\$224,802

Based on effective inventory as of December 1, 2001.

* 4 army family housing units located at main section and Glen Haven are currently offline because of major renovations and/or replacement. The effective inventory as of December 2001 is 217 units.

Waiting List – There is currently a waiting list for on-post housing. As of December 2001, the average wait for 2 and 4 bedroom units is 30-60 days and for 3-bedroom units, 90-120 days. There are approximately 12 families on the waiting list.

Military Construction Projects – The following chart summarizes recent Military Construction (MILCON) projects:

Project	Number of Units	Approx. Total Cost (\$M)	Project Timing
Whole Neighbor Revitalization Project for Main Section	6	\$2.5	

9. COMMUNITY SUPPORT FACILITIES

a. **Military Family Housing Office** – The Family Housing Office assists military members in securing housing on and off post. Walter Reed Army Medical Center has a total of 221 sets of quarters, of which 8 are allocated to key and essential officers, 4 are shutdown for demolition and 211 to enlisted personnel. These quarters are located in 2 major housing areas. Family quarters are authorized for military personnel in all grades.

b. **Guest House** – Guest House facilities at the WRAMC Main Section, includes 276 guest-rooms. This includes the Fisher House (eight rooms), which is available for families of patients undergoing treatment in the hospital, the Mologne House (199 rooms), the Guest House Building 17 (65 rooms) and the Distinguished Visitors Quarters in Building 12 (four rooms).

c. **Schools** - There are no Department of Defense education activities on post. Information on schools can be provided at www.mcps.k12.md.us.

d. **Health Care** – Walter Reed Health Care (Building 2), encompasses more than 2,400,000 square feet. Its workforce make up of approximately 6,500 military and civilian health care providers. They service approximately 35,000 active duty and retired service members and their families. All major in and out patient services are provided to include primary and emergency care, specialty clinics and Tri-care. Building 1, has 319,981 square foot building, houses primarily activities of the US Army Area Dental Laboratory. Building 7, has 50, 635 square feet and 38, has 9,933 square feet also includes clinic and related medical functions. The Borden Pavilion, Building 6, is a 65,549 square foot clinic building recently completed to support a new mission from the Base Realignment and Closure (BRAC) initiative.

e. **Recreation** – The primary active recreation area is located along the northern boundary of the installation and includes an exercise room (building 88) and outdoor play courts. Outdoor facilities for active sports participation consist of a combination basketball/volleyball court located near building 14. Space is limited at the Main Section for significant development such as softball fields. These facilities are provided at the Forest Glen Section. However, a new physical fitness center is being constructed near building 1.

f. **Child Development Services (CDS)** – A Child Development Center is located in the Forest Glen Section. Walter Reed Army Medical Center is proposing to build 1 additional CDC on Main Section and a School Age Services Center at the Glen Haven Section. They are currently being designed for FY02.

g. **Adult Education** - The Education Center, Building 11 is designed to provide the vocational and educational programs that can satisfy the skill development and occupational needs of the Army as well as increase career potential. The Education Center provides on-post college programs of associate, baccalaureate, and master degree

level for military, family members, retired personnel, and Department of Defense (DOD) civilians.

h. **Chapels and Religious Facilities** – The Memorial Chapel (building 57) and the chapel located on the third floor of the Medical Treatment Facility (building 2), provides chapel programs for military personnel, their family members, and authorized civilians. Emergency services are always available.

i. **Craft/Hobby Center** - There is a facility available for craft and hobby needs of military members, their families, retirees, and DOD civilian employees at the Forest Glen Section. The auto craft skill shop is located on main section.

j. **Retail Stores** - A large shopping center complex, in the Forest Glen Section, hosts the main commissary and the Post Exchange. Building #1 and #2 has gift shops, beauty and barber services, dry cleaning, flower shops, tailoring, eye care, video rental, and laundry. Additionally, smaller convenient mini-mall retail stores and a variety of fast food facilities are located on the main section (building #1) installation.

k. **Armed Forces Institute of Pathology (AFIP) Museum** - Established in 1954 is a National Landmark designated collection of military medical articles and specimens dating from before the Civil War. Included is the largest and most comprehensive collection of microscopes and related equipment in the world.

l. **Youth Services** - Walter Reed Army Medical Center is currently partnering with the Boys and Girls Club of Greater Washington for Youth Services.

10. SERVICES

a. **Electric** – The installation purchases electricity from the Potomac Electric Power Company (PEPCO), exclusive of the Armed Forces Institute of Pathology, and serviced by three normal supply and one emergency supply feeders at 13.2 kilovolts (kV). The emergency feeder is so arranged that by manual switching breakers it can be connected to the load of any one of the normal supply feeders in event of normal supply failure. Each of the three normal supply feeders is connected a section of high voltage bus, which supplies five radial distribution feeders per main feeder that radiate over the Main Section. Thus, there are a total of 12 radial feeders emanating from the main switching station. These feeders supply network transformers located in manholes and on transformer pads and having a primary voltage of 13.2 kV and a secondary voltage of 120/208 volts in a three-phase, four-wire system. The entire system is underground. Service enters the post at the intersection of Georgia Avenue and Aspen Street and at Alaska Avenue near building 54.

b. **Gas/Water/Wastewater** – Washington Gas Company presently provides natural gas service to the installation. The total heating plant capacity with all boilers operating at 75 percent of full capacity and with one boiler at standby is 156,0000 pounds per hour. This assumes a 20 percent process steam load at the heating plant. The heating plant is currently operating on natural gas. The fuel oil facilities were converted to accommodate No. 2 fuel oil in lieu of the heavier grades that were formerly used.

Steam is utilized for heating, cooking, sterilizing, and production of hot water for domestic, hospital, and laboratory use. Chilled water is produced on-site at the Main Section. The main chilled water plant serving the majority of existing development is located in Building 48 on Dahlia Street at Service Road between Buildings 1 and 2. This facility utilizes six chillers totaling 7,050 tons of cooling. A secondary chilled water plant housed in Building 49 is a single chiller sized at 635 tons. This plant is located adjacent to the main steam plant, Building 15 near the southern boundary. Additionally, there are three 600-ton chillers located in Building 54 (AFIP). Dedicated solely to the AFIP, these chillers are utilized primarily at summer peak load conditions when Building 54 is isolated from the main chilled water plant distribution loop.

c. **Centralized Heating/Cooling Systems** – There is one central high-pressure steam plant (Building 15) at the Main Section. This plant is comprised of four dual fuel (gas/oil) high-pressure steam boilers. Walter Reed is currently working on a Utilities Privatization Program (which is only part of the Army's overall goal to improve utilities infrastructure). The only housing currently served by a central plant is Main Section.

d. **Landfill Operations** – There is no landfill operations conducted at Walter Reed Army Medical Center. Municipal wastes are collected from dumpsters by commercial waste haulers for disposal in off-post landfills. To comply with D.C. and Maryland laws, hazardous wastes generating activities may accumulate hazardous wastes in containers for no more than 30 days at which time the wastes must be turned in to a WRAMC central hazardous waste bunker.

e. **Refuse Collection** - A private contractor collects household refuse, yard waste, and recyclable items weekly.

f. **Recycling** - Recycling is currently mandatory for those who live and work at Walter Reed Army Medical Center. Weekly curbside service is provided by a private contractor to the housing areas. Paper, plastic, aluminum, steel, motor oil and glass products are recycled.

g. **Fire Protection** - The Walter Reed Army Medical Center maintains its own on-post fire protection services. They are supported as required by municipal services. A mutual fire fighting assistance agreement is in effect with the DC Fire Department of Washington and with Montgomery County, Maryland. The nearest DC fire station is located approximately one mile from the Main Section at Georgia and Missouri Avenues, 5 miles from Forest Glen and 6 miles from the Glen Haven Section.

11. INSTALLATION BUILDING GUIDELINES: Building construction at Walter Reed Army Medical Center are classified as permanent, semi-permanent or temporary type construction. Partners are encouraged to use their ingenuity and innovation in the planning and development process.

However, they are expected to propose plans that are compatible with existing architectural and design guidelines. In addition to the Master Plan, we also have an Urban Design Framework and an Installation Design Guide. We expect the RCI partner to respect these guides.

a. **Architectural Style** - Most of the housing at Walter Reed Army Medical Center, Main Section was constructed in the 1920's, Glen Haven Section in the 1970's. The homes have the architectural style typical of that period. New and replacement construction in recent years has been designed to today's modern standards with a family room, separate laundry areas, and more amenities. New housing, under this program, should be constructed in accordance with modern styles in the local community and accepted industry standards. In regards to housing on Main Section, the developer along with the installation and SHPO shall coordinate the final plans and layout with the NHPA in 1966 as amended.

b. **Height** - Generally, the recommended height is two to three stories plus a basement, at Main Section. Glen Haven Section limit is three, but could go higher if allowed by zoning.

c. **Americans with Disabilities Act** - The developer and the Community Development and Management Plan to be crafted must meet the requirements of this act. At Walter Reed Army Medical Center, it is projected that ten percent of the units to be replaced plus the additional units to be constructed will need to be handicapped accessible or easily modifiable to be accessible to meet the requirements of the Americans with Disabilities Act. The actual number will be agreed upon between the developer and the Government during the CDMP process. Special consideration will be given to the specific needs of the population at Walter Reed Army Medical Center.

12. ENVIRONMENTAL CONSIDERATIONS

a. The housing areas proposed for this project are thought to be suitable for the intended development. An Environmental Assessment (EA) is currently being prepared and will be available to the partner during the development of the CDMP.

b. During the time of construction of most of the housing units at Walter Reed Army Medical Center, asbestos-containing materials and lead-based paint were widely used. These materials are still present and will require abatement during renovation work or appropriate, legal removal during demolition.

c. An Environmental Assessment (EA) of the CDMP will be required prior to the implementation of the project. The EA will be developed in conjunction with the preparation of the CDMP, and will comply with the provisions of the National Environmental Protection ACT (NEPA).

The partner will be responsible for the payment of all costs associated with performing any necessary additional environmental studies to prepare the CDMP or to obtain project financing.

d. Construction is allowed after assuring NEPA compliance, reviewing encumbrance restrictions and conditions, and obtaining all applicable permits for construction activities. For example, general encumbrances may involve preparing NEPA documents and securing digging permits for subsurface mechanical construction or exploration activities.

13. OTHER CONDITIONS

a. **Jurisdiction** – Walter Reed Army Medical Center will maintain exclusive federal jurisdiction over the real estate within the borders of the Installation. However, the Glen Haven Section will have limited jurisdiction. The state and local government will continue to provide police and fire protection to the Glen Haven Section.

b. **Industrial Areas** - Absolutely no construction of family housing will be allowed in the current industrial or training areas of the Installation. Walter Reed Army Medical Center may allow construction of administrative and maintenance facilities in the industrial area.

c. **Fire and Police Protection** – In the Glen Haven Section, fire and police protection in the family housing area will be provided by the local government. In Main section, Walter Reed Army Medical Center will provide fire and police protection. The partner shall adhere to WRAMC requirements concerning physical security of facilities. The partner shall also adhere to any fire prevention policies established, as well as the federal, state, county, and local governments. WRAMC Fire Department enforces NFPA 101.

d. **Escrow Accounts** - The selected partner is to establish the following escrow accounts as a minimum. These accounts would require the signatures of the selected partner and the Garrison Commander or his representative prior to withdrawal of funds.

- (1) Capital repair and replacement
- (2) Deferred maintenance and repair
- (3) New construction and historic preservation
- (4) Reserves
- (5) Incentive Performance

e. **Installation Controls** - The following controls will be retained by the installation:

- (1) Security of the Installation
- (2) Fire and Police Protection
- (3) Authority to withdraw authorization to reside on-post
- (4) Authority to negotiate use of escrow accounts with partner
- (5) Housing grade categories and designation of housing
- (6) Designation approval of key and essential positions

f. **Rent Methodology** - The maximum allowable income to be derived from occupancy of family housing is not to exceed the sum of the on post military members' basic housing allowances, less an amount sufficient to cover average utility usage. Military members are not expected to expend out-of-pocket funds to reside in family housing provided by the developer as long as their utility consumption is not such that it exceeds the amount set aside to cover average utility usage. Rental adjustments will be linked to the Basic Allowance for Housing (BAH) with appropriate controls.

g. **Community Amenities** - Community amenities are those generally provided in a typical housing development such as community centers, child care centers, playgrounds, tennis courts, jogging trails, and other recreational facilities. The developer is to provide such amenities as part of the replacement and construction portion of the project. The developer may help operate, maintain, and staff these facilities in collaboration with existing government programs or to augment such programs.

h. **Storage Facilities** - Typically, military families accumulate items from around the world that require storage and accessibility, more so than the typical American family. However, the developer is to provide adequate space to include Recreational Vehicle and boat storage facilities in or near the family housing units or at a central location in close proximity to the installation.

i. **Construction Sites** – Walter Reed Army Medical Center do not have adequate and appropriate land in which a developer can initiate a construction project. A Construction Site Feasibility Study will be provided during the development of the business and financial plans.

j. **Metes and Bounds** – Walter Reed Army Medical Center will identify housing areas and surrounding available land within the housing areas to accommodate revitalized neighborhoods. A metes and bounds survey will be conducted and will be provided during the development of the CDMP.

k. **Historic Housing** – Walter Reed Army Medical Center has ten eligible family housing units, of which three may be rehabilitated in accordance with historic standards and seven to be removed from the housing inventory. Rehabilitation work and removal requires close coordination with the State Historical Preservation Offices (SHPO), Installation Environmental Coordinators, and any other appropriate interested parties. Typically, historic housing units are those that are on the National Register for Historic Places, eligible for registration, or located in a designated historic district. As mentioned previously, a Programmatic Agreement will need to be developed and executed by Walter Reed Army Medical Center, the SHPO, and the developer to govern the management, operation, and rehabilitation of these structures. The Army has manuals and guidelines that apply to these considerations and copies of these will be available in the Walter Reed Army Medical Center's Data (Document) Room.

l. **Installation and Facility Access** – Walter Reed Army Medical Center is considered a “closed post”. Access to Installation facilities, including housing units, are generally limited to military members, visitors, relatives, DOD civilians, and DOD contractors. Walter Reed Army Medical Center will establish on a case-by-case basis, in coordination with the selected developer, the conditions that may limit or extend access to community facilities.

m. **Condition of Property Title** - The Army holds fee title to the property upon which the existing family housing is located and to the lands upon which any new family housing may be constructed.

APPENDIX D, PART II

Walter Reed Army Medical Center Washington, District of Columbia and the Surrounding Communities

1.0 Area Description

- a. Walter Reed Army Center is located in Washington D.C. Founded in 1791, Washington, D.C. was designed by Major Pierre Charles L'Enfant. It was the first American city planned for a specific purpose and designed to be a beautiful city with wide streets and many trees. The city's business is centered around the government. The district was originally a 10 miles square crossing the Potomac River into Virginia. Both Virginia and Maryland donated part of their land for the capital district. The Virginia portion of D.C. was later ceded back to Virginia.
- b. The District of Columbia is populated by over 572,059, and enjoys a rapid growth rate. These enviable demographics are largely due to the fact that Washington is the home of the Federal Government. Although it is sixth in terms of population, economically the metropolitan area is much more prominent. When comparing employment by industry, the Government substitutes for what would normally be an industrial base. Consequently, Washington is the second largest office market in the country only behind greater New York.
- c. With over 2 million jobs, this region is the country's fifth largest employment market. The Washington Region boasts the United States' best-educated labor force, the nation's highest income levels, the highest percentage of persons in professional and technical employment categories and the highest percentage of women in the labor force.
- d. Today, the area has an excellent balance between government and non-government enterprises. Although the Federal Government plays a major role in the local economy, that role has diminished over the past twenty years. The Federal Government, however, stabilizes the area's economy, both with direct employment and through procurement of goods and services in the local area.
- e. The public sector in the metropolitan area is more than balanced by a substantial and diverse private sector. Washington D.C. has evolved into a major corporate headquarters location. Companies headquartered in the Washington area include Mobil, Gannett, America Online, General Dynamics, Lockheed-Martin, Marriott, Mars and US Airways. Additionally, virtually every Fortune 500 Company has a presence in the area. Washington is also home to the World Bank, International Monetary Fund, International Finance Corporation, Inter-American Development Bank, Fannie Mae, Freddie Mac and Sallie Mae as well as the booming telecom and .com hub in Western Fairfax County.

- f. One of Washington, D.C.'s strongest assets is its community of colleges and universities. Over 100,000 students are enrolled in D.C.'s colleges and universities. These include the following:
1. The Catholic University of America
 2. George Mason University
 3. Georgetown University
 4. George Washington University
 5. Gallaudet University
 6. Howard University
- g. Attractions include the National Gallery of Art, the Smithsonian Institute, the National Zoo, the White House, the John F. Kennedy Center for Performing Arts, the Corcoran Museum and the Folgers Shakespeare Library. In addition to these cultural attractions, the Washington D.C. area is home to several professional sports teams consisting of the Wizards (NBA), Redskins (NFL) and Capitals (NHL).

Maryland:

- a. On the Eastern seaboard of D.C., Maryland lies strategically located for trade. Bordering the District of Columbia to the South, Maryland is located within hours by land of Philadelphia, New York City and Pittsburgh. Nearly 90% of the state's population resides within the Washington-Baltimore consolidated metropolitan statistical area, the fourth largest retail market in the country. Major transportation hubs include the Port of Baltimore, Baltimore/Washington International Airport and numerous arterial interstate highways.
- b. Established by colonists in 1776, Montgomery County made history in 1791 when it ceded 36 square miles to the United States government to help create our nation's capital. Because of its proximity to Washington, D.C., Montgomery County is home to many federal agencies, including the National Institute of Standards and Technology, the National Institutes of Health, the Food and Drug Administration and the National Oceanic and Atmospheric Administration. Additionally, the I-270 corridor features world-class research facilities, educational institutions, technology corporations and federal laboratories and agencies.

Virginia:

- a. Located across the Potomac River from Washington, D.C. lies the City of Alexandria, Virginia. Alexandria, which is some 50 years older than Washington D.C., is a unique and historic place that keeps pace with the modern world. The City is part of a large metropolitan area surrounding the nation's Capital, yet it has retained its period character. About one-quarter of the town's 15 square miles has been designated as a national or local historic district.

- b. Since 1988, Alexandria has experienced unprecedented commercial development. Today the Old Town historic district is known for its array of museums, architecture, special events, fine restaurants and hotels, and other attractions that draw more than 1.5 million international and domestic visitors to it each year.
- c. A cross section of headquarters operations that have expanded or relocated to Alexandria includes the Public Broadcasting Service, the American Diabetes Association, TRW, AT&T, Technology Applications, Capitol Publications, Fokker Aircraft USA, Softec, and the American Society for Training and Development.

Demographic information:

Washington Region Population 1990 & 2000

Jurisdiction	1990	2000
District of Columbia	609,000	572,100
Arlington County	170,900	189,500
City of Alexandria	111,200	128,300
Fairfax County ⁽¹⁾	847,800	1,001,600
Loudoun County	86,100	169,600
Prince William County ⁽¹⁾	250,400	326,200
Stafford County	61,200	92,400
Total Virginia Suburbs	1,527,600	1,907,600
Montgomery County	757,000	873,300
Prince George's County	729,100	801,500
Calvert County	51,400	74,600
Charles County	101,200	120,500
Frederick County	150,200	193,300
Total Maryland Suburbs	1,789,400	2,065,200
Washington MSA	3,926,900	4,544,900

(1) Includes independent cities

Source: U.S. Bureau of the Census

Demographics continued:
Washington Area Jobs 1990 & 2000
Total Jobs

Jurisdiction	1990	2000
District of Columbia	677,200	646,800
Northern Virginia	839,000	1,149,800
Suburban Maryland	762,000	917,900
Washington Area	2,278,300	2,714,500

Government Jobs

Jurisdiction	1990	2000
District of Columbia	275,900	224,300
Northern Virginia	162,900	188,100
Suburban Maryland	158,100	176,600
Washington Area	596,900	589,000

Private Sector Jobs

Jurisdiction	1990	2000
District of Columbia	401,300	422,500
Northern Virginia	676,200	961,700
Suburban Maryland	603,900	741,300
Washington Area	1,681,400	2,125,500

Source: U.S. Bureau of Labor Statistics

Washington Area Unemployment 1990 & 2000

Jurisdiction	1990	2000
District of Columbia	6.6%	5.8%
Arlington County	1.9%	1.2%
City of Alexandria	2.7%	1.7%
Fairfax County (1)	1.9%	1.3%
Loudoun County	1.6%	1.1%
Prince William County (1)	2.3%	1.7%
Stafford County	3.1%	1.4%
Montgomery County	2.5%	1.6%
Prince George's County	3.7%	3.4%
Calvert County	3.7%	2.3%
Charles County	2.9%	2.3%
Frederick County	4.2%	2.0%
Washington MSA	3.2%	2.3%

Source: U.S. Bureau of Labor Statistics

APPENDIX E
DACA31-02-R-0005
FEDERAL ACQUISITION REGULATION (FAR) AND DEFENSE FEDERAL
ACQUISITION REGULATION SUPPLEMENT (DFARS) CLAUSES

RFQ PROVISIONS AND CONTRACT CLAUSES IAW FAR & DFARS PART 12

This RFQ incorporates clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at <http://www.arnet.gov>. Clauses 52.212-1, 52.212-2 and 52.212-4 have been tailored.

52.212-1 Instructions to Offerors – Commercial Items (Oct 2000)

(a) The North American Industry Classification System (NAICS) code is 233110 (SIC 6552) and small business size standard is \$5M. However, the small business size standard for a concern which submits an offer in its own name, but which proposes to furnish an item which it did not itself manufacture, is 500 employees.

(b) Submission of Statements of Qualifications (SOQ). Submit signed and dated SOQ to the address in paragraph 1.2.2 of the RFQ at or before the exact time specified in this paragraph. SOQ may be submitted on letterhead stationery and as a minimum must show

- (1) The RFQ number (DACA31-02-R-0005)
- (2) The time specified in the solicitation for receipt SOQ;
- (3) The name, address, and telephone number of the prospective developer;
- (4) The SOQ in sufficient detail to evaluate compliance with the requirements in the solicitation.
- (5) "Remit to" address, if different than mailing address;
- (6) A completed copy of the representations and certifications at FAR 52.212-3;
- (7) Acknowledgment of Solicitation Amendments;
- (8) Past performance information in sufficient detail to evaluate the signed and dated SOQ must be in compliance with the requirements in the solicitation.

(9) A statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation. Offers that fail to furnish required representations or information, or reject the terms and conditions of the solicitation may be excluded from consideration.

(c) Late submissions. Statement of Qualifications or modifications received at the address specified for the receipt of information after the exact time specified in Paragraph (Section) 1.2.2, will not be considered.

(d) Contract award. The Government intends to evaluate each Statement of Qualifications during Step One and make a recommendation for the competitive range without discussions. Therefore, the initial Statement of Qualifications should comply with requirements in the solicitation and focus on the facts that are most relevant to the evaluation factors. However, the Government reserves the right to conduct discussions if later determined by the Contracting Officer to be necessary. The Government may reject any or all Statements of Qualifications if such action is in the public interest; and waive informalities and minor irregularities in Statements of Qualifications received.

(e) Data Universal Numbering System (DUNS) Number. (Applies to offers exceeding \$25,000.) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" followed by the DUNS number that identifies the offeror's name and address. If the offeror does not have a DUNS number, it should contact Dun and Bradstreet to obtain one at no charge. An offeror within the United States may call 1-800-333-0505. The offeror may obtain more information regarding the DUNS number, including locations of local Dun and Bradstreet Information Services offices for offerors located outside the United States, from the Internet home page at <http://www.customerservicer@dnb.com>. If an offeror is unable to locate a local service center, it may send an email to Dun and Bradstreet at <http://globalinfo@mail.dnb.com>.
(End of provision)

52.212-2 Evaluation -- Commercial Items (Jan. 1999)

(a) The Government will award a contract resulting from this solicitation to the developer whose qualifications conforming to the solicitation will be most advantageous to the Government, all factors considered. The factors are located in Section 4.0 titled "Developer Selection Process."

(b) The term of the contract will be addressed during the CDMP.

(c) A written notice of award or acceptance of an offer, mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the

offer, shall result in a binding contract without further action by either party. Before the offer's specified expiration time, the Government may accept an offer (or part of an offer), whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award.

(End of provision)

52.212-3--Offeror Representations and Certifications -- Commercial Items (May 2001)

(a) Definitions. As used in this provision:

Emerging small business" means a small business concern whose size is no greater than 50 percent of the numerical size standard for the NAICS code designated.

Forced or indentured child labor means all work or service –

(1) Exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or

(2) Performed by any person under the age of 18 pursuant to a contract the enforcement of which can be accomplished by process or penalties.

Service-disabled veteran-owned small business concern –

(1) Means a small business concern –

(i) Not less than 51 percent of which is owned by one or more service - disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and

(ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C.101(2), with a disability that is service-connected, as defined in 38 U.S.C.101(16).

"Small business concern" means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and size standards in this solicitation.

Veteran-owned small business concern means a small business concern -

- (1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C.101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and
- (2) The management and daily business operations of which are controlled by one or more veterans.

Women-owned small business concern" means a small business concern which is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of its stock is owned by one or more women and whose management and daily business operations are controlled by one or more women.

"Women-owned business concern" means a small business concern

- (1) That is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and
- (2) Whose management and daily business operations are controlled by one or more women.

(b) Taxpayer Identification Number (TIN) (26 U.S.C.6109, 31 U.S.C.7701). (Not applicable if the offeror is required to provide this information to a central contractor registration database to be eligible for award.)

- (1) All offerors must submit the information required in paragraphs (b)(3) through (b)(5) of this provision to comply with debt collection requirements of 31 U.S.C.7701(c) and 3325(d), reporting requirements of 26 U.S.C.6041, 6041A, and 6050M, and implementing regulations issued by the Internal Revenue Service (IRS).
- (2) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C.7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR [4.904](#), the

TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

(3) Taxpayer Identification Number (TIN).

- TIN: _____
- TIN has been applied for.
- TIN is not required because:
 - Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;
 - Offeror is an agency or instrumentality of a foreign government;
 - Offeror is an agency or instrumentality of the Federal Government.

(4) Type of organization.

- Sole proprietorship;
- Partnership;
- Corporate entity (not tax-exempt);
- Corporate entity (tax-exempt);
- Government entity (Federal, State, or local);
- Foreign government;
- International organization per 26 CFR 1.6049-4;
- Other _____

(5) Common parent.

- Offeror is not owned or controlled by a common parent;
- Name and TIN of common parent:

Name _____

TIN _____

(c) Offerors must complete the following representations when the resulting contract is to be performed inside the United States, its territories or possessions, Puerto Rico, the Trust Territory of the Pacific Islands, or the District of Columbia. Check all that apply.

(1) Small business concern. The offeror represents as part of its offer that it is, is not a small business concern.

(2) Veteran-owned small business concern. [Complete only if the offeror represented itself as a small business concern in paragraph

(c)(1) of this provision.] The offeror represents as part of its offer that it [] is, [] is not a veteran-owned small business concern.

(3) Service-disabled veteran-owned small business concern. [Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (c)(2) of this provision.] The offeror represents as part of its offer that it [] is, [] is not a service-disabled veteran-owned small business concern.

(4) Small disadvantaged business concern. [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents, for general statistical purposes, that it [] is, [] is not a small disadvantaged business concern as defined in 13 CFR 124.1002.

(5) Women-owned small business concern. [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents that it [] is, [] is not a women-owned small business concern.

Note: Complete paragraphs (c)(6) and (c)(7) only if this solicitation is expected to exceed the simplified acquisition threshold.

(6) Women-owned business concern (other than small business concern). [Complete only if the offeror is a women-owned business concern and did not represent itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents that it [] is a women-owned business concern.

(7) Tie bid priority for labor surplus area concerns. If this is an invitation for bid, small business offerors may identify the labor surplus areas in which costs to be incurred on account of manufacturing or production (by offeror or first-tier subcontractors) amount to more than 50 percent of the contract price:

(8) Small Business Size for the Small Business Competitiveness Demonstration Program and for the Targeted Industry Categories under the Small Business Competitiveness Demonstration Program. [Complete only if the offeror has represented itself to be a small business concern under the size standards for this solicitation.]

(i) (Complete only for solicitations indicated in an addendum as being set-aside for emerging small businesses in one of the four designated industry groups (DIGs).) The offeror represents

as part of its offer that it is, is not an emerging small business.

(ii)(Complete only for solicitations indicated in an addendum as being for one of the targeted industry categories (TICs) or four designated industry groups (DIGs).) Offeror represents as follows:

(A) Offeror's number of employees for the past 12 months (check the Employees column if size standard stated in the solicitation is expressed in terms of number of employees);
or

(B) Offeror's average annual gross revenue for the last 3 fiscal years (check the Average Annual Gross Number of Revenues column if size standard stated in the solicitation is expressed in terms of annual receipts).

(Check one of the following):

Number of Employees	Average Annual Gross Revenues
<input type="checkbox"/> 50 or fewer	<input type="checkbox"/> \$1 million or less
<input type="checkbox"/> 51 - 100	<input type="checkbox"/> \$1,000,001 - \$2 million
<input type="checkbox"/> 101 - 250	<input type="checkbox"/> \$2,000,001 - \$3.5 million
<input type="checkbox"/> 251 - 500	<input type="checkbox"/> \$3,500,001 - \$5 million
<input type="checkbox"/> 501 - 750	<input type="checkbox"/> \$5,000,001 - \$10 million
<input type="checkbox"/> 751 - 1,000	<input type="checkbox"/> \$10,000,001 - \$17 million
<input type="checkbox"/> Over 1,000	<input type="checkbox"/> Over \$17 million

(9) (Complete only if the solicitation contains the clause at FAR [52.219-23](#), Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns, or FAR [52.219-25](#), Small Disadvantaged Business Participation Program -- Disadvantaged Status and Reporting, and the offeror desires a benefit based on its disadvantaged status.)

(i) General. The offeror represents that either –

(A) It is is not certified by the Small Business Administration as a small disadvantaged business concern and identified, on the date of this representation, as a certified small disadvantaged business concern in the database maintained by the Small Business Administration (PRO-Net), and that no material change in disadvantaged

ownership and control has occurred since its certification, and, where the concern is owned by one or more individuals claiming disadvantaged status, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); or

(B) It has, has not submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

(ii) Joint Ventures under the Price Evaluation Adjustment for Small Disadvantaged Business Concerns. The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements in 13 CFR 124.1002(f) and that the representation in paragraph (c)(7)(i) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. [The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture: _____.]

(d) Representations required to implement provisions of Executive Order 11246 --

(1) Previous contracts and compliance. The offeror represents that --

(i) It has, has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation; and

(ii) It has, has not filed all required compliance reports.

(2) Affirmative Action Compliance. The offeror represents that --

(i) It has developed and has on file, has not developed and does not have on file, at each establishment, affirmative action programs required by rules and regulations of the Secretary of Labor (41 CFR Parts 60-1 and 60-2), or

(ii) It has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

(e) Certification Regarding Payments to Influence Federal Transactions (31 U.S.C.1352). (Applies only if the contract is expected to exceed \$100,000.) By submission of its offer, the offeror certifies to the best of its knowledge and belief that no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress on his or her behalf in connection with the award of any resultant contract.

(f) Buy American Act -- Balance of Payments Program Certificate.

(Applies only if the clause at Federal Acquisition Regulation (FAR) [52.225-1](#), Buy American Act -- Balance of Payments Program -- Supplies, is included in this solicitation.)

(1) The offeror certifies that each end product, except those listed in paragraph (f)(2) of this provision, is a domestic end product as defined in the clause of this solicitation entitled "Buy American Act -- Balance of Payments Program -- Supplies" and that the offeror has considered components of unknown origin to have been mined, produced, or manufactured outside the United States. The offeror shall list as foreign end products those end products manufactured in the United States that do not qualify as domestic end products.

(2) Foreign End Products:

Line Item No.:	Country of Origin:
_____	_____ (List as necessary)

(3) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25.

(g) (1) Buy American Act -- North American Free Trade Agreement -- Israeli Trade Act -- Balance of Payments Program Certificate.

(Applies only if the clause at FAR [52.225-3](#), Buy American Act -- North American Free Trade Agreement -- Israeli Trade Act -- Balance of Payments Program, is included in this solicitation.)

(i) The offeror certifies that each end product, except those listed in paragraph (g)(1)(ii) or (g)(1)(iii) of this provision, is a domestic end product as defined in the clause of this solicitation entitled "Buy American Act -- North American Free Trade

Agreement -- Israeli Trade Act -- Balance of Payments Program" and that the offeror has considered components of unknown origin to have been mined, produced, or manufactured outside the United States.

(ii) The offeror certifies that the following supplies are NAFTA country end products or Israeli end products as defined in the clause of this solicitation entitled "Buy American Act -- North American Free Trade Agreement -- Israeli Trade Act -- Balance of Payments Program":

NAFTA Country or Israeli End Products

Line Item No.:	Country of Origin:
_____	_____
	(List as necessary)

(ii) The offeror shall list those supplies that are foreign end products (other than those listed in paragraph (g)(1)(ii) of this provision) as defined in the clause of this solicitation entitled "Buy American Act -- North American Free Trade Agreement -- Israeli Trade Act -- Balance of Payments Program." The offeror shall list as other foreign end products those end products manufactured in the United States that do not qualify as domestic end products.

Other Foreign End Products

Line Item No.:	Country of Origin:
_____	_____
	(List as necessary)

(iii) The Government will evaluate offers in accordance with the policies and procedures of FAR Part 25.

(h) Certification Regarding Debarment, Suspension or Ineligibility for Award (Executive Order 12549). (Applies only if the contract value is expected to exceed the simplified acquisition threshold.) The offeror certifies, to the best of its knowledge and belief, that –

(1) The offeror and/or any of its principals [] are, [] are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(2) [] Have, [] have not, within the three-year period preceding this offer, been convicted of or had a civil judgment rendered against them

for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property;

(3) Are, are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with, commission of any of these offenses; and

(4) (i) The offeror, aside from the offenses enumerated in paragraphs (1), (2), and (3) of this paragraph (h), has has not within the past three years, relative to tax, labor and employment, environmental, antitrust, or consumer protection laws--

(A) Been convicted of a Federal or state felony (or has any Federal or state felony indictments currently pending against them); or

(B) Had a Federal court judgment in a civil case brought by the United States rendered against them; or

(C) Had an adverse decision by a Federal administrative law judge, board, or commission indicating a willful violation of law.

(ii) If the offeror has responded affirmatively, the offeror shall provide additional information requested by the Contracting Officer.

(i) Certification Regarding Debarment, Suspension or Ineligibility for Award (Executive Order 12549). The offeror certifies, to the best of its knowledge and belief, that --

(1) The offeror and/or any of its principals are, are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency; and

(2) Have, have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of

records, making false statements, tax evasion, or receiving stolen property; and [] are, [] are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with, commission of any of these offenses.

(j) Certification Regarding Knowledge of Child Labor for Listed End Products (Executive Order 13126). [The Contracting Officer must list in paragraph (j)(1) any end products being acquired under this solicitation that are included in the List of Products Requiring Contractor Certification as to Forced or Indentured Child Labor, unless excluded at [22.1503\(b\)](#).]

(1) Listed End Product

Listed End Product	Listed Countries of Origin:

(2) Certification. [If the Contracting Officer has identified end products and countries of origin in paragraph (j)(1) of this provision, then the offeror must certify to either (j)(2)(i) or (j)(2)(ii) by checking the appropriate block.]

[] (i) The offeror will not supply any end product listed in paragraph (j)(1) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product.

[] (ii) The offeror may supply an end product listed in paragraph (j)(1) of this provision that was mined, produced, or manufactured in the corresponding country as listed for that product. The offeror certifies that is has made a good faith effort to determine whether forced or indentured child labor was used to mine, produce, or manufacture any such end product furnished under this contract. On the basis of those efforts, the offeror certifies that it is not aware of any such use of child labor.

(End of Provision)

52.212-4 -- Contract Terms and Conditions -- Commercial Items (Dec 2001)

(a) Inspection/Acceptance. The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that

have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. The Government must exercise its post-acceptance rights –

(1) Within a reasonable time after the defect was discovered or should have been discovered; and

(2) Before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

(b) Assignment. The Contractor or its assignee may assign its rights to receive payment due as a result of performance of this contract to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C.3727). However, when a third party makes payment (e.g., use of the Governmentwide commercial purchase card), the Contractor may not assign its rights to receive payment under this contract.

(c) Changes. Changes in the terms and conditions of this contract may be made only by written agreement of the parties.

(d) Disputes. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C.601-613). Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR [52.233-1](#), Disputes, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(e) Definitions. The clause at FAR [52.202-1](#), Definitions, is incorporated herein by reference.

(f) Excusable delays. The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of the Contractor and without its fault or negligence such as, acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

(g) Invoice. The Contractor shall submit an original invoice and three

copies (or electronic invoice, if authorized,) to the address designated in the contract to receive invoices. An invoice must include –

- (1) Name and address of the Contractor;
- (2) Invoice date;
- (3) Contract number, contract line item number and, if applicable, the order number;
- (4) Description, quantity, unit of measure, unit price and extended price of the items delivered;
- (5) Shipping number and date of shipment including the bill of lading number and weight of shipment if shipped on Government bill of lading;
- (6) Terms of any prompt payment discount offered;
- (7) Name and address of official to whom payment is to be sent; and
- (8) Name, title, and phone number of person to be notified in event of defective invoice. Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C.3903) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment. Contractors are encouraged to assign an identification number to each invoice.

(h) Patent indemnity. The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

(i) Payment. (1) Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C.3903) and Office of Management and Budget (OMB) Circular A-125, *Prompt Payment*. If the Government makes payment by Electronic Funds Transfer (EFT), see [52.212-5\(b\)](#) for the appropriate EFT clause. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is made.

(i)(2) The Contractor shall be paid a fixed sum of \$350,000 following completion of Phase 1 project planning. No other payments shall be due to the Contractor in consideration for its performance under this contract. The Contractor will be deemed to have completed Phase 1 providing it delivers to the government a Community Development and Management Plan containing at least components, in substantially completed form, referenced in Section 2.1 of this RFQ. Payment alone does not obligate the Government to implement phase 2 with contractor.

(j) Risk of loss. Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon:

(1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or

(2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b. destination.

(k) Taxes. The contract price includes all applicable Federal, State, and local taxes and duties.

(l) Termination for the Government's convenience. The Government reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

(m) Termination for cause. The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the

Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(n) Title. Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.

(o) Warranty. The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.

(p) Limitation of liability. Except as otherwise provided by an express warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.

(q) Other compliances. The Contractor shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations applicable to its performance under this contract.

(r) Compliance with laws unique to Government contracts. The Contractor agrees to comply with 31 U.S.C.1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C.431 relating to officials not to benefit; 40 U.S.C.327, et seq., Contract Work Hours and Safety Standards Act; 41 U.S.C.51-58, Anti-Kickback Act of 1986; 41 U.S.C.265 and 10 U.S.C.2409 relating to whistleblower protections; 49 U.S.C.40118, Fly American; and 41 U.S.C.423 relating to procurement integrity.

(s) Order of precedence. Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order:

(1) The schedule of supplies/services.

(2) The Assignments, Disputes, Payments, Invoice, Other Compliances, and Compliance with Laws Unique to Government Contracts paragraphs of this clause.

(3) The clause at [52.212-5](#).

(4) Addenda to this solicitation or contract, including any license agreements for computer software.

(5) Solicitation provisions if this is a solicitation.

- (6) Other paragraphs of this clause.
- (7) The Standard Form 1449.
- (8) Other documents, exhibits, and attachments.
- (9) The specification.

(End of Clause)

52.212-5--Contract Terms and Conditions Required to Implement Statutes or Executive Orders -- Commercial Items (Dec 2001)

(a) The Contractor shall comply with the following FAR clauses, which are incorporated in this contract by reference, to implement provisions of law or executive orders applicable to acquisitions of commercial items:

- (1) [52.222-3](#), Convict Labor (E.O.11755).
- (2) [52.233-3](#), Protest after Award (31 U.S.C.3553).

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items or components:

[Contracting Officer must check as appropriate.]

- (1) [52.203-6](#), Restrictions on Subcontractor Sales to the Government, with Alternate I (41 U.S.C.253g and 10 U.S.C.2402).
- (2) [52.219-3](#), Notice of Total HUBZone Small Business Set-Aside (Jan 1999).
- (3) [52.219-4](#), Notice of Price Evaluation Preference for HUBZone Small Business Concerns (Jan 1999) (if the offeror elects to waive the preference, it shall so indicate in its offer).
- (4) (i) [52.219-5](#), Very Small Business Set-Aside (Pub.L.103-403, section 304, Small Business Reauthorization and Amendments Act of 1994).
- (ii) Alternate I to [52.219-5](#).
- (iii) Alternate II to [52.219-5](#).

X (5) [52.219-8](#), Utilization of Small Business Concerns (15 U.S.C.637 (d)(2) and (3)).

 (6) [52.219-9](#), Small Business Subcontracting Plan (15 U.S.C.637(d)(4)).

 (7) [52.219-14](#), Limitations on Subcontracting (15 U.S.C.637(a)(14)).

 (8) (i) [52.219-23](#), Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (Pub.L.103-355, section 7102, and 10 U.S.C.2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).

 (ii) Alternate I of [52.219-23](#).

 (9) [52.219-25](#), Small Disadvantaged Business Participation Program -- Disadvantaged Status and Reporting (Pub.L.103-355, section 7102, and 10 U.S.C.2323).

 (10) [52.219-26](#), Small Disadvantaged Business Participation Program -- Incentive Subcontracting (Pub.L.103-355, section 7102, and 10 U.S.C.2323).

X (11) [52.222-21](#), Prohibition of Segregated Facilities (Feb 1999).

X (12) [52.222-26](#), Equal Opportunity (E.O.11246).

X (13) [52.222-35](#), Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (38 U.S.C.4212).

X (14) [52.222-36](#), Affirmative Action for Workers with Disabilities (29 U.S.C.793).

X (15) [52.222-37](#), Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (38 U.S.C.4212).

 (16) [52.222-19](#), Child Labor -- Cooperation with Authorities and Remedies (E.O.13126).

 (17) (i) [52.223-9](#), Estimate of Percentage of Recovered Material Content for EPA-Designated Products (42 U.S.C.6962(c)(3)(A)(ii)).

- ___ (ii) Alternate I of [52.223-9](#) (42 U.S.C.6962(i)(2)(C)).
- ___ (18) [52.225-1](#), Buy American Act – Balance of Payments Program – Supplies (41 U.S.C.10a-10d).
- ___ (19)(i) [52.225-3](#), Buy American Act -- North American Free Trade Agreement -- Israeli Trade Act -- Balance of Payments Program (41 U.S.C.10a-10d, 19 U.S.C.3301 note, 19 U.S.C.2112 note).
- ___(ii) Alternate I of [52.225-3](#).
- ___(iii) Alternate II of [52.225-3](#).
- ___ (20) [52.225-5](#), Trade Agreements (19 U.S.C.2501, et seq., 19 U.S.C.3301 note).
- X (21) [52.225-13](#), Restriction on Certain Foreign Purchases (E.O.12722, 12724, 13059, 13067, 13121, and 13129).
- ___ (22) [52.225-15](#), Sanctioned European Union Country End Products (E.O. 12849).
- ___ (23) [52.225-16](#), Sanctioned European Union Country Services (E.O.12849).
- ___ (24) [52.232-33](#), Payment by Electronic Funds Transfer -- Central Contractor Registration (31 U.S.C.3332).
- X (25) [52.232-34](#), Payment by Electronic Funds Transfer -- Other than Central Contractor Registration (31 U.S.C.3332).
- ___ (26) [52.232-36](#), Payment by Third Party (31 U.S.C.3332).
- ___ (27) [52.239-1](#), Privacy or Security Safeguards (5 U.S.C.552a).
- ___ (28) (i) [52.247-64](#), Preference for Privately Owned U.S.-Flag Commercial Vessels (46 U.S.C.1241).
- ___ (ii) Alternate I of [52.247-64](#).

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, which the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or executive orders applicable to acquisitions of commercial items or components:

[Contracting Officer check as appropriate.]

___ (1) [52.222-41](#), Service Contract Act of 1965, As Amended (41 U.S.C.351, et seq.).

___ (2) [52.222-42](#), Statement of Equivalent Rates for Federal Hires (29 U.S.C.206 and 41 U.S.C.351, et seq.).

___ (3) [52.222-43](#), Fair Labor Standards Act and Service Contract Act -- Price Adjustment (Multiple Year and Option Contracts) (29 U.S.C.206 and 41 U.S.C.351, et seq.).

___ (4) [52.222-44](#), Fair Labor Standards Act and Service Contract Act -- Price Adjustment (29 U.S.C.206 and 41 U.S.C.351, et seq.).

___ (5) [52.222-47](#), SCA Minimum Wages and Fringe Benefits Applicable to Successor Contract Pursuant to Predecessor Contractor Collective Bargaining Agreement (CBA) (41 U.S.C.351, et seq.).

(d) Comptroller General Examination of Record. The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at [52.215-2](#), Audit and Records -- Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) Notwithstanding the requirements of the clauses in paragraphs (a), (b), c) or (d) of this clause, the Contractor is not required to include any FAR clause, other than those listed below (and as may be required by an addenda to this paragraph to establish the reasonableness of prices under Part 15), in a subcontract for commercial items or commercial components –

- (1) [52.222-26](#), Equal Opportunity (E.O.11246);
- (2) [52.222-35](#), Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (38 U.S.C.4212);
- (3) [52.222-36](#), Affirmative Action for Workers with Disabilities (29 U.S.C.793);
- (4) [52.247-64](#), Preference for Privately-Owned U.S.- Flag Commercial Vessels (46 U.S.C.1241) (flow down not required for subcontracts awarded beginning May 1, 1996); and
- (5) [52.222-41](#), Service Contract Act of 1965, As Amended (41 U.S.C.351, et seq.).

(End of Clause)

252.212-7000 Offeror Representations and Certifications - Commercial Items (Nov 1995)

(a) Definitions. As used in this clause

(1) "Foreign person" means any person other than a United States person as defined in Section 16(2) of the Export Administration Act of 1979 (50 U.S.C. App. Sec. 2415).

(2) "United States person" is defined in Section 16(2) of the Export Administration Act of 1979 and means any United States resident or national (other than an individual resident outside the United States and employed by other than a United States person), any domestic concern (including any permanent domestic establishment of any foreign concern), and any foreign subsidiary or affiliate (including any permanent foreign establishment) of any domestic concern which is controlled in fact by such domestic concern, as determined under regulations of the President.

(b) Certification. By submitting this offer, the Offeror, if a foreign person, company or entity, certifies that it

(1) Does not comply with the Secondary Arab Boycott of Israel; and

(2) Is not taking or knowingly agreeing to take any action, with respect to the Secondary Boycott of Israel by Arab countries, which 50 U.S.C. App. Sec. 2407(a) prohibits a United States person from taking.

(c) Representation of Extent of Transportation by Sea. (This representation does not apply to solicitations for the direct purchase of ocean transportation services).

(1) The Offeror shall indicate by checking the appropriate blank in paragraph (c)(2) of this provision whether transportation of supplies by sea is anticipated under the resultant contract. The term "supplies" is defined in the Transportation of Supplies by Sea clause of this solicitation.

(2) Representation. The Offeror represents that it:

_____ Does anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

_____ Does not anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

(3) Any contract resulting from this solicitation will include the Transportation of Supplies by Sea clause. If the Offeror represents that it will not use ocean transportation, the resulting contract will also include the Defense Federal Acquisition Regulation Supplement clause at 252.247-7024, Notification of Transportation of Supplies by Sea.

(End of provision)

252.212-7001 Contract Terms and Conditions Required to Implement Statutes or Executive Orders Applicable to Defense Acquisitions of Commercial Items (Nov 2001)

(a) The Contractor agrees to comply with the following IFederal Acquisition Regulation (FAR) clause which, if checked, is included in this contract by reference to implement provisions of law or Executive Orders applicable to acquisitions of commercial items or components.

 X 52.203-3 Gratuities (APR 1984) (10 U.S.C. 2207)

(b) The Contractor agrees to comply with any clause that is checked on the following list of Defense FAR Supplement clauses which, if checked, is included in this contract by reference to implement provisions of law or Executive Orders applicable to acquisitions of commercial items or components.

252.205-7000 Provision of Information to Cooperative Agreement Holders (DEC 1991) (10 U.S.C. 2416).

 252.206-7000 Domestic Source Restriction (DEC 1991) (10 U.S.C. 2304).

 252.219-7003 Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan (DoD Contracts) (APR 1996) (15 U.S.C. 637).

 252.219-7004 Small, Small Disadvantaged, and Women-Owned Small Business Subcontracting Plan (Test Program) (JUN 1997) (15 U.S.C. 637 note).

 252.225-7001 Buy American Act and Balance of Payments Program (MAR 1998) (U.S.C. 10a-10d, E.O. 10582).

 X 252.225-7007 Buy American Act -- Trade Agreements -- Balance of Payments Program (SEP 2001) (41 U.S.C. 10a-10d, 19 U.S.C. 2501-2518, and 19 U.S.C. 3301 note).

 X 252.225-7012 Preference for Certain Domestic Commodities. (AUG 2000) (10 U.S.C. 2241 note).

 252.225-7014 Preference for Domestic Specialty Metals (MAR 1998) (10 U.S.C. 2241 note).

 252.225-7015 Preference for Domestic Hand or Measuring Tools (DEC 1991) (10 U.S.C. 2241 note).

 252.225-7016 Restriction on Acquisition of Ball and Roller Bearings (DEC 2000) (Alternate I) (DEC 2000) (Section 8064 of Pub.L.106-259)

 252.225-7021 Trade Agreements (SEP 2001) (19 U.S.C. 2501-2518 and 19 U.S.C. 3301 note).

 252.225-7027 Restriction on Contingent Fees for Foreign Military Sales (MAR 1998) (22 U.S.C. 2779).

 252.225-7028 Exclusionary Policies and Practices of Foreign Governments (DEC 1991) (22 U.S.C. 2755).

 252.225-7029 Preference for U.S. or Canadian Air Circuit Breakers (AUG 1998) (10 U.S.C. 2534(a)(3)).

 252.225-7036 Buy American Act --North American Free Trade Agreement Implementation Act -- Balance of Payments Program (MAR 1998) (Alternate I) (SEP 1999) (41 U.S.C. 10a-10d and 19 U.S.C. 3301 note).

252.227-7015 Technical Data -- Commercial Items (NOV 1995) (10 U.S.C. 2320).

252.227-7037 Validation of Restrictive Markings on Technical Data (SEP 1999) (10 U.S.C. 2321).

252.243-7002 Requests for Equitable Adjustment (MAR 1998) (10 U.S.C. 2410).

252.247-7023 Transportation of Supplies of Sea (MAR 2000)
(Alternate I) (MAR 2000)
(Alternate II) (MAR 2000) (10 U.S.C. 2631)

252.247-7024 Notification of Transportation of Supplies by Sea (MAR 2000) (10 U.S.C. 2631).

(c) In addition to the clauses listed in paragraph (e) of the Contract Terms and Conditions Required to Implement Statutes or Executive Orders— Commercial Items clause of this contract ([52.212-5](#)), the Contractor shall include the terms of the following clauses, if applicable, in subcontracts for commercial items or commercial components, awarded at any tier under this contract:

252.225-7014 Preference for Domestic Specialty Metals, Alternate I (MAR 1998) (10 U.S.C. 2241 note)

252.247-7023 Transportation of Supplies by Sea (MAR 2000) (10 U.S.C. 2631)

252.247-7024 Notification of Transportation of Supplies by Sea (MAR 2000) (10 U.S.C. 2631).

(End of Clause)

APPENDIX F

New Federal Acquisition Regulation for Requirements Supporting Procurement of Recycled Products and Environmentally Preferable Services

DACA31-02-R-0004

1. The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council have agreed on a final rule amending the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O.) 13101, Greening the Government through Waste Prevention, Recycling, and Federal Acquisition, dated September 14, 1998. The FAR, as amended by this rule, is applicable to solicitations issued on or after August 7, 2000.
2. The objective of the rule is to improve the Government's use of recycled products and environmentally preferable products and services. E.O. 13101 requires revision of the Federal Acquisition Regulation to prescribe policies for the acquisition and use of environmentally preferable products and services through procurement preference programs favoring the purchase of these products and services. The rule primarily affects the internal operating procedures of Government agencies.

The new rule:

- a) Revises FAR Subpart 7.1 to ensure that requirements for printing and writing paper meet minimum content requirements specified in the E.O.;
- b) Revises Subpart 11.3 to add definitions and special requirements to implement E.O. requirements and Environmental Protection Agency (EPA) regulations governing acquisitions of printing and writing paper, and to clarify that contracting officers may include in solicitations additional information requirements when needed to determine if the offeror's product meets requirements for recycled content or related standards;
- c) Clarifies in Part 13 how the procurement requirements of the Resource Conservation and Recovery Act, 42 U.S.C. 6962, apply to micro-purchases and acquisitions that do not exceed \$100,000; and
- d) Reorganizes and revises Subparts 23.4 and 23.7 and associated clauses to conform with E.O. 13101 and the Resource Conservation and Recovery Act.

To read the Final Rule, [Federal Register: June 6, 2000 (Volume 65, Number 109)]

[Rules and Regulations]

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From the Federal Register Online via GPO Access [wais.access.gpo.gov]

[DOCID:fr06jn00-25]

**APPENDIX G
GENERAL OUTLINE FOR CDMP
DACA31-02-R-0004**

Development Plan

- 1.1 Development Strategy
 - 1.1.1 Vision, Goals and Objectives
 - 1.1.2 Addressing the Deficit
 - 1.1.3 Initial Development Plan
 - 1.1.4 Plan for Long-Term Development Requirements
- 1.2 Design Strategy
 - 1.2.1 Site Description
 - 1.2.2 Site Opportunities and Constraints
 - 1.2.3 Planning and Design Principles
- 1.3 Development Concept of Operations
- 1.4 Neighborhood / Village
 - 1.4.1 Description of Existing Villages
 - 1.4.2 Site Opportunities and Constraints
 - 1.4.3 Planning and Design Principles
 - 1.4.4 Initial Development Plan
 - 1.4.5 Out-Year Development Plan
- 1.5 New Dwelling Units
 - 1.5.1 Planning and Design Principles
- 1.6 Revitalization and Renovation
 - 1.6.1 Planning and Design Principles
- 1.7 Ancillary Support Facilities
- 1.8 NEPA Process and Environmental Management / Stewardship
- 1.9 Technical Plan
 - 1.9.1 Project Scope Definition
 - 1.9.2 Technical Specifications
 - 1.9.2.1 Environmental Considerations
 - 1.9.2.2 Site and Landscape Specifications
 - 1.9.2.3 Building Codes
 - 1.9.2.4 Utility Management Strategy
 - 1.9.2.4.1 Energy Conservation Plan
 - 1.9.2.4.2 Demarcations
 - 1.9.2.5 Revitalization Matrix
 - 1.9.2.6 Installation Status Report
 - 1.9.3 Construction Management Plan
 - 1.9.3.1 Construction Phasing
 - 1.9.3.2 Quality Control Plan
 - 1.9.3.3 Safety Plan
 - 1.9.3.4 Subcontracting and Small Business Plan
 - 1.9.3.5 Resident Management Plan
 - 1.9.3.6 Project Reporting

1.9.3.7 Project Control Group

1.10 Drawings / Graphics

- 1.10.1 Site Opportunities and Constraints
 - 1.10.1.1 Overall Site / Installation
 - 1.10.1.2 Neighborhood / Village
- 1.10.2 Land Use Plans
 - 1.10.2.1 Installation / Master Planning
 - 1.10.2.2 Neighborhood / Village
- 1.10.3 Neighborhood / Village Utility Plans (Overview)
- 1.10.4 Residential Design Drawings
 - 1.10.4.1 New Dwelling Units
 - 1.10.4.2 Renovated Units

2. Financial Plan and Transactional Instruments

2.1 Structure Overview

- 2.1.1 Description / Summary of Deal Structure
- 2.1.2 Equity Structure and Returns
- 2.1.3 Debt Structure and Returns
- 2.1.4 Use of MHPI Authorities
- 2.1.5 Fees and Incentives for all Functional Elements

2.2 Legal Structure Overview

- 2.2.1 Description / Summary of Structure
- 2.2.2 Tax Structure
- 2.2.3 Participation Agreement
- 2.2.4 Control of Funds Plan: Lock Box, Reserve Accounts, Segregated Accounts

2.3 Governance and Asset Management

- 2.3.1 Organization and Structure
- 2.3.2 Administration of Organization
- 2.3.3 Board of Directors / Major Decision Committee / Executive Council
- 2.3.4 Audit Program for all Functional Elements
- 2.3.5 Plans and Review Process
- 2.3.6 Integrated Reporting Process
- 2.3.7 Integrated Incentive Performance Plan

2.4 Financial Pro Forma

- 2.4.1 Income and Expenses
- 2.4.2 Development Schedules

2.5 Legal Documents / Agreements

- 2.5.1 Ground Lease
- 2.5.2 LLC/LP Agreement, Property Management Agreement
- 2.5.3 Fee Developer Agreement

3. Operations, Maintenance and Property Management Plan

- 3.1 Concept of Operations and Management Overview
- 3.2 Organization Plan

- 3.3 Policies and Procedures
- 3.4 Maintenance Program
- 3.5 Resident Management Plan
 - 3.5.1 Management and Control of Demolition and Construction Activities in Occupied Villages and Dwelling Units
- 3.6 Additional Plans and Processes
 - 3.6.1 Safety Overview
 - 3.6.2 Energy Conservation Program
 - 3.6.3 Deployment Plan
 - 3.6.4 Crisis / Disaster Management Plan
 - 3.6.5 Quality Management Plan
 - 3.6.6 Small Business Plan
- 3.7 Transition Plan and Schedule

**APPENDIX H
OMB SCORING GUIDANCE
DACA31-02-R-0004**

1.0 SCORING DOD'S MILITARY HOUSING PRIVATIZATION INITIATIVES

A. Military Housing Privatization Initiative Authorities

The Military Housing Privatization Initiative (MHPI) provisions in Public Law 104-106 provide the Department of Defense (DOD) and the Military Services with many authorities that may be used to attract private capital investment and expertise for revitalizing and operating the stock of military housing. This statute defines the guidelines that the Office of Management and Budget (OMB) will use to determine the budgetary impact of DoD's use of these authorities.

B. Definition of OMB Scoring

OMB Scoring is defined as the quantification of a future / potential liability to the government as a result of a contractual obligation or agreement. OMB scoring, as mandated by the Credit Reform Act of 1990 and further refined in OMB Circulars A-11 and A-129, requires the government agency involved to obligate funds to cover the scoring determination prior to the closing of the contract / agreement. By obligating these funds up-front, the government is effectively setting aside, similar to an insurance premium, that amount determined to cover the down-stream liability in the event that liability occurs.

C. Scoring Determines Obligations to be Recorded

Each privatization agreement DoD enters into must be reviewed to determine if it must be scored for budget purposes. This review seeks to determine if an agreement should be scored and the cost that should be recognized and recorded as an obligation of DoD at the time that agreement is sent to the Congress for final approval prior to issuance of a Notice to Proceed (NTP). Sufficient appropriations must be available to cover the amount obligated for each agreement. The DoD, with OMB concurrence, will determine the amount of funds to be obligated to cover future costs associated with the use of the tools provided in the MHPI.

D. Direct Loans and Loan Guarantees

1. Two important financing tools available to DoD for housing revitalization efforts are direct loans and loan guarantees. Each provides a government subsidy that must be considered and accounted for in making financing decisions. The budget impact of using each of these authorities must be estimated and sufficient funds obligated to cover the estimated cost to the government. The amount of obligations to be

recorded for a direct loan or loan guarantee depends on the subsidy rate. The rate represents, in net present value terms, the cost of estimated defaults (net of recoveries) and interest rate subsidy, if any, over the life of the loan or guarantee. For example, if the subsidy rate is 25 percent, obligations of \$10 million would be recorded for a \$40 million loan or guarantee. Before the government can enter into an agreement for a loan or guarantee, appropriations sufficient to cover the subsidy cost of each project must be available in DoD's Family Housing Improvement Fund (FHIF).

2. The scoring for a direct loan has three components. First, the financing subsidy is derived by comparing the direct loan rate to the effective Treasury Rate computed from the "basket-of-zeros" as described below. Second, the economic risk is computed by spreading an economic risk factor over the first ten years of the loan term via a probability distribution. Lastly, the direct loan is evaluated against the base closure, downsizing and extended troop deployment probabilities and recoveries used for DoD credit authorities.
3. The scoring for a loan guarantee attempts to quantify the Government's obligation if the loan were to default and the guarantee were to become payable at any given time during the project term. The remaining balance of the loan is evaluated against the base closure, downsizing and extended troop deployment probabilities and recoveries used for DoD credit authorities.

E. Participation Test for Direct Loans and Loan Guarantees

For both on-base and off-base revitalization projects, substantial private sector risk is necessary to conform to the provisions of the Federal Credit Reform Act. Each housing privatization project that uses a direct loan or loan guarantee must meet the following risk or "participation" test: at least 20 percent of all resources for a project must be provided from private sources without government involvement. If a project does not pass the participation test, the full amount of a loan or guarantee will be recorded as an obligation of the government. This is especially critical for on-base projects, given the inherent governmental nature of any construction and federal use of projects built on federal land. Additional information for determining government and private sector participation is included at the end of these guidelines.

F. Additional Considerations for Direct Loans and Loan Guarantees

Loans that subordinate the government's position, but have fixed repayment schedules, are scored similar to first mortgages. The credit subsidy, however, may be higher because the government is not the first creditor to be paid in case of default. A guarantee of bonds exempt from federal taxes will be recorded as an obligation equal to 100 percent of the amount of the guarantee.

G. Discount Rate for Direct Loan and Loan Guarantee Calculations

DoD should use the effective interest rate as computed by OMB's "basket-of-zeroes" discounting method. This is the rate required by the Federal Credit Reform Act to estimate the cost of credit programs for the budget. The "basket-of-zeroes" discounting method defines the present value of a series of payments as the value today of a collection of zero-coupon bonds that, at maturity, exactly match the cash flow observations.

H. Differential Lease Payments

Differential lease payments provide additional income stream to a housing provider. Use of this authority will be scored "up front", with the value of the total stream of payments under the commitment recorded as an obligation at the time a contract is finalized.

I. Income / Occupancy Guarantees

Income / occupancy guarantees are scored at 100% of the maximum exposure for the term of the guarantee.

J. Investments

If the DoD acquires part ownership of a corporation or limited partnership through the purchase of stocks, bonds, or other types of equity, an obligation will be recorded equal to the cash investment at the time a contract is finalized. That is, investments are scored at 100 percent.

K. Conveyance of Real Property

The DoD may convey property in exchange for housing or an equity investment in a corporation or limited partnership. There will be no OMB scoring impact.

L. Provision of Goods and Services

The DoD shall not provide goods or services normally paid for by a developer, homeowner, or tenant (e.g., utilities, maintenance, waste removal, pest control, snow removal, or roads for exclusive use in housing areas) as a subsidy to housing providers. When appropriate, the Department may provide goods and services, at cost, on a reimbursable basis, to housing providers or tenants.

M. Assignment of Service Members to Housing

The assignment of service members to housing on a mandatory basis is inconsistent with privatization. Moreover, mandatory assignments would reduce economic risk to the private sector and reduce incentives for private developers to build, operate and maintain quality housing. Any proposal to privatize DoD family housing should not include mandatory assignment to that housing. Mandatory assignments to housing, when combined with a loan guarantee for base closure, extended deployments, or downsizing, would effectively remove default risk and, therefore, would require the full face value of the loan to be counted as government participation.

N. OMB Review Process

OMB will work with the DoD Competitive Sourcing and Privatization (CS&P) Office prior to issuance of a Request for Qualifications (RFQ) and contract award, to review and approve/amend the Army's CS&P scoring determinations for each proposed project.

Scoring of the RFQ will involve two steps following the RFQ two-step process. In the first step of an RFQ, the Army makes a commitment to pay a fixed fee, \$200,000, for the developer's plan. The fixed fee for the plan should be scored before the RFQ is issued.

OMB will review the CS&P scoring determinations as quickly as possible, especially during the period immediately preceding final submittal of the CDMP to the Congress.

2.0 INTERPRETATION OF GOVERNMENT AND PRIVATE SECTOR PARTICIPATION

The factors that CS&P and OMB will consider federal government participation for RFQs include:

- a) 100 percent of any direct loan amount.
- b) Issuance of a loan guarantee that protects a lender only in case of default due to base closure, extended deployment, or downsizing. Then, 10 percent of the value (varies due to risk) of a first mortgage shall be considered as government participation. The participation percentage may vary, up or down, depending on the specific conditions that would trigger payment under such a guarantee.
- c) Cash investments.
- d) Differential lease payments.
- e) Income or occupancy guarantees.
- f) Income from conveyed assets prior to renovation.

The factors that CS&P and OMB will consider private sector participation include:

- a) Cash investments.
- b) Value of assets other than cash (excluding assets conveyed to private sector by the federal government)
- c) Portion of net income generated by new units used to fund construction and revitalization costs or capital improvements, or in the case of revitalized units, the portion of net income (after revitalization) used to fund construction and revitalization costs or capital improvements.
- d) 80 percent of the value of a first mortgage if the DoD issues a loan guarantee that protects a lender only in case of default due to base closure, extended deployments, or downsizing. The participation percentage may vary, up or down, depending on the specific conditions that would trigger payment under such a guarantee.

APPENDIX I
GLOSSARY OF SELECTED TERMS
DACA31-02-R-0004

The Terms within this glossary are defined for purposes of this solicitation. If the definition of a term conflicts with general usage, the definition in this Appendix I or within the solicitation controls.

Advisors: Personnel who may assist the evaluators and provide their specialized, expert input regarding the strengths, weaknesses, proposal inadequacies, risks, and deficiencies in proposals. These advisors will not determine ratings or rankings of offerors' proposals.

Ancillary Supporting Facilities: Facilities related to military housing units, which include tot lots, community centers, housing offices, dining facilities, unit offices, and other similar facilities for the support of military family housing.

Asset Management: Asset Management includes making or providing counsel on both operational and financial decisions impacting the value of the asset. This includes making decisions on the effectiveness of the Property Manager to perform their functions as well as cost benefit analysis of major capital improvement decisions, distributions of cash flow, ownership changes, taking down or repaying additional debt or equity, etc. Asset management in this context is an ancillary service provided by the property manager for an additional fee to provide stewardship services to the entity holds the asset. This service could include providing administrative oversight to the entity, including coordinating the ownership meetings, facilitation of the Major Decision process, as well as accounting and reporting of consolidated operations and development for the entity.

Audited Financial Statements: Financial statements of a company that have been professionally examined and verified by a Certified Public Accountant (CPA) to ensure fairness, consistency and conformity with Generally Accepted Accounting Principles (GAAP).

Basic Allowance for Housing (BAH): Represents the amount allocated to each service member to cover the cost of housing, utilities, and insurance. It is adjusted annually to reflect increases or decreases in the local market area cost of housing. It is also adjusted when the service member's rank changes.

Basket-of-Zeros: A discounting method, which defines the present value of a series of payments as the value today of a collection of zero-coupon bonds that, at maturity, exactly match the cash flow observations.

Cash Waterfall: A display that depicts the projected uses of project revenue, and the seniority and cost of those uses. The chart reflects the uses of the BAH revenue, in order of priority (i.e., operating expenses before loan repayment).

Clarifications: Limited exchanges, between the Government and offeror's, for the sole purpose of eliminating minor irregularities, informalities, or apparent clerical mistakes in the proposal. See FAR 15.306(a).

Comments: An observation that, had the weakness been addressed in a different manner, it would have added more value.

Communications: Exchanges between the Government and offerors after receipt of proposals, leading to establishment of the competitive range. This term is normally used to clarify adverse past performance information to which an offeror has not had a prior opportunity to respond. Communications may be conducted to enhance Government understanding of proposals, allowing reasonable interpretation of the proposal or to facilitate the Government's evaluation process. See FAR 15.306(b).

Community Development and Management Plan ("CDMP"): Business plan for the specific installation project that will set forth the terms of the contractor's long-term relationship with the Army.

Competitive Range: A range established by the Contracting Officer and approved by the Source Selection Authority that includes all of the most highly rated offerors / proposals that have met acceptability standards for the evaluation factors. Discussions must be held with all offerors determined to be in the competitive range. See FAR 15.306(c).

Completed Development Project: A residential component consisting of a minimum of 100 units, all located within a geographic radius of one mile, of multi-family low rise (three stories or less), attached or detached family housing units. A project is completed if at least 100 units have received a certificate of occupancy or similar occupancy permit and lease up has begun.

Completed Project: Construction or renovation is substantially concluded and occupancy has begun.

Completed Project Phases: A residential component consisting of a minimum of 100 units, all located within a geographic radius of one mile, of multi-family *low rise* (three stories or less), attached or detached family housing units. A phase is completed if at least 100 units have received a certificate of occupancy or similar occupancy permit and lease up has begun.

Completed Residential Projects: Actual development costs of at least \$10 million. A project is completed if at least 100 units have received a certificate of occupancy or similar occupancy permit and lease-up has begun. A project is completed if at least 100 units have received a certificate or similar occupancy permit and lease up has begun.

Completed Residential Phases: Actual development costs of at least \$10 million. A phase is completed if at least 100 units have received a certificate of occupancy or similar occupancy permit and lease-up has begun. A phase is completed if at least 100 units have received a certificate or similar occupancy permit and lease up has begun.

Contracting Officer: The only person with the authority to sign the contract, obligate government funds, and enter into, administer, and/or terminate a contract. See FAR 2.101.

Contractor: Also known as the development partner, i.e., an entity having a contract to provide specific services / products / deliverables. Also, the awardee of this contract.

Capital Formation: Capital formation is synonymous with structured financing. Structured financing involves creating the ownership structures that will raise the debt and equity to fund the project cost.

Debt: Capital loaned, without an ownership interest, at an agreed upon interest rate for a determinable term of years.

Developer: A person or company who has an ownership interest in and develops, improves real estate and builds, sells, and/or leases residential units placed thereon.

Differential Lease Payments: Payments that provide additional income stream to a housing provider or entity (e.g., partnership, corporation).

Direct Loan: A loan that is made by the government to the contractor under the Military Housing Privatization Initiative (MHPI) authorities.

Discussions: Meeting with potential contractors that take place with all firms within the competitive range, tailored to each offeror's proposal, to maximize the Government's ability to obtain best value, based on the requirements and the evaluation factors set forth in the Request for Qualifications.

Equity: The portion of an ownership interest in an asset such as real property or securities that is net of the amount financed. The amount of cash or other tangible capital invested in a real property asset whose risk of return is solely dependent upon the financial success of the asset and which is typically not secured by a debt instrument.

Escrow: Money, securities, or other property or instruments delivered by one party into the hands of a neutral third party, to be held by the third party until the conditions of a contract are met, and then delivered to the ultimate recipient. Also, an account for payment of specific items, such as property taxes and insurance.

Evaluation Factors: Factors that will be considered in evaluating proposals tailored to the RFQ that have an impact on the source selection decision.

Evaluation Team: Evaluation Team (ET) will examine each offeror's submittal applying the evaluation factors contained in the RFQ and following the source selection plan. The ET will produce a summary of facts and findings required in further conduct of the evaluation process. The ET shall report to the Source Selection Authority.

First Mortgage Loan: A real estate loan that gives the mortgagee (lender) a primary lien against a specified piece of property. A primary lien has precedence over all other liens in case of default.

Fiscal Year: A continuous 12-month time interval used for financial reporting. It is also the federal budget cycle which starts on 1 October and ends on 30 September of each year.

Gap Financing: Financing for the difference between how much a project costs and how much a borrower has available to finance the project through equity and first mortgage loan.

Generally Accepted Accounting Principles (GAAP): A technical term encompassing conventions, rules, and procedures of accounting that are "generally accepted" and have "substantial authoritative support". Normally developed by agreement on the basis of experience, reason, custom, usage, and practical necessity, rather than being derived from a formal set of theories.

Ground Lease or Land Lease: A contract where an owner of land grants to another the right to possess and use that land for a specified period of time in exchange for valuable consideration.

Guaranty: An agreement to pay the debt or perform the obligation of another in the event the debt is not paid or obligation not performed.

Guaranteed Loan: A first lien mortgage loan made by an approved private sector lender, for which DoD guarantees payment to the lending institution if loan defaults are caused by specified events, including most importantly, base closure, downsizing, and extended deployments (collectively referred to as "guaranty threshold events").

Guaranty Threshold Events: A base closure, downsizing, or extended deployments.

Hard Costs: In new construction, includes payments for land, labor, materials, improvements, and the contractor's fees.

Joint Venture: An association of two or more firms or individuals to operate a single business entity for profit.

Lease: A signed contract between the property owner or authorized agent and an occupant granting use of real property during a certain period in exchange for a specified rent.

Loan: A written promise committing the borrower to pay the lender an agreed-upon amount of money either on demand or at a specified future date, with or without interest.

Low Rise: 3 stories or less

Military Housing Privatization Initiative (“MHPI”): The authorizing legislation for the military family housing privatization program. This legislation is found at title 10 of the United States Code, Section 2871 through 2885.

Office of Management and Budget (“OMB”): Part of the executive Office of the President that recommends and monitors federal programs and funding levels, develops and issues government-wide policy guidance on management concerns, and reviews proposed regulations. It is the governmental entity responsible for determining scoring implications.

Office of Management and Budget (OMB) Scoring: The quantification of a future / potential liability to the government as a result of a contractual obligation or agreement. OMB scoring, as mandated by the Credit Reform Act of 1990 and further refined in OMB Circulars A-11 and A-129, requires the government agency involved to obligate funds to cover the scoring determination prior to the closing of the contract / agreement. By obligating these funds up-front, the government is effectively setting aside, similar to an insurance premium, that amount determined to cover the down-stream liability in the event that liability occurs.

Operated or Managed: Includes without limitation -- leasing, marketing, lease renewals, rent collection, payment of expenses, cash receipts and disbursements, funding reserve accounts, performance of repairs and routine maintenance as well as scheduled capital improvements, establishment of community governance structures, adherence statutory and regulatory requirements, and promotion of a pleasant living environment.

Ownership interest: Partner has contributed cash or other equity directly to the entity that controls the project and the risk of return of that amount contributed is directly affected by the success of the project.

Past Performance Data: Data submitted with the offeror's proposal, contractors' references, contractor report cards, survey data, or other data available to the source selection authority.

Privatization: The process of converting a publicly operated enterprise into a privately owned and operated entity.

Pro Forma Financial Statement: Financial statements showing what income, expenses, and net earnings are expected to occur based on assumed or anticipated facts.

Project's Lock Box: A payment structure that ensures funds designated for a particular use are indeed used for that purpose. Normally, the lock-box format is tied to the cash waterfall.

Proprietary Information: Data or information owned by a contractor that is not publicly available, and which may be used only with the permission of the owner.

Property Management: Property management is the on site management of the day to day activities of a real estate asset. The property manager is hired by the owner of a property and rated on the ability to carry out functions in a manner which produces the maximum net operating income for the asset over a long term horizon. This includes: 1) Leasing - Actively marketing the asset to produce the highest occupancy rate at the highest possible rental income. 2) Operations - Providing the highest level of service to occupants at the lowest cost possible with the objective of attracting and retaining occupants. This includes, common area amenities (pools, club houses, tot lots, jogging trails etc.), property accounting, landscaping, trash removal, etc. 3) Maintenance and Repair - This includes on-going maintenance of occupied units, common areas as well as maintenance on units during turnover. Turnover maintenance may include; cleaning, carpet replacement and painting the unit. 4) Capital Improvements - The service is typically related to minor capital improvements such as carpet replacement, appliances, or other individual units or common area replacements. The property owner will typically contract separately for major capital improvements to an asset, although the property manager may be involved in the coordination of a that improvement.

Repayment Plan: An alternate repayment schedule that is agreed upon by project creditors as part of a loan default cure.

Scoring: See Office of Management and Budget (OMB) Scoring above.

Significant Weakness: A flaw in a proposal that appreciably increases the risk of unsuccessful contract performance.

Small Business Concern: A concern, including its affiliates, that is independently owned and operated and is not dominant in the field of operation in which it is bidding on government contracts. A small business concern must meet government criteria and size standards for its particular industry. See FAR 19.001.

Soft Costs: Outlays for architecture & engineering, interest, fees, appraisals, marketing, and third-party charges associated with real estate development.

Source Selection: A competitive procurement process where this award decision will be based on a detailed examination of the Statement of Qualifications, evaluation factors, and the oral presentations.

Source Selection Authority (SSA): The individual responsible for the proper and sufficient conduct of the entire source selection process, encompassing proposal RFQ, evaluation, selection, and contract award. The SSA approves the competitive range and, along with the Contracting Officer, makes the final selection of the source(s) for award and approves execution of the contract(s).

Source Selection Plan (SSP): A comprehensive plan that describes the approach and selection criteria for the evaluation and rating of the proposals and how the contractor will be selected.

Statement of Qualifications (“SOQ”): Written document submitted by an interested offeror in response to Section 4.3 of this RFQ.

Strength: A characteristic of an offeror’s proposal that meets and / or exceeds an element of the solicitation and contributes to the conclusion that the offeror can successfully accomplish the installation project.

Weakness: A characteristic of an offeror’s proposal that fails to meet an element of the solicitation and contributes to the conclusion that an offeror cannot successfully accomplish an installation project.

Zero-Coupon Bond or Deep Discount Bond: A bond with a coupon rate of zero percent (pays no explicit interest) whose face value is paid at maturity, it is called a zero-coupon bond. Ordinarily, such securities are not issued by the Treasury for maturities of longer than one year, but are indirectly available through the Separate Trading of Registered Interest and Principle of Securities (STRIPS) program which allows holders of eligible securities to separately trade coupon or principal payments in the secondary market and to combine them.

APPENDIX J

PAST PERFORMANCE

(DEMO) QUESTIONNAIRE ATTACHMENT

DACA31-02-R-0004

<http://rci-sepp.usace.army.mil>



==>> [Please Read Instructions - Click here](#) <<==

* denotes a required field

Identification

- i1 **Control Number** * (example: j3ma9xzq2k) (10 characters)
- i2 **Retype Control Number** *
- i3 **Create Your Own Password** * (needed for possible verification)
- i4 **Retype Your Password** *

Part A. Factual Background

- A1 Offeror name *
- A2 Offeror address * (Line 1)
* (Line 2)
* City State * * Zip

- A3 Today's Date * * *

- A4 Your name * First * Last

- A5 Your Title *

- A6 Your company name & address *

Your company address * (Line 1)

* (Line 2)

* City State * * Zip

- A7 Your company phone number * (i.e. 505-999-1234)

- A8 Solicitation number DACA31-01-R-0017

- A9 Most relevant function of this RFQ performed for you by the offeror (choose as many as apply):

A9a Housing Development

- New Construction
 Moderate Rehabilitation
 Substantial Rehabilitation

A9b Housing Management

- Portfolio Management

A9c Financial Services

- Property Management
- Asset Management
- Underwriting
- Capital Placement
- Performance Monitoring

A10 Complexity of Work ▼

A11 Contract Dollar Value ▼

A12 Contract Completion Date (Month and Year date), if applicable ▼, Year (i.e. 19**, 20**)

A13 Extent and Duration of Business Relationship

A14 Type and Extent of Work was performed by the offeror)

A15 What percentage of the work was performed by the offeror) ▼

Part B. Offeror Performance in Your Assignment

B1 How did the offeror perform considering its technical performance or quality of services regarding: For each item, choose one of:

E - Exceptional
A - Acceptable
U - Unacceptable
N/A - (Not Applicable)

Part B1. Quality --
 (Please feel free to amplify your answers in the comment box below.)

	E	A	U	N/A
B1a Effectiveness of offerors Quality Control program	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1b Retention of employees and key personnel	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1c Subcontractors' quality of work	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1d Knowledge of key personnel in relationship to project requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1e Preparation and accuracy of reports	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

B1f	Management of personnel training	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1g	Adherence to project requirements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1h	Quality of property maintenance and curb appeal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1i	Resident satisfaction with the property and the owner	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1j	Responsiveness to residents' service calls	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1k	Compliance with government regulations and agreements, if applicable	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1l	Long term performance, if applicable	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1m	Experience with latent defects and quality of corrective action taken (please describe in detail)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1n	Programs and services made available to residents (please describe)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B1o	Overall quality of offeror's performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Part B2. Timeliness --

(Please feel free to amplify your answers in the comment box below.)

		E	A	U	N/A
B2a	Offeror's timely completion of the project	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B2b	Offeror's responsiveness in making adjustments to schedules, products or services to meet the project needs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B2c	Offeror's timely submission of reports	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B2d	Offeror's response to modification requests	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B2e	Overall timeliness of offeror's performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Part B3. Cost Control --

(Please feel free to amplify your answers in the comment box below.)

		E	A	U	N/A
B3a	Offeror's performance within costs established in the contract	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B3b	Offeror's effectiveness in reducing costs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B3c	Reasonableness of costs proposed for modifications	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B3d	Offeror's invoices were current and accurate	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B3e	Offeror's financial stability during contract performance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

B3f Offeror's overall ability to control costs

Part B4. Business Relations --

(Please feel free to amplify your answers in the comment box below.)

	E	A	U	N/A
B4a Cooperation in resolving problems and disputes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B4b Working relationship with contracting officer	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B4c Working relationship with technical personnel	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B4d Working relationship with governmental partners in public private ventures	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B4e Relationships with subcontractors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B4f Relationships among team members in joint ventures	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B4g Tenacity and innovation in resolving problems	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B4h Interpreting documents equitably	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B4i Dealing with unexpected circumstances	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B4j Compliance with terms of its proposal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B4k Overall evaluation of business relations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Part B4 Financial Performance

	E	A	U	N/A
B5a Ability to balance needs of the property with expected financial results	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B5b Ability to achieve the financial results projected at development approval	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B5c Ability to adapt constructively to changes in the external environment, e.g., strengthening or weakening housing markets (please provide examples).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B5d Vacancy problems (if any) and the offeror's response	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B5e Operating deficits (if any) and the offeror's response	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
B5f Ability to develop a pro forma which accurately forecasts achievable income and operating expenses	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Part C. The Offeror as a Partner

Yes No

C1 Has the offeror been involved in a restructuring of the property under adverse circumstances (e.g. as a result of a default, the need for new capital for renovations, material negative cash flow or change of the controlling partner)? If Yes, please explain.

C2 Has the offeror ever sought to impose fees on residents not contemplated in the original agreement? If Yes, please explain.

C3 Has the offeror's property ever run operating deficits? If Yes, please explain.

C4 Has the offeror ever defaulted on any of its obligations? If Yes, please explain.

Yes No

C5 Has the offeror involved any material instances of litigation or formal dispute

resolutions?
If Yes, please explain.

C6 Has the management company ever been replaced for unsatisfactory performance? If Yes, please explain.

C7 Has the offeror performed other projects with your company? If Yes, please explain.

C8 What are the offeror's strong points?

C9 What are the offeror's weak points?

	E-Excellent	G-Good	A-Average	F-Fair	P-Poor
	E	G	A	F	P
C10 Of the offerors involved in the work, how would you rate their overall performance?	<input type="radio"/>				

	Yes	No
C11 Do you have any reservations about doing business again with this firm? If Yes, please explain.	<input type="radio"/>	<input type="radio"/>

Clear Questionnaire

Submit Questionnaire