



Major Decisions Roles and Responsibilities



David Bucher

Capital Ventures Directorate

Office of the Deputy Assistant Secretary of the Army for Installations,
Housing and Partnerships

Housing the Force 2025



Agenda



- RCI Major Decision Process
- RCI Higher Authority Major Decision Coordination Requirements
- RCI Major Decision Process for Major Decisions Requiring Real Estate Actions
- PAL Major Decision Process
- PAL Installation Level Actions

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RCI Major Decisions Process

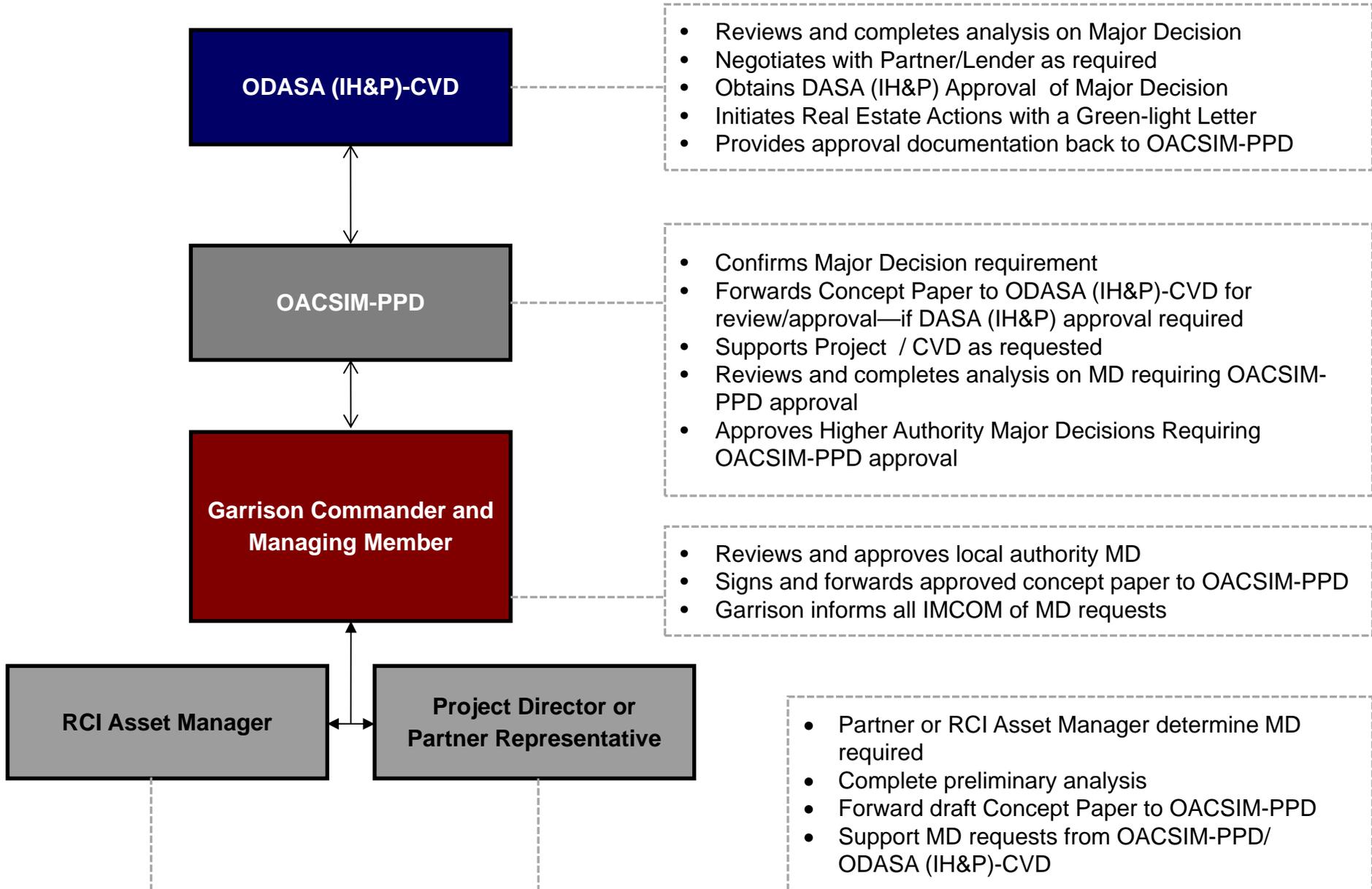


- Major Decisions (MDs) are categorized into two types:
 - Local Authority Major Decisions
 - May be agreed to by the Garrison Commander on behalf of the Army without review and approval of DASA (IH&P) or OACSIM-PPD
 - Decisions include approving incentive fee awards and resolving day-to-day property management/operations issues
 - Higher Authority Major Decisions
 - Require DASA (IH&P) or OACSIM-PPD approval as currently delegated by the ASA (IE&E)
 - Initiated with the submittal of a Concept Paper by the Garrison Commander / Managing Member at the Project Level to the OACSIM-PPD Program Manager (PM) for review and coordination
 - The participants in the process are the Garrison Commander, Managing Member, RCI Asset Manager, Project Director, the OACSIM-PPD PM and ODASA (IH&P)-CVD PM (supported by USACE / OGC as required)
 - Decisions to be approved by OACSIM-PPD include financial impacts lesser of 5-10% of budget or more than \$250,000 from budget, changes to property management incentive fee metrics, annual property management budgets, force protection expenditures and changes to lockbox allocations of less than \$2.5M
 - Decisions to be approved by DASA (IH&P) cover 21 criteria
- Any Major Decision must be evidenced by written signature of the approving authority prior to implementation by the Project

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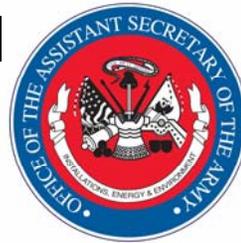
RCI Higher Authority Major Decision Coordination Requirements



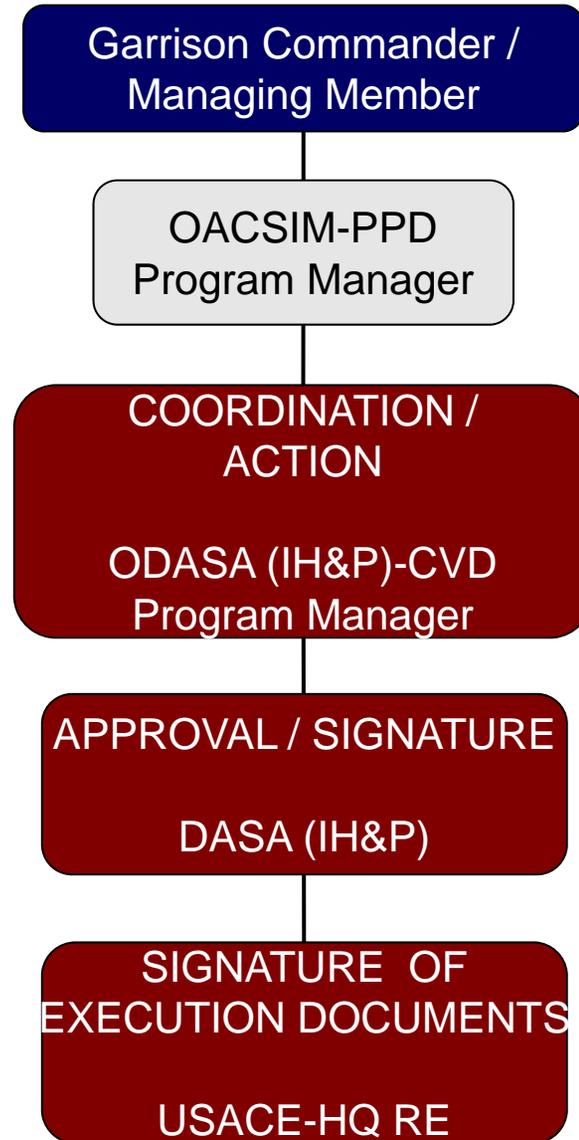
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RCI Major Decision Process for MDs Requiring Real Estate Actions



- ODASA (IH&P)-CVD manages the review, coordination and approval of all Requests for Approval of MDs requiring real estate actions
- Garrison Commander (GC) and Managing Member (Partner) send signed MD request (in Concept Paper format) through OACSIM-PPD PM to ODASA (IH&P)-CVD PM
- ODASA (IH&P)-CVD PM
 - Reviews MD request and provides GREEN LIGHT to proceed
 - Sends memo (“Green Light Letter”) to GC and Partner (CC: USACE-Norfolk)
 - Outlines milestones and execution timeline
 - Designates if Army or Project pays for real estate due diligence and execution of Supplement to Ground Lease (\$\$\$\$)
 - Coordinates MD concept refinement with Partner and Installation
 - Tasks OACSIM-PPD RE to initiate RE due diligence (if required)
 - OACSIM-PPD RE will obtain DASA (IH&P) approval of RE due diligence
 - Tasks USACE-Norfolk to draft RE instruments to execute
 - USACE-Norfolk RE will obtain USACE-HQ execution of RE instruments
 - Provides copies of executed RE documents to OACSIM-PPD PM



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PAL Major Decisions Process



- Lease uses “Garrison Commander” for installation-specific approvals and “Lessor” for all other Army approvals
- ODASA (IH&P)-CVD negotiates the deal terms, sets the scope and closes the transaction
- ODASA (IH&P)-CVD also retains authority over only significant “Major Decisions”
- There are 25 Major Decision triggers and examples include:
 - Adding Government Cash or Real Estate
 - Amendments to Lease or other Key Documents (e.g. DBA, LMA, Lockbox)
 - Change Orders over a particular dollar threshold
 - Changes to end-state room counts, branding requirements, financial terms
 - Issues relating to Noncompliance and Default
- Major Decisions are elevated through the OACSIM-PPD Office with comments from the installation, the Partner and, if applicable, the independent construction consultant and lender
- Retaining Major Decision Authority at Secretariat Level:
 - Utilizes the Transaction expertise that resides at ODASA (IH&P)-CVD
 - Ensures business-case basis for important project decisions
 - Insulates project from short-term Command desires in lieu of long-term business decisions
- Asset Management delegated to ACSIM/IMCOM

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PAL Installation Level Actions



- Day-to-day interface with the IHG General Manager/Development Manager, as required
- Installation PAL POC is designated by Garrison Commander (typically RCI Asset Manager)
- Review and provide comments to OACSIM-PPD on designs, as required
- Lend Lease Development Manager provides quarterly performance and progress updates
- Approval of Installation Specific Plans (environmental, ATFP, safety, etc)
- Annual Garrison Commander Satisfaction Scoring for Incentive Fee payments

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Point of Contact Information



David Bucher

Office of the Assistant Secretary of the Army for
Installations, Energy and Environment

Email address: david.c.bucher.civ@mail.mil

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