



**US Army Corps  
of Engineers** ®

Norfolk District

## ***News Release***

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FOR IMMEDIATE RELEASE  
January 24, 2008  
08-02

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### **Fort Lee breaks ground on revolutionary Army family housing**

**NORFOLK, Va.** – Fort Lee, Va., near Hopewell, broke ground today on new construction being built under the U.S. Army's revolutionary Residential Communities Initiative or RCI program. Over the next six years, the Fort Lee Commonwealth Communities, a 50-year public-private partnership between the U.S. Army and Hunt, Pinnacle and Falcon LLC, will rehabilitate, develop and construct 1,590 homes on Fort Lee, with an initial contract value of about \$200 million. As executive agent for the Army, the U.S. Army Corps of Engineers (USACE) plays a key role in RCI by providing contracting, environmental and real estate support.

In the Commonwealth of Virginia, more than 4,780 homes have been transferred by the Norfolk District RCI Real Estate Team through a 50-year ground lease to Limited Liability Companies (LLC) responsible for managing the installation's Soldier family housing. In December 2003, Fort Belvoir transferred 2,070 homes for management by Clarke, Pinnacle LLC; 1,124 Fort Eustis-Story homes were transferred in December 2004 to GMH Military Housing LLC; and 1,590 Fort Lee homes transferred in September 2007 to Hunt, Pinnacle and Falcon LLC.

For decades, Army authorities have listened to Soldier and family member concerns about substandard or inadequate family housing quarters and long waiting lines for on-post housing. Those Soldiers lucky enough to find decent quarters off-post would also experience difficulty staying within their housing allowance.

Congress recognized that traditional military construction could not remedy the aging military housing inventory, and in 1996, passed the Military Housing Privatization Initiative (MHPI) which gave birth to the multi-billion dollar RCI program. The law authorizes the military services to attract private-sector expertise and capital for improving housing facilities for military members and their families in the continental United States.

Nationwide, 37 Army installations (29 projects), with a total over 87,860 homes, have currently been transferred by the Norfolk District RCI Real Estate Team. Since its inception, the RCI program has taken approximately \$1 billion in federal government assets and leveraged it to generate over \$10 billion in construction and renovation development in a far shorter time period than traditional military construction could have achieved.

The RCI program also exceeds the private sector in energy conservation. All homes built for RCI are *Energy Star Compliant*, compared to 5-10 percent in the private sector. New homes must also receive a *Gold SPIRIT* rating to reduce utility costs. Designs incorporate environmentally friendly and energy efficient features as well as extensive recycling and re-use of materials.

For more information on the Army's RCI program, call Kathleen Germano, Norfolk District RCI Realty Specialist, at (757) 201-7188.