



RCI, PAL and Army Housing Training

RCI Asset Management Team Responsibilities

Laura Cole

RCI Asset Manager, Fort Detrick, MD

James Cardin

RCI Asset Manager, Fort Knox, KY

Patricia Baker

RCI Asset Manager, Joint Base San Antonio - Fort Sam Houston, TX





Agenda

- **RCI Asset Manager Roles and Responsibilities**
- **Assignments, Waitlist, and Key & Essential**
- **Property Management and Operations**
- **Customer Service**
- **RCI Energy Conservation Program**
- **Incentive Fee Evaluations**
- **Ongoing Challenges**



Roles and Responsibilities (R&R)

- **PAM Handbook – the primary source document for R&R of all parties involved in RCI**
- **Become familiar with the RCI program’s published policies and key business terms in your Project’s major legal documents – if you aren’t already!**
 - Ground Lease
 - Operating Agreement for the Project Company
 - Property Management Agreement / Asset Management Agreement (if applicable)
 - Development, Construction and Renovation Agreements
 - Incentive Fee Plan(s)



Roles and Responsibilities (R&R)

- **Command support is critical!**
 - Periodic RCI status updates to strengthen existing lines of communication
 - Ideally, RCI Asset Managers participate in Garrison Commanders' (GCs') weekly staff meetings (as was typical earlier in the RCI Program)
- **Provide oversight to RCI project, not operational control**
- **Multiple skill sets are needed to monitor financial, development and operations activities and reporting**
- **You are Army's "boots on the ground" – as main Point of Contact and unofficial ombudsman for RCI issues, take care to ensure that your mission is not compromised by additional non-RCI workload**



Assignments, Waitlist and Key & Essential

- **Assignments and Waitlist**

- Be aware of current waitlist levels, waitlist trending, occupancy challenges in certain neighborhoods / house types, etc.
- Knowledge of these topics will enable coordination with Partner to notify GC why Partner plans to open new Tenant Waterfall priorities
- Guidance on GC involvement in assignment process in ASA(IE&E) Policy on RCI Major Decision Authority dated 5 February 2013
- Guidance on GC involvement in waiting list process in ACSIM Memos dated 23 July 2010 and 8 November 2006

- **Key & Essential (K&E)**

- ACSIM issued additional guidance to GCs on 25 August 2014
- In coordination with the RCI Partner and RCI AM, the GC will review and, if necessary, update the K&E list on a NLT annual basis
- Requirements for K&E personnel that must be housed on post should be reasonable and must match Project's available housing inventory



Property Management and Operations

- **Assignment Process**

- Process may have been modified since Community Development Management Plan's assignment process and procedures were implemented at closing
- Guidance in ACSIM Memos dated 23 July 2010 and 8 November 2006

- **Designated Homes**

- Total varies by Project and should reflect Installation mission(s) and strength

- **Installation Access**

- SecArmy memo dated 31 October 2013 references Homeland Security Presidential Directive 12 requiring Personal Identity Verification (PIV) credential (i.e. Common Access Card, "CAC") for all employees and contractor personnel
- For contractors not eligible for CACs, AR 190-13 requires screening through NCIC's Interstate Identification Index (NCIC-III)



Property Management and Operations

- **OACSIM / OASAIEE Site Visit Review Preparation**
 - Coordinate and schedule briefings on Installation Leadership calendars
 - Ensure completed Monthly RCI AM Compliance Reports available for review (*OACSIM Annual Compliance Visits*)
 - Facilitate USACE inspection of RCI leased property to enable completion of Ground Lease Compliance Inspection Checklist (*typically concurrent with OACSIM Annual Compliance Visits*)
 - Coordinate with Partner on presentations, site tours and meeting logistics
 - Support OACSIM's compliance inspection of Internal Controls



Customer Service

- **The RCI Asset Manager is the Government’s first “Point of Contact” for on-the-ground housing privatization issues**
 - Interacts daily with the Partner regarding Partnership concerns
 - Is responsible for keeping many stakeholders – Installation Commanders, OACSIM, OASA(IE&E), IMCOM – informed of critical developments and status of ongoing challenges
 - Supports Partner in surveying Resident Satisfaction
 - Facilitates Commander Townhalls to discuss topics of concern to residents



RCI Energy Conservation Program

- **RCI AMs were critical to communicating and educating residents prior to implementation of the RCI Energy Conservation Program (RECP)**
- **Program has been successfully implemented (in full or for the most part) at almost every RCI project**
- **RCI AMs continue to work closely with Partners and billing companies to resolve residents' issues with utility bills as they arise**
- **RCI AMs are encouraged to inform / involve their chain of command so they can assist with program execution**
 - Where chain of command is involved, program tends to run very smoothly



Incentive Fee Evaluation

- **In accordance with Project legal documents, Incentive Fees may be paid in addition to Base Fees for Development, Construction, Property Management and Asset Management (if applicable)**
 - Actual fee amounts depend on performance against metrics outlined in the Project's current Incentive Fee Management Plan
- **Partner has the responsibility to provide support for their claim to incentive fees for the period in review**
- **RCI AM plays a key role in verifying Partner's claim and briefing the GC in order to gain GC approval and reach agreement on incentive fees to be paid**
 - Know your Project's Incentive Fee Metrics!
 - Communicate visible performance issues to the Partner during the period to enable immediate correction of problems – the end-of-period verification and GC briefing should not be treated as an opportunity for “gotcha”



Ongoing Challenges

- **Tenant waterfall issues**
- **Drawdown and occupancy**
- **Managing Resident Expectations**
- **Reduction in Staffing**
- **Joint Base Operations**
- **Transition from IDP oversight to ODP oversight**
 - Differences in reporting, incentive fee metrics, increased focus on Property Management over Development, balancing near-term Capital Repair and Replacement needs versus building up the Reinvestment Account for long-term sustainment



Questions?

Laura Cole

RCI Asset Manager, Fort Detrick, MD

Email address: laura.k.cole4.civ@mail.mil

James Cardin

RCI Asset Manager, Fort Knox, KY

Email address: james.r.cardin2.civ@mail.mil

Patricia Baker

RCI Asset Manager, Joint Base San Antonio-Fort Sam Houston, TX

Email address: patricia.a.baker76.civ@mail.mil