



DEPARTMENT OF THE NAVY
COMMANDER, NAVY INSTALLATIONS COMMAND
716 SICARD STREET, SE, SUITE 1000
WASHINGTON NAVY YARD, DC 20374-5140

CNICINST 11103.8A
N9
15 Feb 2013

CNIC INSTRUCTION 11103.8A

From: Commander, Navy Installations Command

Subj: NAVY HOUSING LEASING PROGRAM

Ref: (a) OPNAVINST 5009.1
(b) SECNAVINST 11011.47B
(c) UFC 4-721-10, Navy and Marine Corps Bachelor Housing
(d) UFC 4-721-01, Family Housing
(e) NAVFAC P-73, Real Estate Procedures Manual
(f) 10 U.S.C. §2828
(g) 10 U.S.C. §2874
(h) DoD 4165.63-M, DoD Housing Management, October 2010
(i) DoD 7000.14-R of Sep 2012
(j) CNICINST 11103.3B
(k) ASN (EI&E) memo, High Cost Leases in Foreign Countries, 13 Jun 2012
(l) 10 U.S.C. §2834

1. Purpose. To define responsibility for policy, program management, overall coordination and execution of the Navy Housing Leasing Program. This instruction removes guidance for 801 lease authority, incorporates guidance for high cost leases, and expands guidance for foreign leases.

2. Cancellation. CNICINST 11103.8 dated 28 October 2008.

3. Background. Reference (a) assigns responsibility for providing and administering Navy Housing and related programs to the Commander, Navy Installations Command (CNIC). As such, CNIC is responsible for overall policy, operations, and fiscal accountability for all Housing programs within the Navy. This includes acquisition by leasing to provide Navy Housing real property for Unaccompanied and Family Housing required to fulfill the housing mission. Reference (b) tasks Commander, Naval Facilities Engineering Command (COMNAVFACENGCOM), under the direction of the Chief of Naval Operations (CNO) for Navy property, with issuance of implementing instructions, prescribing operating procedures and developing controls

required to ensure compliance with the provisions of reference (b) in the acquisition by leasing of real property. COMNAVFACENGCOM, as solely responsible for warranting real estate contracting officers (RECO) for the Department of the Navy (DON), is the acquisition agent for leasing actions. All leases should conform to the building and construction standards as outlined in references (c) and (d) and follow the policy and guidance prescribed in reference (e). Copies of all contracts entered into, pertinent to Navy Housing leases, are maintained by COMNAVFACENGCOM as the central cadastral records repository for DON.

4. Policy. The Navy shall acquire by leasing, unaccompanied and family housing real property, only for temporary use and if it is determined that it is the most cost-effective way to address a Navy housing shortage and meet requirements in providing affordable, safe, and adequate housing in accordance with the criteria specified in references (f) and (g).

a. As stated in reference (h), it is Department of Defense (DoD) policy to rely on the private sector as the primary source for housing DoD personnel. When it has been determined that the local community cannot adequately meet the needs of the military community, it is CNIC policy to rely on the housing privatization vehicle (Public Private Venture-PPV) wherever a partnership is in place to meet a housing requirement. There shall be no family housing leasing where there is a family housing PPV and no unaccompanied housing leasing where there is unaccompanied housing PPV unless it is determined that the PPV vehicle is not able to meet the housing requirement.

b. The Navy Housing Leasing Program will be administered within the criteria, cost limitations, and use of appropriate funds in accordance with reference (i).

c. Domestic leasing for Navy Housing is authorized only when there is a shortage of adequate housing at or near a military installation. The program is limited to areas with large deficits of housing for military members. The use of the domestic leasing program is temporary and shall be controlled to prevent adverse effects to the local economy. Domestic recruiter leasing is authorized when the recruiter otherwise qualifies for the program and there is no available military housing within 20 miles of the duty station or within a sixty-minute commute.

d. Foreign leasing for Navy Housing is authorized when the requirement is temporary, leasing is more cost-effective than other forms of acquisition, or when military construction of housing is either on-going (but not complete) or is pending authorization. Additionally, leasing of housing in foreign countries is authorized for special command positions (as determined by the Secretary of Defense) or defense attaches, where the cost of housing or other lease terms would pose an undue hardship on personnel, or in countries where military/civilian members are prohibited from entering into individual leases.

(1) Reference (k) defines high cost foreign leases as those leases exceeding the dollar limitations in reference (f). High cost leases (HCLs) are authorized for special command positions (SCP) or defense attaches where the cost of housing or other lease terms would pose an undue hardship on personnel. HCLs may also be submitted for designated Level 1 or Level 2 High Risk Billets (HRB)/High Risk Personnel (HRP) if it can be demonstrated that there are no alternative, less costly options available to ensure the provision of a secure residence. HCLs for other than the billets listed in this paragraph will only be considered if there are other circumstances or conditions that demonstrate, in a compelling manner, that a HCL is in the best interest of the government.

(2) Reference (l) allows DoD to enter into an agreement with the Department of State (DoS) under which DoS agrees to provide housing and related services for personnel who are assigned to duty in a foreign country. The agreement will be implemented if there is a shortage of adequate housing in the area of the foreign country in which the DoD personnel are assigned to duty and participation in the DoS housing pool is the most cost-effective means of providing housing for such personnel. Units leased by virtue of participation in a DoS pool do not count against the high cost lease authority allocated by DoD. Navy shall reimburse DoS, as provided in the agreement, for housing and related services furnished personnel under Navy's area of responsibility.

e. Leasing actions for housing shall be processed using the Approval Authority/Chain for Navy Housing Leasing Actions: Unaccompanied Quarters, UH and Family Housing, FH. This document is located at:
<https://g2.cnic.navy.mil/tscnichq/N9/N93/N93%20Library/Forms/By%20Subject.aspx>.

5. Responsibilities

a. CNIC is responsible for disseminating and ensuring compliance with Navy Housing leasing policy consistent with housing asset management policy.

b. Region Commanders are responsible for:

(1) Managing a Navy Housing Leasing Program at their respective region and assisting the installations within the region in the administration and management of the Navy Housing Leasing Program.

(2) Ensuring compliance with Navy Housing leasing policy consistent with housing asset management policy within the region.

(3) Working with the RECOs and installations within the region to ensure that the costs for executed Navy Housing leases comply with statutory limits.

c. Installation Commanding Officers are responsible for:

(1) Managing a Navy Housing Leasing Program consistent with housing asset management policy within the region that ensures compliance with controls, procedures and reports.

(2) Ensuring that costs for executed Navy leases are, and remain, within statutory limits throughout the duration of the leases.

(3) Ensuring that leased quarters will be assigned and occupied only by personnel for whom leasing has been justified, unless a waiver is granted by CNIC.

6. Action

a. CNIC shall:

(1) Issue supplemental leasing program guidance as necessary.

(2) Review and validate housing leasing requirements and the overall leasing program against alternative acquisition strategies in light of current Global Shore Infrastructure Plans (GSIPs), Regional Shore Infrastructure Plans (RSIPs) and

Installation Master Plans (IMPs) to provide a more permanent solution.

(3) Validate and consolidate installation requirements from regions and obtain resources in support of the Navy Housing Leasing Program.

(4) Establish budgetary and housing unit controls, procedures and reports for the management of the Navy Housing Leasing Program consistent with implementing instructions, operating procedures and controls issued by COMNAVFACENGCOM to ensure compliance with Navy leasing policy.

(5) Allocate and approve requests for housing lease points to installations per request via the regions. Lease points equate to dwelling units.

(6) Disseminate annual foreign and domestic lease cost limits as established by the Office of the Secretary of Defense (OSD) to regions.

(7) Comply with required Congressional notification and forward proposed block leases, executed under the authority of reference (f), to Congress via COMNAVFACENGCOM and the Principal Deputy Assistant Secretary of the Navy (Energy, Installations and Environment) (PDASN (EI&E)).

(8) Carefully review for compliance with reference (k) and prepare the necessary documentation to comply with required Congressional notification and forward proposed high cost leases to Congress via PDASN (EI&E).

b. Region Commanders shall:

(1) Disseminate and ensure compliance with controls, procedures and reports for the management of the Navy Housing Leasing Program within the region.

(2) Review and validate housing leasing requirements and the overall leasing program against alternative acquisition strategies in light of current RSIPs and IMPs to provide a more permanent solution.

(3) Assist and work with installations to determine and validate Navy Housing leasing requirements for submission to and obtain resources from CNIC. Written justification for the lease requirement shall be attached to the request forwarded to CNIC.

(4) Distribute CNIC approved housing lease points on an installation to installation basis as requested.

(5) Validate and consolidate leasing funding requests for submission to CNIC and provide leasing funds to installations as authorized by CNIC.

(6) Work with the RECOs of the Real Estate Division in the Asset Management Business Line Group, designated by Naval Facilities Engineering Command (NAVFAC) components, to assist installations within the region in competitively locating, negotiating, executing, and monitoring Navy Housing leases, including renewals and renegotiations.

(7) Work with the RECOs and installations within the region to comply with required Congressional notifications and forward to PDASN (EI&E) via CNIC.

(8) Disseminate annual foreign and domestic lease cost limits as established by OSD to installations within the region.

c. Installation Commanding Officers shall:

(1) Review and validate housing leasing requirements and the overall leasing program against alternative acquisition strategies in light of current IMP to provide a more permanent solution.

(2) Work with the region to determine and validate Navy Housing leasing requirements for submission to and obtain authorization and resources from CNIC. Written justification for the lease requirement shall be attached to the request forwarded to CNIC via the region.

(3) Develop and forward the leasing funding request to CNIC via the region.

(4) Work with the RECOs and regions in identifying requirements to ensure that all leased units comply with DoD-leased construction requirements, to include seismic standards, force protection, and local building and housing codes and that the proposed use complies with the local zoning and fire codes.

(5) Work with the RECOs and regions in competitively locating, negotiating, executing, and monitoring Navy Housing leases, including renewals and renegotiations.

(6) Work with the RECOs and regions to comply with required Congressional notifications and forward to PDASN (EI&E) via CNIC and the region.

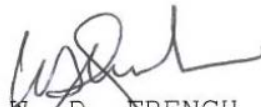
(7) Ensure that all leased units are adequately maintained.

(8) Prior to acceptance and assignment, ensure leased quarters comply with criteria and habitability standards as required by the leasing action.

(9) Counsel prospective residents regarding obligations, responsibilities, and entitlements when assigned to leased quarters.

(10) Ensure timely initiation of leasing actions and compliance with expiration dates, renewals, renegotiation and vacating of leased quarters.

7. Records Management. Records created as a result of this instruction, regardless of media and format, shall be managed in accordance with SECNAV M-5210.1.


W. D. FRENCH
Vice Admiral, U.S. Navy

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