



# **Department of the Navy Housing Privatization**

**May 2016**

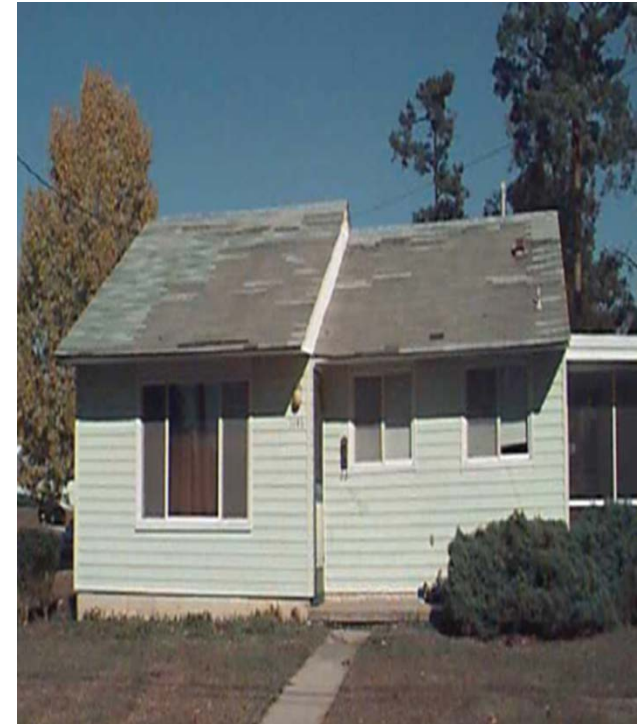
# Background



## 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 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



**Enacted in 1996 (10 U.S.C. §2871 – 2884)**

- **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

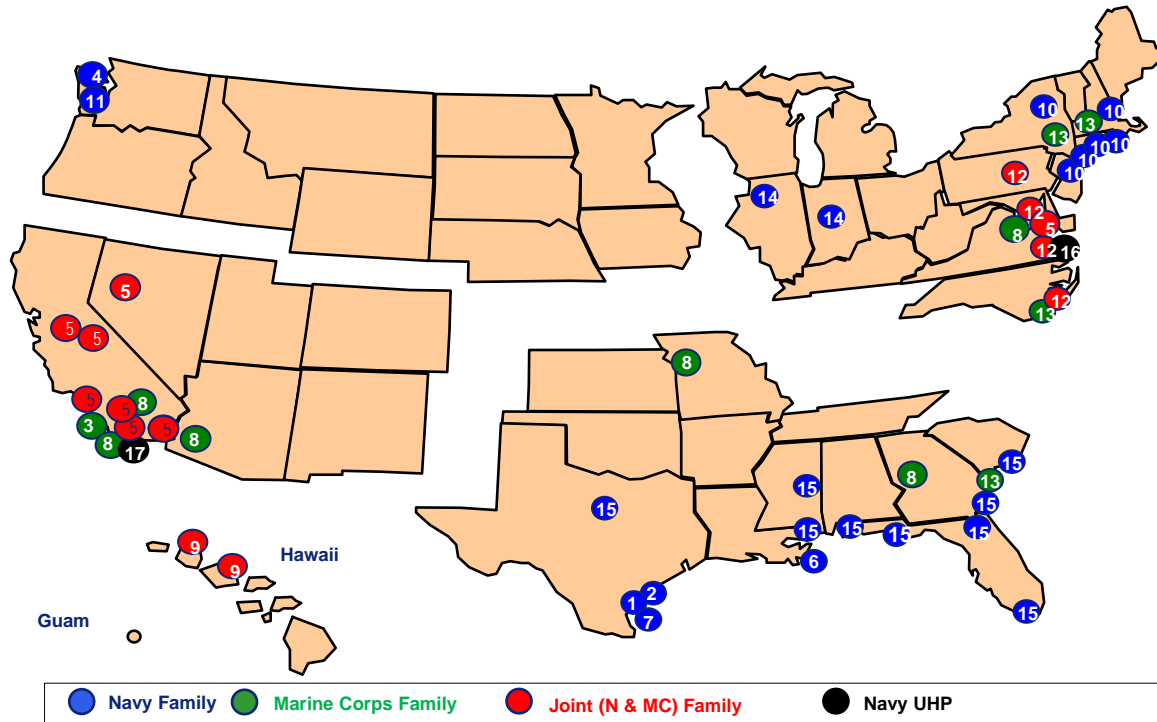
## DoN Family Housing PPV

- 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

	<u>FY</u>	<u>End-State</u>	<u>Total Development Cost</u>
San Diego (SDFH 6)	2015	TBD	TBD
Camp Pendleton (CPQH 9)	2015	TBD	TBD





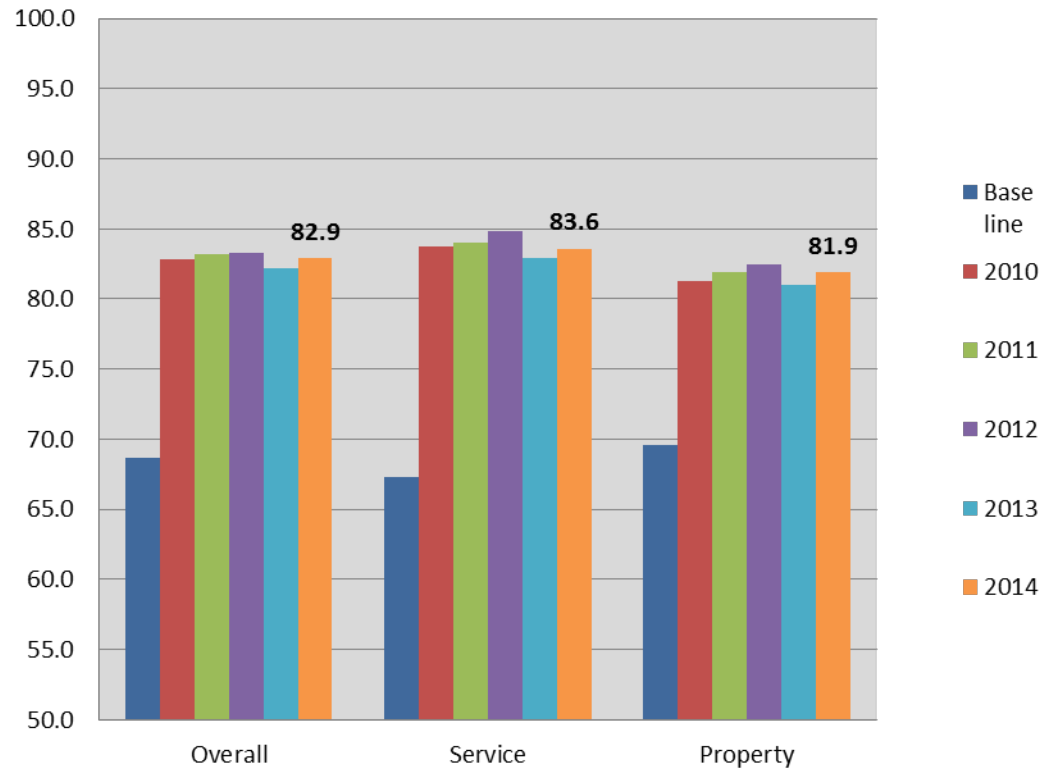








# Resident Satisfaction



85 to 100	Outstanding
80 to 84	Very Good
75 to 79	Good
70 to 74	Average
65 to 69	Below Average
60 to 64	Poor
55 to 59	Very Poor
0 to 54	Crisis



# Unaccompanied Housing















# 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.

### Sustainable Site

**1** The Midway Park land was previously developed which means that the new community is not disturbing any new land and is also limiting the amount of new resources required by reusing the existing roads and infrastructure. The site is within 1/2 mile of numerous community resources, such as a convenience store, bank, post office, etc. making the neighborhood more pedestrian friendly.

### Water Efficiency Outside the Home

**2** There is no need for irrigation systems within the Midway Park Community as drought tolerant grass and plants that do not require watering are being used for landscaping.

### Pollutant Protection

**3** Storm water is directed to bio retention swales in lieu of storm drains, which is reducing runoff and pollution into the local storm systems.

### Water Efficiency Inside the Home

**4** All homes are equipped with dual flush toilets and high efficiency fixtures that help save water. The toilets have two different settings, a half flush for liquid removal and a full flush for solid removal.

### Existing Roads

**5** Existing road patterns are reused to eliminate deforestation and to minimize dust and noise.

### HVAC Systems

**6** The homes are extremely energy efficient due to the tight building envelope created by advanced framing techniques and highly rated insulation. The home is also healthier for residents to live in due to well planned construction practices such as a pre-occupancy air flush, use of exhaust fans and controlling contaminants that enter the homes.

### Recycled Materials

**7** The majority of materials during demolition of the old homes were recycled and diverted from landfills. Material for the new homes such as fiberglass insulation and carpet have recycled content.

### Dual Pane Windows

**8** Reducing the amount of heat infiltration, which is perfect for the subtropical North Carolina Climate.

### Energy Star Appliances

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

### Lighting

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

### Garages

**11** The homes have a rear entry feature allowing for private entry. In addition, mechanical systems and ductwork are not located in the garage eliminating pollutants that would typically infiltrate these systems and get into standard homes.

### Walls

**12** Thicker insulated walls with a higher thermal value lead to better heating and cooling efficiency in all seasons.

### Carbon Emission Reduced

**13** We made a conscious effort to purchase as many materials as possible locally to reduce carbon emissions from the transportation of these materials. In addition, by creating a neighborhood pathway network, Residents will be enabled to walk more and drive less to get to the convenience store, playgrounds or dog parks.



**Atlantic COMMUNITIES**  
Marine Corps  
Atlantic Community

[www.atlanticmcc.com](http://www.atlanticmcc.com)



# Solar Arrays



# LEED Platinum



4209/4211 Elrod Drive (Duplex) LEED Platinum  
Molokani Neighborhood MCBH



# Building Systems





# New Project Phases



# Additional Information

**Robert P. Harris, FAIA, LEED-AP**  
**Director, Special Venture Acquisition**  
**NAVFAC Headquarters**  
**Washington, DC**  
**[robert.p.harris1@navy.mil](mailto:robert.p.harris1@navy.mil)**

**<http://www.acq.osd.mil/housing/index.htm>**