



## Air Force Housing Privatization

# Roles and Responsibilities The Five Phases of the Lifecycle



# Information Sheet

AIR FORCE CENTER FOR ENVIRONMENTAL EXCELLENCE

### **Parties Involved in the Lifecycle**

The Air Force housing privatization lifecycle involves many participants and stakeholders, each with its own role or interest in the process or outcome. The principal parties involved in the privatization process include the Installation, the Major Command (MAJCOM), the Air Force Center for Environmental Excellence (AFCEE), and the Project Owner.

### **Installation**

The Installation is involved in all aspects of the project's development and base approvals, but it is particularly involved in identifying requirements up front and providing oversight to the Project Owner.

### **MAJCOM**

The MAJCOM is the organization that "owns" the Installation and is the direct beneficiary of the privatized housing; it is an active participant in the entire privatization process. AFCEE is responsible for assisting all MAJCOMs in the execution of their privatization initiatives, including providing cradle-to-grave program management support and professional and technical assistance through each phase of a privatization project.

### **AFCEE**

The role of AFCEE on any given project can be adapted based on an installation or MAJCOM's experience, skills, and needs.

### **Project Owner**

The Project Owner is mainly involved in the project management phase of privatization. Its role is maintained throughout the 50-year agreement signed with the Air Force.

### **Description of the Five Phases**

The five phases of privatization are project identification, project definition, project acquisition, project management, and project closeout. This information sheet provides a summary of each party's specific responsibilities, as they pertain to the phases of the privatization process from project identification to project management. The roles and responsibilities for project closeout have yet to be determined.



U.S. AIR FORCE

## Phase One: Project Identification

The goal of the project identification phase is to identify the project requirements and the potential for privatization, as well as to initiate execution of the project.

PARTY	RESPONSIBILITIES
Installation	<ul style="list-style-type: none"> <li>• Submits project request to MAJCOM</li> <li>• Identifies project requirements up front</li> <li>• Identifies housing deficiencies, current requirements</li> <li>• Plans scope of project</li> <li>• Identifies functional and technical requirements**</li> </ul>
MAJCOM	<ul style="list-style-type: none"> <li>• Identifies project</li> <li>• Validates project scope</li> <li>• Initiates any required waivers to Air Force or DoD policies***</li> <li>• Ensures funding*</li> <li>• Oversees programming and budgeting of funds***</li> <li>• Hires and retains AFCEE*</li> <li>• Conducts site visits*</li> <li>• Develops and submits project information and plans*</li> <li>• Approves and reports schedule and progress to The Air Force Civil Engineer***</li> <li>• Participates in development of reviews, and ultimately approves of submittals*</li> <li>• Resolves conflicts*</li> <li>• Authorizes changes in scope***</li> <li>• Obtains waivers and approvals***</li> <li>• Approves AFCEE submittals and execution schedules***</li> </ul>
AFCEE	<ul style="list-style-type: none"> <li>• Provides housing and privatization expertise*</li> <li>• Provides contract support</li> <li>• Serves as communication liaison between the privatization support contractor, other contractors, and the government*</li> <li>• Oversees contractors' performance*</li> <li>• Monitors and reports status of project requirements*</li> <li>• Facilitates problem resolution*</li> <li>• Serves as Contracting Officer*</li> <li>• Supports program funding and supporting documents development*</li> <li>• Provides cost estimates/proposals for reports and surveys*</li> <li>• Provides other contract services, including*               <ul style="list-style-type: none"> <li>- Environmental Baseline Surveys</li> <li>- Housing Requirements Market Analyses</li> <li>- Metes and bounds surveys</li> <li>- Topographical maps</li> <li>- Geotechnical services</li> <li>- Inspection services</li> </ul> </li> </ul>
Project Owner	<ul style="list-style-type: none"> <li>• No responsibilities in this phase</li> </ul>

## Phase Two: Project Definition

During the project definition phase, project alternatives are refined and approval of the project concept and Request for Proposal (RFP) is obtained.

PARTY	RESPONSIBILITIES
Installation	<ul style="list-style-type: none"> <li>• Provides project documents</li> <li>• Participates in submittal reviews and decisions**</li> </ul>
MAJCOM	<ul style="list-style-type: none"> <li>• Defines project</li> <li>• Requests Air Force concept approval</li> </ul>
AFCEE	<ul style="list-style-type: none"> <li>• Manages project definition</li> </ul>
Project Owner	<ul style="list-style-type: none"> <li>• No responsibilities in this phase</li> </ul>

\*Responsibility is upheld throughout the remainder of the privatization process.

\*\*Responsibility is upheld throughout the next phase of the privatization process.

\*\*\*Responsibility is upheld throughout the next two phases of the privatization process.



**U.S. AIR FORCE**

### Phase Three: Project Acquisition

Soliciting and selecting the best value Project Owner and closing the transaction are the primary activities during the project acquisition phase.

PARTY	RESPONSIBILITIES
Installation	<ul style="list-style-type: none"><li>• Hosts site visits</li><li>• Establishes long-term Project Management Office*</li></ul>
MAJCOM	<ul style="list-style-type: none"><li>• Obtains authorities to advertise and award</li></ul>
AFCEE	<ul style="list-style-type: none"><li>• Manages project acquisition</li></ul>
Project Owner	<ul style="list-style-type: none"><li>• No responsibilities in this phase</li></ul>

\*Responsibility is upheld throughout the remainder of the privatization process.

\*\*Responsibility is upheld throughout the next phase of the privatization process.

\*\*\*Responsibility is upheld throughout the next two phases of the privatization process.

### Phase Four: Project Management

The project management phase consists of overseeing the post-closing activities of all parties to ensure that all contractual obligations are met or exceeded.

PARTY	RESPONSIBILITIES
Installation	<ul style="list-style-type: none"><li>• Oversees Project Owner</li><li>• Provides day-to-day oversight *</li><li>• Handles management issues*</li><li>• Establishes a Management Review Committee</li><li>• Provides oversight of post-acquisition</li><li>• Provides Portfolio Management support</li></ul>
MAJCOM	<ul style="list-style-type: none"><li>• Approves final design documents</li><li>• Oversees Portfolio Management support for the installation</li></ul>
AFCEE	<ul style="list-style-type: none"><li>• Reconciles closing activities</li><li>• Serves as the Air Force Portfolio Manager</li></ul>
Project Owner	<ul style="list-style-type: none"><li>• Supports construction, permanent financing, and the required equity</li><li>• Plans, designs, develops, renovates, demolishes, constructs, owns, operates, maintains, and manages all aspects of a rental housing development</li><li>• Manages all paving, drainage, and utilities</li></ul>

### Phase Five: Project Closeout

The project closeout phase is defined by two major activities: determining continuing requirements and disposing of or acquiring assets as appropriate.

Further information concerning roles and responsibilities associated with the privatization process is included in the Air Force Housing Privatization Execution Guide. You may also contact

Air Force Center for Environmental Excellence  
AFCEE/DCP  
2735 Louis Bauer Drive  
Brooks AFB, Texas 78235-5133  
(210) 536-3032  
<http://www.afcee.brooks.af.mil>



**U.S. AIR FORCE**

Project Timeline > 50 Years

PHASE I (1-3 months)

PHASE II (7 months)

PHASE III (9 months)

PHASE IV (50 years)

PHASE V (TBD)

## Five Phases Lifecycle At-A-Glance

### Phase I: Project Identification

**Goal:** Identify project requirements and potential for privatization; initiate project execution.

**Activities/Products:**

- Prepare housing market requirements analysis
- Develop housing master plan
- Affirm programmed concepts
- Assign Project Development Team (PDT) / Acquisition Support Team (AST) members
- Prepare and approve Project Management Plan
- Initiate Privatization Support Contractor (PSC) support
- Conduct site orientation visit
- Finalize execution plan

### Phase II: Project Definition

**Goal:** Refine project alternatives; obtain approval of project concept and Request for Proposal (RFP).

**Activities/Products:**

- Conduct four PDT Workshops
- Approve project concept
- Prepare Office of Management and Budget scoring report
- Develop RFP
- Approve RFP

### Phase III: Project Acquisition

**Goal:** Solicit and select best value project owner and close the transaction.

**Activities/Products:**

- Conduct industry forum
- Finalize and issue RFP
- Evaluate proposals
- Approve AST recommendation
- Conduct transaction closing

### Phase IV: Project Management

**Goal:** Oversee post closing activities of all parties to ensure that all contractual obligations are met or exceeded.

**Activities/Products:**

- Oversee maintenance, operations, and management
- Oversee financial trending, benchmarking, and budgeting
- Communicate best practices and process improvements
- Conduct management review committee meetings
- Identify issues, develop solutions, and resolve

### Phase V: Project Closeout

**Goal:** Determine continuing requirements and dispose of or acquire assets as appropriate.

**Activities/Products:**

- Plan long-term requirements
- Manage asset disposition or acquisition

### BACKGROUND

The 1996 Defense Authorization Act provided the military services with new authorities to privatize housing for service members. This program is known as the Military Housing Privatization Initiative (MHPI). The MHPI allows the services to address their housing needs by utilizing privately financed and built or renovated houses constructed to local market standards (i.e., the typical housing size and amenities found in the local community).

In August 1998, the Air Force Center for Environmental Excellence (AFCEE) was designated as the Air Force's Military Housing Privatization Center of Excellence. To support Air Force housing privatization, AFCEE developed an internal project management structure and approach that can be tailored to fit the particular project needs.

### FOR MORE INFORMATION

**Air Force Center for Environmental Excellence**  
AFCEE/DCP  
2735 Louis Bauer Drive  
Brooks AFB, TX 78235-5133  
(210) 536-3032  
<http://www.afcee.brooks.af.mil>



**U.S. AIR FORCE**