



AIR FORCE BASE
Hickam
Housing
Privatization Project



Town Hall Meeting

October 2003

“Welcome Hickam Military Family
Housing Residents”



Hickam AFB Housing Privatization Project



U.S. AIR FORCE

Team Hickam

Cheryl Alakai

Darryl Nii

Team Actus Lend Lease

David Falls

Jeff Apitz

John Gorske



Overview



- **Background**
- **Project Description**
- **Project Development**
- **Project Management**



Why is AF Privatizing?



- To improve Quality of Life
- 59% of MFH below modern standards
- AF tasked to upgrade homes by FY 2007
- Cost to fix using MILCON: > \$7B
- Time to fix w/current funding: 26 years
- Non-traditional approach to MFH revitalization



Privatization Goal



- Utilize private sector alternative to provide military families access to safe, quality, affordable, well-maintained housing in a community where they choose to live

Before



After

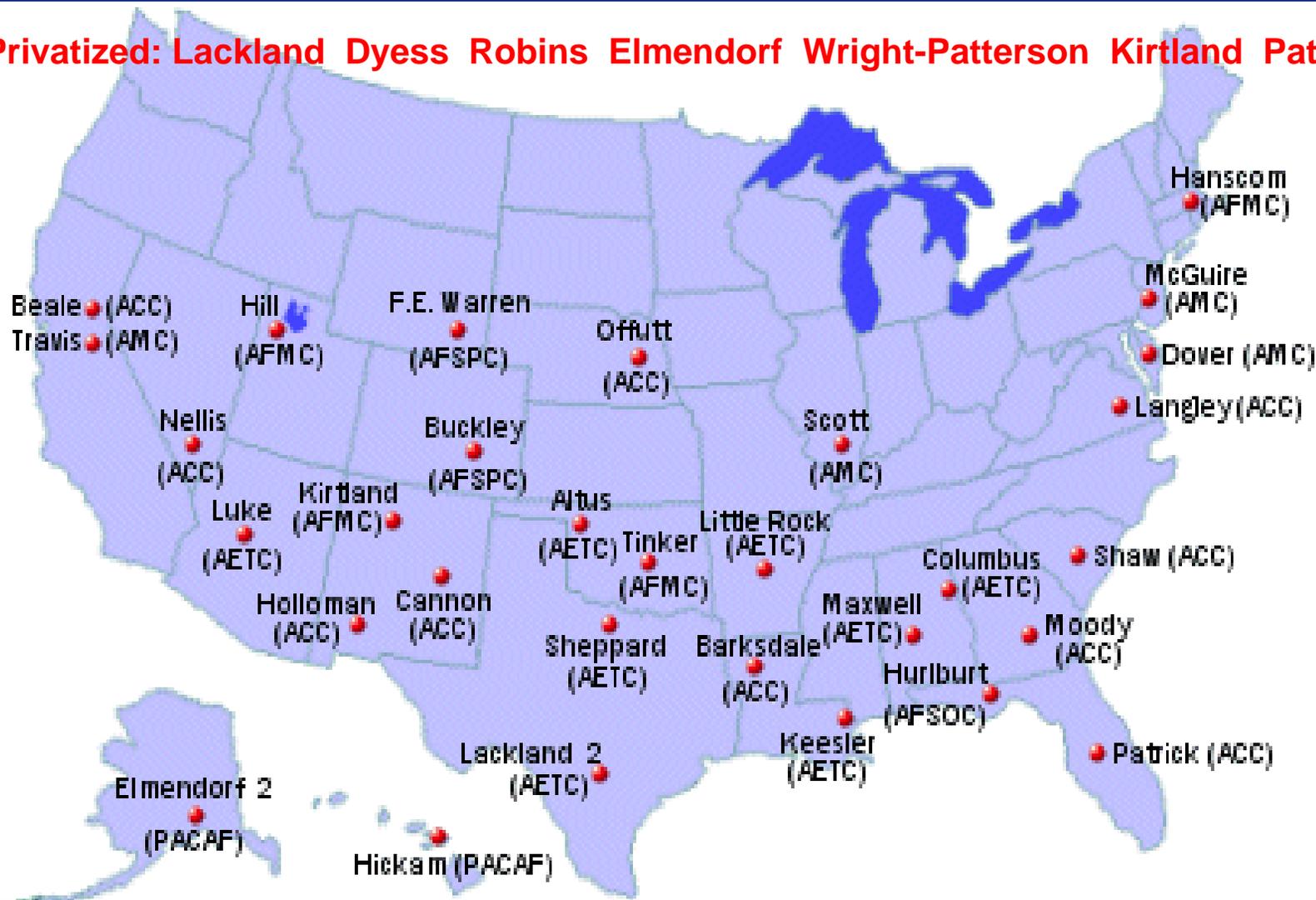




Air Force Projects



Privatized: Lackland Dyess Robins Elmendorf Wright-Patterson Kirtland Patrick





Why Privatize Hickam?



- **72% of MFH below modern standards**
- **Cost to fix Hickam MFH using MILCON: \$390M**
- **Time to fix w/current funding: 14 yrs**



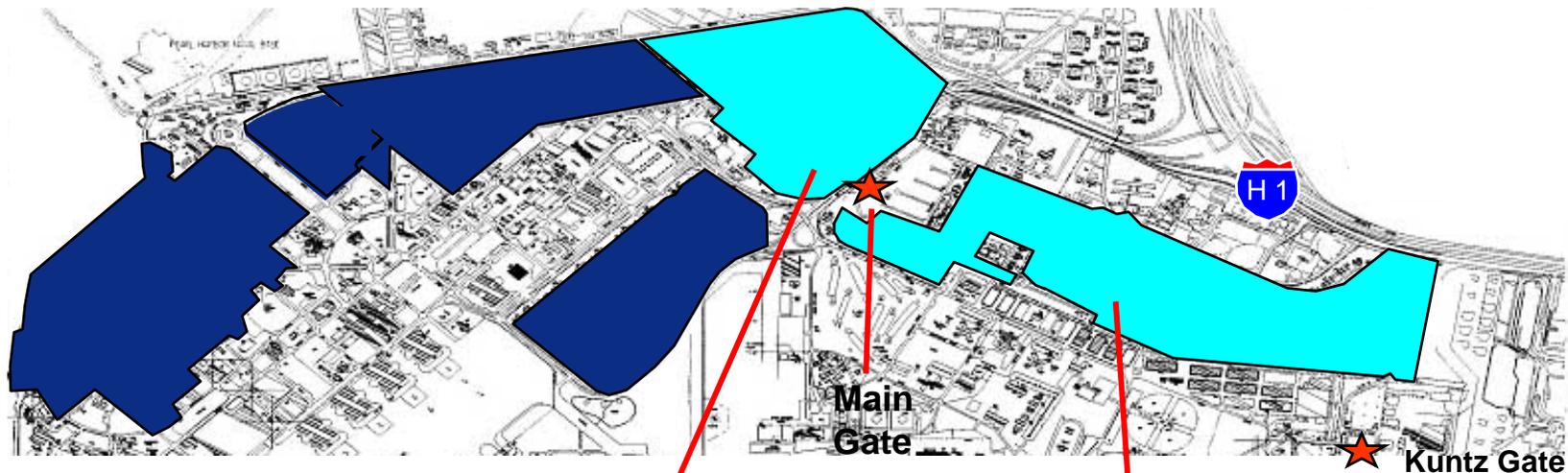
Hickam Project Description



- **Hickam AFB**
 - Conveys 1,356 housing units for 50 years
 - Conveys associated infrastructure
 - Leases 238 acres of land
 - **Actus Lend Lease**
 - Brings a complete financing package
 - Owns, revitalizes, operates, and maintains facilities for 50 years
 - **Military Families**
 - Pay rent equal to their Basic Allowance for Housing (BAH)
-



Project Area



Capehart – 548 Units
▪ 16 units: demolished
New total = 532 units

Earhart – 808 Units
▪ 16 units: new construction
New total = 824 units

Non-Privatized Housing ■
Proposed Privatized Housing ■
Gates ★

Total units privatized = 1,356



Actus

Lend Lease

David Falls
Asset Manager



Today - Tomorrow - 50 Years

TOPICS

- Actus Lend Lease Corporate Overview
- Privatization/Construction Timeline
- Development Plan
- Property Management
- Summary
- Q&A



Today - Tomorrow - 50 Years

LEND LEASE CORPORATION

- World-Class Developer of Residential Communities
- Largest Real Estate Asset Manager
- Expertise in Major Complex Projects
 - Construction Manager for “Ground Zero” Cleanup
 - Preservation/Renovation of Statue of Liberty and Grand Central Station, NY
 - 2002 Olympic Village – Sydney, Australia



Today - Tomorrow - 50 Years

ACTUS LEND LEASE

- Selected for Privatization of more than 20,000 Homes
 - Fort Hood, TX
 - Beaufort, SC
 - Fort Campbell, KY
 - US Army, Hawaii
 - Hickam AFB, Hawaii
- Builder of US Military Housing for 30 Years
 - 17,000 Homes
 - 1,200 on Oahu



Today - Tomorrow - 50 Years

CORPORATE OVERVIEW

LEND LEASE RESIDENTIAL

- Long Term Resident and Client Focus Commitment
- 43,000 Housing Units Under Management - 26 States
- Accredited Management Organization

ALL STAR MAINTENANCE

- Core Business Providing Maintenance and Facility Support for Military Family Housing
- 179 Contracts at US Military Facilities
 - Including 5 Year Period at Hickam AFB
 - More than 1,100 Employees



Lend Lease
RESIDENTIAL



Today - Tomorrow - 50 Years

PRIVATIZATION/CONSTRUCTION TIMELINE



- Actus Lend Lease Selected 3 Oct 2003
- Town Hall Meetings 20/21 Oct 2003
- Neighborhood Meetings/
Lease Signing Nov/Dec 2003
- Actus Lend Lease Assumes
Management of 1,356 Homes 1 Feb 2004
- Phase 1 Construction April 2004
- Phase 2 Construction May 2005
- Phase 3 Construction Aug 2006
- Phase 4 Construction Sept 2007

(See map in Fact Sheet for Phase locations)



Today - Tomorrow - 50 Years

Development

Jeff Apitz
Development Manager



Today's Tomorrow's 50 Years

Project Mission



Our Mission Is to Provide Hickam Air Force Base Families With:

- Highest Quality Housing and Community Environment

For Today, Tomorrow and the Next 50 Years



Today - Tomorrow - 50 Years

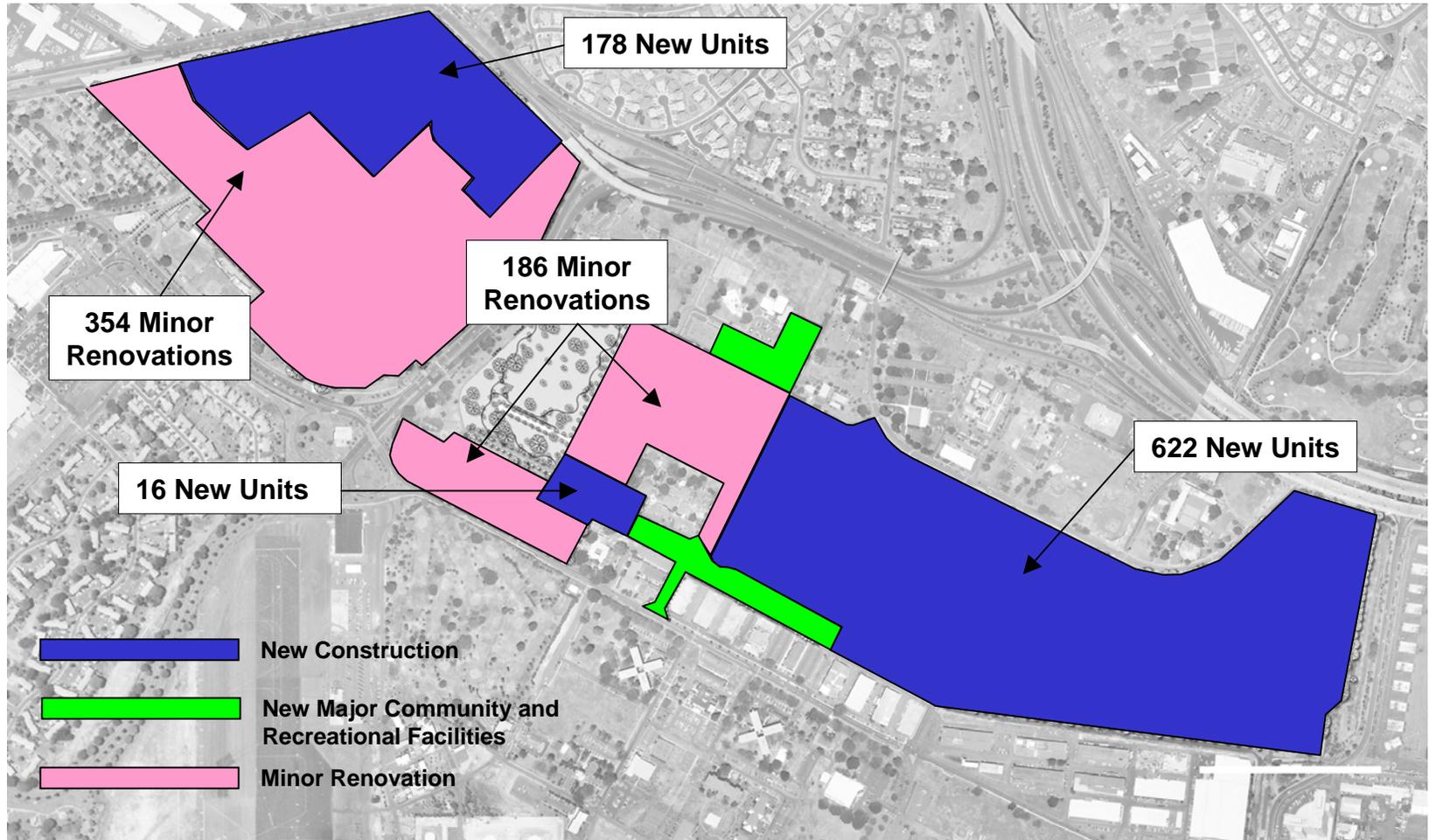
Development Strategy

- Maximize New Units
- Minimize Disruption to Residents and the Base
- Maximize Retention of Appropriate Mature Trees
- Redistribute Housing Density Evenly Throughout Neighborhoods
- Provide Community and Recreational Glue
- Design in Flexibility to Allow Continual Improvement Throughout the 50 -Year Term

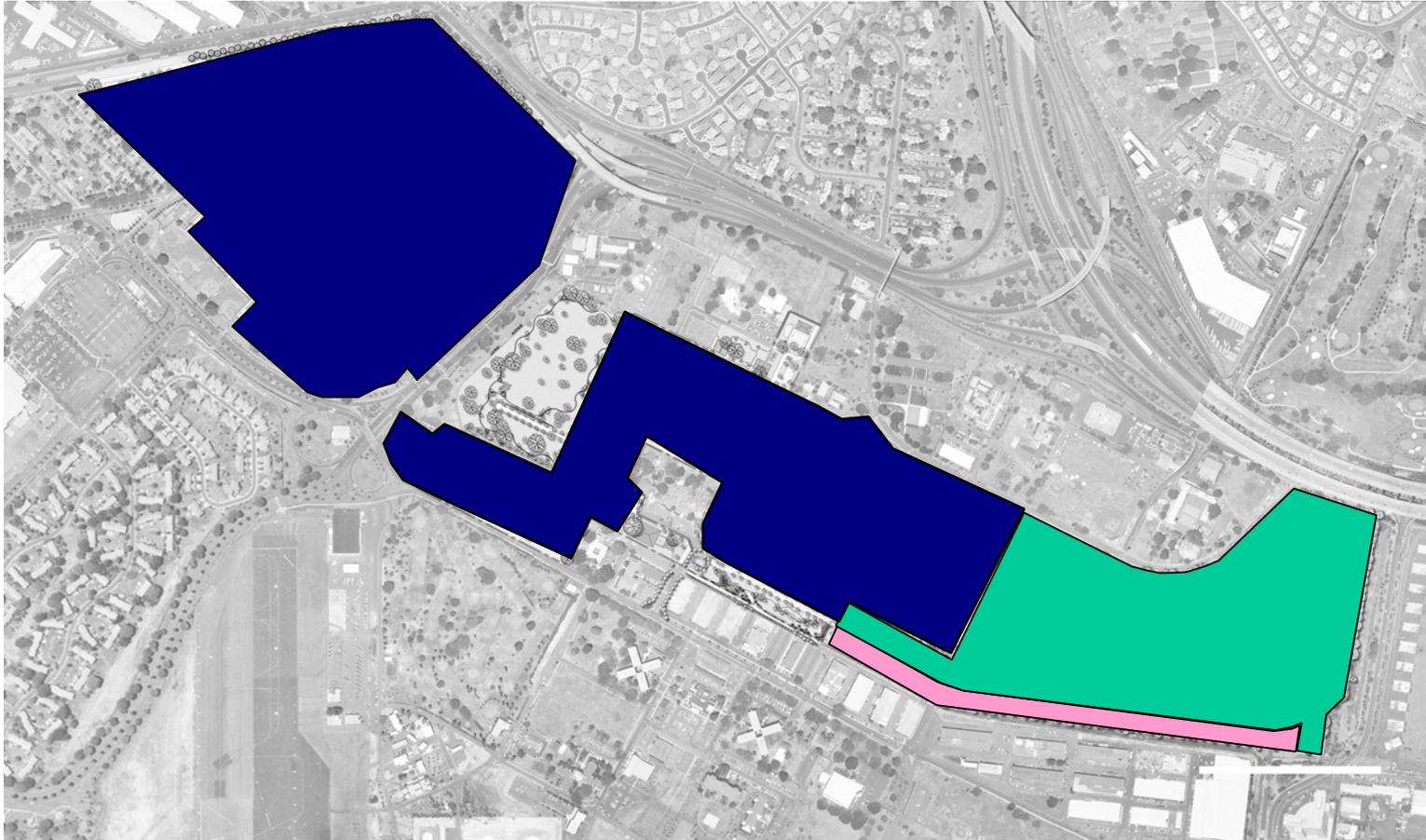


Today - Tomorrow - 50 Years

Proposed New Construction / Renovation, By Area



Proposed Unit Demographics



 E9

 E7 thru E8

 E1 thru E6



Today - Tomorrow - 50 Years

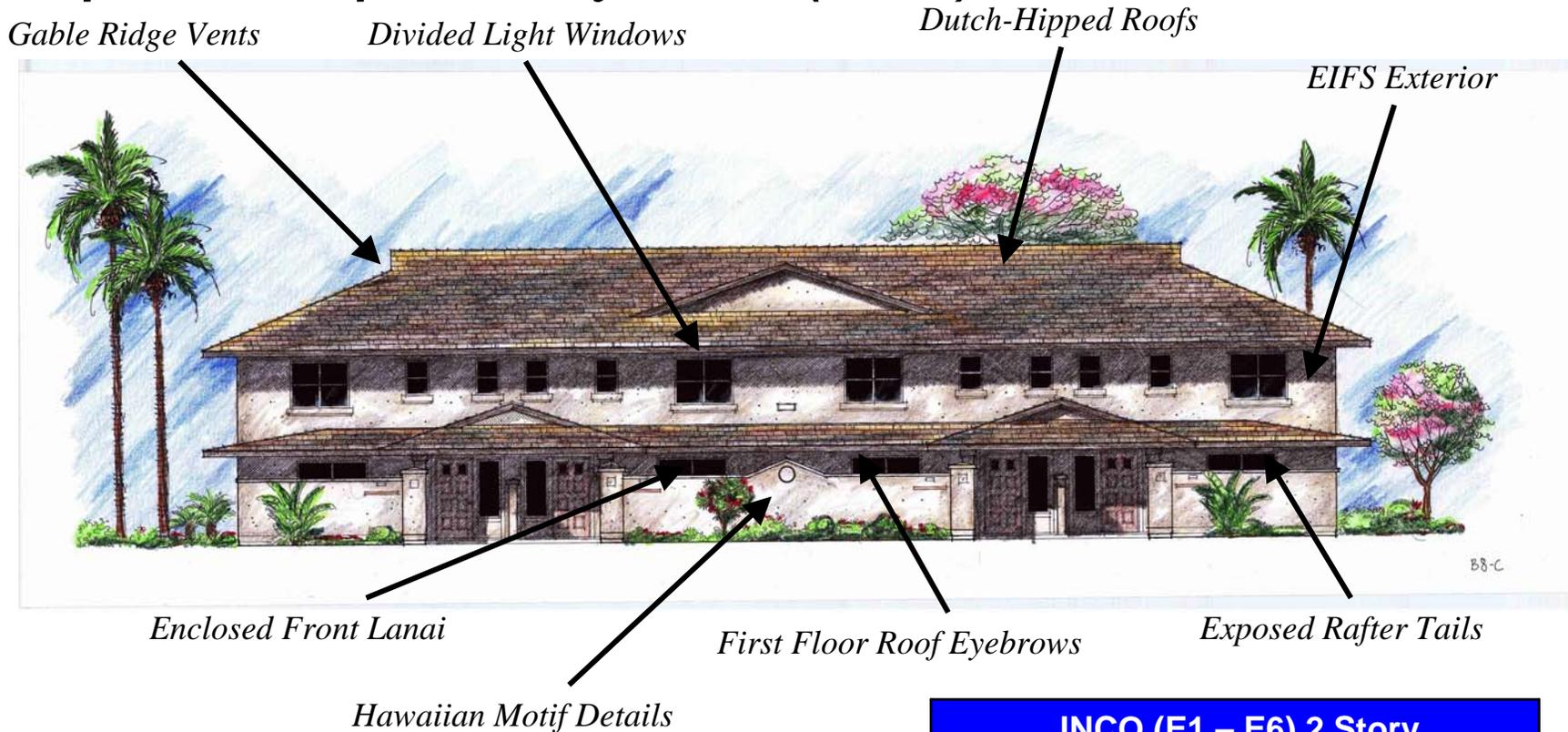
Housing Solution



Today and Tomorrow for 50 Years

Style Reflecting Local Vernacular

Capehart Multiplex Family Homes (JNCO)



JNCO (E1 – E6) 2 Story		
3 Bedroom	1630 sf	35% Increase
4 Bedroom	1950 sf	50% Increase



Today - Tomorrow - 50 Years

Style Reflecting Local Vernacular

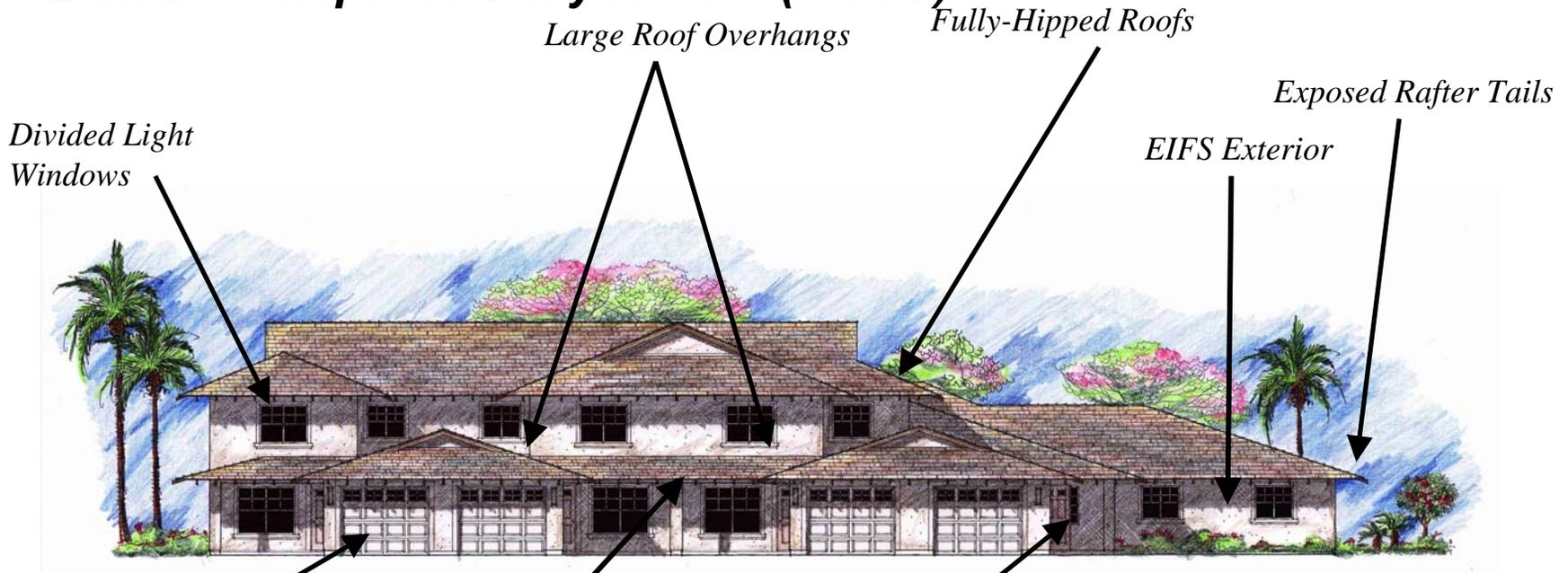
Capehart



Today - Tomorrow - 50 Years

Style Reflecting Local Vernacular

Earhart Multiplex Family Homes (SNCO)



SNCO (E7 – E8) 2 Story		
3 Bedroom	1860 sf	25% Increase
4 Bedroom	2150 sf	14% Increase
SNCO (E9) 2 Story		
3 Bedroom	2020 sf	40% Increase
4 Bedroom	2310 sf	30% Increase

5% of Units Handicaped Accessible

Today - Tomorrow - 50 Years



Style Reflecting Local Vernacular

Earhart



Today - Tomorrow - 50 Years

Typical Home Design Solution

Features – 1st Floor

Large utility room and interior storage

Large broom closet w/shelving

Eating bar

Kitchen door with operable half-lite window for natural light and ventilation

Dedicated trash/recycling area

Exterior access to mechanical room

Exterior bulk storage

Bonus interior storage under stair landing

- Efficient kitchen work triangle
- Rangehood w/built-in Microwave
- Separate pantry

Bonus lanai

Large exterior storage and work area

Detached garage with automatic door opener



Today - Tomorrow - 50 Years

Typical Home Design Solution

Features – 2nd Floor

Sound attenuation between bedrooms

Large dedicated linen space

Oversized stair landings and hallways

Secondary bedrooms accommodate twin-sized beds

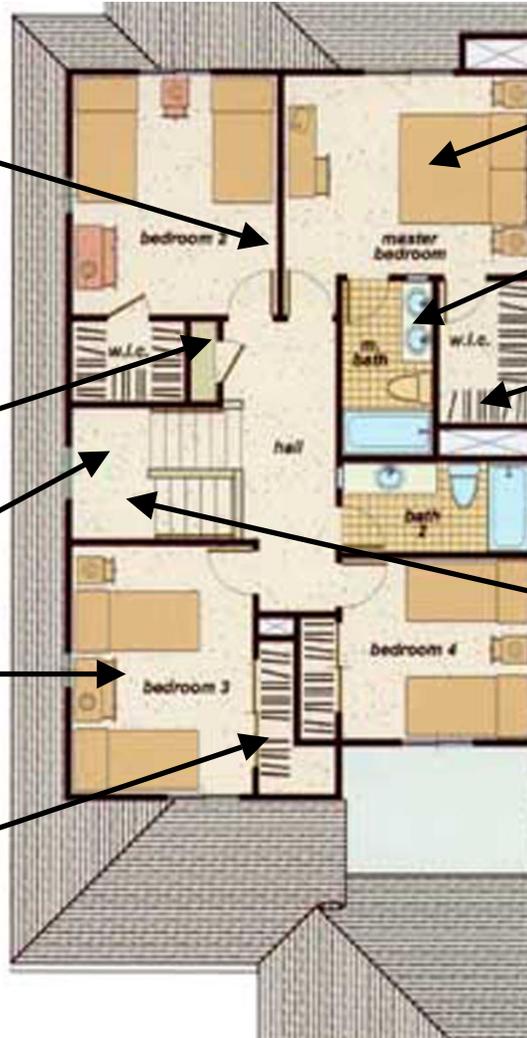
Oversized wardrobes

Master bedroom accommodates king-sized bed

Double vanity in master bath

Large walk-in closets

Solar tubes over stair landing



Today - Tomorrow - 50 Years

Community and Recreational Facilities



Today - Tomorrow - 50 Years

New Community and Recreational Heart



Today - Tomorrow - 50 Years

Enhanced Recreational Area



Existing Conditions: View from Kokomalei Street



Proposed Development: View from Kokomalei Street



Today - Tomorrow - 50 Years

Project Phasing & Scope



Today - Tomorrow - 50 Years

Property Management

John Gorske
Property Manager



Today - Tomorrow - 50 Years

KEY ISSUES

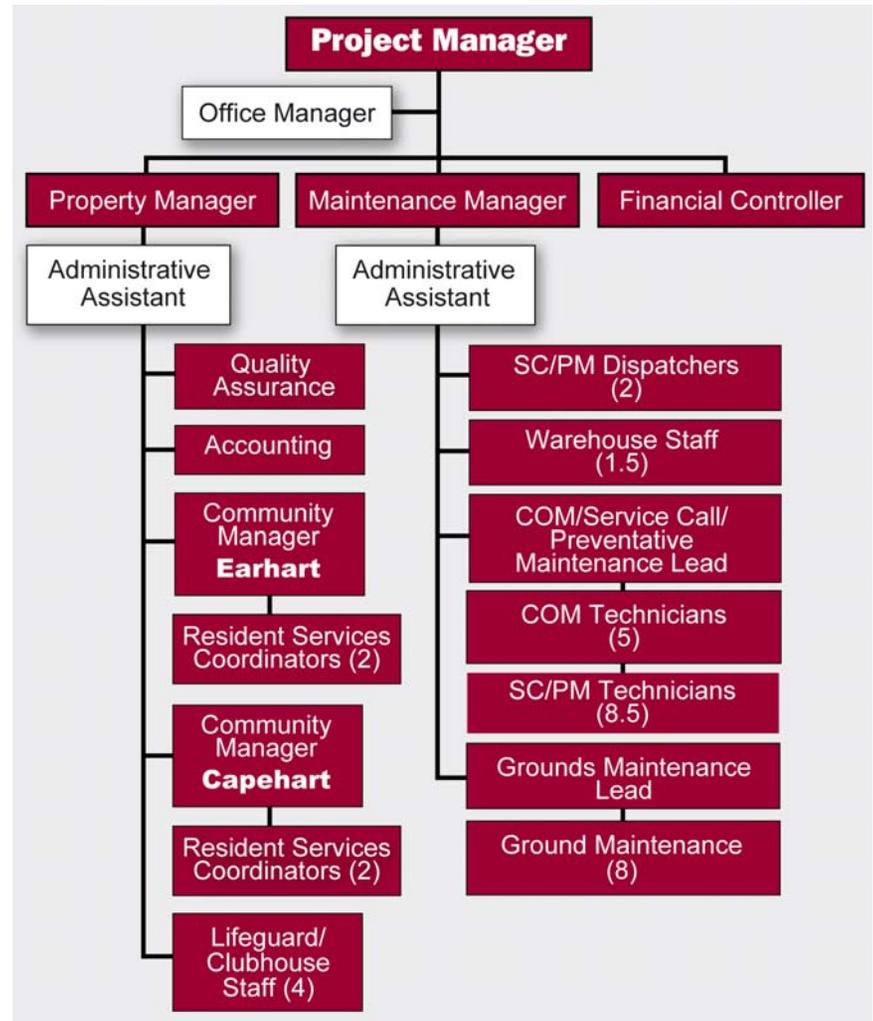
- Dramatic Improvement in Quality of Homes
- Professional, Community-Based Management Staff On-Site
- Residents will receive BAH, sign a lease and pay rent
- Relocations Required for Renovations/Replacement
- Policies Consistent with Current Air Force Policies



Today - Tomorrow - 50 Years

Management and Maintenance Organization

- 12 Property Management Team Members
- 31 Maintenance Team Members



Resident Responsibilities

- Sign a month to month lease (PCS clause)
- Start BAH at “With-Dependent” rate
- Pay rent by allotment
 - Rent includes electricity, water, sewer, trash removal and renter’s insurance
 - Change allotment amount when BAH changes (Promotion, annual BAH adjustment)
- Pay telephone & CATV separately
- Complete Power of Attorney if unavailable to sign lease and required paperwork



Today - Tomorrow - 50 Years

Paying for Electricity

- Electricity is included in rent amount
- AFTER meters installed and usage study completed:
 - Paid separately (but still within BAH unless overused)
 - Based on multi-year average usage for unit type
 - Rent = BAH – 110% of estimated electricity cost
- Example:
 - Base Electricity Cost for unit type = \$100
 - Utility Allowance = $1.10 \times \$100 = \110
 - Rent for E-6 (\$1,628 BAH) = \$1,518 ($\$1,628 - \110)
 - If resident's bill is \$100, saves \$10



Resident Concerns

- Resident moves required for replacement/ renovation
 - All Phase 1 residents accommodated on base
 - Goal: Avoid Any Second Relocations
 - Assignment based on entitlement, and DEROS
 - Move will be at Government expense
 - Partial dislocation allowance (\$523.50)
 - Minimum 1134 units available throughout construction
- Full maintenance service & self-help store
 - Yard care (front and side yard) provided



Today - Tomorrow - 50 Years

Resident Concerns

- 15th Airlift Wing will continue to provide police, fire and emergency response
- Children will not need to change schools
- Eligibility may be impacted for some Public Aid Programs
 - Maximus Child Care, Food Stamps
- Management Review Committee
 - Available to address resident issues and resolve concerns



Today - Tomorrow - 50 Years

Transition Activities

- Town Hall Meetings October 20th and 21st
- Physical Inspection of homes required
- Neighborhood Meetings (20) - Nov/Dec
 - Informal/Small Groups
 - Questions & Answers – Become fully informed
 - Lease, BAH start, allotment forms available to sign



Today - Tomorrow - 50 Years

- On-site Property Management Office
 - Open Monday-Saturday and by appt. on Sundays
- Website
- Monthly Newsletter
- Town Hall Meetings
- Focus Groups



Today - Tomorrow - 50 Years

Maintenance Response

<u>Category</u>	<u>Response Times</u>	<u>Completion Times</u>	<u>Available</u>
Emergency Service Calls	½ hr – normal work hrs 1 hr – after normal hrs	1 Calendar day	24/7
Urgent Service Calls	Response same work day	2 work days	M-F 0800-1700 Sat 0800-1400
Routine Service Calls	2 Work Days	5 work days	M-F 0800-1700 Sat 0800-1400

(Response times include contacting the resident, appraising the problem and scheduling a solution)



Today - Tomorrow - 50 Years

SUMMARY

- Best Homes Possible for Air Force Families
- Quality and Service Levels Comparable to Best Practices in Private Sector



Today - Tomorrow - 50 Years

Questions?

www2.hickam.af.mil/housing/PrivMH/index.htm



Today - Tomorrow - 50 Years