

## **Public-Private Ventures Background**

(a) Section 2801 of the National Defense Authorization Act for Fiscal Year 1996, Public Law 104-106, 110 Stat. 186 (10 U.S.C. 2871-2885), provides a series of powerful authorities that allow the Department of Defense (DOD) to work with the private sector, nationwide, to develop, build, renovate, manage, operate and maintain housing for service members in key areas of need. The goal is to leverage private investment with DOD participation, and to use a variety of private sector approaches to provide family and unaccompanied housing and ancillary supporting facilities, faster and at a lower cost to American taxpayers. The Department of the Navy (DON) intends to utilize the unique powers and authorities provided under the legislation to ensure that safe, high-quality, energy-efficient, well-managed, affordable housing will be available to service members and military families, as needed, over the long term.

(b) Section 2688 of the National Defense Authorization act for Fiscal Year 1998 allows the Secretary of the navy to convey a utility system, or part of a system, under the jurisdiction of the Secretary to a municipal, private, regional, district, or cooperative utility company or other entity. Such conveyance may consist of all rights, title, and interest of the United States in the utility system or such lesser estate, as the Secretary considers appropriate to serve the interests of the United States.

(c) Current Department of Defense authorities are restrictive with respect to possible applications in areas other than housing and utilities. In particular, the Military Housing Privatization Initiative represents unique legislation in the matter of land disposition by allowing the Services to partner with private developers. Thus, it is recognized that non-traditional initiatives usually require special legislation. High-level interest exists in identifying public-private venture opportunities which, among other things, would accelerate facilities construction and renovation, improve the work environment and Quality of Life features, and ensure high-quality operations and maintenance over the long term regardless of budgeting and programming outcomes.

## **Statement of Work**

(a) The contractor shall serve as a technical advisor to the Naval Facilities Engineering Command Headquarters (NAVFAC) Special Ventures Acquisition Office and the Engineering Field Divisions/Activities for the purpose of providing professional services concerning various Navy and Marine Corps public-private venture program and project development and execution issues, and other special ventures. Such services shall include, but not be limited to, the review and evaluation of the following matters, and providing, as requested, status reports or recommendations:

- (1) Impact of federal, state and city programs, housing and others, on DON housing objectives or other special ventures.
- (2) Implementation of DOD and DON policy, regulations and guidance.
- (3) Development and approval of special venture concepts for short-term and long-term projects, and project execution issues, including adaptation of current private capital initiatives to public-private ventures.
- (4) Review project background, including requirements established by DON military and civilian officials, and collect appropriate data and materials.
- (5) Evaluate sites, locations and facilities proposed for public-private venture projects, and identify local, state and federal environmental requirements and other impacts on project approval and execution, including planning and zoning factors.
- (6) Provide services to support accelerated project execution to include, but not to be limited to, the following stages, and to continue support of transition of residual management services to a separate contract:
  - (i) Concept Development and Approval.
  - (ii) Developer Solicitation and Selection.

- (iii) Negotiations and Contract Execution.
- (iv) Training.
- (7) Develop special venture strategies and concepts, and supporting financial analyses, for short-term and long-term business deals; review possible uses of alternative investment techniques; and work on issues connected with local jurisdictions.
- (8) Identify service member and other customer and interested party issues, including utilities and base services issues, and develop responses consistent with Navy- and Marine Corps-approved concepts.
- (9) Analyze leverage, life cycle, and OMB issues.
- (10) Provide appropriate Source Selection Board, Technical Evaluation Board, and Financial Evaluation Board support for the pertinent part of the DON 2-Step Request for Qualifications/Request for Proposals acquisition process, including evaluation of technical and financial proposals and risk assessments.
- (11) Support exclusive negotiations with the preferred developer, coordinate preparation of the business agreements for short-term and long-term equity deals that meet DON objectives and protect DON assets, and participate in financial closing

(b) The contractor will coordinate with and provide appropriate guidance and support for EFD/EFA staff and appropriate Navy and Marine Corps activity and installation personnel in the course of project concept development, selection of a developer and exclusive negotiations, and preparation of a business agreement.

(c) The contractor will develop training methods, models, and materials, to educate and prepare appropriate Navy and Marine Corps personnel to participate effectively in light of established plans of action and milestones.

### **Contractor Workforce Responsibility**

It shall be the full responsibility of the Contractor to organize, furnish, maintain, supervise, and direct a workforce, which, within the limitations of this contract, is thoroughly capable of effectively performing the work set forth in this contract.