

RCI NEWS

Volume 1, Issue 2

28 October 2002

MILITARY HOUSING ON THE MONTEREY PENINSULA TO BE PRIVATIZED UNDER RCI

The Residential Communities Initiative (RCI) is the Army's version of on-post family housing privatization, a program that will improve the quality of life for service members and their families. Under privatization the military will transfer ownership and management responsibilities for on-post family housing to Clark Pinnacle Family Communities LLC for at least 50 years. Clark Pinnacle will be responsible for family housing management, new construction, renovation, maintenance and repair. Standards for facilities and services will be that of contemporary private sector housing.

WHY privatize? Approxi-

mately 99 percent of on-post family housing is in need of major repair or replacement. Under the normal Army and Navy Family Housing Military Construction process it would take over 30 years to complete these needed improvements. However, privatization allows us to improve all military family housing and eliminate our housing shortage in a much quicker time period.

The privatization process taps private sector capital and expertise in formulating the housing improvement plan. The Army selected the most qualified developer/partner using the request for qualifications method and in a partnership manner, both the developer and military will prepare a detailed com-



munity development plan. This process also leverages military assets as private sector capital is used to fund much of the up-front construction and renovation work.

HOW WILL SERVICE MEMBERS BENEFIT?

Service Members will benefit under privatization by having deteriorated on-post family housing replaced or renovated in a timely manner. Quality of on-post housing will improve beyond that of contemporary private sector housing. Service Members will pay no more for

privatized housing than the amount of their Basic Allowance for Housing (BAH.) This is the total cost of housing. Service Members will receive housing related services at "World Class" levels. Services will be provided to meet the specific needs of our military members and

their families. Care of all service members and their families will be our focus. As levels of service are determined, we will obtain current occupant suggestion concerning their desires and priorities.

PRIVATIZED HOUSING BRINGS CHOICES

Choice of Neighborhoods

Choice of floor plans

Choice of wait list

Choice of means for application; in person, internet, or correspondence

Choice of means for work order request; in person, phone, internet or correspondence

Telephone Directory

RCI Program Manager
Patrick A. Kelly
(831) 242-7979

RCI Project Manager
Brad Collier
(831) 242-7973

RCI Family Services & Support
Gay Rearick
(831) 242-7984



WHO IS CLARK PINNACLE?

Founded in 1906, the Clark Organization has become one of the country's premier real estate companies and the largest privately held general building contractor in the nation. Clark is headquartered in Bethesda, MD, with regional offices strategically located throughout the United States.

As one of the nation's most experienced and respected residential builders, Clark Realty's philosophy is to meet our commitment to clients by delivering the highest level of quality within the industry and by giving back to the communities in which we live and work. The Clark companies have built a reputation of performance and fair dealing for nearly a century through their continued success in various business endeavors including real estate, communications, construction, and emerging technologies.

To learn more about Clark and Pinnacle go to www.clarkconstruction.com and www.pinnacle Realty.com.

Clark's experience is recognized nationally and demonstrated by consistently earning increased annual revenues, providing people with opportunities for growth, and receiving numerous industry accolades.

Pinnacle Realty Management Company is an international real estate investment management firm headquartered in Seattle. Pinnacle provides both multifamily residential and commercial real estate owners and investors with a broad scope of realty services, including the acquisition, disposition, rehabilitation, property management, financing, and repositioning of real estate assets. At Pinnacle, they recognize that their success is a measure of the results they achieve for their clients. Therefore, they have expanded and diversified with the

purpose of better serving their customers. Pinnacle is built on four basic principles—

quality people, a strong customer service culture, solid market knowledge, and quality systems and support capabilities. This foundation combined with entrepreneurial spirit and long-term vision enables them to create superior real estate value for their clients today



CLARK PINNACLE'S VISION FOR MILITARY HOUSING ON THE MONTEREY PENINSULA

Our vision for the Presidio of Monterey (including OMC) and the Naval Postgraduate School (La Mesa Village) Housing Portfolio is to transform the existing housing into world-class, 21st century residential communities. The family housing at the Ord Military Community La Mesa Village, the Presidio of Monterey, and the Naval Postgraduate School will be re-founded on the best aspects of their history and tra-

dition. We have a vision and a plan to create communities where residents can live, work, play, worship,



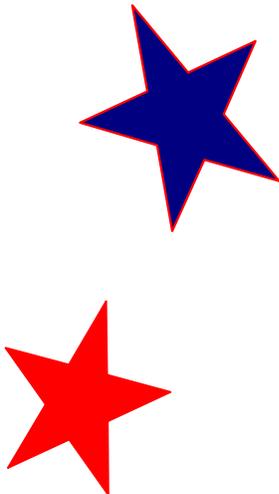
learn, and raise their families as part of a full life experience. These communities will leave military families with a once in a lifetime memory of their tour on the Monterey Peninsula and of a great community that supported their lives in every way.

OUR PLAN

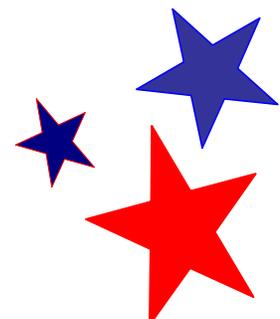
To execute our vision, we created a development plan that improves the POM/NPS housing requirements over seven years by:

Clark Pinnacle has a vision and a plan to create communities where residents can live, work, play, worship, learn, and raise their families as part of a full life experience.

- Replacing all non-historic homes with new, luxury homes that exceed current military standards at both the Ord Military Community and La Mesa Village;
- Transforming the Ord Military Community from a collection of sprawling, outdated houses into a vibrant community with a sense of place, cohesion, and extensive recreational and community amenities;
- Enhancing the existing community at La Mesa Village with new streetscapes and a new Village Center;
- Renovating the 37 historic homes on the Presidio of Monterey and four historic homes at the Naval Postgraduate School;
- Constructing state-of-the-art Community/Recreation Centers, new Neighborhood Centers, and a new "Town Hall;"
- Providing superior customer service to all residents; and
- Building a technology platform to reduce the cost and increase the availability of Internet access, wireless communications, and other technology service to POM/NPS families.



For the latest information throughout the project's development, visit www.clarkpinnacle.com



**Bldg 4250
Gen Jim Moore Blvd
Ord Military Community**

Phone: (831) 242-7984 (DSN 878)
Fax: (831) 242-7793
Email: atzprci@monterey.army.mil

Residential Communities Initiative



The DLIFLC & POM RCI Office is responsible for implementing and completing the RCI program in which the Presidio of Monterey and Naval Postgraduate School is to partner with the private sector for the purpose of improving the military family housing community. Program will utilize applicable legislative authorities and the provisions of the Army's Residential Communities Initiative (RCI) Program. Military family housing privatization effort promotes quality, first class housing communities encompassing the natural beauty of the Monterey Peninsula, which are achievable with the military member's housing allowance.

FREQUENTLY ASKED QUESTIONS AND ANSWERS

Q: Will the Military have any say in Housing after Privatization?

A: Yes. The RCI Liaison Office will act as the eyes and ears of the Commander and Superintendent. Both will be acting in the partnership.

Q: What's to keep this initiative from turning into another project that went bad for the Federal Government?

A: Both the Presidio of Monterey and Naval Postgraduate School have instituted checks and balances throughout the project; several "safety nets" will be placed in the agreement. Among other items, there will be performance-based incentives for Clark Pinnacle Military Communities LLC based on customer satisfaction surveys.

Q: Will military members need to write Clark Pinnacle a rent check each month?

A: No. Rent, which will equal BAH, will be paid via allotment. Details on how this will work will be forthcoming.

Q: Will dual married Military Members give up two BAHs?

A: No. Only the military member

entitled to the higher BAH with or without dependent rate will allot their BAH.

Q: How will BAH work if I move out Mid-Month?

A: If a Military Member moves mid-month, they will be reimbursed for the prorated days of the month during which they do not occupy Privatized Military Family Housing. This reimbursement will occur within 10 days after Clark Pinnacle receives the payment from the Trustee which will occur the first of the following month.

Q: How will the Lease Agreement be signed by spouses if the Military Member is TDY?

A: The Lease Agreement can be signed by a spouse with Power of Attorney and a copy of the TDY orders if available.

Q: If I am moving during August 2003, do I still have to sign the Lease Agreement, and if so, WHY?

A: Yes. To live in Privatized Military Family Housing even for the shortest period of time, one must sign the Lease Agreement. This is because a legal document must be signed to protect both Clark Pinnacle and the Military

Members.

Q: Will my personal information on the Lease Agreement and related forms be kept private?

A: Yes. Absolutely.

Q: When will Clark Pinnacle take over military housing on the Monterey Peninsula?

A: Once Congress approved the CDMP, Clark Pinnacle will receive a Notice to Proceed. It is expected that Clark Pinnacle will assume operation on 1 August 2003.

Q: When will my house be renovated or replaced?

A: Ground breaking will begin as early as September 2003, with an estimate of 40 homes built per month.

Q: When I arrive will I get to move into a renovated house?

A: If one is available you should have no problem with moving into a renovated house?

Q: What if I do not want to live in privatized housing, will Clark Pinnacle still provide housing referral services?

A: Yes. Clark Pinnacle will provide the same service currently provided by the Military Housing Office.