Department of the Navy
Housing Privatization

May 2016
Why provide housing to Military members?

- All active duty military members receive housing or an allowance for housing costs
- Areas around military installations are surveyed to evaluate how many families can be adequately housed (community first)
  - The military builds homes to address any deficits
- Prior to privatization the military services relied upon appropriated funding for the design, construction, operation and maintenance of all housing
Before Privatization
MHPI Legislation

- Investments
- Conveyance or lease of existing property and facilities
- Differential lease payments
- Direct loans and loan guarantees
- Unit size and type (community standards)
- Ancillary supporting facilities
- Pilot projects for acquisition or construction
- of military unaccompanied housing

- Developed to attract private sector financing, expertise and innovation to provide necessary housing faster and more efficiently than traditional Military Construction processes would allow

First Navy project at NAS Corpus Christi, Texas
DoN Business Approach

• Partnerships
• Investments
• No guarantees
  – BRAC/deployment
  – Occupancy
  – Loan
• Outlease of land
• Improvements abandoned in place at end of deal
• Revitalize existing inventory and address housing deficit
PPV Projects to Date

DoN Family Housing PPV
• 40 project phases executed
• End-state of ~62,000 homes
• MILCON equivalent development ~ $9.3B
• DoN cash investment ~ $1.3B
• 7.0:1 leverage

Navy Unaccompanied Housing PPV
• 2 projects executed
• End-state of 6,596 beds
• MILCON equivalent development ~ $594.1M
• DoN cash investment ~ $79.7M
• 7.5:1 leverage
**PPV Project Locations / Future Phases**

**PPV Projects**
1. Kingsville Townhomes, LP (K1)
2. Kingsville II, Family Housing Ltd, LP (K2)
3. De Luz Housing, LLC (CP1)
4. Gateway Trident, LLC (E2)
5. San Diego Family Housing, LLC (SD)
6. New Orleans Navy Housing, LLC (NO)
7. South Texas Military Housing, LP (ST)
8. Camp Pendleton & Quantico Housing, LLC (CPQH)
9. Ohana Military Communities LLC (HI)
10. Northeast Housing, LLC (NE)
11. Pacific Northwest Communities, LLC (NW)
12. Mid-Atlantic Military Family Communities LLC (MA)
13. Atlantic Marine Corps Communities, LLC (CLCPS)
14. Midwest Family Housing, LLC (MW)
15. Southeast Housing LLC (SE)
16. Hampton Roads PPV, LLC (HRUH)
17. Pacific Beacon LLC (SDUH)

**Future Projects**

<table>
<thead>
<tr>
<th>Future Projects</th>
<th>FY</th>
<th>End-State</th>
<th>Total Development Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Diego (SDFH 6)</td>
<td>2015</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>Camp Pendleton (CPQH 9)</td>
<td>2015</td>
<td>TBD</td>
<td>TBD</td>
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Data as of Dec 2014
Resident Satisfaction

<table>
<thead>
<tr>
<th>Score Range</th>
<th>Category</th>
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<tbody>
<tr>
<td>85 to 100</td>
<td>Outstanding</td>
</tr>
<tr>
<td>80 to 84</td>
<td>Very Good</td>
</tr>
<tr>
<td>75 to 79</td>
<td>Good</td>
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<tr>
<td>70 to 74</td>
<td>Average</td>
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<tr>
<td>65 to 69</td>
<td>Below Average</td>
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<tr>
<td>60 to 64</td>
<td>Poor</td>
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<tr>
<td>55 to 59</td>
<td>Very Poor</td>
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<tr>
<td>0 to 54</td>
<td>Crisis</td>
</tr>
</tbody>
</table>

- **Overall**: 82.9, 83.6, 81.9
Unaccompanied Housing
Preserving Historic Homes
Sustainable Development
**Net-Zero Energy Homes**

**LEED Homes at Midway Park**

The Midway Park neighborhood at Camp Lejeune is the first on a Marine Corps installation to have LEED Gold certified homes. The Midway Park LEED homes offer specific features to allow residents a more sustainable living environment.

1. **Sustainable Site**
   - The Midway Park homes are intentionally designed to minimize resource consumption and environmental impact.

2. **Water Efficiency Outside the Home**
   - There is a focus on integrating systems within the Midway Park Community to enhance water conservation and reduce water usage for landscaping.

3. **Pollutant Protection**
   - Stormwater is managed and retention ponds are used to reduce runoff and pollutants from the site.

4. **Water Efficiency Inside the Home**
   - All homes are equipped with dual flush toilets and high efficiency showers that help save water.

5. **Existing Roads**
   - Existing road patterns are reused to eliminate duplication and reduce waste.

6. **HVAC Systems**
   - The homes have advanced energy-efficient systems, which include the use of high-performance ventilation and heat recovery systems.

7. **Recycled Materials**
   - The majority of the materials used in the construction of the homes are recycled and diverted from landfill.

8. **Dual Pane Windows**
   - Dual pane windows reduce the amount of heat infiltration, which in turn reduces the demand for heating and cooling.

9. **Energy Star Appliances**
   - Energy Star appliances that use 20%-30% less energy are installed in every Midway Park home.

10. **Lighting**
    - All homes are equipped with LED lighting to help reduce heat in the home and provide more efficient lighting.

11. **Garages**
    - The home has a 2-car garage a driving for grades in the area. In addition, mechanical systems and ductwork are not located in the garage, eliminating pollutants that would typically infiltrate the home and get into the community.

12. **Walls**
    - Thicker insulated walls with a higher thermal value help to reduce heating and cooling efficiency in all seasons.

13. **Carbon Emission Reduced**
    - Materials are used to reduce the overall footprint of the homes, reducing the carbon footprint throughout the entire life cycle of the building.

[Source: Atlantic Communities Marine Corps]

www.atlanticcommc.com
Solar Arrays
LEED Platinum
Building Systems
New Project Phases
Additional Information

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http://www.acq.osd.mil/housing/index.htm