



Air Force Enhanced Use Lease (EUL) Playbook

Air Force Civil Engineer Center

Real Estate Development Division

29 Aug 16



The purpose of the EUL Playbook is to provide process narratives for each phase in a typical EUL project. This Playbook is a general guide that can be tailored and applied as necessary to develop project-specific plans and schedules. The Playbook is intended for use by Air Force EUL participants at various levels. In addition, it is intended to provide insight into the Air Force EUL process to stakeholders outside the Federal Government, including developers and local communities.

EUL – Overview

[Introduction](#)
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Introduction

An Enhanced Use Lease (EUL) is a lease by the Air Force pursuant to Title 10 United States Code, Section 2667 (10 U.S.C § 2667), *Leases: Non-Excess Property of Military Departments and Defense Agencies*, of real property under the control of the Secretary of the Air Force (SECAF) to a public or private-sector Lessee. The Air Force leases the property to the lessee in exchange for rent, paid in cash and/or in-kind, that is at least equal to the property's fair market value (FMV).

A typical EUL project is managed in seven phases. The first four phases deal with Project Identification and Acquisition, while the last three phases revolve around overall Portfolio Management. The individual Phase Overview narratives in this Playbook (e.g., Phase 0 Overview) provide in-depth descriptions for each Phase in the EUL process. A general, high-level Overview can be found below:

Phases 0-3: EUL Project Identification and Acquisition

- Phase 0 – Project Identification
- Phase 1 – Project Definition
- Phase 2 – Project Acquisition
- Phase 3 – Lease Negotiations and Closing

Phases 4-6: EUL Portfolio Management

- Phase 4 – Design Management and Construction Management
- Phase 5 – Sustainment
- Phase 6 – EUL Termination

Figure 1 - Air Force Acquisition Model



Figure 2 - Air Force EUL Process Model

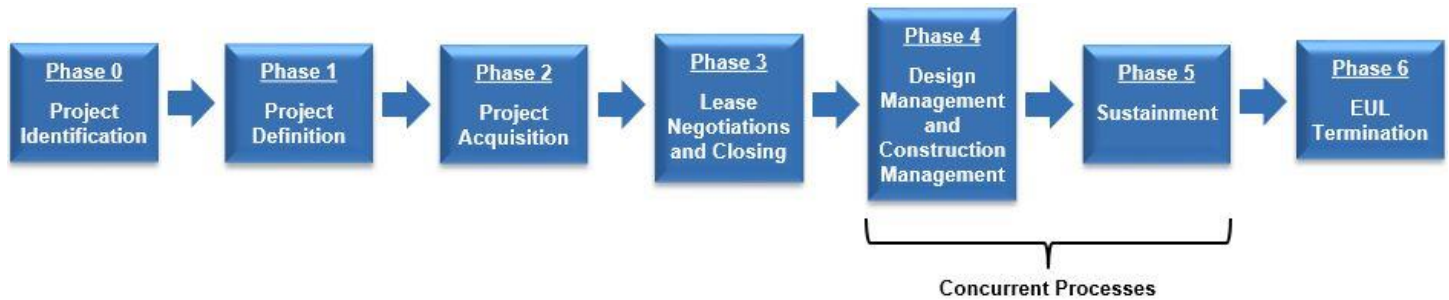
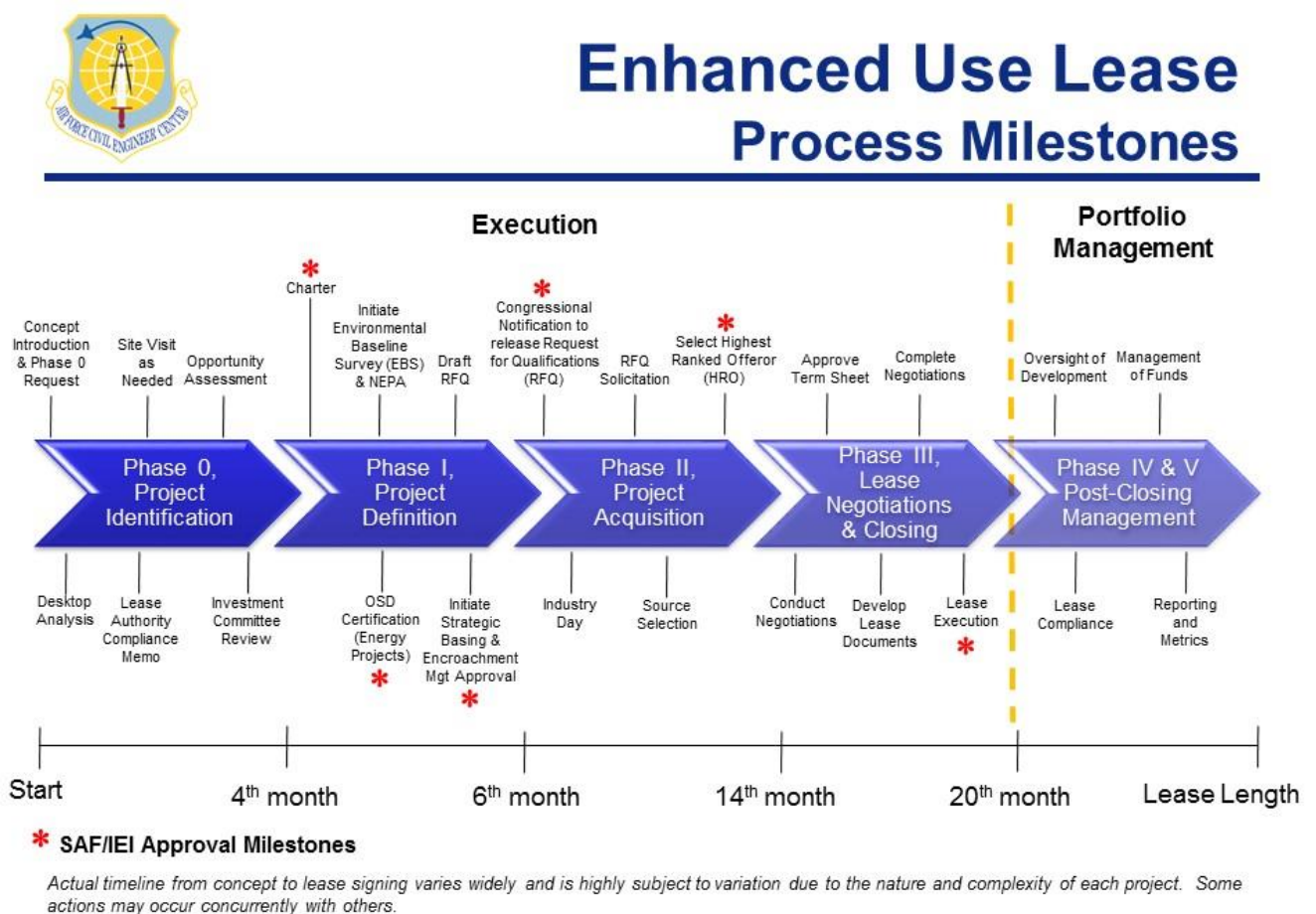


Figure 3 – EUL Process Milestones

This chart is provided as an overview of major EUL process milestones. Detailed information about the process steps and milestones and steps are covered in the Phase sections of this Playbook.

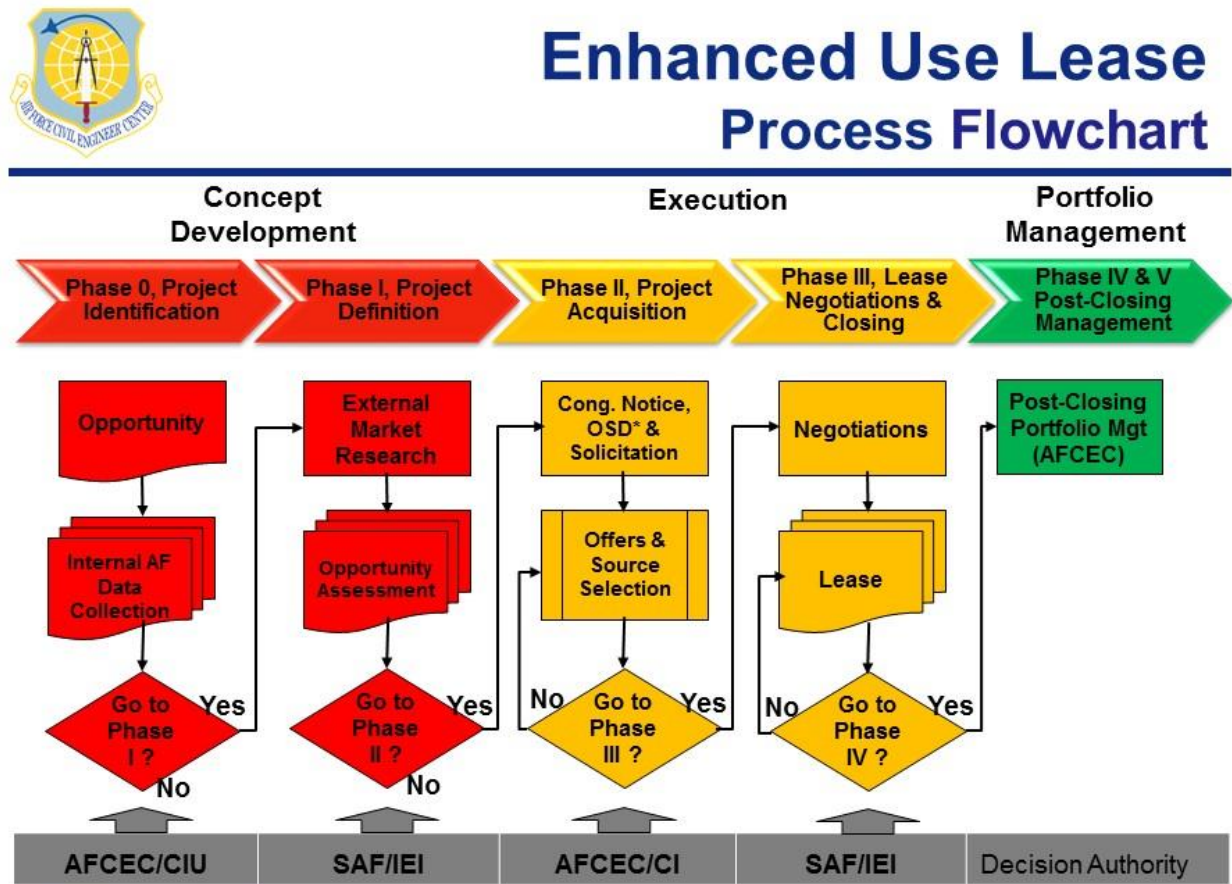


Integrity - Service - Excellence

AFCEC/CIU, 2 Apr 16

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Figure 4 – EUL Process Flow Chart



*OSD Certification for Energy Projects

Integrity - Service - Excellence

Fitzpatrick, AFCEC/CIU, 1 Mar 16¹

EUL Strategic Goals

AFCEC/CI has set a series of goals to advance its EUL program, with the primary goal being to pursue EUL projects that optimize the value of non-excess Air Force properties.

Other goals for the Air Force EUL program include:

- Provide real estate support to Air Force goals related to energy, sustainability, and security
- Educate Air Force stakeholders on how EUL deals support and enhance their missions and neighboring communities
- Get involved during the early EUL planning stages to ensure quality decision-making
- Continually improve and streamline business processes to encourage developer participation and to attract private sector partners "who understand the inherent stability of commercial activities associated with Air Force property,"

EUL Program Benefits

The Air Force utilizes tools such as EULs to optimize resources and obtain value from “non-excess” capacity as defined in the Federal Property Administrative Services Act, AFI 32-9002 and as determined by Installations/Major Commands (MAJCOMs). Through cooperation between the Air Force and public entities or private developers, proceeds from EULs are used to return value to meet warfighter infrastructure requirements. Revenue generated by EULs may be leveraged at installation and Air Force enterprise level to meet Air Force asset management, renewable energy, encroachment management, and energy security goals. Furthermore, successful EUL projects support local/State economic development and provide unique opportunities for private sector business.

Generally stated, policy guidance directs that 100% of the first \$1M and 50% thereafter of yearly proceeds from EULs are returned to the installation from which they originated. However, if the installation has identified and been approved for a specific project for which it will use the funds, the installation may keep the entire amount up to the estimated cost of the project. Rent payment provided as cash and/or in-kind consideration (IKC) from EULs can provide a funding source to facilitate needed installation projects, such as construction of new facilities and the renovation and/or maintenance of existing buildings.

EUL Program Requirements

Potential EUL properties must comply with “non-excess” and “mission compatible” requirements and criteria in 10 U.S.C. § 2667, 10 U.S.C. §2662(b)(2)(E), and Air Force Instruction (AFI) 32-9003, *Granting Temporary Use of Air Force Real Property*. “Non-excess” property in general terms includes those assets that are not anticipated to be needed for the duration of the lease, but which the Air Force may need at a future date or needs to retain ownership of for a mission-related reason. In addition, the prospective lessee’s use of the asset must be compatible with adjacent Air Force uses. In selecting candidate assets, consideration should be given first to operational and force protection issues. If the asset is easily severable from the installation, it is beneficial to mitigate potential operational and force protection risks by seeking to isolate the proposed leased space apart from the installation and providing separate means of ingress/egress apart from installation gates.

Roles and Responsibilities

The AFCEC/CI Real Estate Development Division (AFCEC/CIU), representing the Assistant Secretary of the Air Force for Installations, Deputy Assistant Secretary for Installations (SAF/IEI), is responsible for the optimization of Air Force “non-excess” assets through the use of Value Based Transaction (VBT) tools, such as EULs.

The AFCEC/CIU Division Chief accomplishes the Air Force EUL program through two subordinate branches: AFCEC/CIUE (Execution Branch) and AFCEC/CIUP (Post Closing Portfolio Management Branch).

AFCEC/CIUE is responsible for EUL project definition, documentation, solicitation, negotiation, and obtaining lease signature by SAF/IEI. The AFCEC/CI Director chairs the Investment Committee (IC), which is the decision authority responsible for reviewing AFCEC/CIUE documented opportunities identified as part of Phase 0 and approving that the opportunity is worthy of solicitation for lessee proposals based on numerous decision factors, to include 10 U.S.C § 2667 requirement satisfaction, market driver analysis, risk analysis and potential return. EULs are executed through an integrated Deal Team (DT) consisting of functional Subject Matter Experts (SMEs) from the installation, MAJCOM, AFIMSC PSU (namely AFCEC), and Air Staff levels. The DT may be supplemented with public and private sector SMEs as the EUL project advances through the EUL lifecycle.

AFCEC/CIUP is responsible for post-closing, portfolio management of EULs. The branch provides long-term sustainment of the projects to develop an auditable program that supports installations and maximizes the benefits of the EULs to the AF. CIUP manages each project from lease signing through lease termination, while negotiating amendments and/or modifications, providing economic forecasting and performing trend analysis to

assess the health of the assets in the AF portfolio over the life cycle of the project. CIUP also establishes and tracks program metrics with target compliance rates and a roll up of assets and financial performance provided on a quarterly basis. CIUP uses the AF Portfolio & Asset Control Evaluation System (AFPACES) as a data share point to provide stakeholders real time access to Portfolio Management data.

AFCEC Public Affairs (AFCEC/PA) is responsible for providing reach-back public affairs support to base Public Affairs Officers (PAOs) and for managing all public-facing information, to include media and community relations. EUL PA activities occur throughout the project execution/post execution lifecycle. Key communication objectives related to the EUL program include:

- Educate and inform key stakeholders
- Build advocacy for the Air Force EUL Program among MAJCOM points of contact (POC), senior staff, and installation communities
- Provide EUL PA support for MAJCOM POCs and installations
- Develop trust in AFCEC EUL expertise
- Foster understanding of the EUL Program and benefits among elected officials, including Congressional representatives and local communities' leaders
- Ensure products and service capabilities are branded and include program messaging

Installations wanting to engage in an EUL are accountable for conducting base-level due diligence regarding the proposed project concept; identification of the associated property; and accomplishing mission compatibility and non-excess determinations for the property. Bases are also responsible for designating a POC for each EUL project, providing installation-specific data, identifying mission constraints, and identifying/receiving the lease consideration (rent).

Playbook Scope

This Playbook does not replace, supersede, or circumvent existing Department of Defense (DoD) or Air Force policy. The purpose of the EUL Playbook is to provide standardized, centralized, and user-friendly guidance regarding the EUL process. In order to accomplish EULs as efficiently and effectively as possible, the EUL Process is designed to be flexible and adjustable to accommodate the wide variety of project conditions. While this Playbook is presented in a sequential manner, many of the procedures and activities can, and will, be performed concurrently. Furthermore, some of the activities may not apply to every EUL project.

Federal laws, regulations, policies and guidance, such as NEPA, Executive Orders (EO), AFIs and Government Accountability Office (GAO) recommendations, are mentioned throughout the Playbook. This Playbook is a general guide that can be tailored and applied as necessary to develop project-specific plans and schedules. The EUL Playbook is intended for use by Air Force EUL participants at various levels. In addition, it is intended to provide insight into the Air Force EUL process for stakeholders outside the Federal Government, including developers and local communities. This Playbook replaces previous versions of the EUL Playbook. Recommended changes and questions about this Playbook can be sent to AFCEC/CIU via the "AFCEC EUL" mailbox as reflected in the Global Address List as afcec.eul@us.af.mil, or submitted directly on the CE Portal via the 'Submit CE Portal Request' function.

Other EUL Resources

EUL documents and information can be found on the AFCEC EUL website (<http://www.afcec.af.mil/Home/EUL.aspx>). EUL program information can also be found on LinkedIn and YouTube.

Additionally, AFCEC/CIU personnel may utilize current samples and templates, policy and guidance documents and EUL execution support information posted in the EUL Library on the AFCEC Shared Drive (O:\CIC\CIU\CIU_Working\2 - Execution Files\10a - EUL Library).

EUL – Phase 0 – 0.0 Project Identification

Introduction

Narrative

Introduction

Phase 0 of the Enhanced Use Lease (EUL) process is a collaborative effort by the Air Force Civil Engineer Center (AFCEC), Major Command (MAJCOM) point-of-contacts (POC), installations, and other internal/external stakeholders to identify EUL opportunities that are consistent with statutory, regulatory, and installation requirements, authorities, and limitations. Opportunities may originate from the installation, MAJCOM POCs, the public and/or private sectors, community partnership initiatives, AFCEC personnel, a utility company, or a host of other sources. During Phase 0, property-specific information review, preliminary market analyses, screening tools, and other techniques are used to investigate potential EUL opportunities. Stakeholder involvement and commitment to working forward through the EUL process is an important component of Phase 0. The Phase 0 objective is to document the proposed EUL concept and associated real property information, draft a preliminary execution plan, and identify potential risks and returns through an Opportunity Assessment (OA). Findings and recommendations are briefed to the Investment Committee (IC). The IC approval is a prerequisite before the Project proceeds to the next Phase in the EUL process.

Refer to the narrative below and Phase 0 Checklist for details regarding Project Identification action requirements.

Narrative

Step 0.1 – Installation Request for AFCEC Initiation of EUL Phase 0

Installations interested in potentially pursuing an EUL project at their base, may start the EUL process by following the actions outlined here to request AFCEC initiation of Phase 0 for the proposed project. By completing these actions, installations will demonstrate that base-level due diligence has been accomplished.

- Instructions, checklist and eSSS template may be requested from AFCEC/CIUE via the “AFCEC EUL” mailbox (afcec.eul@us.af.mil).
- The Base EUL POC should work with installation counterparts to complete the EUL Phase 0 Site Analysis Checklist.
- Next, the request package is to be prepared, using the Installation Request for AFCEC Initiation of Enhanced Use Lease Phase 0 eSSS Template and sent out for base level coordination, with the completed Site Analysis Checklist included as an attachment.
- When the 3-letter coordination process is complete, it is time to obtain 2-letter endorsement of the eSSS by the Installation Commander.
- Once the package is endorsed by the Installation Commander, the eSSS request package is sent to the AFCEC/CIU Workflow mailbox (afcec.ciu.workflow@us.af.mil) for initial review. Packages which are not in the correct format, or are incomplete, will be returned to the installation.

AFCEC/CIUE is responsible for working with the installation to initiate Phase 0 of the EUL process. Within thirty (30) days of receiving a completed request package, AFCEC/CIU will complete Step 0.2 Desktop Analysis and then inform the base in writing as to one of the following:

- The request package has been reviewed and is considered viable for further consideration as a potential EUL project once the base provides an Installation Commander signed Memorandum of Lease Compliance to AFCEC/CIU.
- The request package has been reviewed and is considered viable for further consideration as a potential EUL project. However, due to limited AFCEC/CIU resources, the request package has been entered into the EUL Wait List for future processing as AFCEC/CIU resources allow.
- The request package has been rejected, with justification stated and instructions for re-submission.

Proceed to Step 0.3.

Step 0.2 – Initiate Phase 0 - Desktop Analysis

The EUL Program is promoted to installations, communities and developers, to garner their interest and their ideas for successful Projects. The AFCEC Installations Directorate, Real Estate Development Division Execution Branch (AFCEC/CIUE) receives information about potential EUL opportunities in real estate and energy markets. Upon notification of an EUL concept (e.g. an installation Request for Phase 0 Initiation package sent to the AFCEC/CIU Workflow mailbox) the AFCEC/CIUE Branch Chief assesses existing branch capacity and assigns the EUL opportunity to a Deal Team Lead (TL).

The TL will prepare to conduct a Desktop Analysis of the request package in order to provide a recommendation to the AFCEC/CIUE Branch Chief whether the proposed project is viable for further consideration. Based upon available AFCEC/CIU resources, the Branch Chief may determine at this time that capacity limitations dictate that the project must be placed in the EUL Wait List.

- **EUL Wait List**

As noted in the introductory Strategic Goals section of the Playbook, the primary goal of the EUL Program is to pursue EUL projects that optimize the value of non-excess Air Force properties.

- Requests for Desktop Analysis will remain in the EUL Wait List until AFCEC/CIU resources are available for processing the request package
- The sequencing for which requests will be pulled from the EUL Wait List for processing is prioritized in order of date received.
- The Wait List will be reviewed monthly by the AFCEC/CIUE Branch Chief.
- The AFCEC/CIUE Branch Chief will determine when the top ranking request is to be pulled from the EUL Wait List for processing based upon AFCEC/CIUE resource availability.

If the request is to go in the EUL Wait List, the TL will first ensure that the package is in correct and complete format, provide a response to the installation and file documentation accordingly. If not sent to the Wait List, the TL still checks first to determine whether the package is in the correct/complete format, returning those which are not to the base with instructions for re-submission. For request packages that will be reviewed for further consideration, the TL will accomplish Desktop Analysis to provide an initial assessment of opportunities, while considering market demand, available supply, and known issues, risks and constraints.

Phase 0 Desktop Analysis performed by the TL includes the following:

- Set up an internal project continuity folder on the shared drive to document the work for future reference and enable access by AFCEC/CIU teammates.
 - Build folder as per the EUL project file plan structure
- Review the completed EUL Phase 0 initiation request package received from the installation.
- Determine whether proposed concept meets 10 USC 2667 (a) and (b) requirements, (with understanding that the Lease Compliance and Mission Compatibility Memos would be forthcoming).
- Begin collecting names/contact information for both internal and external stakeholders. The list will expand over time.

Internal stakeholders:

- Installation Commander (i.e., FW/CC, BW/CC, MW/CC, ABW/CC, SW/CC) and Vice Commander
- Mission Support Group Commander (i.e., MSG/CC) and Deputy Commander
- Base Civil Engineer (i.e., BCE, CES/CC) and Deputy Base Civil Engineer (i.e., DBCE, CES/CD)
- Installation Asset Manager (i.e., CES/CEI)
- Community Planner (i.e., CES/CEN/CENP)
- Installation GIS (i.e., CES/CEN)
- Environmental POCs (i.e., CES/CEI, CES/CZN)
- Real Estate Officer (i.e., CES/CEI)
- Legal Office (i.e., JA)
- Base Public Affairs Office (i.e., Base PAO)
- MAJCOM Civil Engineer (A4C)
- Air Force Civil Engineer Center (CIU, CPP, CZN, CZT, PA)
- Secretary of the Air Force General Counsel San Antonio (SAF/GCN-SA)
- Secretary of the Air Force for Acquisition (SAF/AQ)
- Base Services (i.e., FSS) and Air Force Material Command, Directorate of Services (AFMC AFSVA/SVXF)
- Air Force Legal Operations Agency, Environmental Law and Litigation Division-Field Support Center (AFLOA/JACE-FSC) (for certain environmental law issues)

External stakeholders:

- City/County/Regional Planning Department
 - Economic Development Councils
 - Chambers of Commerce
 - Utility Companies
 - Developers (may include potential developer community &/or those that have submitted proposals in response to EUL solicitation)
 - Elected Officials
- Conduct preliminary location assessment.
 - Review surrounding current property uses including abutting property uses (as submitted by installation in Phase 0 Checklist and review of installation-specific GIS map Zoning and Land Use layers provided by AFCEC/PPP GIS contractors upon request, in PDF or ArcGIS format.
 - Installation GIS maps may be available upon AFCEC/CIUE request, although GIS maps have not yet been produced for all installations. Request GIS layer maps of the EUL property via “AFCEC/GIO Workflow” mailbox.
 - Note that the TL must have “ArcGIS Explorer Desktop” installed on their laptop to open the complete GIS files, which may be requested via IT Helpdesk ticket).
 - If pertinent to the proposed project, research traffic count numbers via Site to Do Business (STDB.com) and/or state/city data bases.
 - If the parcel is located in a metropolitan area included in the Reis database, conduct preliminary market driver assessment as outlined below. If not, TL will use market driver assessment received from appraisal and/or feasibility study.
 - Review at least the following Market Reports for the proposed project at REIS.com. It may be necessary to run several reports based upon potential project land use/property type. (AFCEC/CIUE has access to an unlimited number of reports included in the annual subscription price)
 - Metro Executive Briefing – Market overview summary
 - Observer (Metro Report) – Market overview in greater detail than executive briefing

- Submarket Executive Briefing – Sub-market overview
- New Construction Listing – Shows permits that have been pulled to build new development
- Coordinate with AFCEC/PPP Program Managers for encroachment management de-confliction.
 - Use the AF Encroachment Management SharePoint site (<https://afcec-portal.lackland.af.mil/cp/cpp/em/SitePages/Home.aspx>) as a reference for AICUZ, Installation Development Plans (IDPs) and other installation-specific information.
 - Review current designated AF land use of property surrounding parcel.
 - Assess the proposed use for compatibility with peacetime and mobilization requirements, Air Installation Compatible Use Zone (AICUZ), public safety, and environmental vulnerabilities and analysis of alternatives.
 - Discuss encroachment issues at the base which could impact the EUL project.
- Coordinate with AFCEC/CZN (NEPA) and AFCEC/CZT (Environmental Compliance) to ascertain whether existing environmental conditions are prohibitive of an EUL project in general, or certain types of projects, or whether there is potential for economically prohibitive environmental mitigations.
- Coordinate with AFCEC/CIT Program Managers to learn of other ongoing real estate activities and share details of the possible EUL project.
- Coordinate with AFCEC/CIMH for projects which may conceivably attract a lessee interested in residential development (single family, multi-family, senior living, etc). Discuss with the CIMH PM what types of residential development, if any, would be considered as non-competitive with privatized housing initiatives at the EUL project installation.
- Consider whether holding a group meeting with all of the AFCEC offices above would benefit coordination efficiency
- Energy Projects: Coordinate with AFCEC/CNR to discuss project viability.
 - Projects that will yield energy for installation use will go forward as a Power Purchase Agreement (PPA) project thru AFCEC/CNR with AFCEC/CIU providing only real estate transaction support.
 - Projects that will yield energy for third party off-take (or back to energy grid) use, will go forward as an EUL project with AFCEC/CIU as lead.

Based upon the Desktop Analysis results, the TL will brief the AFCEC/CIUE Branch Chief and the CIUE PMs as a group whether the proposed project is considered viable for further consideration. Within thirty (30) days of having received the request package, TL will complete Step 0.2 Desktop Analysis and then inform the base with one of the three responses as outlined in Step 0.1.

Unsolicited proposals from developers are not accepted as part of the EUL process. However, parties interested in potential EUL opportunities (e.g. developers, installation personnel) are encouraged to contact AFCEC/CIUE (AFCEC EUL Mailbox at afcec.eul@us.af.mil) for more information about the program.

- Upon request, AFCEC/CIUE may meet with individuals, to include private industry or local and State Government representatives, inquiring about potential opportunities not advertised via Request for Qualifications (RFQ), Request for Proposal (RFP), Broad Agency Announcement (BAA), Industry Day, or any other Air Force-initiated solicitation or Program. This informal meeting may be referred to as a Developer Day.
 - Meeting purpose is communication with industry
 - Developer should not share information it deems proprietary unless it is done so in writing and properly marked
 - There is no promise of pay, contract or award as a result of the meeting
- EUL opportunities deemed of interest to installations will be worked thru the EUL process to include solicitation in accordance with competition requirements. Details regarding solicitation are provided in Phase 2 – Project Acquisition of this Playbook.

Proceed to Step 0.3.

Step 0.3 – Lease Authority Compliance Memorandum

After the TL has notified the installation POC that a potential EUL project concept is considered viable for further consideration, the TL proceeds by coordinating with SAF/GCN to draft the Memorandum of Lease Authority Compliance with SAF/GCN. Next, the TL works with the base to facilitate coordination of the Memo and to secure the signature of the Installation Commander. The Memo is important to the EUL process as it is part of the 10 USC 2667 (Lease of Non-Excess Property) compliance documentation.

Proceed to Step 0.4.

Step 0.4 – Appraisal

Obtain highest and best use real property appraisal of Fair Market Value (FMV).

To obtain a third party appraisal for an assessment of the Fair Market Value (FMV) of the property, reference Step 1.4 for hiring contracted consultant support.

- Understand the Four Tests of Appraisal
 - The four tests an appraiser will consider for a highest and best use appraisal analysis are
 - Physically Possible: I.e., Is the proposed use for the property feasible given the land characteristics? (Topography, environmental conditions, existing/proximity to infrastructure, etc)
 - Legally Permissible: I.e., Is the proposed use likely to be permitted given current zoning laws?
 - Financially Feasible: I.e., Will the proposed use of a property generate adequate revenue to justify the costs of construction plus a profit for the developer?
 - Maximize Value: I.e., Will the proposed use generate the highest investment return (profit) as compared to other potential/allowable uses?
- Determine purpose/end goal of appraisal
 - Prior to ordering an appraisal, it is extremely important for the TL to first determine what the specific end goal is. For example, is the purpose to provide an idea of what the value of the raw unimproved land is; or to know how much the land will be worth in its improved state for a specific land use; or are land values in addition to in-depth market driver analysis for certain land uses required as part of the report? It is imperative that the TL discern the end goal prior to contracting the work as it will drive the scope of work and also the cost of the appraisal contract. It's possible that a new or different type of appraisal, may be required later in the EUL process in addition to the initial one due to circumstances of the project.
 - Once the goal/purpose of the appraisal is established, the TL must decide if the appraisal should be for the property...
 - As if vacant: The minimal amount the AF may accept as FMV. If the specific land use is not yet well defined, typically the appraisal is for as-if vacant.
 - As to be improved: The value of the property and profit generation which may reasonably be expected that the developer will earn for a specific land use. Land use must be known and associated assumptions must be set.
 - Or both: With both as if vacant and as to be improved values, the TL is informed as to the margin existing within which negotiations for the lease terms might reasonably be made. Such as in situations where the AF stands to gain not only FMV, but also potentially profit sharing. The specific land use must be known. An example of an EUL project for which both as is and as to be improved values would be prudent is a known up-front solar project or a known up-front hotel project.

- Select methodology(ies)
 - The TL must also give thought to appraisal methodology preferences. Depending upon the project, it may be prudent for the TL to request that the appraiser provide a report using more than one type of methodology. The TL choice will affect the appraisal scope and cost.
 - The three types of methodology are
 - Sales Comparison/Market Approach: Involves selecting properties with similar characteristics in the same market area that have recently sold. Once those properties are found, they are compared to the property in question and the appraiser will deduct value from the subject property for comparative deficiencies and increase value for advantages. This methodology is commonly used for unimproved land.
 - Income Capitalization Approach: A short-hand means to determine the value of a property based on its income in potential comparison to similar properties. This method is helpful to provide insight into potential profit sharing for projects with a pre-determined specific commercial use.
 - Cost Approach: The primary assumption of this method is that the value is the same as the cost to construct the property or replacement cost. A comparison of the cost of the subject property and its existing improvements is made to the cost of developing similar improvements for the same utility as the subject property. The cost approach is not commonly used.
- Provide info for assumptions
 - Generally speaking it is preferable that the AF limit land use as little as possible in order to foster development flexibility. However, it may be necessary to provide some specific details to the appraiser regarding acceptable land uses for them to establish the appraisal assumptions.
 - The TL should inform the appraiser if a typical land use is not deemed as acceptable (I.e., Installation would disapprove any proposals that include a hotel).
 - Likewise, if a certain land use is highly desired, inform the appraiser to ensure that particular land use is considered, evaluated, and specifically reviewed in the appraisal report.
 - Additional information for assumptions include such items as presence or lack of utilities, secure location (land behind the AF fence for a project that will not be severed from the installation), solar renewable energy credits, AF provision or lack of emergency services support, etc.
- Experience level
 - When completing the scope of work for the appraisal contract, the TL specifies the experience level and/or type of experience the appraiser is required to have, such as commercial real estate experience, airport experience, city planner experience, etc.
 - Note that the more specific the TL is with required experience, the more focused the expertise will be. However, specificity also makes the pool of eligible appraisers across the nation smaller. In the event that the specified experience does not exist for the given EUL project location, experience requirements can be adjusted, yet it must be understood that this may lead to a delay in appraisal completion.
- Seek input
 - Ask experienced CIUE asset managers, SAF/GCN attorneys, and consultant POCs to discuss the appraisal with the TL and review the appraisal SOW/PWS draft for tips and recommendations to result in a well-done appraisal deliverable tailored to the project. Each of these individuals will have a unique perspective from which to provide the TL with helpful advice.
- Complete SOW or PWS to contract for appraisal and appraisal review support.

- TL determines how many appraisals will be required. As dictated by SAF/IEI Policy Memo - Estimating FMV for Real Property Transactions, dated 21 May 2012, some properties require more than one appraisal.
- A government review by a specifically qualified professional, such as by GSA, of each final completed appraisal may also be required.
- The TL will reference document samples and incorporate the decisions made in the planning actions above.
- Review of appraisal draft
 - TL conducts thorough evaluation of the appraisal draft in terms of meeting the AFCEC/CIUE desired goals of the report product. For example
 - Are there errors or typos?
 - Are the assumptions properly reflected?
 - Do the properties selected as comparables (Sales Comparison methodology approach) align well with the EUL parcel &/or EUL proposed project land use?
 - Do you have questions about the highest and best use determination?
 - Does the information presented sound reasonable from a layman's standpoint? Are there points that raise questions?
 - Draft review by other EUL PMs for additional perspective is encouraged.
 - TL sends questions, requests for revisions to the contractor for resolution
- Government review of final appraisal
 - TL ensures completion of a professionally qualified government review of the final appraisal as contracted.

Note that an appraisal is considered good for 1 year from the time it was dated.

The appraisal is intended for Air Force use in planning and negotiating activities only. Per 41 CFR § 102-75.320, the appraisal is not to be shared with outside entities.

Reference the "Appraisal of Real Estate 14th Edition" for detailed information regarding real property appraisals.

- *Proceed to Step 0.5.*

Step 0.5 – Site visit

In coordination with the installation POC, the TL may request approval from CIUE Branch Chief to conduct a site visit to further vet the opportunity with each organization potentially affected by the Project concept.

Prior to the site visit, the TL is responsible for the following:

- Scheduling stakeholder meetings (ensure installation is aware of external meetings)
 - Determine Wing or MSG Commander availability for the in-brief prior to cementing in a date, since their schedule is a priority to accommodate.
 - Base Civil Engineer (BCE) or Installation POC briefs Installation Commander one to two weeks prior to Site Visit.
 - Consider inviting AFCEC/CIUP and/or SAF/GCN attorney to also attend.
 - Notify AFCEC/PA of project concept and status prior to site visit or if potential project could be high visibility.
 - Ensure Installation POC schedules all stakeholder and SME interviews.
 - Leave time in the itinerary to accommodate the need for unanticipated meetings.

- Schedule meetings with local community members (e.g., Mayor, Chamber of Commerce, Economic Development agencies, utilities, etc.). All meetings must be coordinated with Installation, MAJCOM, and Public Affairs before contacting any agency outside of the Air Force.
- Installation POCs should provide information on any foreseen deal constraints prior to the visit.
- Include an interview with an installation Geographic Information Systems (GIS) POC to review the maps during the visit and gain understanding of info/issues associated with the property.
- Developing the in-brief

During the site visit, the TL briefs the installation leadership on the opportunity and meets with various installation and community stakeholders to provide additional information regarding the opportunity and the EUL Program in general. As part of the installation site visit, the TL is responsible for the following:

- Conducting the in-brief to explain the EUL process and initial findings through Desktop Analysis
- Conducting meetings with stakeholders to explain the EUL opportunity, the stakeholders' roles, costs/benefits, and issues/challenges
- Verifying Desktop Analysis assumptions and conclusions
- Gathering information as necessary to augment the information provided in the EUL Phase 0 Site Analysis Checklist
- Refining the opportunity concept to address stakeholder concerns
- Developing the site visit out-brief to explain findings and recommended next steps.

After the site visit, the TL and AFCEC/CIUE Branch Chief meet to discuss the overall status of the EUL opportunity. In addition, the TL completes the following:

- Prepares and sends thank you letters/emails to internal and external stakeholders engaged during the site visit
- Briefs the MAJCOM POC (as applicable)
- Prepares Site Visit Trip Minutes, to include next-steps action items with assigned OPRs and due dates, as necessary

Frequent communication between AFCEC/CIUE and the installation is important in order for the installation to have a full understanding of the status of the opportunity and what actions are required next from each party.

Proceed to Step 0.6.

Step 0.6 – Opportunity Assessment (OA)

The OA builds upon the documented research and due diligence performed in previous Steps, identifies risks, and informs development of a recommendation to the Investment Committee (IC). The OA is concise, yet comprehensive enough to capture the rationale behind a recommendation to either proceed or not proceed with posting solicitation for EUL proposals. In the case of a project which may be sole sourced, the OA will recommend proceeding with the identified Offeror.

The basic elements of an OA are as follows:

- Property details & map(s)
- Determination of 2667(a) & (b) requirements satisfaction
- Desktop Analysis results
- Highest and best use real property appraisal of fair market value (FMV).
- Estimated amount of expected lifecycle costs and benefits for the project. Possible elements of anticipated resource investment may include site visit, appraisal, appraisal review, TDY costs, feasibility study, contractor marketing &/or Industry Day support, EBS/EA, EBS recertification, etc).

- Level of Effort (LOE) Matrix documents lifecycle cost estimates for the proposed EUL. TL coordinates with the EUL Portfolio Management (PfM) Branch (AFCEC/CIUP) and the AFCEC/CIU COR to complete the LOE. LOE results also provide data for the Decision Analysis Tool (DAT), inform Negotiations in Phase 3, and satisfy GAO Report Recommendations per the GAO Report to Congressional Committees, Defense Infrastructure, Regarding the EUL Program, June 2011.
- Risk analysis and project scoring results from EUL Decision Analysis Tool (DAT). The DAT results will also inform Negotiations in Phase 3, and satisfy GAO Report Recommendations per the GAO Report to Congressional Committees, Defense Infrastructure, Regarding the EUL Program, June 2011.
- Risk analysis to assess probability, impacts and mitigation plans for potential risks
 - For energy Projects, risk analysis also includes interconnection/off-take issues and additional regulatory concerns.
- Execution Strategy summary, also known as an overview project implementation plan.
- Solar Projects: TL uses Solar Glare Hazard Analysis Tool (SGHAT) to conduct preliminary model of the basic proposed scenario. Once exact solar array specifications are determined, additional SGHAT modelling will be done in coordination with developer.
- Recommendation to post solicitation for EUL proposals, or not, with supporting justification for the recommendation.

Proceed to Step 0.7.

Step 0.7 – Investment Committee

The purpose of the Investment Committee briefing is to inform leadership regarding AFCEC/CIU EUL project status. AFCEC/CI is the IC Chairperson, and SAF/IEI is the decision authority for approval of TL recommendations.

In preparation for the IC review, the TL schedules and prepares briefing slides for an IC meeting, chaired by the AFCEC/CI Director, to determine if the opportunity is sufficiently developed to release solicitation for vendor proposals. All potential EUL projects that have been processed thru Phase 0 will be briefed at the IC, including those which the TL will recommend not proceeding forward with. The IC serves not only to achieve approval to proceed to Phase 1, but also to provide leadership awareness of the EUL Program level of activity. The TL submits read ahead slides to the expected IC attendees at least 48 hours in advance of the IC meeting.

- The following Air Force stakeholders may be invited to attend the IC meeting with others invited at the TL's suggestion:
 - AFCEC/CIU Division Chief
 - AFCEC/CIUE Branch Chief
 - AFCEC/CIUE Team Lead
 - AFCEC/CIUP Branch Chief
 - AFCEC/CIUP Post Closing Management Project Manager
 - SAF/GCN-SA
 - AFCEC/CZN
 - AFLOA-JACE
- The IC agenda includes
 - Overview
 - Projects Returned to Base (I.e., Incomplete Phase 0 Initiation Request package; unresolved issues, etc)

- Projects on Wait List
- Projects Terminated
- Project Requests for Review (Projects recommended for approval AND projects recommended for dis-approval are included)
 - At a minimum, the IC briefing for projects to be reviewed includes the following
 - Property details & map
 - 2667(a) &(b) requirements satisfaction
 - Highest and best use real property appraisal results
 - Desktop Analysis results summary
 - OA synopsis
 - For energy Projects, the analysis also addresses interconnection/off-take issues and additional regulatory concerns
 - EUL Decision Analysis Tool results summary
 - Estimated amount of expected lifecycle costs and benefits for the project
 - Risk & Risk Mitigation Plan
 - Execution strategy summary and notional schedule
 - Recommendation to post a solicitation for vendor proposals or not, with supporting justification for the recommendation. In the case of a project which may be sole sourced, the TL will brief such details.

The IC briefing draft is created by the AFCEC/CIUE Branch Chief, with inputs drafted by the associated TLs, and coordinated thru SAF/GCN, AFCEC/CIUP, and AFCEC/CIU Division Chief.

After the IC is held, the opportunity does one of the following:

- 1) Remains with the TL for additional due diligence
- 2) Is temporarily placed "on hold" in the EUL Wait List for possible future consideration
- 3) Proceeds to Phase 1 – Project Definition

Approval resulting from the IC will be documented by way of the Project Charter as discussed in Step 1.1 of this Playbook.

Phase 0 Checklist

Complete	Task
Phase 0 - Opportunity Identification	
When appropriate, other divisions and agencies will be integrated into the EUL Process	
Request for EUL Phase 0 Initiation	
	Installation/MAJCOM/Community/Developer/AFCEC/Other identifies opportunity
	Installation POC submits completed eSSS package (including EUL Phase 0 Site Visit Checklist) to AFCEC/CIU Workflow mailbox requesting an EUL opportunity assessment
	AFCEC/CIU Branch Chief determines whether the request package will be accepted for review or placed in EUL Wait List due to insufficient AFCEC/CIU resources for processing
	If request to be placed in EUL Wait List, TL confirms request package is in correct, complete format; places into Wait List Files; and informs base
	<i>(Checklist continues on next page)</i>

Desktop Analysis	
	For projects going forward, TL Confirms 10 USC 2667 (a) and (b) requirements met
	TL creates Project Continuity Folder on AFCEC/CIU shared drive per file plan
	TL establishes stakeholder Contact List (internal and external)
	TL coordinates with AFCEC/CPP to identify existing encroachment management/AICUZ issues and request GIS maps
	TL coordinates with AFCEC/CZN and CZT to ascertain whether prohibitive environmental issues exist
	TL coordinates with AFCEC/CIT Program Manager to learn of other ongoing real estate activities potentially impacting EUL
	TL coordinates with AFCEC/CIMH to identify non-competitive types of residential development in terms of privatized housing initiatives
	TL coordinates with AFCEC/CNR Program Manager for energy projects**
	TL makes determination whether opportunity justifies further consideration or not
	AFCEC/CIUE Branch Chief buy-in
	TL prepares Bullet Background Paper (BBP) of opportunity and uploads to Project Continuity Folder
	TL provides response regarding EUL project, as specified in Step 0.1, to base POC within thirty (30) days of receiving the completed installation request package
	TL notifies AFCEC/PA if a potential project advances to site visit, or is high visibility
Memorandum of Lease Authority Compliance	
	TL obtains current Lease Compliance Authority Memo template from SAF/GCN
	TL and SAF/GCN draft Lease Authority Compliance Memo (Note: Mission Compatibility Memo will be accomplished as Step 2.1, if required)
	TL provides draft Memo to base
	TL, SAF/GCN, and Installation finalize Memo
	Installation Commander signs Memo and returns to AFCEC/CIUE
	TL receives signed Memo
Appraisal	
	TL plans for highest and best use appraisal
	Determine purpose/end goal, methodology, assumptions and required experience level
	Discuss plan and seek input from CIUE PM counterparts, SAF/GCN and consultant POCs
	TL contracts for real property appraisal. See Step 1.4 for "Acquire Consultant"
	TL contracts for third party review of appraisal
Site Visit	
	TL obtains AFCEC/CIUE Branch Chief approval
	TL obtains SAF/GCN support
	TL engages Installation
	TL coordinates with AFCEC/CIUE Budget POC to load TDY funds into Fund Site, to include funds for SAF/GCN as necessary
	TL arranges site visit
	Drafts site visit agenda with Installation and Community

	Develops site visit sign in sheets, briefings and collaterals
	Coordinates site visit in-brief thru AFCEC/CIU Branch Chief
	Sends in-brief as read-ahead to Installation
	TL conducts site visit
	Complete briefings & discussions
	Physically inspect parcel; identify encumbrances
	Confirm legislative jurisdiction status of parcel
	Identify if state has an impact analysis law (equivalent of NEPA, often referred to as SEPA); Identify any portion of parcel subject to the state's EIA requirements
	Identify state &/or local taxes/tax incentives that may impact economics of the project
	TL prepares site visit out-brief
	TL prepares and distributes site visit trip minutes
	TL sends thank you notes/emails to site visit personnel
	TL updates project BBP
Opportunity Assessment	
	TL assesses 2667(a) &(b) requirements satisfaction
	TL reviews Desktop Analysis results
	TL reviews appraisal report
	TL, AFCEC/CIUP and AFCEC/CIU COR complete Level of Effort (LOE) Matrix
	TL completes EUL Decision Analysis Tool (DAT)
	TL completes preliminary SGHAT modelling**
	TL determines IC recommendation to post a solicitation for vendor proposals or not
Investment Committee	
	TL schedules IC
	TL presents briefing with recommendation whether to pursue solicitation
	TL updates BBP on project status - Updated throughout the EUL process by the TL
	TL submits Weekly Activity Report (WAR) inputs* –Throughout EUL Process as needed
	TL informs stakeholders of IC decision
	TL ensures Project Folder up-to-date with all relevant documents (BBPs, briefings, Mission Compatibility Memo, Non-Excess Memo, Site Visit Minutes, etc.)
	*If applicable
	**Certain energy EUL projects

Proceed to Phase 1.0 – Project Definition.

EUL – Phase 1 – 1.0 Project Definition

Introduction Narrative

Introduction

The objective of Phase 1 is to initiate programmatic environmental due diligence, and to document specific installation, Major Command (MAJCOM) and Air Force requirements and constraints associated with the project. This information will be incorporated into the solicitation process and is helpful in obtaining Congressional, Department of Defense (DoD) (if applicable), and Air Force senior leader concurrence and authority to proceed to Phase 2.

Refer to the narrative below and Phase 1 Checklist for details regarding Project Definition action requirements

Narrative

Step 1.1 – Establish the Deal Team (DT), Project Charter and Integrated Master Plan/Schedule (IMP/S)

To facilitate accomplishment of the upcoming steps and remaining phases, the TL orchestrates formation of a Deal Team (DT).

Selecting the DT:

- The DT includes members from
 - AFCEC EUL Execution Branch (AFCEC/CIUE)
 - AFCEC EUL Portfolio Management Branch (AFCEC/CIUP)
 - Secretary of the Air Force General Counsel Installations, Energy, and Environmental Law San Antonio (SAF/GCN-SA)
 - AFCEC Environmental Directorate - National Environmental Policy Act POC (AFCEC/CZN)
 - AFCEC Public Affairs (AFCEC/PA)
 - AF Services (AFSVA/SVXF) (as appropriate)
 - Installation POCs such as
 - Base Civil Engineer (BCE) / Deputy Base Civil Engineer (DBCE)
 - Real Property Officer
 - Environmental POC
 - Judge Advocate (JA) attorney
 - Public Affairs Office (PAO)
 - Security
 - Installation Community Planner
 - EUL Project POC
 - MAJCOM POC (as appropriate).
 - Contracted consultant support (as appropriate)
 - For energy Projects with a potential Air Force power purchase agreement (PPA) component include
 - AFCEC Energy Directorate Rates and Renewables Division (AFCEC/CNR) subject matter expert (SME)
 - Installation energy POC
 - Inclusion of a 772 Enterprise Support Squadron (ESS) Contracting Officer (CO) is encouraged to ensure Federal Acquisition Regulation (FAR)-like procedures are followed in the EUL solicitation and source selection processes

- Inclusion of a Financial Advisor Team member, such as from AFCEC/CIMH, is encouraged for assistance with RFQ draft review and advice.

Creating the Project Charter:

The Project Charter describes how the EUL Investment Committee decision to execute the project will be implemented; documents the project's probability of success based on previously completed market research; and identifies the expected lifecycle costs and benefits. The Project Charter identifies and commits the Government Stakeholders, the DT and their respective resources to the timely and effective execution of the project as defined. Furthermore, the Project Charter outlines the roles and responsibilities of the project DT.

- TL works with SAF/GCN to prepare the Project Charter initial draft.
- TL coordinates the draft with the installation and staffs the package thru to signature by all parties.

Creating the execution Integrated Master Plan/Schedule (IMP/S):

The TL prepares a Project-specific execution IMP/S outlining the most advantageous plan, milestones, and schedule to execute the IC decision and direction. The TL submits the IMP/S to AFCEC/CIUE, and posts a copy to the Project files within 30 working days of the IC decision to proceed with the execution of the Project. The IMP/S serves as a basis for the TL to actively document and track key timeline action items and dates in a manner easily shared with all DT members. Additionally, the IMP/S establishes clear OPR responsibility for action items and provides a tool to maintain DT member accountability for suspenses.

- Microsoft (MS) Project is used to baseline and manage the IMP/S and needed resources
- The IMP/S will explicitly identify critical milestones, decisions, and resource constraints
- The IMP/S will emphasize time saving parallel processes and opportunities
- If not already on the TL's computer, TL should request the software be uploaded by submitting a ticket thru the AFCEC Helpdesk IT Request online system.

Renewable Energy Project Development Panel (REPD):

For energy EULs, the TL schedules and briefs the Renewable Energy Project Development Panel (REPD)*. By following the REPD decision tree matrix, the panel makes the determination of whether the energy Project qualifies as an EUL, power purchase agreement (PPA), or a combination of both.

- The TL contacts AFCEC/CNR to get on the agenda for the monthly REPD meetings
- The proposed Project is presented using the AFCEC/CNR template quad slide

* At the time of EUL Playbook publication, the REPD was on hiatus. In the event the REPD status remains as such, the TL should coordinate with AFCEC/CNR regarding classification of the energy project opportunity as EUL, PPA or both.

Proceed to Step 1.2.

Step 1.2 - Deal Team Kick-Off Teleconference

A DT kick-off teleconference is scheduled for the broad group of team members. The TL, and installation POC coordinate to schedule the DT kick-off teleconference.

Objectives of the DT kick-off meeting include

- To introduce DT members
- Review and revise the MS Project IMP/S baseline schedule
- Ensure DT members understand their specific roles and responsibilities

- Review action items
- Establish periodicity of DT meetings

Proceed to Step 1.3.

Step 1.3 –Request for Qualifications (RFQ) Draft

Because drafting the RFQ can be a lengthy endeavor, beginning work on it at this juncture in the process is highly advantageous. Other actions can then be occurring simultaneously while the various DT members are making their inputs to the RFQ draft. The TL may decide to initially post the RFQ in its draft format (known as Draft RFQ) to FedBizOpps in order to receive and incorporate feedback from the Industry Day and serve to provide market research. Waiting until later to begin work on the Draft RFQ may result in the TL falling behind schedule on the planned IMP/S.

To begin drafting of the RFQ, SAF/GCN provides the RFQ baseline documents to be tailored with project-specific information. Each time a new RFQ is developed, the TL requests the most current version of the baseline RFQ from SAF/GCN, as changes are frequently made by the attorneys. The TL should treat each baseline RFQ as a model, rather than a template, to customize for each project.

To review the RFQ for compliance the TL works with each of the DT members of each to provide inputs reflecting their respective areas of expertise. .

See Step 2.3 for more details regarding RFQ drafting to guide initial drafting efforts.

Proceed to Step 1.4.

Step 1.4 – Support Consultants

In some situations, such as obtaining a highest and best use real property appraisal for FMV, the TL may find it advantageous to acquire consultant support to most effectively execute a project. Consultant services will vary from project to project depending on the complexity and the level of assistance deemed necessary by AFCEC/CIUE. In some instances, consultant support is appropriate at this point in the EUL process. However, depending upon the circumstances of the project, consultant support may in fact be needed at a different point in time or not at all. Typical tasks that may require bringing in contractor support include completing a Feasibility Study (FS), Industry Day support, preparing an appraisal, conducting third party appraisal reviews, project opportunity marketing, and similar tasks. If contracted consultant support is desired, the TL seeks approval to proceed from AFCEC/CIUE Branch Chief.

Feasibility Studies:

- Feasibility Studies provide the TL with specialized expertise input to a project. For example, consultants might be asked to conduct a Feasibility Study of the local market conditions; document the viability of the project concept in the stated location; promote the proposed project to municipal, investor-owned, and/or other credit-worthy entities; assist with source selection; or facilitate the completion of the programmatic requirements such as an Environmental Impact Survey.
- An FS may be used to validate Opportunity Assessment (OA) assumptions and recommendations to include:
 - Assess the strength of the local real estate and energy market by each asset class (e.g., commercial, industrial, retail, energy)
 - Discuss the characteristics of the candidate asset
 - Determine the recommended development scenario and fair market value (FMV)
 - Provide Return on Investment (ROI), FMV, highest and best use recommendations, and risk analysis

- The FS is presented in a manner consistent with Air Force Manual (AFMAN) 65-510, *Business Case Analysis Procedures*.
- The TL and the COR provide direct and indirect EUL project execution costs to the organization or contractor developing the FS. These projected project execution costs influence the projected ROI and overall project financial viability in the Final FS. The FS for a viable project is expected to include actual and projected execution costs, FMV, and expected positive ROI to the AF. Approval of an FS is one manner in which to satisfy the requirement to document the project's financial viability and positive ROI.

If approved by the AFCEC/CIUE Branch Chief, the TL prepares a Performance Work Statement (PWS) or Statement of Work (SOW) and Independent Government Estimate (IGE) to acquire A&AS support through the 772 ESS. The PWS/SOW should be limited to the acquisition of services approved and documented in accordance with Air Force Instruction (AFI) 63-138, *Acquisition of Services*. The AFCEC/CIU Contracting Officer's Representative (COR) leads the DT in the acquisition of the consultant task order.

Once the consultant task order is awarded, a planning teleconference is held between AFCEC and the consultants to discuss deliverables, timelines, and Project concepts. The consultants must also sign a non-disclosure agreement (NDA).

In some instances, the TL and/or consultant may conduct a Site Orientation Visit (SOV) to better evaluate the site and support the preparation of the contracted work.

Proceed to Step 1.5.

Step 1.5– Environmental Baseline Surveys

(Note: Be aware that this document may be referred to as an Environmental Site Assessment [ESA] outside of the DoD by developers or contractors)

The Environmental Baseline Survey (EBS) is a real estate and environmental requirement and gives potential developers an environmental snapshot of the property, with the primary purpose of documenting the environmental condition at the time of transaction. A properly conducted EBS allows the real property transaction authorities to make informed decisions on whether and to what extent such transactions should be pursued by the A.F. and under what restrictions or limitations to mitigate the U.S. Government's responsibilities and obligations for environmental conditions on the affected real property. Properties with certain environmental conditions are not suitable for leasing.

This is also a way to get a quick look at the existing environmental condition prior to initiating the Environmental Impact Analysis Process (EIAP) to satisfy National Environmental Policy Act (NEPA) requirements (e.g., Environmental Assessment/Finding of No Significant Impact [EA/FONSI] or Environmental Impact Statement/Record of Decision [EIS/ROD], as required).

The installation has an assigned Environmental Planning Function (EPF) office. The EPF determines if and when an EBS or a Supplemental EBS (SEBS) should be done. The EPF is required to sign along with the preparer of the EBS/SEBS, and also provides a certification and date.

The EBS/SEBS is a timed document and requires certification/re-certification a maximum of six months prior to a real estate transaction.

The installation POCs should already have access to important, existing environmental information about the installation such as, but not limited to

- Community planning documents, including AICUZ Study, Installation Development Plans, Area Development Plans, etc.

- Integrated Natural Resources Management Plan [INRMP] , or wetlands/floodplain delineations
- Integrated Cultural Resources Management Plan [ICRMP]
- For certain parcels on the installation
 - Comprehensive Environmental Response, Compensation, and Liability Act [CERCLA]
 - Record of Decisions [ROD] or other environmental cleanup decision documents or planning documents that may reflect use restrictions
- For certain ongoing installation activities
 - Old EIAs
 - Memorandum of Agreement/Programmatic Agreements associated with the National Historic Preservation Act [NHPA]
 - Biological Assessments/Opinions associated with the EIA
- Other real property data

The installation's EPF office or Base Community Planner should be able to provide or help locate these documents. This pre-existing environmental information may prove helpful, as well as save time and money, in satisfying Steps 1.3 and 1.4.

Proceed to Step 1.6.

Step 1.6 – National Environmental Policy Act (NEPA)

NEPA establishes a national environmental policy with the twin goals of informed decision-making and public involvement in the process. NEPA provides the framework for implementing these goals within federal agencies. NEPA requires federal agencies to consider, as part of their planning and decision-making processes, the impact(s) of their actions on the human (i.e., the natural and physical) environment. Federal agencies must satisfy the procedural requirements of NEPA before that agency can pursue its "proposed action." To meet federal requirements outlined in both NEPA and Council on Environmental Quality regulations, the Air Force codified their formal NEPA analysis process in 32 CFR Part 989 - Environmental Impact Analysis Process (EIAP). EIAP is the Air Force's NEPA compliance program. In some cases, states have laws similar to NEPA, generically referred to as State Environmental Policy Acts (SEPA). For some, if not most, EUL Projects undertaken in a state with a SEPA, the TL, with the assistance of the EPF, will have to develop a strategy for satisfying the requirements of both NEPA and the SEPA.

The Secretary of the Air Force Installations, Environment, and Logistics (SAF/IE) has set a course for getting "back to basics" in improving Air Force compliance with NEPA. SAF/IE issued policy memos on 15 September 2010 regarding proponent, EPF, and stakeholder responsibilities in Air Force NEPA compliance. These policies call for establishment of the Planning Requirements for the Environmental Impact Analysis Process (PREIAP), an interdisciplinary effort consisting of "...early internal scoping and statement of work development" to support the EIAP. In advance of initiating the formal EIAP, PREIAP is also intended to ensure that appropriate requirements are identified, baseline data about the existing environment is collected, other relevant existing environmental information is identified, and agreement among key stakeholders on a draft Description of Proposed Action and Alternatives (DOPAA) is achieved to the extent possible at this early phase. Engaging in PREIAP helps clarify roles and responsibilities and should make the EIAP more efficient and timely. The PREIAP begins by having the installation initiate AF Form 813, *Request for Environmental Impact Analysis*. Engaging in PREIAP will only be possible to the extent that a "proposed action" (e.g., development on an identified parcel of non-excess land) is known. The expected land use ("proposed action") has significant implications for EULs. In most cases, the RFQ seeks private industry's identification of a parcel's "highest and best uses." In the context of an EUL, it is not the mere signing of a lease but rather the future development on leased land that must be analyzed for impacts to the environment. Because execution of a ground lease cannot occur until the formal EIAP is complete and the Air Force official signs a Finding of No Significant Impact (FONSI) or ROD (in rare cases, using an AF Form 813 to document a Categorical Exclusion [CATEX] may be sufficient), accomplishing as much PREIAP as possible will expedite the EUL Project. It is the intent of AFCEC/CIU to expedite EUL project execution by narrowing the "highest and best use" determination, and funding EIAP and PREIAP activities as early in

Phase 1 or 2 as possible. The DT will seek to recover these and other permissible costs from the Highest Ranked Offeror (HRO)/developer prior to lease signing.

The environmental planning process is critical to supporting any EUL project and achieving project success. Opportunity screening in Phase 0 and early Phase 1 coordination of the elements of the project with the appropriate environmental planning lead, or EPF, is essential to better define and understand what level of NEPA documentation will be needed to successfully implement it. The AFCEC NEPA Center can assist in identifying the appropriate environmental planning lead, or EPF, to support EUL Projects. NEPA Division and MAJCOM POCs can be located on the NEPA website (link provided in the References section of this Playbook). The TL should initiate AFCEC/CZN support during Phase 1 by requesting that a CZN POC be assigned to the EUL project.

It is critical that the EUL TL identify their Project's EPF lead and initiate contact early in the planning process to ensure potential environmental issues are identified and a plan for meeting EIAP requirements can be formulated. Once the EPF lead is identified, they work with the EUL TL to prepare the EUL for the formal EIAP. The TL provides the EPF with the basic requirements of the project, shapes viable alternatives, identifies viable siting locations, and specifies the key minimum criteria needed to meet the objectives of the project. Based on this information, the execution plan for EIAP is finalized and a project timeline generated. The EUL TL is responsible for shaping the proposal language and providing the EPF with necessary details to support the NEPA process for the project. The EUL TL works with the base leadership to meet the project proponent's responsibilities in the execution of the NEPA process. The initial proponent responsibilities are captured in the Air Force EUL Site Analysis Checklist received during Phase 0.

Proceed to Step 1.7.

Step 1.7 – Strategic Basing / Encroachment Management

AFI 10-503, *Strategic Basing* stipulates, “No commitment of Air Force resources, construction, or movement of personnel and/or equipment may occur on an installation prior to Headquarters Air Force (HAF) basing approval.” As EUL opportunities gain momentum, it is important to ensure that the proposed project does not encroach on the installation nor hinder the ability of the installation to perform its mission either now or in the foreseeable future. EUL Projects are briefed to higher-level Air Force leadership to comply with the requirements of AFI 10-503.

- The TL will coordinate thru the Strategic Basing Panel to achieve approval by the Strategic Basing - Executive Steering Group (SB-ESG), chaired by SAF/IEI
 - Submit Basing Action Request (BAR), in slide format, to SAF/IEIB (Strategic Basing Program Management)
- AFI 10-503 - Strategic Basing was under revision at time of this Playbook publication, and the online BAR submission website was under re-construction.
- Depending upon EUL project specifics, it may be preferable to wait until after Highest Ranking Offeror (HRO) selection has occurred, during Phase 2, to accomplish Strategic Basing requirements. For example, if the RFQ leaves the development type open to Offeror suggestion, then details of the selected HRO proposal will be required to inform consideration of Strategic Basing impacts.

See Phase 1 Checklist for instructions to work an EUL project thru the Strategic Basing and Encroachment Management processes.

Proceed to Step 1.8.

Step 1.8 – Legislative Jurisdictional Status

Changing the existing legislative jurisdiction status is a step that needs to be considered early in the EUL process, but cannot be fully considered and completed until the type of EUL development is definitively

identified by the Air Force or an HRO (e.g., energy/non-energy, office, retail/commercial, industrial). “Legislative jurisdiction,” when used in connection with a land area, means the authority to enact or pass general or municipal laws, regulations, or ordinances (collectively, “legislation”), as well as to exercise executive and judicial enforcement powers over such enacted legislation within that land area (i.e., fire and police protection). Prior to 1940, federal funds could not be used on an installation unless it had exclusive federal jurisdiction; therefore, many of the military installations established before that time may still retain large tracks of land with exclusive federal jurisdiction. For installations established since that time, the Federal Government may have obtained less legislative authority or states may have retained more legislative authority over that land. Parcels on an installation that were acquired in a different manner or at a different time may possibly have mixed degrees of legislative jurisdiction. Current legislative jurisdiction status at a certain location on an installation is determined by the language in the installation’s real property documentation; often, the Office of the Staff Judge Advocate maintains “jurisdiction” files for law enforcement purposes. Ultimately, the U.S. Army Corps of Engineers (USACE), as the legislative jurisdiction record keeper for Air Force installations, has the documentation that reflects the precise legislative jurisdiction.

Changing legislative jurisdiction is a lengthy process; installations should secure and maintain the minimum degree of jurisdiction it needs for its mission operations/action(s). In many instances, the installation will not have the law enforcement resources or the desire to exercise criminal jurisdiction over an EUL Project. However, there are many factors and potentially unintended consequences to consider, especially in the area of property taxation, before changing the legislative jurisdiction status over the land area to be used for the EUL Project.

The four types of legislative jurisdiction are discussed briefly below.

- **Exclusive Jurisdiction** - The Government has acquired all of the state's authority to legislate over a land area. There are always some exceptions because Congress, by law, allows some state legislation to operate within exclusive jurisdiction land areas (called “enclaves”). For example, the right to serve state civil or criminal process within an enclave is well established, and the Federal Assimilative Crimes Act (18 U.S.C. § 13) makes state criminal laws applicable. Only Congress has the authority to enact legislation for enclaves, but has rarely exercised this authority comprehensively. From the Federal Government’s perspective, the most notable aspect about enclaves is the Government responsibility for enforcing criminal laws. Because of enumerated powers and authorities in the U.S. Constitution, the Government may enact comprehensive legislation related to a specific subject matter or for a specific purpose, completely independent of the legislative jurisdiction status (e.g., NEPA).
- **Concurrent Jurisdiction** - The state and the Government both have the authority to legislate over such land areas. This may affect the state and local authority’s ability to tax private property within the land area not belonging to the Federal Government.
- **Concurrent Jurisdiction** - The state and the Government both have the authority to legislate over such land areas. This may affect the state and local authority’s ability to tax private property within the land area not belonging to the Federal Government.
- **Partial Jurisdiction** - The state has granted the Government some of its authority to legislate, but has reserved the right to exercise, alone or with the Government (status would be like concurrent jurisdiction), some authority within the land area.
- **Proprietorial (or Proprietary) Jurisdiction** - The Government has acquired some right or title (some degree of ownership or control) to a land area, but has not obtained any of the state's authority to legislate within the area

There are two methods for changing a land area's jurisdiction:

- (1) Cession, which is the granting of the state's legislative jurisdiction to the Federal Government (contrary to Air Force policy); or
- (2) Retrocession, which is the Federal Government returning the jurisdiction back to the state (see 10 United States Code Section 2683 [U.S.C. § 2683]). Each state has the power to decide what rights it will retain when ceding jurisdiction, and how a retrocession is processed. Either type of change will require a review of the applicable state's law.

To accomplish a retrocession request: (Reference AFIs 32-9001 and 32-9004)

1. The installation must identify the land tracts and related EUL project(s)
 - Include a vicinity map and legal description
 - Include a copy of the instrument of acceptance of the current type of legislative jurisdiction now held; explain the background and circumstances
 - Recommend the degree of legislative jurisdiction to retrocede with full justification and reference the territory statute for retrocession, if available, and prepare a letter for SAF/IEI to provide the governor with notice to relinquish legislative jurisdiction according to the laws of territory in question
 - Include documentation indicating consultation with the local U. S. Attorney and the U.S. Department of Justice
 - Include coordination with state and local law enforcement as well as Installation security forces and Staff Judge Advocate.
2. MAJCOM validates the request and forwards the package to the TL. The TL prepares the Staff Summary Sheet in order to obtain SAF/IEI approval and once received, returns the package back to the MAJCOM.
3. The MAJCOM forwards a copy of all correspondence to HQ USACE/CEMPCR (COE), and forwards the package on to the state's governor for approval.
4. The state then proceeds with its process for retrocession, going through the state's legislative process, which varies by state.
5. After the legislative jurisdiction is changed, either the Installation or the MAJCOM notifies the local U.S. Attorney and the U.S. Department of Justice, depending on which entity initiated the request. (Estimate 360-480 business days to complete)

Somewhat related, but a different issue, is whether the land area for the potential EUL Project lies within the boundaries of a duly organized city/municipality (i.e., whether this part of the base is "annexed"). The annexation status of the land area will affect which planning authorities, set of ordinances, and/or entitlements processes will affect the Project's development. The status will also determine the taxing authority and structure. This status may also affect the Project's provisioning of utilities and municipal

Proceed to Step 1.9.

Step 1.9– OSD Certification (Energy Projects)

In accordance with (IAW) 10 U.S.C. § 2662 (b)(2)(G), if a proposed lease involves a Project related to energy production, a certification by the Secretary of Defense (SECDEF) that the Project, as it will be

specified in the contract solicitation or other lease offering, must be consistent with the DoD performance goals and plan required by 10 U.S.C. § 2911. The energy EUL must be compliant with the Office of the Under Secretary of Defense Policy Memo, Financing of Renewable Energy Projects Policy, 9 Nov 12.

Phase 1 Checklist

Complete	Task
Phase 1 - Project Definition	
When appropriate, other divisions and agencies will be integrated into the EUL process	
Establish Deal Team, Project Charter and IMP/S	
	TL completes BBPs on project status - Updated throughout the EUL process by the TL
	TL submits Weekly Activity Report (WAR) inputs* –Throughout EUL process as needed
	TL selects Execution Deal Team (DT) and conducts kick-off teleconference
	TL & SAF/GCN draft Project Charter and then staff signature package
	TL prepares Integrated Master Plan/Schedule (IMP/S)
	TL contacts AFCEC/CNR to get on REPD agenda **
	TL briefs Project Quad Slide to REPD Panel **
Draft RFQ Development	
	TL works with SAF/GCN to obtain baseline RFQ
	TL, Installation, SAF/GCN-SA, and AFCEC/CIUP develop Draft RFQ from baseline document
	Include Industry Day registration instructions such that TL has list of all intended attendees prior to the event
	TL seeks frequent feedback and input with SAF/GCN
	TL engages AFCEC/CIMH support for FM review
Acquire Consultant Support*	
	TL and COR validate funding availability for contractor support
	TL and COR develop consultant support requirements and draft the PWS/SOW and IGE
	COR initiates, develops & submits consultant support requirements package to 772 nd ESS
	772 nd ESS solicits requirement
	Contractors submit proposals
	TL and COR conduct Technical Evaluation
	772 nd ESS award contract
	772 nd ESS notify/debrief unsuccessful offerors
	TL holds planning teleconference with contractor
	TL schedules regular DT teleconferences
	TL and contractor may conduct site orientation visit*
	Contractor submits draft deliverable
	TL reviews draft deliverable; submit consolidated comments for revisions to contractor*
	Contractor finalizes deliverables
	TL maintains AFCEC/CIUE Branch Chief & Installation POC awareness significant deliverable findings

Environmental Baseline Survey / Environmental Site Assessment	
	Installation identifies & sends local pre-existing environmental documents (related to potential project site) to TL
	Installation POC and TL coordinate funding requirements which may be funded by the installation, MAJCOM, AFCEC/CIU or the Offeror. Note: The NEPA Center (EQ) budget process does not program funds for EULs.
	TL facilitates Internal Government Estimate (IGE) for EBS &/or EA
	TL confirms that funds are available with AFCEC/CIU Budget POC
	TL and AFCEC/CZN develop Statement of Work (SOW) according to the requirements in AFI 32-7066, and solicit bids via Request for Proposal (RFP)
	TL, Installation POC, and AFCEC/CZN clarify contractor questions regarding RFQ
	TL and AFCEC/CZN or Installation Contracting or 772 nd ESS select contractor
	TL, AFCEC/CZN, or Installation work with Contracting to award contract depending on funding mechanism chosen
	Contractor drafts EBS Report and submits to AFCEC/CZN, MAJCOM, Installation, and TL for comment
	AFCEC/CZN, MAJCOM, Installation, and TL review and comment on Draft EBS
	Contractor incorporates comments and submits Draft Final EBS
	AFCEC/CZN, MAJCOM, Installation, and TL review and comment on Draft Final EBS
	Contractor incorporates comments and submits Final EBS
	Installation POC approves Final EBS
	TL includes EBS in RFQ as part of 'Appendix B – Existing Encumbrances & Third Party Interests'
National Environmental Policy Act (NEPA) (EAIP – 6-24 Months)	
	TL notifies Installation to begin process of filling out AF Form 813
	Installation provides completed AFF 813 to TL who in turn provides the form to AFCEC/CZN
	Installation POC and TL coordinate funding requirements which may be funded by the installation, AFCEC/CIU or the Offeror. (Note: The NEPA Center (EQ) budget process does not program funds for EULs.)
	TL confirms funds are available with AFCEC/CIU Budget POC, if funded by AFCEC
	TL initiates contract action with AFCEC/CZN and provides requirements
	AFCEC/CZN and TL develop the SOW; Installation or 772 nd ESS Solicits bids via Request for Proposal (RFP); Installation and TL provide all PREIAP information/documents available as attachments
	Installation POC, TL, and AFCEC/CZN clarify contractor questions regarding RFP
	Environmental contractor bids submitted on NEPA EIA RFP (POC: AFCEC/CZN or installation)
	TL, or installation, and AFCEC/CZN recommend contractor
	772 nd ESS or Installation awards contract
	Installation EPF provides local environmental and other data
	Contractor performs EIA work to include satisfying all requirements under NEPA, as implemented by CEQ and Agency regulations
	Contractor prepares and submits Draft NEPA documentation
	MAJCOM POC, Installation EPF, AFCEC/CZN, and TL review and comment on Draft NEPA documentation and return to Contractor
	Contractor incorporates comments and submits Draft Final NEPA documentation

	SAF/GCN-SA engages with TL to discuss negative findings
	Contractor addresses/incorporates comments and prepares Final EIA, as required
	TL reviews Final EIA and obtains signed FONSI or ROD – Signed by either Installation Commander or MAJCOM A7
	Contractor submits final deliverable and final invoice
	AFCEC/CZN maintains copy of final deliverable
Encroachment Management / Strategic Basing	
	Installation Facilities Utilization Board (FUB) and Encroachment Management Team (EMT) approve initial project in coordination of Phase 0 Initiation Request package. (NOTE: HRO proposal selected in Phase 2 may require re-concurrence by FUB &/or EMT)
	If MAJCOM EMT exists, TL and Installation Brief MAJCOM EMT for concurrence via package coordinated thru AFIMSC DET; EMT ensures projects do not create encroachment and sustainment challenges as described in AFI 90-2001
	NON-ENERGY PROJECTS
	TL prepares Strategic Basing BAR slide as per AFI 10-503.
	TL submits BAR slide to SAF/IEIB for SAF/IEI approval
	If SAF/IEI provides endorsement, continue EUL process
	ENERGY PROJECTS
	TL SAF/IEI for Strategic Basing approval
	See Step 2.7 for encroachment management requirements for energy projects
Legislative Jurisdictional Changes	
	TL and Installation determine existing jurisdiction
	Installation Leadership and Installation POC determine desired jurisdiction
	If decision is to change jurisdiction, Installation POC and AFCEC TL prepare retrocession or session package and send to MAJCOM POC via package coordinated thru AFIMSC DET
	If MAJCOM approves change, MAJCOM POC coordinates with appropriate Government entities
	Government performs process for retrocession or cession
	Installation POC, TL, and MAJCOM POC notify local U.S. Attorney, U.S. Department of Justice, and HQ USACE
OSD Certification**	
	TL contacts AFCEC/CNR to get on REPD agenda **
	TL briefs Project Quad Slide to REPD Panel **
	TL prepares Draft Memo for Certification Review Board (CRB) identifying how project is consistent with all applicable and pertinent energy policies (i.e. Acts, statutes, Executive Orders, and plans, as specified in 10 U.S.C. § 2911
	TL engages with CRB to identify issues upfront and allow for informal buy-in early in EUL process
	TL incorporates CRB input into Memo and submits package for coordination to SAF/IEI. Package includes:
	Request for certification
	DUSD I&E Installation Lease Energy Certification Memorandum

	Map of EUL property
	Synopsis of planned solicitation
	SAF/IEI submits Memo to OSD for review and approval (AFCEC convenes with CRB throughout process to ensure project is consistent with 10 U.S.C. § 2911)
	If available, including the PREIAP to demonstrate NEPA is being addressed appropriately, may serve to help expedite/support OSD approval
	OSD certifies project within 30 days or less
	*If applicable **Certain energy EUL projects

Proceed to Phase 2.0 – Project Acquisition.

EUL – Phase 2 – 2.0 Project Acquisition

Introduction

Narrative

Introduction

The objective of Phase 2 is to incrementally document Air Force requirements and solicit the Enhanced Use Lease (EUL), as well as to receive and evaluate industry offers for the proposed EUL. In this phase, market research is finalized and industry inputs are incorporated into a final solicitation (unless a non-competitive solicitation strategy was approved in Phase 0 and Phase 1). The evaluation of subsequent offers and the recommended Highest Ranked Offeror (HRO) is presented to the Source Selection Decision Authority (SSDA). Approval from the SSDA is required prior to proceeding to Phase 3.

Refer to the narrative below and Phase 2 Checklist for details regarding Project Acquisition requirements.

Narrative

Step 2.1 – Mission Compatibility Memorandum

If the project requires official Congressional Notification (not courtesy notification), the TL starts by coordinating with SAF/GCN to get the current template and draft the Mission Compatibility Memorandum. The TL then provides the Memo to the installation POC in order to provide input and obtain Installation CC signature. If revisions are required, the TL works with the base, and SAF/GCN, to facilitate coordination of the Memo changes and to secure the signature of the Installation Commander. The Mission Compatibility Memo is important to the EUL process as it is part of the 10 USC 2662 (Real Property Transactions Reports to Congressional Committees) compliance documentation.

If the project requires only Courtesy Congressional Notification (not official notification), then completion of a Mission Compatibility Memo is not required.

Proceed to Step 2.2.

Step 2.2 – Congressional Notification

By law, at certain junctures during the EUL process, the Air Force must communicate with key leaders in Congress and wait for a specified number of days before taking desired actions. To keep the EUL Project progressing, required notifications must be identified, prepared, and submitted well in advance of the desired Air Force action. The Air Force Civil Engineer Center (AFCEC) Deal Team Lead (TL) must consider the length of the waiting period and the potentially lengthy preparation and staffing process in determining when to initiate the notification package to ensure the statutory waiting period can be satisfied without needlessly delaying the EUL process.

The Deal Team (DT) ensures Congressional Notification requirements mandated by 10 United States Code, Section 2662 (10 U.S.C. § 2662) are satisfied. The following actions trigger the Congressional Notification requirements:

A:

- Providing public notice regarding any meeting to discuss a proposed Request for Qualifications (RFQ) (i.e., Industry Day), or absent such public notice, before issuing an RFQ, if the anticipated annual consideration (cash and/or in-kind) is \$750,000 or more per year

- Intent to execute a ground lease resulting from the proposed transaction (consideration of \$750,000 or more per year)
- For a ground lease of any value that includes retail/commercial activities in direct competition with a “covered entity” (e.g., Air Force Personnel Center [AFPC] and the Army Air Force Exchange Service [AAFES]) or when the Secretary of the Air Force (SAF) intends to waive the requirement to give the covered entity the right to operate the retail/commercial activities or alternatively seek equitable compensation

In instances when Congressional Notification for an EUL may not be required under any of the stated triggers, it is a SAF Installations Division (SAF/IEI) policy that courtesy Congressional Notification be made by AFCEC Real Estate Development Division (AFCEC/CIU) as a way to be transparent with all proposed EUL transactions.

Keep in mind that Congressional Notifications can trigger media interest and queries regarding the project. Inform AFCEC/PA ahead of any notifications so they can prepare for potential media coverage.

Congressional Notification requirements triggered by the actions described in “A” above (10 U.S.C. § 2662(a)) must include a report with the following information:

B:

- A description of the proposed lease, including the proposed duration of the lease
- A description of the authorities to be used in entering into the lease
- A statement of the scored cost of the lease, if applicable, determined using the Office of Management and Budget (OMB) scoring criteria
- A determination that the property involved in the lease is not excess property, including the basis for the determination
- A determination that the proposed lease is directly compatible with the mission of the military installation or Defense Agency whose property is to be leased, and a statement of the anticipated long-term use of the property at the conclusion of the lease
- A description of the requirements or conditions to be included within the RFQ for the Offeror to address taxation issues, including payments-in-lieu-of taxes, and other development issues related to local municipalities
- For energy EULs, a certification by the Secretary of Defense (SECDEF) that the Project, as it will be specified in the RFQ, is consistent with the Department of Defense’s (DoD) energy performance goals and plans pursuant to 10 U.S.C. § 2911

Prior to entering into the actual lease, Congressional Notification requirements triggered by the actions described in “B” above must include a subsequent report with the following information:

C:

- A cross-reference to the previous report required by the actions described in “A” above
- A description of the differences between the previous and current report
- A description of the lessee payment(s) required in connection with the proposed lease, including a description of any in-kind consideration (IKC) that will be accepted
- A description of any retail/commercial facility or the provision of any retail/commercial services in direct competition with a “covered entity” (e.g., AAFES, certain Morale, Welfare, and Recreation [MWR] services), regardless of whether the facility or provision of services will be performed by the lessee or the covered entity
- A description of the competitive procedures used to select the lessee, or if the “public benefit” exception is invoked, a description of the “public benefit” to be served from the non-competed lease

Additionally per 10 U.S.C. § 2667, further Congressional Notification requirements triggered by the actions described in “C” above in direct competition with a “covered entity must include the reasons for a waiver, if

a waiver is sought, of the requirement to give the covered entity the right to operate the retail/commercial activities or alternatively seek equitable compensation.

Before taking any of the actions that trigger the Congressional Notification requirements outlined above, there are statutorily specified minimum waiting periods. However, the waiting periods do not apply to a courtesy Congressional Notification.

- If the notification is submitted electronically (as they generally are), the waiting period is 14 days, beginning on the first day of the month following submittal
- If the notification is submitted other than electronically, the waiting period is 30 days, beginning on the first day of the month following submittal
- The notice and wait period must be satisfied before the RFQ can be issued or the proposed lease can be executed

The notifications required under items “A” and “B” above are provided to the Senate Armed Services Committee (SASC) and the House Armed Services Committee (HASC), and are signed by SAF/IEI. A notification required under item “C” above is provided to the “Congressional Defense Committees,” which include the SASC, the HASC, and the House and Senate Defense Appropriations Subcommittees. The DT consults with SAF Installations, Energy, and Environmental Law Division – San Antonio (SAF/GCN-SA and AFLOA/JACE) as to the appropriate signatories on notifications to these committees and the internal coordination required to obtain the necessary signatures.

- At the conclusion of the 14- or 30-day Congressional “notice and wait” periods, as applicable, unless Congressional members from the HASC and SASC have disapproved or otherwise objected to the EUL concept that was submitted, the notification and associated information will be deemed approved and the action in question (i.e., notice of Industry Day, publication of RFQ, or execution of lease) may proceed
- SAF/IEI policy also requires a “courtesy” Congressional Notification to the Congressional Delegation (CODEL) (i.e., the two state senators and the representative or representatives whose district may be impacted) for the state/district where the EUL Project is located prior to any Industry Day, solicitation, or lease signing
 - A courtesy Congressional Notification provides situational awareness to the applicable CODEL
 - The reports and waiting periods described above do not apply to courtesy” Congressional Notifications
 - The DT can proceed with solicitation, Industry Day, or lease offering as soon as there is confirmation that the key Congressional members have been notified

Proceed to Step 2.3.

Step 2.3 – Determine Installation Consideration

Cash is the preferred form of rent consideration payment because it offers the most simple processing and flexibility of use, while often costing less in terms of Post-Closing Management.

In some instances, rent payment in the form of in kind consideration (IKC) can be advantageous to both parties in the transaction. The nature of a lessee’s business or expertise may render it possible for the lessee to provide IKC at a below market cost. As such, it may be possible to structure a transaction to receive IKC with a value equal to or greater than the fair market value (FMV) of the leasehold interest, and thereby achieve maximum overall value for both parties associated with the transaction. A lessee engaged in the real estate development and construction business is a prime example of such a transaction whereby provision of construction services serves as the IKC.

Regardless of the type of IKC received, the in-kind goods or services provided by the lessee must equal or exceed the FMV of the leasehold interest. Otherwise, the lessee must provide additional cash consideration to make up the deficiency.

If construction of a facility is the preferred form of rent payment as IKC, the specific military construction (MILCON) requirements, standards, and processes for that particular purpose and installation shall be included in Project-specific solicitations and lease documents.

Proceed to Step 2.4.

Step 2.4 – Solicitation

10 U.S.C. § 2667 requires that SAF use competitive procedures to select a lessee of Air Force Property with a FMV in excess of \$100,000 or a lease term in excess of one year, unless SAF determines that, “(A) a public interest will be served as a result of the lease and (B) the use of competitive procedures for the selection of certain lessees is unobtainable or not compatible with the public benefit served under subparagraph (A).” It should be noted that in this context, “public” refers to the Air Force rather than the general public at large. The use of Other than Full and Open Competition requires written documentation to explicitly state why the exception applies. Exceptions for public interest require a Determination and Findings (D&F) document signed by SAF/IEI prior to source selection (Reference FAR 6.302-7 – Public Interest). In most circumstances, the project should be competed.

The DT incorporates relevant market research (e.g., appraisal/Opportunity Assessment [OA]/ Feasibility Study [FS]) information, environmental due diligence data, and installation and Air Force-specific requirements and constraints into a Draft RFQ or Final RFQ. In terms of the EUL process timeline, typically the Draft RFQ is developed and posted for public solicitation; then 3-5 weeks later an Industry Day is held for developers; and subsequently the feedback received during Industry Day is used to amend the Draft RFQ as necessary to post as the Final RFQ for solicitation of proposals by an appropriate due date.

As work continues on the Draft RFQ:

- The DT tailors the baseline RFQ document with project-specific requirements, constraints, terms, conditions, and expectations
- The DT solicits only the information necessary to evaluate Offerors’ qualifications, capabilities, proposed consideration, technologies, designs, plans, etc
- The DT develops evaluation factors (and sub-factors) that promote discriminatory differences between Offeror proposals and encourage objective-based measures and assessments
- The DT prioritizes and/or weighs the evaluation factors and sub-factors as necessary
- The DT documents and applies disciplined and defensible evaluation processes
- Government requirements should be as transparent as possible to mitigate risk to the Offeror, the Air Force, and the Project
- AFCEC/PA will establish a PA Working Group (PAWG) by this stage to establish guidance and messaging with the base. The PAWG will not meet regularly until closer to lease signing; the initial PAWG meeting is an opportunity for AFCEC/PA to introduce the EUL program and PA processes to the base PAO. DT is encouraged to join.
- Source selection evaluation factors, criteria, and methodology should be reviewed by a 772 Enterprise Support Squadron (ESS) Contracting Officer (CO) to ensure similarity with Federal Acquisition Regulation (FAR) best practices
- It’s important that the RFQ include Industry Day registration instructions such that TL has list of all intended attendees prior to the event. This will be critical in the case of severe weather, or other problems, that require delaying or postponement of the event.
- TL works with AFCEC COR to submit a request for 772 ESS to post solicitation.
- The 772 ESS posts the Draft RFQ/Final RFQ on the Federal Business Opportunities (FedBizOpps) website: <https://www.fbo.gov>

- If using contracted consultants, their websites can also be used to advertise the RFQ by connecting interested parties via link to the EUL opportunity FedBizOpps posting.
- TL enlists the services of AFCEC Public Affairs (AFCEC/PA) and Marketing to issue a press release and distribute a mass mailing to potential EUL developers.

For energy EULs, it is important to remember that the transaction is a lease to the HRO that will obtain a power purchase agreement with an off-taker. The RFQ must require, and subsequently the HRO must provide sufficient proof in their RFQ response, that there is an energy off-taker for the energy that will be generated from the EUL project.

Proceed to Step 2.5.

Step 2.5 – Marketing

Consultant support, such as from General Services Administration (GSA), or A&AS consultants, may provide a range of cost-effective marketing support to provide exposure for, and promote, EUL property up for solicitation. Because not all members of the developer community across the nation are aware of FedBizOpps, the goal of using additional marketing support is to increase the number of ways to notify them of the solicitation and increase the likelihood of more/better RFQ responses. All marketing is developed and accomplished to direct interested parties to the FedBizOpps posting. AFCEC/CIU is to remain as POC for all questions associated with the RFQ. If deemed necessary, the TL coordinates with AFCEC/CIU COR to purchase marketing consultant support. See Step 1.4 for more information on hiring of contracted consultant support. Services beneficial to EUL opportunity marketing include but are not limited to

- Online presence at websites in addition to FedBizOpps
- Social media
- Traditional marketing such as print/online newspapers, trade journals, etc.
- Research what specific developers are likely to be interested in the project, make contact with those developers, and provide the DT with a list of those entities

Engaging installation and community stakeholders, to include Economic Development Committee (EDC)/business alliance/chambers of commerce/etc is essential to maximize broadcasting of the event.

During the Marketing kick-off teleconference (as per Step 1.4) the TL works with the marketing consultant, AFCEC/PA, installation POCs and EDC members to outline the project-specific plan designed to provide optimal exposure for the EUL opportunity.

AFCEC/PA supports EUL marketing efforts by providing the following:

- Strategic advice and counsel
- Message development
- Review and approve public information/products
- Media engagement management
- Collateral development
- Audience analysis

Proceed to Step 2.6.

Step 2.6 – Industry Day

Industry Day should be scheduled approximately 3-5 weeks after the Draft RFQ is issued. Industry Day allows prospective developers to visit the site and provide feedback relative to the proposed project and solicitation. The Industry Day also provides public notice of AF intent to solicit for an EUL opportunity, as required by 10 U.S.C. 2667. Industry Day includes a DT briefing that communicates the Air Force's objectives, plans, and schedule.

The TL, and all DT members, play a critical role in Industry Day preparation and logistics. Important tasks in this effort include researching cost and logistical arrangements:

- Date and time, venue, transportation, security, agenda, potential invitees
- If possible, hosting Industry Day at an on-base facility at no cost to the Air Force is preferred. Alternatively, the installation POC and local business alliance/economic development committees may be able to assist with identifying other meeting space at no cost to the Air Force.
- Industry Day speakers (e.g., installation/Major Command [MAJCOM] point of contact [POC] senior leadership, AFCEC representatives, and local Government/economic development authority officials); DT members from the installation/ assist in retaining appropriate speakers

The TL is responsible for conducting the meeting. EDC members and others may be speakers, but the TL needs to ensure, prior to the event, that their presentation/information does not conflict with the project-specific EUL messaging. The TL sends a request to key stakeholders requesting input needed to prepare the Industry Day briefing slides.

- The TL, SAF/GCN-SA, MAJCOM POC, installation POC, AFCEC/CIU EUL Portfolio Management Branch (AFCEC/CIUP), AFCEC Energy Directorate (AFCEC/CN) (Energy Projects Only), community, and AFCEC/CIU Execution Branch (AFCEC/CIUE) provide input for Industry Day briefing slides
- The TL is primarily responsible for developing and coordinating the briefing slides with other DT members
- AFCEC/PA reviews presentation and event materials to ensure program messaging is represented
- AFCEC/PA develops and issues Industry Day press release (coordinated with TL, base PAO and leadership)

Prior to Industry Day, the TL briefs the AFCEC/CIUE Branch Chief on Industry Day plans and slides. Any feedback is incorporated where appropriate.

- At Industry Day, speakers from AFCEC, the installation, and/or MAJCOM POC introduce the EUL process and the opportunity at the subject installation.
- Local Government/economic development officials help to provide context to the local development climate and any significant Government initiatives that may affect the viability of the EUL opportunity. AFCEC provides an overview of the solicitation process.
- It is important to hold a tour, allowing attendees access to the property to view the potential EUL sites(s), as this opportunity may not be possible during the solicitation period.
- The general question and answer (Q&A) session provides a chance for clarification about the EUL process in general or the specific opportunity, and allows potential bidders to express concern about elements of the RFQ that may prevent them from responding. The presence of local individuals representing such entities as utility companies, grant funding, tax incentives or other distinctive aspects of the project may also be helpful during the Q&A session. The TL ensures notes are taken to capture each and all of the questions and answers provided in order to make them available on the EUL website and/or the FedBizOpps RFQ posting.
- Inclusion of one-on-one Q&A pre-scheduled sessions is also encouraged to facilitate the disclosure of unique developer plans and ideas. It is important to note, and make clear to attendees, that nothing said should be considered non-proprietary as the AF cannot guarantee that the information will be held confidential.

Post-Industry Day activities include the following:

- Regarding the release of attendee information (i.e., names, contact info, etc), there is no AF requirement to do so. As a standard, we do not share Industry Day attendee info with non-AF stakeholders.
- TL performs a hotwash with Industry Day DT participants
- TL provides an Industry Day synopsis to AFCEC/CIUE and AFCEC/CIU, as necessary
- TL incorporates relevant Industry Day feedback into the Final RFQ

- The Final RFQ is advertised in the FedBizOpps website, through mass mailings, and consultant websites. The time allowed for Offerors to respond and submit their proposals is based on the complexity of the Project and Industry Day feedback

Proceed to Step 2.7.

Step 2.7 – Source Selection

In preparation for the receipt and evaluation of proposals, the following actions are taken:

- TL identifies Source Selection Evaluation Board (SSEB) members to include voting and non-voting members. The installation must have at least one voting member on the SSEB. The SSEB also includes a member of the 772 Enterprise Support Squadron (ESS) Contracting Officer (CO) and an AFCEC Contracting Officer's Representative (COR). Inclusion of a CO and COR is to facilitate the evaluation and ensure conformity with Federal Acquisition Regulation (FAR) best practices.
- The TL coordinates with SAF/GCN to draft SSEB Appointment Letter which lists the members and establishes TL as the POC for negotiations obligating the AF to lease terms. The SSEB Appointment Letter must be approved by AFCEC/CI.
- 772 CO conducts a procurement ethics review and provides procurement ethics training for all DT members. The training focuses on potential conflicts of interest, source selection sensitivity, and other ethics violations. While the EUL procurement does not explicitly fall under the FAR, it is considered "FAR-like," and as such, follows similar procurement guidelines.
 - If the 772 ESS is unable to provide an individual to support the SSEB, TL must ensure that the above duties are covered by another person
- The TL ensures that all DT members and advisers have signed Project-specific source selection non-disclosure agreements (NDA) prior to evaluating submitted material(s), and have received instructions/requirements regarding source selection sensitive issues via an explanatory e-mail. The completed NDAs are provided to SAF/GCN-SA for archival. The TL ensures that new DT members sign NDAs for delivery to SAF/GCN-SA and that SAF/GCN-SA is informed of departing DT members
 - NDAs must also be signed by leadership who will be briefed regarding the source selection proceedings and/or for decision-making purposes. For example, leadership NDAs may include
 - SAF/IEI
 - AFCEC/CI
 - Others
- The TL secures a suitable facility to perform the source selection evaluation, keeping in mind the need to secure source selection sensitive information and conduct source selection sensitive discussions
- AFCEC/CIMH Financial Advisor reviews the HRO Proforma for inconsistencies, assists with Evaluation Notices (ENs) and prepares financial models as needed.
- The TL is the SSEB lead and develops standardized and defensible evaluation worksheets consistent with the Final RFQ

The SSEB conducts the source selection by applying the evaluation methodology described in the RFQ.

- Ensure all evaluation factors are considered in accordance with their weighting in the RFQ.
- Assign a single POC to de-conflict consolidated requests for ENs for submittal to Offerors.
- Begin preparation of the Source Selection Decision Document (SSDD) and Source Selection Decision Briefing (SSDB) immediately upon Deal Team selection of a recommended Offeror to ensure the logical and accurate capture of thought processes during the evaluation.
- Ensure that all ENs to Offeror(s) are sent via email, and that they include the date by which the Offeror(s) must respond in writing. The notices should also specify to whom the Offeror(s) is to forward its response.

Among other documents, the SSEB produces a SSDD, Proposal Analysis Summary (PAS), and SSDB. The SSEB should request an updated sustainment cost projection level of effort (LOE) from the EUL PfM Project Manager (PM) using the HRO's proposed rent amount (to include cash and or rent paid in kind), lease terms, and conditions; this updated information is used to recalculate the Project's score using the EUL Decision Analysis tool.

At this point, the TL will revise the EUL Decision Analysis Tool (DAT) by incorporating updates resulting from the HRO proposal. The TL incorporates the DAT, which includes direct and indirect lifecycle costs into the SSDB, SSDD, and Source Selection Decision Staffing Package (SSDSP) so that senior leaders can make the necessary decisions relative to Project return on investment (ROI) and financial viability. With this information, the SSEB makes a choice from the following:

- Recommend the selection of an HRO
- Extend the source selection while validating information
- Not proceed with the selection of an HRO

In the event that the SSEB decides to extend or not proceed, the SSEB notifies Offerors through FedBizOpps and other applicable solicitation sources that the source selection evaluation has been extended or cancelled.

If a decision is made to proceed with the selection of an HRO, the TL prepares for the SSDB by reviewing presentation material with the SSDB Murder Board. The purpose of the Murder Board is to provide a briefing vector check prior to presentation to AFCEC/CI. Murder Board members should include

- AFCEC/CIUE Branch Chief
- SAF/GCN
- AFCEC/CIU Division Chief
- AFCEC/CIUP Branch Chief
- Installation POC

Once Murder Board concurrence is achieved, the SSEB presents the source selection evaluation results and recommendations to the AFCEC Installations Directorate (AFCEC/CI), and subsequently to SAF/IEI as the Source Selection Authority (SSA). The EUL Decision Analysis score, net present value (NPV), and ROI Projections are included in the SSEB presentations. AFCEC/CI signs the SSDD, if the SSEB recommendations are approved.

The SAF/IEI-signed SSDD prompts the SSEB to notify the HRO and non-selected Offerors. The Air Force Civil Engineer Center Strategic Asset Utilization Division Chief (AFCEC/CIU) signs the notification letters sent to the HRO and non-selected Offerors. The letters to the non-selected Offerors may include an offer to receive a debriefing from the SSEB, however the SSEB is not required to provide debriefs, and the standard is to not conduct debriefs. AFCEC/PA will prepare and issue a press release announcing HRO selection once notifications are complete.

If desired, the SSEB debriefs the unsuccessful Offerors. The objective of the debriefing is to communicate the strengths and weaknesses of only the Offeror's proposal, as well as receive continuous process improvement recommendations and feedback from industry. The Secretary of the Air Force General Counsel for Installations, Energy, and Environmental Law – San Antonio (SAF/GCN-SA) and/or Contracting Officer (CO) participation is encouraged to ensure source selection integrity

If debriefing non-selected Offerors, conduct a dry run of the debriefing with SAF/GCN and CO prior to debriefing non-selected Offerors.

- Use of a script for debriefings to non-selected Offerors is encouraged; confer with legal and contracting before providing responses to questions.
- During debriefs establish ground rules at the beginning with the non-selected Offeror regarding timing for questions and the method in which answers will be provided, to include that all questions are to be submitted in writing to the Deal Team Lead for reply.

- The purpose of the debrief meeting is to serve as a forum to improve future proposals, not to debate merits of selection.

Proceed to Step 2.8.

Step 2.8 – Solar Glare Hazard Analysis Tool (For all Solar Energy Projects and other projects which introduce glint/glare that could effect flying operations such as those with highly reflective exterior surfaces)

As part of ensuring that the proposed project does not hinder the ability of the installation to perform its mission either now or in the foreseeable future, additional due diligence is required for solar energy projects. An analysis of potential glint and/or glare resulting from solar panels must be conducted to determine the potential impacts to the mission such as flying operations. Use of the Solar Glare Hazard Analysis Tool (SGHAT) is the standard method of determining glare impacts. The TL will work with the HRO to complete SGHAT modelling.

See Phase 2 Checklist for instructions to work an EUL project thru the SGHAT processes.

Phase 2 Checklist

Complete	Task
Phase 2 - Project Acquisition	
When appropriate, other divisions and agencies will be integrated into the EUL process	
Memorandum of Mission Compatibility	
	TL completes BBPs on project status - Updated throughout the EUL process by the TL
	TL submits Weekly Activity Report (WAR) inputs* –Throughout EUL process as needed
	TL obtains current Mission Compatibility Requirements Memo template from SAF/GCN
	TL and SAF/GCN draft Memo
	TL provides draft Memo to base
	TL, SAF/GCN, and Installation finalize Memo
	Installation Commander signs Memo and returns to AFCEC/CIUE
	TL receives signed Memo
Congressional Notification	
	TL compiles information for Congressional Notification. A courtesy notification is simply an email. A formal notification package includes:
	eSSS Coordination
	SAF/IEI Notification Letters
	Outgrant Lease Report*
	Lease Compliance Memorandum and Mission Compatibility Memorandum
	Aerial Property Map or Facility Schematic
	SAF/IEE (energy projects only), AFCEC/CIU, AFCEC/CL, AFCEC/CIUE, SAF/FMCE and SAF/GCN-SA provide formal coordination / legal review of Congressional Notification (or EMRS to CODEL)
	AFCEC/CI approves Congressional Notification and submits to SAF/IEI for formal coordination and approval

	SAF/IEI approves Congressional Notification and signs Letters of Transmittal to SASC and HASC recipients (or to CODEL for courtesy notifications)
	SAF/LLP informs AFCEC once it has submitted Intent to Solicit EUL Reports to HASC/SASC (or in the case of courtesy notification, once it has sent the email)
	TL and Public Affairs address any questions or concerns presented by Congressional Members*
	Congressional Notification and associated information is deemed approved once the wait period is over (or in the case of courtesy notification, once SAF/LLP confirms the email was sent)
Determine Installation Consideration	
	Installation, AFCEC, AAFES*, and Services identify potential consideration opportunities and submit to TL
	TL, SAF/GCN-SA, and AFCEC/CIMP review and revise consideration package (Potentially include in RFQ)
Draft Solicitation / Marketing / Industry Day / Final Solicitation	
	DT determines solicitation strategy
	For Non-Competitive Exemption Only*
	TL drafts D&F for approval
	SAF/GCN-SA reviews D&F for legal sufficiency
	SAF/GCN-SA submits D&F to SAF/ACQ
	SAF/ACQ reviews D&F for legal sufficiency
	AFCEC/CIU submits D&F to SAF/IEI
	SAF/IEI reviews and signs D&F
	TL coordinates with AFCEC/PA for public affairs support (FedBizOpps, EUL Website, mass email, press releases, etc.).
	TL contracts for marketing consultant support (online, print/online media, social media)*
	Determine date and time Industry Day will be held (Approximately 3-5 weeks after Draft RFQ posted to FedBizOpps)
	TL, Installation, MAJCOM, , SAF/GCN-SA, and AFCEC/CIMP continue to refine Draft RFQ
	Include Industry Day registration instructions in the RFQ such that TL has list of all intended attendees prior to the event and their full contact info, to include emergency contact
	772 ESS CO reviews Source Selection Evaluation Factors, Criteria, and Methodology to ensure similarity with FAR best practices
	DT schedules Industry Day
	Review Policy Memo "Engagement with Industry Guidance" for elementary guidelines
	Engage Installation POCs
	Engage local Economic Development Community POCs
	Select venue
	Arrange transportation
	Coordinate security (on-base or off-base / invitee access to installation)
	Schedule speakers (availability and topic)
	Prepare maps (i.e., site topographical (topo); utility location)
	Set agenda
	Determine invitee list

	Receive speaker presentations far enough in advance to allow for revisions as required
	Pre-collect full contact info from speakers & attendees to include, office phone, cell phone, emergency phone and email. We must have ways to reach ALL in case of emergency such as inclement weather, installation lock-down, etc.
	Pre-provide installation POC emergency contact office number to speakers & attendees
	AFCEC/PA promotes Industry Day
	TL ensures contracted consultant marketing starts promotion of EUL opportunity
	TL prepares slides for Industry Day
	DT finalizes Draft RFQ and Appendices for posting to FedBizOpps
	Contracting (772 ESS) posts Draft RFQ to FedBizOpps
	AFCEC/PA and Marketing conduct marketing support for Draft RFQ
	DT hosts Industry Day
	TL integrates Industry Day feedback into Final RFQ
	Contracting posts Final RFQ to FedBizOpps
Source Selection	
	TL identifies SSEB members and achieves AFCEC/CI approved SSEB Appointment Letter
	TL schedules SSEB
	TL ensures SSEB members have completed ethics training and signed NDAs
	TL ensures leadership individuals, as appropriate, have signed NDAs
	COR sends Source Selection Sensitivities Dos/Don'ts protocol email
	SSEB conducts Source Selection
	Conduct initial proposal compliance review
	Requests AFCEC/CIMH EN and/or financial model support
	Review and provide comments on proposals
	Send Evaluation Notices (EN) to Offerors
	Review RFQ and EN Responses
	Discuss proposals with AFCEC/CI Director
	Conduct oral presentations*
	Prepare Source Selection Decision staffing package
	Proposal Analysis Summary signed by TL
	Source Selection Decision Document for SAF/IEI signature (unless AFCEC/CI requests delegated authority to serve as Source Selection Decision Authority)
	TL updates AFCEC/CIUP Level of Effort
	TL completes EUL Decision Analysis Tool (DAT)
	TL prepares briefing slides
	May include any Proposal Presentations from Selected HRO
	AFCEC/CIU Division Chief approves PAS, SSB, and SSDD for HRO Murder Board
	TL schedules Source Selection Murder Board
	TL sends PAS, SSDB, and SSDD to HRO Murder Board participants
	TL conducts Source Selection Murder Board
	TL reviews and revises SSDDSP Based on Murder Board feedback
	TL schedules and conducts SSDB with AFCEC/CI
	TL schedules and conducts SSDB with SAF/IEI
	Select HRO

	Sign SSDSP and route package to SAF/IEI for approval
	Notify successful and unsuccessful Offerors
	Send courtesy copy of HRO selection to USAF/A7C
	Send courtesy copy of HRO selection to AFCEC/CNR (Energy Only)
	Participate in debrief of non-selected offerors, if offeror requests*
	TL revises DAT (Enter updates based upon HRO proposal)
Encroachment Management (Energy Only)	
	TL works with HRO to complete Solar Glare Hazard Analysis Tool
	TL develops encroachment management working group Quad slide
	TL briefs EMWG and obtains approval
	TL staffs package to SAF/IEI for signature
	*If applicable/requested **Certain energy EUL projects

Proceed to Process 3.0 Phase 3 – Lease Negotiations and Closing.

EUL – Phase 3 – 3.0 Lease Negotiations and Closing

Introduction

Narrative

Introduction

The objective of Phase 3 is to efficiently negotiate lease terms and conditions consistent with the RFQ, the approved Source Selection Decision Document (SSDD) and the Deputy Assistant Secretary of the Air Force for Installations (SAF/IEI) lease approval requirements. Transactional documents may be incrementally submitted to SAF/IEI for approval/signature.

The Enhanced Use Lease (EUL) Portfolio Management (PfM) team is integrated into all Phase 3 processes and activities because the Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division, EUL Portfolio Management Branch (AFCEC/CIUP) will be responsible for managing the negotiated lease in EUL Phases 4, 5, and 6. The RFQ, Highest Ranked Offeror's (HRO) proposal, Project Charter and Source Selection Evaluation Board (SSEB) Appointment Letter guide negotiations.

Refer to the narrative below and Phase 3 Checklist for details regarding Lease Negotiation and Closing requirements.

Narrative

Step 3.1 – Conduct Negotiations

The approved SSDD prompts the SSEB to notify the HRO and non-selected Offerors. The Air Force Civil Engineer Center Real Estate Development Division Chief (AFCEC/CIU) signs the notification letters sent to the HRO and non-selected Offerors.

- The TL schedules a kick-off meeting and/or teleconference with the selected HRO. The meeting/teleconference initiates negotiations by introducing key stakeholders and identifying primary points of contact for subsequent requirements and actions.
- The HRO and the Air Force DT collaborate on updates to the Integrated Master Plan/Schedule (IMP/S) that outlines the expected schedule to guide and manage negotiations and other Project execution activities
- TL may elect to include the HRO's Public Relations POC in the Public Affairs Working Group (PAWG) meetings with base PAO as required.
- The HRO's Final RFQ response establishes the negotiation baseline throughout the Exclusive Negotiations process.
- A Memorandum of Agreement may be used to make it clear that if negotiations are terminated, neither party should expect any cost recovery.
- The TL leads negotiations, with SAF/GCN providing legal counsel, as specified in the SSEB Appointment Letter.
- The Air Force must obtain fair market value (FMV) for the leasehold interest, as a minimum, in accordance with 10 United States Code, Section 2667 (U.S.C. § 2667). The SAF/IEI Policy Memo dated 21 May 12, Fair Market Value discusses the Air Force definition of FMV
 - If the original appraisal was accomplished for the property as-if-vacant, TL may wish to gain an understanding of how much the property will be worth as-to-be-constructed in order to inform negotiations. Property Comps may be pulled at Reis.com if the parcel is located in a metropolitan area included in the Reis database. An as-to-be-constructed appraisal is another way to receive such information.

- TL maintains AFCEC/CI situational awareness of the project negotiations on a regular basis by providing update briefings. Briefing meetings are attended by AFCEC/CI Director, AFCEC/CIU Division Chief, AFCEC/CIUE and CIUP Branch Chiefs, installation POC, SAF/GCN and TL.
- Air Force environmental documents initiated earlier in the EUL lifecycle are shared with the HRO to accelerate project-specific NEPA compliance, if not yet completed
- Through the negotiation process, the Government and the HRO determine the method of Site Control needed to allow the HRO access to the property to perform their environmental due diligence, analysis, and other investigations associated with site planning and development. Site Control may also be used by the HRO to support Project financing and Power Purchase Agreement (PPA) interconnection studies
- The amount of time needed by the HRO to complete pre-lease and pre-construction due diligence activities will influence the type of agreements and other transactional documents needed. For example, some transactions will require an Agreement to Lease (ATL), while others need to be documented with a Development Agreement or even a Master Development Agreement in order to accomplish Project objectives. The HRO may also need a license or right of entry agreement to perform due diligence on the proposed EUL site. The ground lease may also require temporary access corridors, temporary construction easements, rights-of-way for utilities or access. All ATLs, easements, etc. must comply with 10 USC 2667 FMV requirements and shall be designed to incentivize the developer to expeditiously complete the necessary due diligence to include charging an appropriate holding fee.
 - SAF/IEI approves and signs the Agreement to Lease or Development Agreement.
- Another early output of the negotiation process is the Term Sheet, which documents the final, negotiated terms and conditions to be incorporated into the ground lease. The AFCEC Installations Directorate (AFCEC/CI) Director approves the final Term Sheet.
 - The TL briefs the approved Term Sheet as a vector check to SAF/IEI.
- The Air Force DT lead is responsible for adherence to the baseline IMP/S and the SSDD. The DT lead shall inform AFCEC/CIU of 10% or greater schedule slips and document HRO proposal changes in SSDD amendments. In the event negotiations are at a stalemate, the DT lead shall develop a corrective action plan or recommend terminating negotiations with the HRO.
- Specific performance based objectives, milestones and potential off-ramps shall be integrated into the lease to mitigate Air Force risks and minimize portfolio closing costs.
- The EUL proponent (installation), the HRO, and the installation Environmental Planning Function (EPF) document NEPA compliance with in accordance with the AFI/federal regulations. The EUL proponent, the HRO, and the EPF integrate Headquarters Air Force Civil Engineering Directorate (HAF/A4C), AFCEC Environmental Directorate (AFCEC/CZ), Major Command (MAJCOM) point of contact (POC), Air Force Legal Operations Agency (AFLOA), and other NEPA subject matter experts (SME) to ensure complete transparency and collaboration
- The installation Base Civil Engineer (BCE), with AFCEC/CI, approves preliminary HRO designs and plans for compliance with Air Force missions, constraints, and requirements. After BCE and AFCEC/CI approval, the DT lead submits the approved designs and plans for Strategic Basing and/or Encroachment Management (to include installation Facility Use Board (FUB)) approval. Approved designs and plans are integrated into the lease as exhibits.
- When both parties agree to all lease terms and conditions, SAF/GCN-SA prepares a transmittal letter to the lessee with instructions for final execution of lease documents.
- SAF/GCN-SA provides a written legal opinion that SAF/IEI is authorized to execute lease documents.
- Upon receipt of the lessee's signed draft lease and Memorandum of Lease, the TL prepares and submits the eSSS lease execution package to SAF/IEI. The eSSS package includes the following tabs: :
 - Lease Signature Pages
 - Memo of Lease Signature Pages

- Lease
- Memo of Lease
- Project Overview Briefing (documents 2667 including financial valuation that demonstrates compliance with FMV and GAO requirements)
- SGHAT/EM (if energy project)
- A draft Press Release (for SAF/IEI to send to Air Force Public Affairs (PA))
- EMRS to HAF and SAF
 - E-Mail Ready to Send (EMRS) for SAF/IEI to send to the Chief of Staff of the Air Force (CSAF) and the Secretary of the Air Force (SAF) announcing the pending lease signing
- EMRS to SAF/LLP
 - Documentation of compliance with the final Congressional Notification requirements (CODEL)
 - For projects requiring official Congressional Notification, TL reviews originally signed Mission Compatibility Memo and determines whether revisions to accurately reflect the project are required. If so, TL works with SAF/GCN to redraft, and then work with the base to achieve Installation Commander signature of the revised document.
 - Completed prior to lease signing. Similar process as previously described in Step 2.1.

Proceed to Step 3.2.

Step 3.2 – Lease Execution

After SAF/IEI approval, the TL provides the original, signed documents to SAF/GCN-SA for transmittal to the appropriate parties.

- Financial Transactions – The approved lease enables the HRO to proceed with the real estate and financial transactions to include the transfer of funds

Sustainment Transition:

- Projects transition to Phase 4 (AFCEC/CIUP management) immediately after the lease is executed by SAF/GCN-SA.
- TL is encouraged to hold a transition teleconference with AFCEC/CIUP PfM PM and stakeholders in order to smoothly transition the project.

The TL ensures that AFCEC Public Affairs (AFCEC/PA) coordinates with installation PA, Deputy Assistant Secretary of the Air Force for Legislative Liaison Programs and Legislation (SAF/LLP), and the HRO's PA POC to facilitate a public announcement of the successful execution of the lease. In some situations, a lease signing ceremony may be planned.

- The installation POC, TL, PA, and Developer/HRO draft logistics for the signing ceremony. Comments from the AFCEC/CIU Division Chief and AFCEC/CIUE Branch Chief are incorporated into the logistics plan, with AFCEC/CI Director providing final approval
- Invitations are sent to appropriate stakeholders including the AFCEC Energy Directorate (AFCEC/CN) (Energy Projects Only), MAJCOM POC, AFCEC/CIUP, SAF/GCN-SA, installation POC, TL, PA, Developer/HRO, AFCEC/CI Director, SAF/IEI, AFCEC/CIU, AFCEC/CIUE, United States Air Force Director of Civil Engineers (USAF/A4C), installation leadership, community, and Congressional Delegation. The SAF/LLP notifies/invites Congressional Delegation to the signing ceremony
- The Base PAO serves as the PA lead for all project-related events or base-initiated coverage, with support from AFCEC/PA

- The AFCEC/CI Director and SAF/IEI provide PA a quote for public announcement. AFCEC/PA drafts a press release and AFCEC/CN (Energy Projects Only); the MAJCOM POC, AFCEC/CIUP, SAF/GCN-SA, Base PAO, and TL review and provide comments
- In coordination with the TL and AFCEC/CIU, public announcements are made on the Air Force EUL website and other forums

TL considers lessons learned during project Phases 0-3 and provides recommendations to AFCEC/CIUE and AFCEC/CIUP Branch Chiefs regarding potential updates to Playbook.

Phase 3 Checklist

Complete	Task
Phase 3 - Lease Negotiation & Closing	
When appropriate, other divisions and agencies will be integrated into the EUL process	
Conduct Negotiations	
	TL completes BBPs on project Status - Updated throughout the EUL process by the TL
	TL submits Weekly Activity Report (WAR) Inputs* –Throughout EUL process as needed
	TL schedules internal Air Force negotiations strategy meeting (objectives, roles and responsibilities, critical deal parameters, negotiations spokesperson, target and Best Alternative to Negotiated Agreement, etc.)
	TL schedules, holds and finalizes internal Air Force negotiations strategy meeting
	Identify key POCs for Air Force and HRO
	TL schedules kick-off meeting with HRO
	TL and HRO update Integrated Master Project/Schedule (IMP/S) for Phase 3
	TL provides periodic negotiations update briefings to AFCEC/CI
	Include HRO marketing/PR POCs in PAWG*
	DT and HRO develop Term Sheet
	AFCEC/CI Director executes Term Sheet
	DT and HRO develop Right-of-Entry Agreement
	DT and HRO develop appropriate transaction documentation
	SAF/GCN populates and distributes generic lease or other transaction documents and identifies associated exhibits/attachments
	SAF/GCN prepares and distributes applicable plans and documents as required by generic lease documents
	Air Force and HRO complete negotiations and finalize all documentation
	SAF/GCN provides written legal opinion that SAF/IEI is authorized to execute lease documents
	Air Force and HRO complete Closing Check-List actions
Lease Execution	
	TL determines if EBS requires re-certification (Must be > 6 months old prior to lease signing)
	TL ensures as-is survey of lease property is received 30-60 days prior to closing
	TL develops SAF/IEI eSSS Lease Execution package. Package includes:
	Site Development Lease

	Memo of Lease
	Air Force Lease and Memo of Lease Signature Pages
	Press Release
	EMRS to SAF and HAF
	EMRS to SAF/LLP (Congressional Notification (CODEL))
	Project Overview Briefing
	AFCEC/CI Director approves SAF/IEI Lease Execution package
	TL schedules Final Lease briefing
	TL conducts Final Lease briefing
	SAF/IEI and HRO sign lease and/or other transaction documents
	DT sends signed copy of Lease Execution package to MAJCOM POC, Installation POC, and AFCEC/CIUP
	HRO records transaction documents and provides to TL for distribution to SAF-GCN, MAJCOM POC, Installation POC, and AFCEC/CIUP
	SAF/GCN develops index and electronic compilation of finalized transaction documents
	Installation and AFCEC Comptroller confirm accounts are established and funds transferred
	Escrow Agent signs Escrow Agreement*
	Hold lease signing ceremony* / Announce lease to public
	AFCEC and Base PAO coordinate coverage, event release and media attendance
	Determine logistics for signing ceremony*
	Send signing ceremony invitations*
	Notify/invite Congressional Delegation to signing ceremony*
	Attend signing ceremony*
	Coordinate announcement of lease signing
	TL completes last AFCEC/CIUE BBP on project status
	Air Force and HRO complete Closing Check-List actions
	*If applicable/requested
	**Certain energy EUL projects

Proceed to Phase 4.0. Design Management and Construction Management.

EUL – Phase 4 – 4.0 Design Management and Construction Management Overview

[Background](#)

[Roles and Responsibilities](#)

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[Create IKCA](#)

[Manage Funds](#)

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Background

Design Management/Construction Management (DM/CM) functions transpire under two scenarios within Enhanced Use Lease (EUL) Processes. First, DM/CM occurs when Air Force construction is provided: (1) through in-kind consideration (IKC) delivered by the selected entity that entered into the lease for Air Force real property (Lessee) to the Air Force in lieu of cash payments from the EUL (IKC Project); or (2) Cash via normal Air Force Processes through cash payments from the EUL. Second, DM/CM occurs when the Lessee designs and builds their planned revenue-generating Project on the Air Force EUL footprint in accordance with (IAW) the EUL lease agreement.

To generate an IKC Project, the Air Force must first determine what type of consideration it will receive, either Cash Consideration (Cash) or IKC.

If Cash is provided, the funds are deposited into the “Revenue from Leasing-Out DoD Assets, AF” special Treasury account (i.e., K2 account) and are disbursed to the Installation K2 bandwidth account as K2 funds. The Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division, Enhanced Use Lease Portfolio Management Branch (AFCEC/CIUP) and the Installation Base Civil Engineer (BCE) provide oversight on behalf of the Air Force for the Project.

Note: Phases 4-6 of the EUL process do not necessarily occur in sequential order; process Steps may overlap. For example, DM/CM can also incorporate the actions taken in Step 5.1, *Project Transition*, and Step 5.4, *Lease Execution Site Visit*, of this Playbook.

IKC Overview

This section provides a broader overview of the Processes associated with the identification, funds management, and delivery of IKC. The Assistant Secretary of the Air Force for Installations, Environment, and Energy (SAF/IE), Deputy Assistant Secretary for Installations (SAF/IEI) or delegated authority is the party responsible for: (1) management of funds in the IKC Account (IKCA); and (2) oversight and governance of the delivery of the IKC.

Figure 3 - Identification, Funds, and Delivery Management of IKC



Roles and Responsibilities

ROLES	RESPONSIBILITIES
Installation	<ul style="list-style-type: none"> Identifies IKC Projects based on determination of requirements Provides IKC Project description, requirements, and site access Reviews IKC Project submittals
AFCEC	<ul style="list-style-type: none"> Approves IKC Projects Monitors receipt of funds by financial institution into the IKCA Monitors funds in the IKCA Creates and provides financial reports to Air Force leadership Validates IKC Project budgets Validates availability of funds in the IKCA Authorizes disbursement funds from the IKCA (with SAF/IEI, or as is the current situation, with the Air Force Civil Engineer Center, Installations Directorate (AFCEC/CI) who has been delegated this authority by SAF/IEI)
Lessee	<ul style="list-style-type: none"> Funds IKCA Provides services to deliver identified IKC Projects

Deliver IKC

There are four key concepts relating to the delivery of IKC:

- The Air Force is solely responsible for the identification of the type of IKC (Energy EULs follow OSD policy)

- All applicable laws, rules, thresholds, and regulations for an IKC Project type apply, depending on whether the Project resembles military construction (MILCON), operations and maintenance (O&M), sustainment, restoration, and modernization (SRM), or payment or provision of utilities
- Delivery of IKC Projects usually follows: (1) the Installation identifying IKC Projects to be delivered and received; (2) appropriate Air Force approval IAW all applicable rules, thresholds, and regulations based on the type of IKC Project; and (3) funds are deposited into the IKCA by the Lessee IAW Lease terms
- IKC Design Management/Construction Management (DM/CM) can occur throughout the term of the Lease and always includes the following activities:
 - Identification of IKC Projects (determination of requirements) by the Installation, with approval by the Major Command (MAJCOM) point of contact (POC), AFCEC, and other appropriate Air Force offices
 - Provision of IKC Project description, requirements, and site access by the Installation to Lessee
 - Timely review and response to submittals by the Lessee or Lessee's agent by the Installation, MAJCOM POC and AFCEC

Create IKCA

The Air Force may elect to receive IKC in lieu of receiving Base rent (as outlined in the Site Development Lease [SDL]). An IKCA provides financial assurance to the Air Force that the Lessee has sufficient funds to deliver the IKC on time. The IKCA is established with a third-party escrow holder or trustee approved by the Air Force (IKCA Holder) in a written escrow or trust agreement among the Air Force, the Lessee, and the IKCA Holder (IKCA Agreement). The IKCA Agreement ensures that the IKCA Holder will disburse funds remaining in the IKCA as directed by the Air Force, as Cash rent into the Special Treasury account for the Installation.

Manage Funds

Five key concepts relating to management of IKC funds IAW 10 United States Code, Section 2667 (10 U.S.C. § 2667) and established Air Force policy:

- The Lessee or the IKCA Agent own the funds for the exclusive purpose of delivering IKC Projects to the Air Force
- The only Air Force entity that can authorize disbursement from the IKCA is SAF/IEI, unless otherwise delegated. As of 2014, AFCEC/CI is authorized to disburse funds
- The IKCA outlines the specific requirements before the IKCA Agent can disburse the funds with SAF/IEI, or delegated approval authority
- All costs, including but not limited to design, construction, oversight, and management services (associated with the delivery of IKC Project) must be funded through the IKCA. Appropriated funds, whether O&M and/or MILCON, cannot be used to supplement, complete, or modify IKC Project-funded delivery. The Air Force is unable and unwilling to accept responsibility of the funding any costs associated with procuring or maintaining the EUL.
- AFCEC/CIUP oversees the IKCA throughout the Lease term and includes the following activities:
 - Monitoring funds in the IKCA
 - Creating and providing financial reports to Air Force leadership and Stakeholders
 - Validating Project budgets
 - Validating availability of funds in the IKCA
 - Authorizing disbursement of funds from the IKCA, as delegated by SAF/IEI

Best Practices

- Concurrent distribution of submittals to Installation, MAJCOM POC, and AFCEC can reduce approval/coordination time
- Review and approval Processes are similar, even though “the color of money” is different. The primary difference in the overall process is that disbursement of funds from the IKCA typically occurs more quickly than normal

EUL – Phase 4, Step 1 – 4.1 Receive Cash and IKC

[Background](#)

[Roles and Responsibilities](#)

[SAF/IEI Guidance on Distribution of Consideration to Installations](#)

Background

An Enhanced Use Lease (EUL) is a lease (i.e., out-grant) between the Air Force and the Lessee for at least Fair Market Value (FMV) for the use of an Air Force asset. The Air Force is legally authorized to lease real property by 10 United States Code, Section 2667 (10 U.S.C. § 2667), which provides, in part: “Conditions on leases – a lease under subsection (a) -- . . . (4) shall provide for the payment (in cash or in-kind) by the lessee of consideration in an amount that is not less than the fair market value of the lease interest, as determined by the Secretary.”

10 U.S.C. § 2667 permits the Air Force to receive consideration from the Lessee in the form of Cash or in-kind consideration (IKC) (i.e., goods or services). The Air Force Civil Engineer Center (AFCEC) favors and encourages Cash transactions, as Cash is easier and faster to transact, deliver, and receive, carries the least administrative and oversight burden, and allows maximum flexibility in management.

If Cash is provided to the Installation, the process proceeds to Phase 5, Step 5.9, *Cash Management*. If IKC is provided to the Installation, the process proceeds to Phase 4, Step 4.2, *Identify and Approve IKC Projects*.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
Installation	<ul style="list-style-type: none">• Determines type of consideration, Cash or IKC• Cash<ul style="list-style-type: none">○ Requests funds from Major Command (MAJCOM) point of contact (POC)○ Expends the funds per the regulations in the contract vehicle• IKC<ul style="list-style-type: none">○ Determines IKC requirements○ Provides IKC requirements to Lessee
Lessee	<ul style="list-style-type: none">• Cash<ul style="list-style-type: none">○ Submits check to Installation Real Property Officer• IKC<ul style="list-style-type: none">○ Establishes IKC Account (IKCA) and designs, constructs, or provides IKC
OSD	<ul style="list-style-type: none">• Cash<ul style="list-style-type: none">○ Funds Installation/Financial Manager (FM) through MAJCOM POC
AFCEC	<ul style="list-style-type: none">• Cash<ul style="list-style-type: none">○ Ensures Installation receives rent check○ Provides oversight and ensures compliance• IKC<ul style="list-style-type: none">○ Approves IKC Projects (as Assistant Secretary of the Air Force for Installations, Environment, and Logistics, Deputy Assistant Secretary for Installations [SAF/IEI] delegated authority)○ Provides oversight and ensures compliance

MAJCOM POC	<ul style="list-style-type: none"> Notifies the Office of the Secretary of Defense (OSD), AFCEC, and the Assistant Secretary of the Air Force for Financial Management and Comptroller (SAF/FM) of IKC Approval Letter
DFAS	<ul style="list-style-type: none"> Receives, holds, and disburses cash as directed

SAF/IEI Guidance on Distribution of Consideration to Installations

The SAF/IEI Memo dated 11 May 12, *Distribution of Lease Consideration*, and the Air Force Director of Civil Engineers (AF/A4C) Memo dated 1 Dec 07, *Obtaining Value from Out-grants*, establish a graduated distribution of Cash for high-value, usually long-term, transactions generating proceeds exceeding \$1M per year.

Proceeds from EULs or easements, whether received in Cash or IKC, less reimbursable administrative costs incurred by supporting agencies (Net Proceeds), are distributed as described below. Distribution of funds is executed for each Lease or easement parcel or phase of development, as shown in Figure 1 below.

- If the Installation originating the transaction has, prior to lease or easement signing: (1) identified the specific Project(s) for which it will use the funds; (2) applied for approval and funding; (3) complied with applicable laws, rules, regulations, and administrative requirements for the proposed Project(s) necessary to execute them; and (4) obtained final Air Force approval of the Project(s); the entire amount of the Net Proceeds, up to the aggregated estimate cost of the approved Project(s), shall be distributed to the Installation
- The Installation originating the proceeds will also receive the entire amount of annual Net Proceeds, up to \$1M per year
- The Installation originating the IKC Project(s) shall also receive half of the annual Net Proceeds exceeding \$1M per year
- The Installation may elect to receive consideration either in Cash or IKC, but must ensure the transactional documents and the Installation's relevant procedures comply with the requirements of 10 U.S.C § 2667(c) and/or (e) and AFCEC's procedures

Figure 1: Cash vs. IKC Comparison

	Cash	In-Kind
Receipt	<ul style="list-style-type: none"> Lessee submits check to Installation Real Property Officer 	<ul style="list-style-type: none"> Lessee, Air Force and IKCA holder create IKCA Parties establish IKCA Lessee funds IKCA
Means for Distribution	<ul style="list-style-type: none"> Installation requests funds from MAJCOM POC Installation expends in accordance with (IAW) 10 U.S.C. § 2667 	<ul style="list-style-type: none"> Installation provides IKC requirements to Lessee Lessee delivers IKC IAW 10 U.S.C. § 2667
Delivery	<ul style="list-style-type: none"> Installation expends funds per the regulations in the contract vehicle 	<ul style="list-style-type: none"> Lessee designs, constructs, or provides IKC
Distribution Percentage	<ul style="list-style-type: none"> Pre-approved Project – 100% to Installation (relates to IKC) 100% of Net Proceeds up to \$1M per year to Installation (relates to Cash) 50% of Net Proceeds exceeding \$1M per year to Installation (relates to Cash) 	

EUL – Phase 4, Step 2 – 4.2 Identify and Approve IKC Project

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

Types of IKC Projects allowed under 10 United States Code, Section 2667 (10 USC § 2667) include:

- Maintenance, protection, alteration, repair, improvement, or restoration (including environmental restoration) of property or facilities under the control of the Secretary concerned
- Construction of new facilities for the Secretary concerned
- Provision of facilities for use by the Secretary concerned
- Provision or payment of utility services for the Secretary concerned
- Provision of real property maintenance services for the Secretary concerned
- Provision of such other services relating to activities that will occur on the leased property as the Secretary concerned considers appropriate

The first three types typically require construction and follow established Air Force military construction (MILCON), operations and maintenance (O&M), or Sustainment, Restoration, and Modernization (SRM) procedures, as applicable, for a Project to be delivered. The fourth through the sixth types follow established and applicable Air Force procedures for the type of provision or services to be delivered.

Air Force Stakeholders, Installation, Major Command (MAJCOM) point of contact (POC), and the Air Force Civil Engineer Center, Installations Directorate (AFCEC/CI) may agree on Project priorities before preparing and posting a “Request for Qualifications (RFQ)” during Phase 2 of the Enhanced Use Lease (EUL) Process. These preferences may change over time. This section outlines the process of identification and approval of the IKC to be delivered.

Typically, the Installation identifies the type of in-kind consideration (IKC) Project, which then is reviewed through all established Air Force approval/coordination processes for the type of IKC. Similarly, Project execution and management follows established Air Force Instruction (AFI), standards, guidelines, approval thresholds and regulations for the type of IKC being provided.

The Installation must utilize either the Air Force approved Integrated Priority List (IPL), the Unfunded Requirement List (UFR), or the Future Years Defense Plan (FYDP) to identify Projects and/or OSD policy when the IKC is from an energy EUL. The Projects identified on the IPL, UFR, and/or FYDP will be coordinated and approved through normal Air Force Processes and include Air Force (AF) Form 332, Department of Defense (DD) Form 1391, Requirements Documents (RD), and Economic Analysis (EA), as applicable. Approved copies of all forms and documents will be supplied to AFCEC.

After the Installation's identified Project receives appropriate Air Force approval, the Installation then prepares and provides a general description of the Project and Project requirements to the Lessee. AF Form 332, DoD Form 1391 and/or RD may be provided to the Lessee to meet this requirement and provide detailed Project requirements, including a Statement of Work (SOW) and/or Statement of Need (SON).

Roles and Responsibilities

ROLES	RESPONSIBILITIES
Installation	<ul style="list-style-type: none">• Identifies requirements• Prepares and provides supporting IKC Project documents to Lessee• Provides approved requirements to Lessee
MAJCOM POC	<ul style="list-style-type: none">• Coordinates/approves, as required
AFCEC	<ul style="list-style-type: none">• Coordinates/approves, as required• Notifies Installation
Headquarters Air Force (HAF)	<ul style="list-style-type: none">• Coordinates/approves, as required

Best Practices

- Concurrent distribution of payment submittals to Installation, MAJCOM POC, and AFCEC may reduce approval/coordination time
- Use of pre-approved IPL, UFR, or FYDP usually facilitates faster Project initiation

EUL – Phase 4, Step 3 – 4.3 Oversee Deposit and Disbursement of IKC Funds

[Background](#)

[IKC - Receipt of Funds](#)

[Roles and Responsibilities: IKC - Receipt of Funds](#)

[IKC - Disbursement of Funds](#)

[Roles and Responsibilities: IKC - Disbursement of Funds](#)

[Best Practices](#)

Background

This section details the financial management of in-kind consideration (IKC) funds. Specific topics include:

- Deposit of IKC funds into IKC Account (IKCA)
- Disbursement of funds from the IKCA

Overseeing the deposit and disbursement actions of the IKCA involves coordination with the Installation, Major Command (MAJCOM) point of contact (POC), Lessee, and the Air Force Civil Engineer Center (AFCEC). AFCEC provides financial oversight of the IKCA as delegated by the Assistant Secretary of the Air Force for Installations, Environment, and Logistics, Deputy Assistant Secretary for Installations (SAF/IEI).

SAF/IEI (or delegated authority [currently AFCEC Installations Directorate (AFCEC/CI)]) approval and signature for consent to the disbursement of any funds from the IKCA for the payment of services performed or Projects delivered, results in instructions to the IKCA Agent following the processes outlined in this section and the delivery of IKC Process sections.

IKC – Receipt of Funds

The AFCEC/CI, Real Estate Development Division, Enhanced Use Lease Portfolio Management Branch's (AFCEC/CIUP) process to oversee deposit of IKC funds includes:

- Lessee establishes IKCA
- IKCA Agent maintains IKCA in accordance with (IAW) legal documents and IKCA
- AFCEC/CIUP Project Manager (PM) validates the deposit of funds into the IKCA
- IKCA Agent provides account statements to PM on a monthly basis for review and validation
- PM ensures Air Force records are maintained

Roles and Responsibilities: IKC – Receipt of Funds

ROLES	RESPONSIBILITIES
Lessee	<ul style="list-style-type: none">• Creates IKCA with Air Force and financial institution• Deposits funds into IKCA
PM	<ul style="list-style-type: none">• Validates statements from IKCA• Maintains Air Force records• Verifies availability of funds in IKCA
IKCA Agent	<ul style="list-style-type: none">• Maintains IKCA• Provides IKCA statements to PM on a monthly or quarterly basis

IKC – Disbursement of Funds

SAF/IEI Retains Delegated Authority

Disbursements from the IKCA occur, as required, to secure the Lessee's financial obligations associated with the delivery of IKC IAW requirements in Legal documents. The Air Force never receives disbursements, but the funds are used to secure delivery of the IKC Project(s) and to pay contractors who help deliver IKC construction or services.

The IKC Funding Agreement, referenced in the legal documents for the Project, outlines specific supporting documentation (e.g., invoices, bills, contract, and release of lien) that the Lessee must provide to request disbursement of funds from the IKCA. The IKC Delivery Agreement will include the costs to manage the construction management plan.

AFCEC/CI determines the appropriate disbursement recipients. AFCEC/CI coordinates consents to disbursements with the Lessee, Installation, AFCEC Chief Financial Officer (AFCEC/CR), and IKCA Agent. In general, AFCEC/CR will disburse all prior year K2 funds to Installations with a delivery goal of first quarter of the current fiscal year (FY). If a Lease exceeds \$1M in revenue per year, Installations are advised to provide their identified IKC Projects beforehand for the opportunity to receive 100% of the funds, per SAF/IEI's *Distribution of Lease Consideration* memo (11 May 2012).

When SAF/IEI retains approval authority, the Disbursement Process is:

- Lessee validates contractor invoices and supporting documentation (if Lessee hires contractor), prepares Disbursement Request Letter (DRL), and forwards the invoice, DRL, and supporting documentation (collectively referred to as DRL Package) to the Installation
- Installation POC submits DRL Package to AFCEC/CIUP for coordination
- AFCEC/CIUP submits to AFCEC/CR
- AFCEC/CR validates requested disbursement amount against previously approved budget; validation ensures:
 - Requested amounts have proper supporting documentation
 - Disbursement requests fall within 10 United States Code, Section 2667 (10 U.S.C. § 2667)
 - Requested amount is within approved budget
- AFCEC/CR enters requested amount into Project Financial Tracking Spreadsheet
- AFCEC/CR reconciles Project Financial Tracking Spreadsheet with IKCA statements
- AFCEC/CR incorporates Project Budget Summary, IKCA Summary Statement, and any Interest Earned Reports into the DRL Package and submits it to AFCEC/CIUP
- AFCEC/CIUP staffs the package to SAF/IEI for approval
- SAF/IEI approves and notifies AFCEC/CIUP
- AFCEC/CIUP sends the DRL to the IKCA Agent
- IKCA Agent disburses funds from the IKCA to the Lessee-designated account

When approval authority is delegated to AFCEC/CI, the Disbursement Process is:

- Lessee validates contractor invoices and supporting documentation (if Lessee hires contractor), prepares DRL, and forwards the DRL Package to the Installation
- Installation POC submits DRL Package to AFCEC/CIUP for coordination
- AFCEC/CIUP submits to AFCEC/CR
- AFCEC/CR validates requested disbursement amount against previously approved budget; validation ensures:
 - Requested amounts have proper supporting documentation

- Disbursement requests fall within 10 U.S.C. § 2667
- Requested amount is within approved budget
- AFCEC/CR enters requested amount into Project Financial Tracking Spreadsheet
- AFCEC/CR reconciles Project Financial Tracking Spreadsheet with IKCA statements
- AFCEC/CR incorporates Project Budget Summary, IKCA Summary Statement, and any Interest Earned Reports into the DRL Package and submits it to AFCEC/CIUP
- AFCEC/CIUP staffs the package to AFCEC/CI for approval
- AFCEC/CI approves and notifies AFCEC/CIUP
- AFCEC/CIUP sends the DRL to the IKCA Agent
- IKCA Agent disburses funds from the IKCA to the Lessee-designated account

If SAF/IEI delegates authority to Installation POC the process is:

- Lessee validates contractor invoices and supporting documentation (if Lessee hires contractor), prepares DRL, and forwards DRL Package to Installation
- Installation validates DRL Package
- Installation submits to MAJCOM POC and PM for coordination, as required
- Installation submits DRL to IKCA Agent
- IKCA Agent disburses funds from IKCA to Lessee-designated account

Roles and Responsibilities: IKC – Disbursement of Funds

ROLES	RESPONSIBILITIES
Lessee	<ul style="list-style-type: none"> ● Submits disbursement request to Installation
Installation	<ul style="list-style-type: none"> ● Validates disbursement request ● Submits disbursement request to the PM (without SAF/IEI-delegated authority) ● Notifies the PM of disbursement ● Approve disbursement, if authority delegated to Installation
PM	<ul style="list-style-type: none"> ● Submits disbursement request to AFCEC/CI or SAF/IEI, if necessary and depending on authority ● Submits approved disbursement request and instructions to IKCA Agent ● Maintains records
AFCEC/CR	<ul style="list-style-type: none"> ● Reviews disbursement request and recommends approval/disapproval
AFCEC/CI	<ul style="list-style-type: none"> ● Approves disbursement request (with current delegated authority)
SAF/GCN-SA	<ul style="list-style-type: none"> ● Advises Air Force clients on law, policy, and best practices, as required
MAJCOM POC	<ul style="list-style-type: none"> ● Coordinates on disbursement request
HAF/A4C POC	<ul style="list-style-type: none"> ● Coordinates disbursement request (if applicable)
IKCA Agent	<ul style="list-style-type: none"> ● Disburses funds to Lessee, per instructions
SAF/IEI	<ul style="list-style-type: none"> ● Approves disbursement request if no delegated authority

Best Practices

- Concurrent distribution of payment submittals to Installation, MAJCOM POC, and AFCEC often reduces approval/coordination time

EUL – Phase 4, Step 4 – 4.4 Deliver IKC Project

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

After the Installation provides Project requirements to the Lessee, the responsibility to deliver the in-kind consideration (IKC) Project rests with the Lessee. The Lessee may hire an Independent Project Manager (IPM) to provide Project delivery on behalf of the Lessee. The Air Force reserves the right to direct the Lessee to hire a qualified and Air Force-approved IPM, based on the complexity of the IKC Project requirements and judgment.

If the Air Force determines that on-site oversight of the IKC Project is required, AFCEC may direct the Lessee or IPM to hire an Independent Project Consultant (IPC). The Lessee or IPM retains the IPC to administer any required Quality Control (QC) programs. The IPC is a certified professional who works on behalf of the Air Force, is reimbursed with funds from the IKC Account (IKCA), and who is independent of the Lessee or IPM.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
Lessee or IPM	<ul style="list-style-type: none">• Provides all necessary services reasonable to execute and deliver identified Projects within the standards established by the Lease<ul style="list-style-type: none">○ Design and Engineering○ Contract, Procurement, Commissioning, and Construction Management○ QC• Performs the services for each Project according to the requirements of the Project and follows established standards• Supervises and directs the work on the Project and is responsible for the coordination of all portions of the Project to include construction, if applicable• Maintains the Project site until it is returned to the Air Force• Attends required Project site visits, meetings, and conferences• Obtains permits, approvals, and payment and performance bonds (as required)• Prepares Project documents<ul style="list-style-type: none">○ Project description, schedules, and budgets○ Site, security, historic preservation, health, safety, and environmental management plans○ IKC funding agreement○ Scope of services/services timetable○ Technical plans, drawings, specifications, and other required documents

IPC	<ul style="list-style-type: none"> • Reviews IKC Project documents • Performs daily or periodic site visits to verify all processes, procedures, cover-up inspections, and material tests • Reviews and recommends approval of as-built plans • Provides reports to Stakeholders as defined in the Project documents • Certifies to the Air Force Civil Engineer Center (AFCEC) that a Project, or any portion of the Project, is progressing or completed in accordance with (IAW) standards as defined by the Project documents
Installation	<ul style="list-style-type: none"> • Provides a general description and approved Project requirements to the Lessee • Provides reasonable access to the Project site • Participates in Lessee or IPM meetings with the IPC throughout the life of the Project • Reviews and responds in a timely manner, to Lessee, IPM, or IPC submittals regarding Project documents or payment applications • Coordinates disbursement from the IKCA through AFCEC • Coordinates IKC Project documents through AFCEC • Ensures Project is entered and updated in the Automated Civil Engineering System (ACES)/Next Gen IT database throughout the life of the Project, from planning through Project close-out
MAJCOM POC	<ul style="list-style-type: none"> • Participates in Lessee or IPM meetings with the IPC throughout the life of the Project • Reviews and responds in a timely manner to Lessee, IPM, or IPC submittals regarding Project documents or payment applications • Coordinates disbursement from the IKCA through AFCEC • Coordinates Project documents through AFCEC
AFCEC	<ul style="list-style-type: none"> • Approves selected IPM, IPC, contractors, subcontractors, or other agents in advance of Project initiation • Approves and issues Notice to Proceed (NTP) to Installation for release to Lessee or IKCA holder, if different • Participates in Lessee or IPM meetings with the IPC throughout the life of the Project • Reviews and responds in a timely manner to Lessee, IPM, or IPC submittals regarding Project documents or payment applications • Directs IKCA Agent to disburse IKC funds from IKCA, as delegated by the Assistant Secretary of the Air Force for Installations, Environment, and Logistics, Deputy Assistant Secretary for Installations (SAF/IEI)
SAF/IEI	<ul style="list-style-type: none"> • Delegates authority as required for each Project • Issues NTP letter and approved disbursements, unless otherwise delegated (as of July 2014 this responsibility has been delegated to AFCEC Installations Directorate [AFCEC/CI])

Best Practices

- Establish a Configuration Control Board (CCB) to manage change orders impacting the IKCA

- Conduct quarterly/annual Management Review Committee (MRC) meetings (normally held annually, at the Installation)
- Conduct periodic teleconferences with the Lessee, Installation, Major Command (MAJCOM) point of contact (POC), and AFCEC to coordinate, address, and resolve concerns
- Require estimates and agreements to limit costs with each design submittal for Projects
- Require “As-Builts” to be submitted with milestone payment requests

EUL – Phase 4, Step 5 – 4.5 Oversee Private or Commercial Construction

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

With regard to design and construction oversight of private/commercial construction, the Air Force possesses a fee simple interest in the land and, therefore, a stake in any improvements or private Projects constructed on Air Force property. Although Air Force oversight on private/commercial construction is more limited than on Air Force in-kind consideration (IKC) construction, the Air Force must oversee construction appropriately in the light of the Project's nature and complexity. Private/commercial construction oversight involves the Lessee, local municipalities, the Installation Base Civil Engineer (BCE), Major Command (MAJCOM) point of contact (POC), and Project Manager (PM).

Roles and Responsibilities

ROLES	RESPONSIBILITIES
Installation BCE	<ul style="list-style-type: none">• Provides representative for periodic oversight, process submittals, and Lessee coordination• Negotiates and enters into required support service agreements• Reviews design plans to ensure compliance with Installation architectural compatibility guide and airfield operations• Issues Notice to Proceed (NTP), if delegated• Participates in inspections, as required, to include final acceptance inspection• Marks Air Force utility lines• Attends major inspections and ensures all required commissioning activities are carried out and that the facility performs as designed• Issues or reviews Certificate of Completion/Beneficial Occupancy and may assist to administer warranties
Lessee	<ul style="list-style-type: none">• Secures and provides required permits• Notifies BCE when required tests are to be performed• Notifies BCE when outages will occur and schedules outages• Maintains utility line markings throughout construction phase• Provides Environmental Protection Agency (EPA) plan and design documents to Installation POC• Develops quality control (QC) system• Constructs income-generating Project per design documents• Conducts inspections, including Final Inspection, with BCE• Obtains NTP, permits, certificate of occupancy, and approvals• Provides "As-Built" drawings and operations and maintenance (O&M) manuals to BCE• Provides warranty plan, required guidelines, training and Construction Closeout Documents• Transfers all warranties and coordinates warranty activities

- Issues NTP (or delegates authority)
- Administers warranties and ensures repairs are made

Best Practices

- As early as possible, ensure Installation identifies preferred construction oversight option process and secures resources, as necessary
- Modify requirements for inside the fence (military construction [MILCON]-like standards should apply)
- Ensure oversight inspector understands Lease compliance provisions in addition to typical construction inspection
- Periodic meetings should occur with PM to facilitate communication and issue resolution

EUL – Phase 5 – 5.0 EUL Sustainment Overview

[Background](#)
[Documents](#)
[Transition Team](#)

Background

The Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division, Enhanced Use Lease Portfolio Management Branch's (AFCEC/CIUP) goal is to establish and maintain an Enhanced Use Lease (EUL) Sustainment Program by defining Roles and Responsibilities of Stakeholders to satisfy legal, fiscal, operational, and mission-specific obligations of each Lease in the Air Force Portfolio of EUL assets.

Guiding principles include:

- Provide independent and standardized oversight
- Develop sensible, consistent reporting standards
- Communicate timely and relevant information to Stakeholders
- Identify early trends and challenges
- Resolve negative trends
- Apply Lessons Learned and Best Practices appropriately
- Train internal Air Force and other Stakeholders in Sustainment Processes/Best Practices

Program components include:

- Lease Management
 - Ensure compliance with Lease terms, negotiating amendments, as needed, and resolve problems favorably for the Stakeholders
- Development Oversight
 - Ensure compliance with design and construction requirements
 - Oversee design and construction schedule
 - Avoid cost overruns
 - Work to keep Projects on schedule
- Operational Oversight
 - Construction
 - Payments
 - Capital reserves
 - Facilities maintenance
 - Dispute Resolution
- Risk Management
 - Insurance requirements
 - Environmental and other liabilities
 - Other business risk mitigation
- Financial Oversight to ensure Air Force receives fair market value (FMV)

- Overall financial health
 - Net Operating Income (Revenue less expenses)
 - Debt coverage ratio
 - Delinquencies
- Return on investment: Cash or in-kind consideration (IKC)

In most cases, IKC will be tied to the financial and operational health of the asset. Exceptions include non-revenue generating facilities. Ongoing oversight is necessary to ensure Lessee is complying with Lease requirements specific to design and construction management, insurance oversight, force protection, approved uses and tenants. In the event of lessee default, the Air Force will have specific rights and remedies on both land and asset, as defined by the Lease. Figure 1 below depicts the various stages of the EUL Sustainment process:

Figure 4 - Sustainment Overview



Documents

Transactional Documents

Documents (Legal Documents) executed by the Assistant Secretary of the Air Force for Installations, Environment, and Logistics, Deputy Assistant Secretary for Installations (SAF/IEI), or delegate, at the time Air Force and Lessee execute the Site Development Lease (SDL) (Lease Execution). The EUL Portfolio Management (PfM) Project Managers (PM) refer back to the Legal Documents on an ongoing basis to ensure the Project is on schedule and Lessee is adhering to the terms and provisions of the Legal Documents, as these documents are critical to successfully manage the Project. Legal Documents include, but are not limited to:

- Site Development Lease
- Escrow Agreement/Generic Documents
- Agreement to Lease
- Environmental Documents (list the most common ones)
- Surveys
- Title Commitment
- Title Policy
- Easement Documents

- Term Sheet
- Trust Agreement
- IKC Funding Agreement
- IKC Delivery Agreement
- Legal Closing Checklist

Transition Documents

Documents utilized in the Transition Process. PfM PMs rely on these documents to be aware of all matters pertaining to the terms of the Project and any “yet to be completed” items (i.e., matters not handled at Lease Execution that will need to be handled and managed by PfM PMs). Transition Documents include, but are not limited to:

- Transition Checklist
- Transition Memo

Sustainment Documents

Documents to support Sustainment and PfM. PMs rely heavily on terms and provisions in the Legal Documents signed at the Lease Execution to ensure Lessee is adhering to provisions of the Legal Documents. Sustainment Documents include, but are not limited to:

- Project Executive Summary
- Project Fact Sheet
- Schedule of Reporting Requirements
- Insurance Review/Summary Report
- IKC Account (IKCA) Report
- Compliance Checklist
- Lease and Lease Abstract
- Quarterly Reports
- Legal Closing Checklist
- Post-closing Checklist
- Operating Agreement
- Municipal Service Agreements, etc.
- Management Review Committee (MRC) Charter and other governance documents
- Warranties, operational manuals, and other base-specific documents/plans
- Others as needed

IKC Project Documents (Project Documents)

Documents utilized to secure a Project prior to and after Lease Execution. Two subsets are Design Documents and Project Closeout Documents (collectively, Project Documents). PMs examine Project Documents prior to Lease Execution to ensure the Air Force is receiving the IKC agreed upon at Lease Execution from the Lessee. Project Documents include, but are not limited to:

- Department of Defense (DD) Form 1391
- Environmental Documents
- IKC Project Budget
- IKC Delivery Agreement
- Project Schedule
- Utility Agreements
- Operating Agreement
- Technical Documents

- Project Description
- Scope of Services
- Site Plans
- IKC Funding Agreement
- Quality Control (QC) Plans and Programs
- Security Plans
- Health, Safety and Environmental Management Plans
- Historic Preservation Plans
- Technical Plans/Drawings and Specifications
- Permits/Licenses
- Payment and Performance Bonds

Design Documents: documents utilized in the Project Design Process. PMs need to know what plans the Lessee submitted initially and Air Force agreed to, at Lease Execution and throughout the life of the design and Construction Process to ensure the Air Force is receiving what the Lessee stated they would provide to the Air Force. Design documents include, but are not limited to:

- Design plans, including the initial set, provided at Lease Execution
- Specifications and applicable building code standards
- 35%, 65%, and 100% completed design plans and reviews
- All written policies, procedures, instructions, codes, directives, specifications, etc. pertaining to construction of the Project

Construction Close-out Documents:

Documents used to finalize a Project. PMs review all Project Documents prior to construction close-out to ensure the Project is built to industry and Air Force standards and conforms to all requirements, rules, codes, permits, licenses, etc. prior to the Air Force's final acceptance of the Project. Construction Closeout Documents include, but are not limited to:

- Certificate of Completion
- Certificate of (Beneficial) Occupancy
- Punch List
- Final Acceptance Inspection and Commissioning Reports
- Operations and maintenance (O&M) manuals
- Warranties and Warranty plans
- Required Guidelines documentation
- Training documentation

The Transition Team includes the following representatives: Team Lead (TL), PM, Major Command (MAJCOM) point of contact (POC), Installation, and other appropriate Stakeholders (Transition Team). The table below provides an overview of members by organization and tenure.

Transition Team: Organization, Members, and Tenure

ORGANIZATION	MEMBER	TENURE
Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division (AFCEC/CIU)	TL	Sustainment Team creation → Compliance Checklist completion

AFCEC/CIUP	PM	Sustainment Team creation → Lease Termination
MAJCOM POC	Determined by MAJCOM POC	Sustainment Team creation → Lease Termination
Installation	Determined by Installation	Sustainment Team creation → Lease Termination
Assistant Secretary of the Air Force, General Counsel for Installations, Energy, and Environmental Law – San Antonio (SAF/GCN-SA)	Required by Assistant Secretary of the Air Force for Installations, Environment, and Logistics (SAF/IE)	All phases of Project
Other Stakeholders		As required
AFCEC Public Affairs (AFCEC/PA)		As required

Design and Construction is Phase 4 of AFCEC/CIUP's Sustainment activities and includes:

- Completing transition activities
 - Execution TL responsibilities end when transition activities are complete
- Reviewing the Lessee's design plans
- Working with the Lessee, MAJCOM POC, Installation and the Stakeholders to ensure that design and construction follow all Air Force, State, Government, County, applicable laws, rules, regulations, and administrative requirements for the proposed Project

Sustainment is Phase 5 of AFCEC/CIUP's Sustainment activities and includes:

- Providing long-term Sustainment of the Project, with processes managed by the PM, such as:
 - Monthly activities
 - Quarterly and Annual activities
 - Oversight of IKCA funding and disbursements
 - Selection, approval, and management of delivery of IKC
 - Commercial construction oversight
 - Periodic Site Visit (PSV)
 - Dispute Resolution

EUL – Phase 5, Step 1 – 5.1 Project Transition

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

Prior to commencement of parallel Phases 4 and 5 (approximately 30-45 days before Lease Execution), the Transition Team begins the process of transitioning the Project from Lease Execution to Lease sustainment.

Concurrent with Congressional Notification, the Team Lead (TL) and Project Manager (PM) coordinate the Sustainment Training Site Visit (STSV), if required, and ensure that the Compliance Checklist and all Legal/Transaction Documents and other required documents are being populated.

After Lease Execution, the TL and PM coordinate the Lease Execution Site Visit (LESV), if required. The TL completes any outstanding Transition Checklist responsibilities and works with the PM to accomplish the transition to sustainment. TL involvement after Lease Execution is critical in facilitating Stakeholder understanding of the Sustainment Process and in fostering the long-term relationship with the PM. Depending on the complexity of the deal, TL involvement may be required for six to twelve months. As appropriate for each Project, but not before all Transition Checklist items assignment to the TL are complete, the TL will be replaced by the PM for long-term Sustainment of the Project.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
AFCEC/CIUP	<ul style="list-style-type: none">• Identifies PM• Transitions with TL to set up Transition Team and operations• Coordinates on Legal Closing Checklists, Delegations of Authority, etc.• Attends and supports STSV
TL	<ul style="list-style-type: none">• Supports Transition to Sustainment role• Recommends Stakeholders for Transition Team and helps PM determine Sustainment scope• Reviews initial Legal documents• Identifies Stakeholder requirements for status/progress reporting• Maintains overall responsibility for Transition Team actions and serves as liaison with PM• Schedules STSV
Transition Team	<ul style="list-style-type: none">• Identifies performance indicators and data requirements for status and progress reporting• Reviews Legal Documents with DT to determine expected Sustainment Stakeholder Level of Effort (LOE) and required resources• Pre-populates required templates
SAF/GCN-SA	<ul style="list-style-type: none">• Performs any required legal actions within Project scope

Installation POC	<ul style="list-style-type: none"> • Joins Transition Team membership and supports as required
MAJCOM POC	<ul style="list-style-type: none"> • Joins Transition Team membership and supports as required
HAF, A4C POC	<ul style="list-style-type: none"> • Coordinates on EUL packages, as required
AFCEC/CI	<ul style="list-style-type: none"> • Coordinates on EUL packages, as required
ESG	<ul style="list-style-type: none"> • Coordinates on EUL packages, as required
Lessee	<ul style="list-style-type: none"> • Coordinates on EUL packages, as required

Best Practices

- Transition Team review Lessons Learned (LL) specific to situation in advance of LESV
- Early in the Transition Process, identify any Installation/Major Command (MAJCOM) point of contact (POC) resource and training requirements and address these needs

EUL – Phase 5, Step 2 – 5.2 Sustainment Training Site Visit

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

The Team Lead (TL) (Office of Primary Responsibility [OPR]), along with the Project Manager (PM) (Office of Collateral Responsibility [OCR]), schedules and coordinates the Sustainment Training Site Visit (STSV) in parallel with the 45-day Congressional Notification waiting period. STSV will be accomplished by the PM and should occur at the Installation. If constraints do not allow on-site training, communication through video teleconference or teleconference are acceptable alternatives. The purpose of the STSV is to formally introduce Stakeholders involved in the Transition and Sustainment Processes, and to outline Roles and Responsibilities, discuss open issues and initiatives, assess potential risks and mitigation strategies, refine timelines, review Enhanced Use Lease (EUL) Playbook Phase 4 and Phase 5, provide Project-specific training, and solicit input on STSV value and impact. After the STSV, the PM conducts a Hot wash with the TL and Transition Team to analyze results to incorporate Lessons Learned (LL) specific to the Project and the STSV itself.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
AFCEC/CIUP	<ul style="list-style-type: none">• Schedules and facilitates the STSV with TL• Identifies roles/responsibilities, open issues, timelines• Provides Transition Team training on Sustainment Templates and Processes• Conducts Hot Wash with TL to document LL
TL	<ul style="list-style-type: none">• Schedules and facilitates the STSV with PM• Conducts in-brief and out-brief for Installation point of contact (POC)• Acts as primary Air Force Civil Engineer Center (AFCEC) POC interacting with Air Force personnel and local entities• Ensures STSV objectives are met• Keeps track of performance management of Lessee compliance with terms and conditions of EULs (may consult with SAF/GCN and team if breach has occurred so team can recommend remedies to leadership).
SAF/GCN-SA	<ul style="list-style-type: none">• Performs any required legal actions within Project scope
Installation POC	<ul style="list-style-type: none">• Coordinates logistics of STSV including in-brief/out-brief for Installation POC, and Lessee and local government meetings, as necessary• Leads site/Installation tour• Provides pertinent information/documentation, as requested• Coordinates with Installation/Public Affairs (PA) and AFCEC Public Affairs (AFCEC/PA)
MAJCOM POC	<ul style="list-style-type: none">• Provides insight from MAJCOM perspective to accomplish STSV objectives
HAF/4A4C POC	<ul style="list-style-type: none">• Coordinates on EUL packages, as required

AFCEC/CI	<ul style="list-style-type: none"> Coordinates on EUL packages, as required
ESG	<ul style="list-style-type: none"> Coordinates on EUL packages, as required
SAF/IEI	<ul style="list-style-type: none"> Coordinates on EUL packages, as required
Lessee	<ul style="list-style-type: none"> Coordinates on EUL packages, as required

Best Practices

- Schedule meetings with leadership well in advance
- Engage with AFCEC/PA and the Installation/PA to coordinate on any community or local government activities
- Emphasize the importance of strong Installation leadership and open communication for Project sustainability
- Capture LL
- Use the EUL Templates (file location: Air Force Portfolio and Asset Control System [AFPACES])
- Ensure AFCEC/PA, Installation/PA, and MAJCOM POC PA Teams are invited to the STSV to foster positive, partnering relationships with Lessee to assist with maintaining a healthy Project through proactive, solution-oriented approaches to communication, renegotiations, and problem solving

EUL – Phase 5, Step 3 – 5.3 Portfolio Management

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

Portfolio Management (PfM) is comprised of multiple activities. PfM forms the foundation for managing individual projects as part of the larger Air Force portfolio of real property assets.

During Transition, the Team Lead (TL) will (where applicable) assist with the development of Transition Documents such as the Compliance Checklist, Project Fact Sheet, Project Executive Summary, Schedule of other Reporting Requirements, and Insurance Review and Summary Report (collectively, Sustainment Documents). These documents are finalized once the final Legal Documents are received; examples of these documents can be found in the References section of this Playbook.

Upon Lease Execution, the TL (Office of Primary Responsibility [OPR]): (1) verifies completeness and accuracy of the final closing transcript of Legal Documents with Assistant Secretary of the Air Force, General Counsel for Installations, Energy, and Environmental Law – San Antonio (SAF/GCN-SA) Office of Collateral Responsibility (OCR) and Project Manager (OCR), including the Sustainment Documents; and (2) coordinates the receipt of final Legal Documents. Completed Legal Documents are forwarded to the PM, SAF/GCN-SA, the Installation, and Major Command (MAJCOM) point of contact (POC) prior to the Lease Execution Site Visit (LESV).

Upon Lease Execution and/or at any time throughout the Lease period, Cash and/or in-kind consideration (IKC) may be received by the Air Force. The Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division, Enhanced Use Lease Portfolio Management Branch (AFCEC/CIUP) AFCEC Chief Financial Officer (AFCEC/CR) manage receipt of both types of consideration. The path for managing consideration is dependent upon the type of consideration received. The process for receipt of Cash can be found in Step 5.9, *Cash Management*, of this Playbook. The process for receipt of IKC can be found in Step 4.3, *Oversee Deposit and Disbursement of IKC Funds*, of this Playbook. The actions required could be a single occurrence, a series of occurrences, or periodic occurrences.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
AFCEC/CIUP	<ul style="list-style-type: none">• Schedules, facilitates and conducts LESV• Coordinates on Sustainment Documents• Manages and distributes Cash and/or IKC
TL	<ul style="list-style-type: none">• Performs Sustainment Transition activities• Validates drafts of Sustainment Documents• Provides input and reviews Sustainment Documents; conducts Transition activities, as required• Formulates communication plan or Stakeholder engagement strategy, as required• Coordinates receipt/distribution of final closing Legal document transcript

AFCEC/CR	<ul style="list-style-type: none"> Coordinates on distribution of Cash and/or IKC
SAF/GCN-SA	<ul style="list-style-type: none"> Performs any required legal actions within Sustainment scope
Installation POC	<ul style="list-style-type: none"> Reviews and comments on Sustainment Documents
MAJCOM POC	<ul style="list-style-type: none"> Reviews and comments on Sustainment Documents
SAF/IEI	<ul style="list-style-type: none"> Executes Lease
Lessee	<ul style="list-style-type: none"> Executes Lease

Best Practices

- Maintain electronic copies of tools, templates, and all Legal Documents and Project Documents, including all signed Lease documents with access for all Transition Team members
- Maintain original signed Legal Documents on file in accordance with (IAW) Air Force policies and procedures
- Develop Project specific “Key Performance Indicators” to monitor the health of the Project and its impact on the IKCA and overall Air Force return

EUL – Phase 5, Step 4 – 5.4 Lease Execution Site Visit

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

The Lease Execution Site Visit (LESV) has three purposes: (1) complete outstanding requirements; (2) introduce and define Sustainment Roles and Responsibilities; and (3) advance relationships among Stakeholders. The Team Lead (TL) (Office of Primary Responsibility [OPR]) and the Project Manager (PM) (Office of Collateral Responsibility [OCR]) schedule and coordinate the LESV with the Installation point of contact (POC) (OCR).

While the uniqueness of each Project will dictate specific requirements, typical components of the LESV include the following activities:

- Installation Leadership In Brief: The LESV is kicked off via an In-brief for the Installation POC. The TL, in coordination with the PM, is responsible for assigning preparation of the brief and determining the appropriate presenter. The Installation and Major Command (MAJCOM) POCs will review the brief and recommend the inclusion of any topics of interest or presentation recommendations for the Installation POC
- Roles, Responsibilities, Timelines Definition Meeting: The PM, in coordination with the TL, facilitates meetings with appropriate Installation representatives to coordinate Portfolio Management (PfM) Roles and Responsibilities, discuss open issues and initiatives, assess potential risks and mitigation strategies, and refine timelines for PfM-related activities
- Sustainment Document Population Meeting: The TL facilitates completion of Sustainment Documents with Project-specific data and updates, ensures that the Installation provides all necessary Project-specific inputs, and gains concurrence of information from the Stakeholders
- Installation Tour: The Installation POC leads a tour of the site. Time permitting, a full Installation tour may be included
- Community Officials Meeting: The Installation POC facilitates all meetings with external Stakeholders, supported by the Air Force Civil Engineer Center, Public Affairs (AFCEC/PA) and the Installation POC. Meetings should be coordinated with the Installation, MAJCOM POC, and AFCEC/PA offices before contacting any agency outside of the Air Force. This coordination provides yet another opportunity to ensure the Stakeholders' concerns are being addressed and that the Air Force is perceived as a responsible steward within the community. This may take the form of a town meeting, forum, or informal meetings. Since the Installation may already have working relationships with these organizations, the Installation POC will provide local contacts and participate in the meeting
- Lessee Meeting: The TL coordinates and facilitates all meetings with the Lessee's representatives to follow up on post-closing Roles and Responsibilities, validate expectations, discuss open issues and initiatives, assess potential risks and mitigation strategies, and refine timelines. This provides the opportunity to continue the lasting partnership with the Lessee and other Stakeholders
- Training: The PM assesses further training and resource needs of the Installation and provides options for fulfilling those requirements. The PM provides all necessary training
- Lessons Learned (LL) – Hot wash and Capture: After the LESV, the PM analyzes the results and uses the LL Process to capture LL specific to the Project and the LESV itself

Upon Lease Execution and/or at any time throughout the Lease period, Cash and/or IKC may be received by the Air Force. AFCEC/CIUP and AFCEC Chief Financial Officer (AFCEC/CR) manage receipt of both types of consideration. The path for managing consideration is dependent upon the type of consideration received. The process for receipt of Cash can be found in Process 5.9, *Cash Management*, of this Playbook. The process for

receipt of IKC can be found in Process 4.3, *Oversee Deposit and Disbursement of IKC Funds*, of this Playbook. The actions required could be a single occurrence, a series of occurrences, or periodic occurrences.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
AFCEC/CIUP	<ul style="list-style-type: none"> • Prepares, facilitates, and conducts In-brief for Installation POC • Coordinates roles, responsibilities, open issues, and timelines for moving forward • Provides training as required
TL	<ul style="list-style-type: none"> • Prepares, facilitates, and conducts In-brief for Installation POC • Coordinates roles, responsibilities, open issues, and timelines for moving forward • Acts as primary AFCEC POC interacting with AF personnel and local entities • Populates Sustainment Documents • Facilitates and conduct meetings with Lessee • Ensures LESV objectives are met
SAF/GCN-SA	<ul style="list-style-type: none"> • Performs any required legal actions within Project scope
Installation POC	<ul style="list-style-type: none"> • Coordinates logistics of LESV, including In-brief/Out-brief for Installation POC, and Lessee and local government meetings as necessary • Leads Installation tour • Provides pertinent information/documentation, as requested
MAJCOM POC	<ul style="list-style-type: none"> • Provides insight (from MAJCOM POC perspective) to accomplish LESV objectives

Best Practices

- Schedule meetings with leadership well in advance
- Check with the Installation POC for key issues and preferred presentation templates and/or formats
- Engage with AFCEC/PA and the Installation/PA to coordinate on community or local government outreach
- Emphasize the importance of strong Installation leadership and open communication to Project sustainability

EUL – Phase 5, Step 5 – 5.5 Monthly Activities

[Background](#)

[Roles and Responsibilities](#)

[Management Review Committee](#)

[MRC Working Group](#)

[Recurring Reports](#)

[IKCA Statements](#)

[Best Practices](#)

Background

Beginning with Lease Execution, the Project Manager (PM) may conduct recurring teleconferences between Stakeholders and the Lessee, as needed, and submits recurring reports and reviews monthly account statements from financial institutions.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
AFCEC/CIUP	<ul style="list-style-type: none">• Coordinates and conducts teleconference with Installation POC and Lessee, if applicable• Composes, coordinates, and submits WARs• Composes, coordinates, and submits other reports as required
TL	<ul style="list-style-type: none">• Participates in bi-weekly teleconference meetings
SAF/GCN-SA	<ul style="list-style-type: none">• Participates in bi-weekly teleconference meetings, as required
Installation POC	<ul style="list-style-type: none">• Coordinates and conducts teleconference with PM• Participates in bi-weekly teleconference meetings
MAJCOM POC	<ul style="list-style-type: none">• Participates in bi-weekly teleconference meetings
HAF/A4C POC	<ul style="list-style-type: none">• Participates in bi-weekly teleconference meetings, as required
IKCA Agent	<ul style="list-style-type: none">• Submits IKCA Statement to PM
Lessee	<ul style="list-style-type: none">• Participates in bi-weekly teleconference meetings• Completes and submits required reports
SAF/IEI	<ul style="list-style-type: none">• Coordinates on EUL packages, as required

Management Review Committee

The Management Review Committee's (MRC) purpose is to provide a high-level review of the Project's performance and to facilitate discussion among the members. The objective of the MRC is to use this forum/discussion to facilitate and maintain the overall health of the Project.

The MRC is established by a charter signed by the Installation, Lessee, and the Air Force Civil Engineer Center, Installations Directorate (AFCEC/CI), and usually consists of the following members:

- Installation Commander or his/her designated Co-Chair, and a representative of the Lessee, as the other Co-Chair
- Additional members include:
 - A representative of AFCEC/CI
 - Other Stakeholders, as required, and identified by either Co-Chair

Attendees: Any MRC participants other than the prescribed "Members" must be specifically invited by the Co-Chairs with the following exceptions:

- Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division, Enhanced Use Lease Portfolio Management Branch (AFCEC/CIUP), as the Portfolio Management (PfM) Office and the fiduciary agent, may have staff/personnel in attendance
- The Lessee can have in attendance its Project Director/Development Manager and/or the Project's Investment/Asset Manager, as they deem necessary, to facilitate the MRC discussion
- The Installation Commander, if he/she deems it necessary, may have relevant Stakeholders
- Each Major Command (MAJCOM) Point of Contact (POC), as an attendee, can assign one POC

The MRC meets semi-annually throughout the Lease Term, unless otherwise agreed by the Co-Chairs. The following is additional guidance:

- Projects, within the first year of closing - MRC should meet quarterly
- Projects in an in-kind consideration (IKC) development phase - MRC should meet quarterly
- All MRCs should be held in a timely manner

Members may submit proposed agenda items to either Co-Chair. The agenda for each MRC meeting is established by the Co-Chairs and distributed to Committee members at least seven days prior to the meeting. The Lessee can develop and brief without undo Air Force influence. The agenda remains the same as the MRC raises the visibility of the Project review and issues. Minutes of each meeting, approved by the Co-Chairs, are distributed to the Committee members.

MRC Working Group

The MRC typically designates members of an MRC Working Group to work day-to-day issues and to accomplish directives of the Co-Chairs. Members should always include:

- Installation Real Property, Civil Engineering (CE), or Asset Manager
- PM
- Lessee – POC

Other members may participate, as required from time to time, and can include:

- Security Force Squadron
- Various relevant CE offices

Transition teleconferences/meetings include MRC Working Group Members and occur during the transition from Lease Execution to Sustainment, typically through completion of tasks on the Closing Checklist and Team Lead (TL) transitioning of the Project. After transition from the TL to AFCEC/CIUP is complete, MRC Working Group teleconferences/meetings are held to discuss, resolve or coordinate on specific issues or to supplement regularly scheduled MRC meetings, as needed.

Recurring Reports

Various reports are required by the Assistant Secretary of the Air Force for Installations, Environment, and Logistics, Deputy Assistant Secretary for Installations (SAF/IEI), AFCEC/CI, Air Force Civil Engineer, Director (AFCEC/CL), and Air Force leadership, including Weekly Activity Reports (WAR) and other submittals as directed by leadership. The PM provides relevant submittals to AFCEC/CIUP for approval, coordination, and distribution prior to submission to appropriate Air Force leadership. The PM updates Project Bullet Background Papers (BBP) monthly, or as required.

IKCA Statements

The IKC Account (IKCA) Agent provides IKCA Statements to the PM on a monthly or quarterly basis. The PM utilizes this data to report to Air Force leadership and to verify transactions.

Best Practices

- Conduct timely teleconferences/meetings to resolve outstanding issues
- Conduct teleconferences/meetings as needed to discuss Project status and promote collaboration
- Consult with Lessee, Installation, MAJCOM POC or others as required, prior to submission of potentially sensitive materials or requests

EUL – Phase 5, Step 6 – 5.6 Quarterly Activities

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

Beginning with the first quarter after Lease Execution, the Project Manager (PM) prepares Quarterly Reports based on data reported by the Installation and the Lessee, in accordance with (IAW) the Lease Documents and Compliance Checklist. This data will be consolidated into a Quarterly Report and typically include operational, financial, Project-level, and risk management information to ensure that the Project is performing as intended, and that it remains in the best interest of the Air Force. Additionally, the PM and Team Lead (TL) (through handoff to Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division, Enhanced Use Lease Portfolio Management Branch [AFCEC/CIUP]) will participate in periodic Management Review Committee (MRC) meetings with Installation, Major Command (MAJCOM) point of contact (POC), and Lessee.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
PM	<ul style="list-style-type: none">• Briefs Air Force leadership on quarterly portfolio performance• Requests quarterly data from Installation and Lessee• Produces and provides Quarterly Reports
TL	<ul style="list-style-type: none">• Participates in MRC Meetings
SAF/GCN-SA	<ul style="list-style-type: none">• Performs all required legal actions within Sustainment scope
Installation POC	<ul style="list-style-type: none">• Completes and submits Compliance Checklist
MAJCOM POC	<ul style="list-style-type: none">• Receives Quarterly report
HAF/A4C POC	<ul style="list-style-type: none">• As required
AFCEC/CI	<ul style="list-style-type: none">• Receives Quarterly Report
ESG	<ul style="list-style-type: none">• Receives Quarterly Report
SAF/IEI	<ul style="list-style-type: none">• Receives Quarterly Report
Lessee	<ul style="list-style-type: none">• Completes and submits required reports

Best Practices

- Set up a suspense/automatic reminder system to alert responsible parties for upcoming activities
- Standardize reports received from Lessee for consistency
- Conduct a teleconference with Stakeholders to discuss reporting requirements prior to end of period
- Facilitate active communication among Stakeholders, whether at the Management Review Committee (MRC) Working Group level, or within the Air Force, is critical to a Project's success

EUL – Phase 5, Step 7 – 5.7 Annual Activities

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

Annual activities include all regularly scheduled monthly and quarterly activities and the additional activities at the Project level:

- Perform an annual review of insurance requirements and certifications
- Review and approve budgets
- Visit Project as needed
- Reforecast and calculate the Air Force return
- Review in-kind consideration accounts (IKCA) and the applicable Treasury account
- Conduct Stakeholder surveys to obtain feedback
- Review potential changes to practices and amendments to legal documents
- Performance management: Is Lessee in full compliance with terms and conditions of EUL? Has breach of EUL occurred? If so, what remedies are available?

Annual activities include all regularly scheduled quarterly activities and the following activities at the Program level:

- Review and update Sustainment Document templates
- Recommend policy updates and changes
- Conduct internal audit (self-audit)

Roles and Responsibilities

ROLES	RESPONSIBILITIES
PM	<ul style="list-style-type: none">• Project Level<ul style="list-style-type: none">○ Reviews and approves budgets○ Conducts Annual Site Visit (ASV)○ Re-forecasts and calculates Air Force return○ Reviews IKCA and applicable Treasury accounts○ Conducts Stakeholder surveys to obtain feedback○ Performs annual review of insurance requirements and certifications• Program Level<ul style="list-style-type: none">○ Reviews and updates Sustainment Document templates○ Recommends policy updates and changes○ Conducts internal audit (self-audit)
SAF/GCN-SA	<ul style="list-style-type: none">• Coordinates on EUL packages, as required
Installation POC)	<ul style="list-style-type: none">• Completes and submits all required documents

MAJCOM POC	<ul style="list-style-type: none"> • As required
HAF/A4C4 POC	<ul style="list-style-type: none"> • As required
AFCEC/CI	<ul style="list-style-type: none"> • Approves budgets
ESG	<ul style="list-style-type: none"> • As required
SAF/IEI	<ul style="list-style-type: none"> • As required
Lessee	<ul style="list-style-type: none"> • Completes and submits required reports

Best Practices

- Create and establish a suspense/reminder system to alert responsible parties for upcoming activities
- Standardize reports received from Lessee for consistency
- Conduct a teleconference with Stakeholders to discuss reporting requirements prior to end of period
- Facilitate active communication among Stakeholders, whether at the Management Review Committee (MRC) Working Group level, or within the Air Force, is critical to Project success

EUL – Phase 5, Step 8 – 5.8 Annual Site Visit

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

The Project Manager (PM) (Office of Primary Responsibility [OPR]) and Installation point of contact (POC) (Office of Collateral Responsibility [OCR]) will schedule the Annual Site Visit (ASV). The purpose of the ASV is to:

- Provide Program continuity
- Provide training and Program updates
- Brief new Installation leadership
- Provide community outreach
- Conduct Lessee relationship meeting
- Visit Lease property
- Conduct Lessons Learned (LL) surveys

The ASV generally includes several important activities, typically occurring in the following order:

- In-Brief: The ASV is kicked off via an in-brief to the Installation POC, or appointed delegate. The PM is responsible for assigning preparation of the in-brief and determining the presenter. The Installation and Major Command (MAJCOM) POCs review the in-brief and recommend the inclusion of any topics of interest or presentation recommendations for the Installation POC
- Project Management Review (PMR): The PMR includes Installation decision-makers and other Stakeholders. It provides an opportunity in person, as well as electronically, for Stakeholders to reflect on the processes and performance of the Project
- Site/Installation Tour: The Installation POC leads a tour of the site to observe progress and any obvious compliance issues
- Meetings with Local Community Officials: All meetings need to be coordinated with the Installation, MAJCOM POC, and Public Affairs (PA) offices before contacting any agency outside of the Air Force. Coordination provides an additional opportunity to ensure that the Stakeholders' concerns are being addressed and that the Air Force is perceived as a responsible steward within the community. This may take the form of a town hall meeting, forum, or informal meeting. Since the Installation may already have working relationships with these organizations, the Installation POC will provide local contacts and will participate in the meetings
- Lessee Relationship Meeting: The PM meets with Lessee representatives to follow up on post-closing Roles and Responsibilities, validate expectations, discuss open issues and initiatives, assess potential risks and mitigation strategies, and refine timelines. This provides an opportunity to continue the lasting partnership with the Lessee and other Stakeholders
- Training: The PM assesses further training and resource needs of the Installation and provides options for fulfilling those requirements (the PM will provide any necessary training)

Roles and Responsibilities

ROLES	RESPONSIBILITIES
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PM	<ul style="list-style-type: none"> • Prepares and conducts ASV and In-brief for Installation POC • Conducts PMR • Provides Project-specific training (as required) • Facilitates and conducts Lessee relationship meeting (as required) • Acts as Air Force Civil Engineer Center (AFCEC) POC, interacting with local Air Force personnel and entities • Ensures ASV objectives are met (updates leadership, provides continuity and training, views site, captures LL, and builds relationships)
Installation POC	<ul style="list-style-type: none"> • Coordinates logistics of ASV, including in-brief/out-brief for Installation POC, Lessee ASV, and local government meetings, as necessary • Leads Installation tour with input from PM • Provides pertinent information/documentation, as requested
MAJCOM POC	<ul style="list-style-type: none"> • Provides insight from MAJCOM POC perspective to accomplish ASV objectives (e.g., development issues, Stakeholder issues, LL)

Best Practices

- Schedule meetings with leadership well in advance
- Check with the Installation POC for key issues and preferred presentation templates and/or formats
- Engage with the Installation/PA and AFCEC/PA to coordinate on any community or local government activities
- Review all past Quarterly Reports and Compliance Checklists to identify trends

EUL – Phase 5, Step 9 – 5.9 Cash Management

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

This section details the steps associated with the management of Cash, specifically the receipt and deposit into an appropriate Treasury account ("K2" or "Revenue from Leasing-Out DoD Assets, AF"), the distribution of cash from the Treasury account to the Installation, and the oversight and reporting associated with the K2 account. Cash rent and transaction proceeds remitted to the Treasury are treated as Appropriated Funds and all applicable rules, thresholds, and regulations will apply when funds are requested by the Air Force Civil Engineer Center (AFCEC) or the Installation for use.

Receipt Summary:

- Lessee submits a rent payment in the form of a check to the Installation Real Property Office (RPO) who validates amount and due date and forwards it to Installation Civil Engineer Resource Advisor (RA) for updates to the Real Property Revenue Log (RPRL)
- The RA forwards the payment to the Installation Financial Management (FM) Office
- The Installation FM completes a Cash Collection Voucher (Department of Defense [DD] Form 1131) and submits the payment and voucher to the Defense Finance and Accounting Services (DFAS) for deposit into the appropriate U.S. Treasury account

Distribution Summary:

- Installation sends request for the release of funds to the Major Command (MAJCOM) point of contact (POC)
- MAJCOM POC sends request for release of funds to AFCEC Chief Financial Officer (AFCEC/CR)
- AFCEC/CR sends a request for release of funds to Assistant Secretary of the Air Force for Financial Management and Comptroller (SAF/FM)
- SAF/FM contacts the Office of the Secretary of Defense (OSD) Comptroller to gain approval for funds release
- OSD releases the funds to the SAF/FM via Public Budget Accounting System (PBAS)
- SAF/FM notifies AFCEC/CR of funds availability
- AFCEC/CR submits Distribution of Funds letter to SAF/FM
- SAF/FM releases funds to AFCEC/CR
- AFCEC/CR distributes the funds to the Installation/FM via a Funding Authorization Document (FAD)
- Installation/FM loads the funds into the financial system
- Installation expends the funds through normal Air Force contracting methods in accordance with (IAW) 10 United States Code, Section 2667 (U.S.C. §2667)
- Installation retains the responsibility for expending and the tracking of FUNDCODE K2 and responds to AFCEC requests for tracking and confirmation on the use of those funds

Oversight and Reporting Summary:

- AFCEC/CR, in coordination with the Project Manager (PM), annually reconcile K2 accounting vouchers

Roles and Responsibilities

ROLES	RESPONSIBILITIES
AFCEC/CR	<ul style="list-style-type: none"> • Works with SAF/FM to validate requests to OSD Comptroller for release of funds • Approves claimed vouchers • Manages distribution of Cash to Installation as FUNDCODE K2, 5189 appropriated funds via FAD • Reconciles RPRL K2 accounts (at a minimum) • Collects President's Budget (PB)-34 data from Installation, forward to SAF/FM • Provides RPRL access and training
PM	<ul style="list-style-type: none"> • Coordinates with AFCEC/CR • Assists Installation in reconciling and resolving accounting issues and estimates • Assists in follow-up with Installations regarding tracking actual use of funds
Installation RPO, RA, and FM	<ul style="list-style-type: none"> • Receives Rent payments from Lessee • Submits request for funds to AFCEC • Loads funds into the financial system • Expends funds IAW 10 U.S.C § 2667 • Records Enhanced Use Lease (EUL) instruments, anticipated payment schedule, and payment collections electronically into RPRL • Responds to data calls for PB-34 and use of funds
Lessee	<ul style="list-style-type: none"> • Sends rent payment to Installation RPO
SAF/FM	<ul style="list-style-type: none"> • Requests OSD Comptroller to approve and release funds • Notifies AFCEC/CR of funds availability and distributes funds to AFCEC/CR upon receipt of Distribution of Funds letter
OSD	<ul style="list-style-type: none"> • Releases funds to SAF/FM, from SAF/FM to AFCEC/CR and from AFCEC/CR to Installation
DFAS	<ul style="list-style-type: none"> • Processes Cash Collection Vouchers (DD Form 1131) and deposits lease revenue into Treasury; provides accounting reports

Best Practices

- Track and reconcile the transfer of funds; the Lessee payment method should be a written check submitted to the Installation RPO
- The RPO and RA work closely together to ensure all voucher entries include the correct Operating Agency Code and Operating Budget Account Number and Instrument number
- The Installation RPO and RA review the Revenue Log periodically (monthly or quarterly) to compare projected revenue with vouchers on Commander's Resource Integration System reports and take action to claim vouchers that should have been assigned to the Installation. This reduces the workload and ensures a smoother reconciliation and distribution process

- Ensure the appropriate payment instructions are included in draft Lease documents prior to Lease Execution. If the existing Leases include instruction payments to be submitted to Defense Financing and Accounting (DFAS), amend the instructions so that the Lessee submits a check to the Installation RPO

EUL – Phase 5, Step 10 – 5.10 Issue Resolution and Request for Amendment

[Background](#)

[Roles and Responsibilities](#)

[Issue Resolution Issues](#)

[Issue Resolution Process and Timelines](#)

[Elevation Process](#)

[Request for Amendment](#)

[Best Practices](#)

Background

Enhanced Use Lease (EUL) Portfolio Management (PfM), much like Air Force PfM as a whole, contains various activities at the Project, Program, and portfolio levels, which generate issues from time to time that require resolution. They are all managed by the Air Force Civil Engineer Center, Installations Directorate (AFCEC/CI).

An orderly approach to resolve issues that may arise from the management of Projects, Programs, and the Air Force portfolio is vital to the success of a Project. Early Stakeholder involvement to acknowledge and resolve concerns related to policy and a Project is done through the Issue Resolution Process (IRP) forum as early as possible. The intent of an IRP is to expeditiously and systematically resolve issues at the lowest level of involved Stakeholders through a consensus building process before triggering an elevation to higher levels. Resolution of Stakeholders emerging or outstanding issue(s) that may affect a Project or Program is expected prior to submission of a response to a formal request for concurrence. Stakeholders with outstanding or emerging issues are expected to initiate the IRP whenever it appears their agency or other Stakeholders may not be able to resolve an issue or concur.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
AFCEC/CIUP	<ul style="list-style-type: none">Determines requirement to utilize Issue Resolution Team (IRT) or other appropriate resolution authority<ul style="list-style-type: none">Identifies IRT MembersNotifies appropriate resolution authorityDevelops and implements corrective action plan (if identified as resolution authority)Notifies leadership (as required)
AFCEC/CIU	<ul style="list-style-type: none">Develops and implements corrective action plan (if identified as resolution authority)Notifies AFCEC/CIUP
SAF/GCN-SA	<ul style="list-style-type: none">Advises on law, policy, and best practices and performs legal tasks, as needed
Installation	<ul style="list-style-type: none">Develops and implements corrective action plan (if identified as resolution authority)Notifies AFCEC/CIUP
MAJCOM POC	<ul style="list-style-type: none">Develops and implements corrective action plan (if identified as resolution authority)Notifies AFCEC/CIUP
SAF/IEI	<ul style="list-style-type: none">Receives notification

Lessee	<ul style="list-style-type: none"> • Develops and implements corrective action plan (if identified as resolution authority) • Notifies AFCEC/CIUP
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Issue Resolution Issues

The IRP is typically used any time there is a procedural or substantive issue that needs to be resolved to keep a Project or Program moving. The IRP begins when a potential issue remains unresolved following attempts to address the issue at any regularly scheduled teleconference or meetings or directly with a Project Stakeholder. Potential situations where the IRP is likely to be initiated include:

Policy Issues: Includes the identification of an issue within the scope of a Stakeholder's jurisdiction or area of expertise including disagreements over:

- Adequacy or interpretation of technical information
- Nature and extent of impacts
- Recommended actions to avoid, minimize and compensate for impacts

Project-Specific Issues: Relates to verbal or written non-concurrence at any of the established milestones, Program or Project-specific issues, etc. Each non-concurring Stakeholder provides a detailed reason(s) for non-concurrence. Signatory Stakeholders are expected to already be engaged in the IRP prior to the submission of a non-concurrence. It is not efficient to begin the IRP upon receipt of non-concurrence, and is contrary to the streamlining process.

Issue Resolution Process and Timelines

When any Stakeholder believes there is an unresolved or emerging issue that needs attention, or there is a disagreement related to the Project or Program, the Stakeholder may request discussion of that issue during the next scheduled teleconference or meeting or through an alternative forum agreed upon with other Stakeholders.

- If the requesting Stakeholder requests the issue be presented at a teleconference or regularly scheduled meeting, the requesting Stakeholder will submit a request to discuss notification, in writing, to the Project Manager (PM) at least 10 business days prior to the next scheduled teleconference or meeting, to allow time to adjust the meeting agenda to accommodate time for discussion
- The purpose of the Request for Discussion Form is to save time by having a clear statement of the issue to be addressed, to identify which Stakeholder or Project-specific interest needs to be involved in the resolution discussion, to establish a timeframe for resolution, and to track the progress in resolving the issue
- Other Stakeholders will receive a copy of the Request for Discussion Form in the teleconference or meeting materials submitted at least five days prior to the scheduled teleconference or meeting (or any other alternative discussion forum agreed to by the Stakeholder, such as special conference call or meeting, site visit, etc.)
- Participating Stakeholders may add to the articulation of the problem and submit a revised Request for Discussion Form to the PM at least five days prior to the scheduled teleconference or meeting (or alternative discussion forum that has been arranged)
- Sufficient time will be made available on the scheduled meeting agenda to adequately present the issue and allow the discussion to work towards resolution with all participants
- Stakeholders requesting the discussion will present the issue outlined on the Request for Discussion Form

- If the issue is resolved during the teleconference or meeting or alternative discussion forum, it will be noted on the Request for Discussion Form, including a statement of the decision and the rationale for that decision
- The decision and rationale will also be documented in the teleconference or meeting minutes
- Additional time for discussion of the issue may be scheduled during subsequent teleconferences or meetings (or alternative discussion forums) if a majority of the participants agree that additional discussion is necessary to resolve the issue before seeking elevation
- If the issue is not or cannot be resolved at a second teleconference or meeting, it will be noted on the Request for Discussion form, including a re-statement of the specific issue that needs to be resolved, and any key discussion points that may have emerged during the teleconference or meeting
- Any Stakeholder may elevate the problem if they consider it necessary to resolve the issue
- If the issue is not presented or discussed through a teleconference or meeting, but through some alternative discussion forum (conference call, alternative or additional meeting, site visit, etc.), the outcome is noted on the Request for Discussion form, including a decision for resolution or summary of any unresolved issue, key discussion points raised and decision rationale
- Copies of the Request for Discussion Form will be provided to all Stakeholders

Issues related to Non-concurrence: The following steps are used to resolve issues identified because of Stakeholder non-concurrence to a specific Project or Program presented to PM for response:

- Within ten working days of receiving a non-concurrence, if the IRP has not already begun, the PM notifies the Stakeholders that the IRP is being initiated by AFCEC/CIUP
- Stakeholders initiate the IRP whenever it is apparent or likely they will not be able to concur on a Project or Program issue
- Schedule a teleconference or meeting to consult with one another, either to resolve the outstanding issue or to determine how the Project or Program concerns can be addressed, including providing additional information, reviewing Project or Program materials, or consulting with additional resources or experts related to the issue
- No later than 10 working days of notification of the IRP, PM, the Project proponent and involved non-concurring Stakeholders will consult. If the issue can be resolved, the Project proponent and non-concurring agency will provide the other Stakeholders with written documentation that outlines the issues and their resolution. Project proponents and non-concurring Stakeholders are strongly encouraged to consult with other Stakeholders during the IRP to avoid creating new issues of concern

If the Project proposal is likely to result in significant changes as a result of implementing the resolution, the Project proponent submits a revised concurrence point package to the other Stakeholders immediately. If the proposed changes appear to be minimal and non-substantive, the Project proponent verifies this determination with the other Stakeholders. Within 10 working days of submission of the determination request, each Stakeholder decides if the changes proposed are significant enough to warrant revisiting the concurrence point.

If the issue cannot be resolved, the Project proponent and the non-concurring Stakeholder proceed with Step 3 providing for the elevation of the issue to higher leadership.

If resolution cannot be reached during Step 2, the PM immediately notifies non-concurring parties and other Stakeholders of its intent to elevate the issue. A meeting is then held with the Stakeholders' immediate leadership as soon as possible, but no later than ten days of notification of formal Elevation (See Elevation Process below).

Elevation Process

The Elevation Process should be used whenever participants feel the decision needs to be made at a higher level, a Legal Document or Management Review Committee (MRC) charter is not being upheld, or participants cannot concur with a proposed activity (Elevation Process). Elevation Process principles are based on the understanding that complex collaborative regulatory engagement can be difficult and should not be expected to always reach resolution at the technical staff level.

Concurrence points and issues will normally be elevated because they are complex, politically sensitive, or outside the scope of existing policies and practices. The Elevation Process should not be a routine practice. The Elevation Process may be necessary when existing legal authorities conflict or appear to conflict; and existing law, policy, and practice does not adequately address an issue. In these cases, the Elevation Team Members may devise new practices, procedures, and policies that do not otherwise conflict with existing state or federal laws, rules, or policies. All shareholders involved in the IRP for the particular issue at hand shall discuss and vote to decide if the issue should go forward.

When staff is unable to reach resolution, the Elevation Process brings the issue to the next- highest level. Multiple stages of elevation exist within the Air Force and may require involvement of external Air Force Stakeholders from time to time. As a general rule, membership shall include all shareholders involved in the IRP (including AFCEC, the Installation, and Developer) for the particular type of issue in question.

Preparation for Elevation Meeting should include:

A meeting scheduled with non-concurring Stakeholders as soon as it is apparent the IRP will not yield a resolution (Elevation Meeting). A neutral facilitator should be utilized during Elevation Meetings. The Elevation Meeting shall be scheduled as soon as possible following notification that the Elevation Process has been initiated.

The PM will compile Elevation Meeting materials that will include, but not be limited to: submitted Project packets to Stakeholders for concurrence point and subsequent revisions, submitted non-concurrence form and explanation, the Request for Discussion Form and related summaries, and relevant Project maps.

Meeting Format and Participation should include:

Representation of the next higher level of Stakeholder leadership for non-concurring Stakeholders. The PM should provide enough briefing material so leadership is well prepared for the Elevation Meeting. Each PM should engage in independent decision-making.

The Elevation Meeting room layout should have decision-makers seated around a table. AFCEC/CIUP attendance should include Stakeholders submitting non-concurrence or with issues to resolve. Technical and other Staff should be available for information gathering purposes and participation should be limited to requested participation. Technical Staff should not be the main participants in the Elevation Process. AFCEC/CIUP Staff participation should be limited to only those participants involved with the issue. One Stakeholder should not have a disproportionate number of representatives at Elevation Meetings. If more than the technical team member and Elevation Meeting representative are present from any one Stakeholder, those additional representatives can be readily available to provide information, but should not be present in the meeting room for the duration of the Elevation Meeting.

Recording and Coordinating Elevation Meeting Results should include:

All Shareholders will vote on and then appoint the individual who records, reviews, and distributes the meeting minutes. The importance of accurately recording the results from Elevation Meetings is critical. Use of an in-focus Projector and laptop, or other similar methods, is likely to be valuable to record real-time decisions that are reached during the Elevation Meeting.

Within three working days of the Elevation Meeting, the results of the Elevation Meeting will be shared with all Stakeholders. AFCEC/CIUP representatives will have five working days following transmission of the Elevation Meeting results to review and ensure the results of the Elevation Meeting will not compromise the Stakeholder's previous decision to concur. Should the results of the Elevation Meeting cause a previous Stakeholder's concurrence to change to a non-concurrence, the IRP will be re-initiated immediately.

Request for Amendment

At any time during the Site Development Lease (SDL) term, the SDL can be amended by mutual agreement of the Parties (Amendment) in writing and signed by an authorized representative of each Party. Reasons to amend the SDL include, but are not limited to:

- Effect a renewal and update the associated terms and conditions
- Codify agreed upon terms of Negotiations or Alternative Dispute Resolution (ADR)
- Clarify certain terms and conditions which have led to multiple interpretations
- Change rent, schedules, operating agreements, and other terms and conditions as needed, based on situational changes, statutory changes or other Congressional events, or changes in the best interests of the Parties
- Under certain circumstances, the Approved Mortgagee can request an Amendment to the SDL or a delay in Termination. These requests are often to avoid a monetary default

Once AFCEC and the Lessee agree to the terms of an Amendment, the following actions are taken:

- Assistant Secretary of the Air Force, General Counsel for Installations, Energy, and Environmental Law – San Antonio (SAF/GCN-SA), with assistance of the PM, drafts the Amendment
- After internal coordination, the PM submits the draft Amendment to the Lessee for execution (there may be further edits and coordination before a final is executed by Lessee)
- Once the Amendment is executed by the Lessee, the PM prepares an Electronic Staff Summary Sheet (eSSS) package for Air Force delegated authority approval and signature
- Upon signature by both Parties, the transaction is final and becomes effective on the date specified in the Amendment

Best Practices

- Identify a champion to keep the IRP a priority
- Keep in mind that sometimes the best solution is the simplest
- Focus on information visibility to Stakeholders and leadership
- Use technology appropriately
 - Receive feedback from all relevant Stakeholders
 - Streamline information capture
- Capture Lessons Learned (LL) and implement recommendations where applicable/feasible
- Enforce new requirements

EUL – Phase 5, Step 11 – 5.11 Administrative Workflow

[Background](#)

[Roles and Responsibilities](#)

[EUL Workflow](#)

[Best Practices](#)

Background

Workflow is the process whereby requests for action or response(s) to a task from leadership are: created; answered; tracked; and kept organized. The Workflow Process ensures accountability and defines Roles and Responsibilities.

A request for action or a response to a task from leadership involves the creation of a Workflow Package, a system to deliver the Package, and an Action Officer (AO) to manage the process.

The Package encompasses the entire content of what is being delivered and can include: E-mail Ready to Send (EMRS); Bullet Background Papers (BBP); Briefings; Courtesy Reply Mail; and/or Deliverables.

An EMRS is the method by which General Officers and Senior Executive Service communicate with one another. It provides clear, concise, accurate, and timely information to Senior Leaders for situational awareness and/or decisions. Additional details may be provided below the Bottom Line Up Front (BLUF). Brevity is key in an EMRS.

Workflow is the system used to deliver all Packages at the Division-level or Pentagon-level requiring front office action. The system used at the Air Force Civil Engineer Center (AFCEC) is the Workflow Email Address System, or "Workflow."

The AO is the key person responsible for ensuring a smooth Workflow Process.

AO tasks/roles include:

- Serving as Subject Matter Expert (SME) on tasks and in meetings
- Developing and preparing the electronic Staff Summary Sheet (eSSS) email, Package, and related documents used as attachments in eSSS correspondence
- Ensuring Package completeness
- Meeting or requesting modification to the suspense date
- Verifying the question has been answered if tasked by leadership
- Ensuring delivery of a consistent message within the deliverable and the eSSS
- Understanding the audience, required format, and requested content
- Tracking the Package
- Providing read-aheads and setting up meeting space as required
- Ownership of the task from cradle (acceptance) to grave (final action)

AO responsibilities include:

- Having a clear understanding of leadership expectations for any initiative/Project timelines, vision, goals, etc. It is the AO's responsibility to execute leadership's vision on Projects/Programs; due diligence is key
- Tracking the task until it is completely accomplished
- Knowing the location and status of the Package

- Securing all coordination before the next level (Branch, Division, or Offices of Collateral Responsibility [OCR])
- Distributing completed correspondence
- Returning signed memos and letters via Workflow (AFCEC)
- Communicating with leadership, if assistance is required

Roles and Responsibilities

ROLES	RESPONSIBILITIES
Lessee	<ul style="list-style-type: none"> • Inputs Lessons Learned (LL) into Enhanced Use Lease (EUL) Air Force Portfolio and Asset Control and Evaluation System (AFPACES) • Distributes and disseminates LL as required
Installation	<ul style="list-style-type: none"> • Inputs LL into EUL AFPACES • Distributes and disseminates LL as required
MAJCOM POC	<ul style="list-style-type: none"> • Inputs LL into EUL AFPACES • Distributes and disseminates LL as required
AFCEC/CIUP	<ul style="list-style-type: none"> • Schedules and coordinates Hot wash • Conducts Hot wash with appropriate Stakeholders, if required • Inputs LL into EUL AFPACES • Vets LL • Initiates LL • Distributes and disseminates LL, as required
SAF/GCN-SA	<ul style="list-style-type: none"> • Capture LL in Generic Documents • Incorporates LL into future transactions

EUL Workflow

EUL Processes requiring Packages to be created, placed in Workflow, and managed by the AO could include, but not be limited to: (1) Leadership signature on correspondence (in line with Delegations of Authority) and (2) Request for Disbursement Packages.

AFCEC/CIUP serves as AO when staffing Packages. AO performs tasks as described above to ensure Package is accurate.

Signature on correspondence Packages typically include:

- eSSS email requesting AFCEC Installations Directorate (AFCEC/CI) or Assistant Secretary of the Air Force for Installations, Environment, and Logistics, Deputy Assistant Secretary for Installations (SAF/IEI), or delegated authority, approve and sign attached correspondence/letter
- Tab 1 – Correspondence/Letter to be executed

- Tab 2 – Supporting document, if necessary, such as BBP, White Paper, Memorandum, Excel or Power Point presentation, etc.
- Tab 3 – Concurrence email, such as Base, Major Command (MAJCOM) point of contact (POC), AFCEC, etc.

Escrow/Trust Account Disbursement Packages typically include:

- eSSS requesting SAF/IEI, or delegated authority, i.e. AFCEC/CI, approval of an Escrow/Trust Account Disbursement
- Tab 1 – SAF/IEI, or AFCEC/CI approval letter for disbursement of funds
- Tab 2 – Copy of cost spreadsheet
- Tab 3 – Copy of email concurrences from Stakeholders

Within AFCEC, AO uses Workflow and sends coordination typically (in order) through:

- AFCEC/CIUP Coord
- AFCEC/CIU Sign (or if CI, see below)
- SAF/GCN-SA Coord
- AFCEC/CID Sign
- AFCEC/CI Sign

Best Practices

- Workflow is used for all tasks that require front office action at AFCEC
 - Review all tasks immediately and accept or reject as needed
- Delays adversely impact the AO ultimately responsible to work the task
- Well written packages move fast
 - Consider the audience
 - Keep the eSSS concise and understandable (use approved format and ensure content is clear)
 - Read the task and make sure the task is answered
- Minimize push-back
 - Ensure you have fully vetted/reviewed/understand the task before you decline
 - Always be professional, courteous, and diligent in assuring that when assigned as AO to Workflow Packages, the Package gets through the system within established deadlines. If deadline cannot be met, get with Leadership and/or Division Chief for assistance promptly, if necessary

EUL – Phase 5, Step 12 – 5.12 Lessons Learned

[Background](#)

[Roles and Responsibilities](#)

[Best Practices](#)

Background

The Air Force Civil Engineer Center (AFCEC) Lessons Learned (LL) Process is used to capture agency, programmatic, and Project-level LL in accordance with (IAW) Air Force Instruction (AFI) 90-1601, *Air Force Lessons Learned Program*.

The Air Force LL Program exists to enhance readiness and improve combat capability by capitalizing on experiences of Airmen. A “Lesson Learned” is defined as an insight gained which improves military operations or activities at the strategic, operational, or tactical level, and results in long-term internalized changes to an individual, group of individuals, or an organization. Past experiences also assist senior leaders in programming, budgeting, and allocating resources to make changes to Doctrine, Organization, Training, Material, Leadership and Education, Personnel, and Facilities (DOTMLPF). An LL is not a compliance “report card”, nor is it automatically accepted and implemented without the scrutiny of warfighters and functional experts. An LL is not “owned” by any one organization (i.e., AFCEC, Major Command (MAJCOM) point of contacts (POC), Installations, or Lessees).

The LL Process contains four fundamental functions: (1) Collection, (2) Validation, (3) Dissemination, and (4) Tracking.

Collection is the process by which observations enter the LL Process that involves numerous formal and informal methods. Collection is accomplished via multiple methods, including but not limited to: (1) direct input into the LL library by Program/Project Managers (PM); (2) a “Hot wash”; or (3) recommendation by AFCEC leadership to include an LL. Collected items are placed in the AFCEC SharePoint Site.

Validation consists of a reviewer’s (i.e., Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division, Enhanced Use Lease Portfolio Management Branch [AFCEC/CIUP]) confirmation that an observation contains identifiable Lessons to be processed. An identified “Lesson” represents a matter (e.g., capability, concept, process, procedure, etc.) to be sustained, improved, or developed. A Lesson often reflects learning by an individual or unit of a better way to accomplish a task; the role of the LL Process is to facilitate learning by the larger Air Force of the same Lesson.

Dissemination is the distribution of identified Lessons to the appropriate lead agent or agents within the Air Force, for further action or to make identified Lessons available for the widest appropriate use. Lessons may be disseminated in any appropriate format, but typically include either individual Lessons or full reports containing numerous individual Lessons. Lessons are often disseminated to a publishing agent, or to organizations responsible for publishing Tactics, Techniques, and Procedures, or Air Force directive publications. Identified Lessons may also be disseminated to Program/Project Managers by leadership. Dissemination of Lessons can also occur through numerous other methods, such as briefings, Requests for Information (RFI) responses, or conference background material.

Tracking follows the progress of identified Lessons through a publishing agent or other dissemination method. The tracking process allows the LL manager to stay engaged with key users of LL information, provide support, and allow the LL manager to provide regular status updates as required. Tracking is both a short-term and long-term process, with the ultimate goal of tracking LL through “cultural internalization” in the Air Force and other organizations, as appropriate.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
Lessee	<ul style="list-style-type: none">• Inputs LL into the Enhanced Use Lease (EUL) Air Force Portfolio and Asset Control and Evaluation System (AFPACES)• Distributes and disseminates LL as required
Installation	<ul style="list-style-type: none">• Inputs LL into EUL AFPACES• Distributes and disseminates LL as required
MAJCOM POC	<ul style="list-style-type: none">• Inputs LL into EUL AFPACES• Distributes and disseminates LL as required
AFCEC/CIUP	<ul style="list-style-type: none">• Schedules and coordinates Hot wash• Conducts Hot wash with appropriate Stakeholders, if required• Inputs LL into EUL AFPACES• Vets LL• Initiates LL• Distributes and disseminates LL, as required
SAF/GCN-SA	<ul style="list-style-type: none">• Capture LL in Generic Documents• Incorporates LL into future transactions

Best Practices

- LL should take into consideration the impact of:
 - What went well in the Project and why
 - What did not go well and why
 - What should be done differently and why

EUL – Phase 5, Step 13 – 5.13 Administrative Document and Data Management

[Background](#)
[Roles and Responsibilities](#)
[Best Practices](#)

Background

The process of Document and Data Management with regard to Enhanced Use Lease (EUL) Portfolio Management (PfM) is to ensure compliance with Air Force Manual (AFMAN) 33-363, *Management of Records*. The three objectives of Document and Data Management are found in Chapter 1, Paragraph 1.1 of AFMAN 33-363:

“Records are created by military, civilian, and contractor Air Force employees. Record types include Draft records--those that can be altered and have not been signed or officially released-, and Final records--those that have been signed, officially released and cannot be altered. Air Force employees have three basic obligations regarding records: (1) Create records needed to do the business of the agency, reflect record decisions and actions taken, and/or document activities for which they are responsible; (2) manage records by setting up directories and files, and filing materials (in any format) regularly and carefully in a manner that allows safe storage and efficient retrieval when necessary; and (3) ensure records are maintained IAW this manual, and disposed of IAW the AFRIMS RDS (located at https://afrims.amc.af.mil/rds_series.cfm) and related Federal regulations and legal requirements.”

Duties and responsibilities associated with Document and Data Management are found in Air Force Instruction (AFI) 32-322, *Records Management Program*.

Users are defined as all military, civilian, and foreign nationals employed by the Department of the Air Force and contractors. Users must “Create and declare records that sufficiently document the function, organization, administration, policies and procedures, and file records IAW office procedures.”

The Air Force Portfolio and Asset Control and Evaluation System (AFPACES) is a file sharing data service for the temporary repository of EUL records. Signed Documents in their final form are to be saved in the active shared drive folder, which is the official government document repository.

For the Air Force Civil Engineer Center (AFCEC), AFPACES provides the services for 24/7 communication/data sharing between leadership, Program managers, lessees and other Stakeholders. Proactive and frequent communication with the Lessee and other Stakeholders is necessary. EUL PfM results in large quantities of information and documentation and requires a clearly defined Document and Data Management Process for exchanging information.

AFPACES allows Stakeholders to upload, extract, and share information and is ideal for providing both parties a means to coordinate and address needs in a timely manner.

AFPACES, more than just a document repository, is a service that facilitates the coordination and signature processes between all Stakeholders. Before AFCEC can take required actions, it will rely on the Installation to provide required information (as indicated in various locations throughout the Playbook). Installations should coordinate with EUL PfM Project Managers (PM) regarding specific information that may be needed. The official document repository is the shared O: Drive.

The majority of EUL Processes create data. In general, the Document and Data Management process breaks down into the following steps:

- Stakeholder submits required information or complete requested actions
- Stakeholder reviews documentation and ensures completeness
- Stakeholder completes checklists, draft letters, and/or other required actions
- Stakeholder posts applicable information in AFPACES
- AFCEC reviews documents in the AFPACES and, as necessary, performs actions to ensure accurate data retention
- AFCEC uploads completed document into the appropriate folder
- The final document is transferred to the O: Drive (shared drive) to the appropriate folder

Roles and Responsibilities

ROLES	RESPONSIBILITIES
Lessee	<ul style="list-style-type: none"> • Uploads documents in AFPACES
Installation	<ul style="list-style-type: none"> • Uploads documents in AFPACES
MAJCOM POC	<ul style="list-style-type: none"> • Uploads documents in AFPACES
AFCEC/CIU – CIT	<ul style="list-style-type: none"> • Uploads documents in AFPACES
AFCEC/CIUP	<ul style="list-style-type: none"> • Uploads documents in AFPACES • Checks for duplicates and ensure all documents are included • Transfers signed final documents to the appropriate file plan

Best Practices

- Ensure necessary resources are available to properly maintain and safeguard electronic records
- Restrict and control access to records to a limited number of individuals

EUL – Phase 6 – 6.0 EUL Termination Overview

Overview

Overview

Lease Termination represents the end of a contract between two parties. Specific actions and requirements are set forth in provisions of the Site Development Lease (SDL) and other Legal Documents associated with the Project, indicating actions to be taken by the Lessee and Air Force prior to and after Termination. Therefore, one of the first items on the Project Manager's (PM) agenda is to contact the Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division, Enhanced Use Lease Portfolio Management Branch (AFCEC/CIUP) (as primary contact) and the Assistant Secretary of the Air Force, General Counsel for Installations, Energy, and Environmental Law – San Antonio (SAF/GCN-SA) (as secondary contact) immediately for guidance and assistance.

Few Projects have been terminated, but it is recommended the PM refer to Lessons Learned and contact other PMs and SAF/GCN-SA to provide assistance, insight, and/or recommendations on Termination actions.

Following are three situations that might result in Termination, if no alternative agreement is reached:

- 1) Termination by Lease Expiration – The SDL expires with no renewal and the Lessee and Air Force are no longer bound by the terms of the SDL, except for performance of post-lease obligations under the SDL, such as demolition and restoration actions
- 2) Termination by Mutual Agreement – The Lessee and Air Force may mutually agree that it is in the best interests of both parties to terminate the SDL
- 3) Termination by Default – One or both parties breach the Lease sufficiently to cause a default. Default is likely to lead to Lease Termination and legal proceedings for damages or other relief, if remedies and cures are not implemented

Once the PFM PM determines an EUL may be terminated, she/he should address the following questions and other similar ones to approach a recommended course of action (COA) to cure a breach, to negotiate a resolution, or to terminate the Lease:

- If the SDL is approaching expiration, should it be extended, renegotiated and renewed, or terminated?
- If a party wants to terminate the SDL by agreement, why?
- If the SDL has become uneconomic, is there a way to make it economically feasible?
- If the SDL were to be terminated, how can the Air Force maximize its consideration in a settlement?
- If the lessee cannot perform under the SDL, can it find an acceptable assignee that can?
- Has either the Air Force or the Lessee violated the SDL?
- If there was a default, what caused it?
- Can the default reasonably be cured?
- Has the non-defaulting party suffered damages as a result of the default?
- Will Termination of the SDL solve all the problems?
- If the SDL was breached, what can the parties do to mitigate the parties' losses?
- What do the SDL and the law provide as remedies?
- What does the SDL provide for Dispute Resolution?
- Can amendment of the SDL or other less extreme action resolve the problem?
- What are all the Air Force reasonable options and what are the costs, benefits, and risks of each?
- If the Lessee invested equity and built improvements, is it entitled to continue owning and operating them?
- If there is a mortgagee, is it entitled to own or operate them?

- Should the Air Force acquire EUL Lease improvements?

The PM should be very familiar with the Termination provisions of the SDL and other relevant Legal Documents. Many remedial provisions require giving formal notice and the PM should be aware of and comply with the SDL requirements to ensure timely and substantive performance by the Air Force and reduce the possibility of further defaults.

While the factors and methods of Termination may be numerous (and even unforeseen), all avenues should involve efforts that relate to all Termination procedures and due diligence:

- Negotiations with the Lessee will occur no matter the reason for Termination, requiring the PM to refer to Phase 3, Process 3.0, *Lease Negotiations and Closing*, and follow the process of Negotiations and Lease Execution
 - It is to the benefit of the Air Force to evaluate the benefits and costs of the different available options in order to make the best decision
 - Flexibility and due diligence are important, as virtually any terms are negotiable
- If successful re-negotiation cannot be obtained, implementation of the alternative dispute resolution (ADR), as described in the signed Legal Documents, shall occur next
 - If there is no ADR and the Legal Documents do not provide steps for how to mitigate roadblocks in Negotiations, SAF/GCN-SA will provide legal guidance on the way ahead

EUL – Phase 6, Step 1 – 6.1 Pre-Termination Procedures

[Background](#)

[Roles and Responsibilities](#)

[Review SDL and all Legal Documents Associated with Project](#)

[Populate Termination Checklist](#)

[Closeout Environmental Baseline Survey](#)

[Improvement Removal Report](#)

[Fixtures and Equipment to be Removed](#)

[Terminate Government-Provided Utility Services Notice](#)

[Government Retention Notice](#)

[Best Practices](#)

Background

Outlined in this Section are general procedures, documentation, and actions taken prior to the Termination event. All Termination scenarios should follow the general procedures.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
AFCEC/CIUP	<ul style="list-style-type: none">• Reviews provisions in the Site Development Lease (SDL) and Legal Documents associated with the Project and determine which Termination scenario is present• Populates Termination Checklist• Assists Installation with Closeout Environmental Baseline Survey (EBS) of the Leased Premises and compares it to the original EBS• Verifies the completion of the Improvement Removal Report (IRR)• Assists Installation with required utility and retention notices• Assists Installation with required Pre-Termination Site Visit (TSV)• If any monetary disputes exist, the Debt Collection Act used to resolve dispute pursuant the Contract Disputes Act.
SAF/GCN-SA	<ul style="list-style-type: none">• Provides legal counsel to Air Force stakeholders
Installation POC	<ul style="list-style-type: none">• Conducts and completes Closeout EBS of the Leased Premises• Approves IRR submitted by Lessee• Provides written notice pursuant to the SDL terms prior to terminating utility services• Notifies the Lessee in writing of Air Force desire to retain existing improvements after Enhanced Use Lease Termination• Participates and assists the Air Force Civil Engineer Center with Pre-TSV
MAJCOM POC	<ul style="list-style-type: none">• Participates as required
IKCA Agent	<ul style="list-style-type: none">• Participates as required

Lessee	<ul style="list-style-type: none"> • Provides to the Air Force an IRR prepared by a construction and demolition expert no later than five years prior to SDL expiration date • Removes machinery, equipment, minor improvements, and removable fixtures at any time prior to the Termination of the SDL, if desired
SAF/IEI	<ul style="list-style-type: none"> • Participates as required

Review SDL and all Legal Documents Associated with Project

The Project Manager should review provisions in the SDL and all Legal Documents associated with the Project to determine: (1) Dispute Resolution options; (2) Termination options, terms, and timelines; (3) if Lessee has fulfilled all obligations of the SDL and Legal Documents, and if not, determine if Lessee is in Default; and (4) if all cures and remedies have been exhausted.

Populate Termination Checklist

Once Termination is approved, the PM should populate the Termination Checklist to track all actions required and associated timelines, responsible parties, progress and completion dates.

All actions below are activities from the Termination Checklist that should be accomplished in parallel.

Closeout Environmental Baseline Survey

As a Project nears Termination, the PM will work with the Installation to conduct and complete a Closeout Environmental Baseline Survey (EBS) of the Leased Premises. One of the requirements of the generic SDL is for the Air Force to prepare a separate EBS for the Leased Premises after the expiration or earlier Termination of the SDL. The Closeout EBS helps the Air Force determine whether Lessee has adequately maintained and restored the Leased Premises.

Improvement Removal Report

When a Project is nearing Termination, the PM verifies the status of the IRR. No later than five years before the SDL expiration date, depending on the Project, the Lessee must provide the Air Force an IRR prepared by a construction and demolition expert and approved by the Air Force. The IRR contains details and cost estimates for removing all improvements on the Leased Premises (i.e., Estimated Restoration Costs) and a written plan that sets forth how the Lessee proposes to meet its Removal and Restoration Obligations. Pursuant to the terms of the SDL, if the Lessee has failed to set aside sufficient funds in the Demolition Reserve Account (DRA) to pay for the costs of demolition and removal of the Lessee's property and improvements from the Leased Premises, the Air Force requires such reserves to be deposited, unless the Air Force determines it will waive the restoration and take back the improvements.

Fixtures and Equipment to be Removed

The Lessee also has the right to remove the machinery, equipment, minor improvements, and removable fixtures at any time prior to the Termination of the SDL. If the Air Force terminates the SDL, the Air Force will give the Lessee, included in a written notice, a reasonable amount of time following the effective Termination date to remove its Property.

Terminate Government-Provided Utility Services Notice

The Air Force gives written notice pursuant to the SDL terms prior to terminating utility services (typically 1 year prior to SDL expiration date, or as soon as possible).

Government Retention Notice

The Air Force may elect to require all or any portion of the Existing Improvements and Lessee Improvements revert or be transferred to the Air Force on the SDL expiration date or the effective date of any Termination Notice or Termination Notice for Extensive Damage or Destruction in lieu of the Lessee's Removal and Restoration Obligation (Government Retention Notice). If the Air Force does so, the Air Force will notify the Lessee in writing no later than five years prior to expiration of the SDL, or concurrently with the delivery of a Termination Notice, or a Termination Notice for Extensive Damage or Destruction of Improvements.

Best Practices

- Schedule meetings with leadership and all Stakeholders well in advance
- Engage with the Installation to coordinate on any community or local government involvement or concerns
- Emphasize the importance of strong Installation leadership and open communication for Project sustainability
- Ensure you are very familiar with all Legal Documents to ensure you have a clear understanding of all processes, steps, correspondence, etc. to ensure that they are handled in a timely and legal manner (if unsure, seek Assistant Secretary of the Air Force, General Counsel for Installations, Energy, and Environmental Law – San Antonio (SAF/GCN-SA) guidance early in the process)
- Keep in mind that sometimes the best solution is the simplest
- Capture Lessons Learned (LL) and implement recommendations where applicable/feasible
- Communication is key and crucial, ensure a free flow of information between all Stakeholders

EUL – Phase 6, Step 2 – 6.2 Termination by Default Additional Procedures

[Background](#)

[Roles and Responsibilities](#)

[Notification to Cure Default](#)

[Default Termination Notice](#)

[Disputes and Dispute Resolution](#)

[Contract Disputes Act Final Decision](#)

[Litigation](#)

[Notice of Extensive Damage / Destruction of Improvements](#)

[Bankruptcy](#)

[Mortgagee Right to Postpone Termination](#)

[Best Practices](#)

Background

Termination by default brings complications that are absent from other Termination scenarios. Outlined in this Section are the additional procedures, documentation, and actions taken prior to the Termination event for Enhanced Use Leases (EUL) that are deemed to be in default.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
AFCEC/CIUP	<ul style="list-style-type: none">• Issues a Notice to Cure to the Lessee and any mortgagees if a substantial or material breach of the Site Development Lease (SDL) exists• Issues a Default Termination Notice if the default remains uncured at the end of the period stated in the Notice to Cure• Engages in Alternative Dispute Resolution (ADR), as required• Notifies Air Force Stakeholders in the event of litigation or default• Escalates and participates in litigation, as required• Restructures or recommends Termination in the event of bankruptcy
SAF/GCN-SA	<ul style="list-style-type: none">• Provides legal counsel to Air Force Stakeholders• Approves notices and formal communication• Engages in ADR, as required• Escalates and participates in litigation, as required• Restructures or recommends Termination in the event of bankruptcy
Installation POC	<ul style="list-style-type: none">• Engages in ADR, as required
MAJCOM POC	<ul style="list-style-type: none">• Participates, as required
IKCA Agent	<ul style="list-style-type: none">• Participates, as required

Lessee	<ul style="list-style-type: none"> • Engages in ADR, as required • Submits claim for Contract Disputes Act final decision, as required • Escalates and participates in litigation, as required • Repairs any major damages to the improvements or property, as required
SAF/IEI	<ul style="list-style-type: none"> • Participates and decides on Termination action, as required

Notification to Cure Default

The Air Force should work promptly to resolve any breaches of the SDL, informally, if possible, but formally, if necessary. If the Lessee is in substantial or material breach of the SDL, some old Leases require the Air Force give a Notice to Cure to the Lessee and any mortgagees. The requirements and procedures for such a notice are spelled out in the older Leases and must be followed precisely. Other Leases and/or SDLs may not require a Notice to Cure to be issued, but the Air Force usually gives some form of notice, either in a letter or memorandum to the Lessee, to inform it of the breach and its possible default under the SDL or Lease. The Lessee is given a specified length of time, pursuant to the Debt Collection Act of 1982 (31 United States Code, Section 3717 [31 U.S.C. § 3717]), to cure the default. All such Notices to Cure and communications not prescribed in the lease must be approved by the Assistant Secretary of the Air Force, General Counsel for Installations, Energy, and Environmental Law – San Antonio (SAF/GCN-SA).

Default Termination Notice

If the Air Force has given a Notice to Cure, but the default remains uncured at the end of the period stated in the Notice to Cure, it may then give the Lessee notice it is terminating the SDL. SAF/GCN-SA's current generic SDL requires the Air Force to give a default Termination Notice (Termination Notice) in an event of default. If the Lessee fails to cure the default by the time specified in the Termination Notice, the SDL is automatically terminated. The Termination Notice must be approved by SAF/GCN-SA.

Disputes and Dispute Resolution

It is common for disagreements, normally between the Air Force and Lessee regarding the Lease or Legal Documents associated with the Lease (Disputes), to arise during the SDL term. These are usually best handled by giving prompt notice to the Lessee of the problem, asking the Lessee to take appropriate action, or negotiating an agreement to resolve it. Many SDLs, including SAF/GCN-SA's generic SDL, have guidelines for resolving Disputes. Some more serious problems may call for the parties to engage in ADR, such as mediation, which may lead to a written agreement for a solution. Such agreements are usually a much better outcome than Termination of the Lease. The Project Manager (PM) must work with the Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division, Enhanced Use Lease Portfolio Management Branch Chief (AFCEC/CIUP) and SAF/GCN-SA on all the legal matters and documentation related to a Dispute to ensure the solution is in the best interests of the Air Force and that it is approved by the Air Force official with delegated authority. It is highly recommended that issues are recognized and resolved early in order to keep the problem from growing, especially in situations where late fees, fines, interest, and other monetary obligations etc. can accrue. Resolution of a Dispute is usually in both Parties' best interest; it saves time and resources for both and helps to identify issues, manage risks, and mitigate losses early before they grow.

Contract Disputes Act Final Decision

SAF/GCN-SA's generic SDL provides that the SDL is subject to the Contract Disputes Act. Under the Act, if the Parties are unable to resolve the Dispute following unassisted Negotiations and/or the ADR proceeding, and a

Dispute resolution section is absent from the SDL, the Lessee must submit the claim in writing and the Air Force Contracting Officer (CO) will issue a final decision.

Litigation

If the Parties are unable to resolve their Dispute by Negotiations, ADR, or by the administrative determination of the CO, they may submit the Dispute to a court for ultimate resolution. Litigation is usually considered to be a last resort as it is expensive, lengthy, resource consuming, and the process makes ongoing relationships very difficult. However, once the court has ruled on the issue, the decision is almost always final and enforceable.

If the Air Force concludes that the Lessee has failed to maintain and restore the Leased Premises, it then determines how to address the situation, which may involve Negotiations, ADR, or Termination of the SDL. The PM will work closely with SAF/GCN-SA and all of the Stakeholders to develop a plan of action to resolve the matter. If the cost to the Air Force to maintain or restore the Leased Premises is in excess of \$100,000, the PM will refer the matter to SAF/GCN-SA to be forwarded to the Department of Justice (DOJ) for action and resolution. **(NOTE:** Per 31 Code of Federal Regulations [CFR] 900.2, 903.1, 903.1(b), and 904.1 of the *Federal Claims Collections Standards*, funds owed to the Air Force in excess of \$100,000 must be approved and handled by the DOJ).

If the PM learns that litigation is filed involving the Air Force, the PM must immediately notify AFCEC and SAF/GCN-SA and provide them copies of any litigation documents he/she can obtain. In turn, they will notify the Air Force Legal Operations Agency, Environmental Law and Litigation Division (AFLOA/JACE), which is the Air Force's lead liaison with the DOJ on litigated matters.

Notice of Extensive Damage / Destruction of Improvements

The event of extensive damage or destruction Project Improvements does not automatically result in a Termination. The generic SDL provides that the Lessee is usually responsible for major damages to the Leased Premises or improvements, as well as a process for determining if the damages are substantial enough to require Termination.

Bankruptcy

Many SDLs provide that bankruptcy is a major default that a sufficient grounds for Termination. Lessee bankruptcy involves other Stakeholders in addition to the Government and the Lessee. Ultimately, the bankruptcy court's goal in a bankruptcy action is to help the bankrupt debtor become financially rehabilitated, so it can continue the business, while also seeking to protect the interests of the Lessee's secured and unsecured creditors. If the Lessee becomes bankrupt, it may be in the best interests of the Air Force, as a Lessor, to facilitate a restructuring, which could involve amendment or assignment of the SDL; or, it may be best to terminate. SAF/GCN-SA provides legal guidance for any Lessee bankruptcy and the Assistant Secretary of the Air Force for Installations, Environment, and Logistics, Deputy Assistant Secretary for Installations (SAF/IEI) will make the decision whether to terminate the SDL.

If a Lessee files a Petition for Bankruptcy, the PM should immediately notify AFCEC/CIUP and SAF/GCN-SA and provide them copies of any litigation documents served.

Mortgagee Right to Postpone Termination

Most SDLs provide substantial rights to Mortgagees to protect their investments in the Projects. Those rights are spelled out in the SDLs, as in the Air Force's generic SDL. Generally, if the Lessee defaults under the SDL, the

Mortgagee usually has rights to “step into the Lessee’s shoes” under the SDL, assuming all the Lessee’s rights and obligations.

Best Practices

- Schedule meetings with leadership, SAF/GCN-SA and all Stakeholders well in advance
- Engage with Installation to coordinate on any community or local government concerns/involvement (i.e., Congressional)
- Keep in mind that sometimes the best solution is the most simple (i.e., have we done enough by working with the Lessee to avoid Termination)
- Know the terms and provisions of the Legal Documents; if unsure of anything, consult SAF/GCN-SA
- Always focus on doing what’s right and the best thing for the Air Force
- Check with the Installation point of contact (POC) for key issues and status of Project (e.g., condition of Improvements, Environmental matters)
- Ensure all Termination actions/activities are performed in a timely/legal fashion

EUL – Phase 6, Step 3 – 6.3 Post-Termination Procedures

[Background](#)

[Roles and Responsibilities](#)

[Removal of Improvements](#)

[Removal of Fixtures and Equipment per Removal and Restoration Obligations](#)

[Surrender of Possession](#)

[Terminate Demolition Reserve Account](#)

[Terminate IKC Account and IKC Agreement](#)

[Place Termination Documents into Air Force Official Records and AFCEC Shared Drive](#)

[Follow-up Activities](#)

[Termination Site Visit](#)

[Best Practices](#)

Background

After official Enhanced Use Lease (EUL) Termination, certain activities must be completed for each and every Termination situation. Outlined in this Section are the procedures, documentation, and actions taken after the Termination event.

Roles and Responsibilities

ROLES	RESPONSIBILITIES
AFCEC/CIUP	<ul style="list-style-type: none">• Works with Air Force stakeholders to determine a reasonable schedule for removal of improvements and surrender of possession• Issues Termination of Escrow/Trust Agreement to Lessee and Escrow/Trust Account Holder• Ensures all Termination documentation is stored in the appropriate Air Force-directed location for historical and potential future legal use• Schedules and facilitates the Termination Site Visit (TSV)• Identifies roles/responsibilities, open issues, and timelines• Works with the Assistant Secretary of the Air Force, General Counsel for Installations, Energy, and Environmental Law – San Antonio (SAF/GCN-SA) to set up meeting and strategy, if TSV encompasses Negotiations and/or Dispute Resolution between the Air Force and Lessee• Provides feedback to Installation and Air Force Leadership on results of TSV• Conducts Hot wash with Point of Contacts (POC) and documents Lessons Learned (LL)
SAF/GCN-SA	<ul style="list-style-type: none">• Performs any required legal actions/legal notifications and provides other pertinent information/guidance/documentation as requested

Installation POC	<ul style="list-style-type: none"> • Requests that the Lessee removes some or all of the Lessee improvements per the desires of the Installation • Requests which portions of the Leased Premises shall be restored to Air Force satisfaction • Assists in determining a reasonable schedule for removal of improvements and surrender of possession • Coordinates logistics of TSV including in-brief/out-brief for Installation POC and Lessee, as required • Leads site/Installation tour • Provides pertinent information/documentation as requested
MAJCOM POC	<ul style="list-style-type: none"> • Provides insight as required
Lessee	<ul style="list-style-type: none"> • Removes the improvements as directed by the Air Force • Supplies and executes a written plan for how the Lessee will meet Removal and Restoration obligations • Completes required demolition • Surrenders possession of the Leased Premises in usable, buildable condition • Signs Termination of Escrow/Trust Agreement
Escrow/Trust Account Holder	<ul style="list-style-type: none"> • Signs Termination of Escrow/Trust Agreement
SAF/IEI	<ul style="list-style-type: none"> • Provides oversight as required

Removal of Improvements

The Lessee has a reasonable amount of time following the Termination date to remove its Property. Additionally, the Lessee must provide the Air Force: (1) an Improvement Removal Report (IRR) and (2) a written plan outlining how the Lessee will meet its Removal and Restoration obligations. The Project Manager (PM) will work with the Installation, SAF/GCN-SA, and possibly other Stakeholders to determine a reasonable schedule and documentation to forward to the Lessee related to the Lessee's Removal and Restoration obligations.

No later than five years prior to the Site Development Lease (SDL) Expiration Date, or upon Termination, the Air Force may require the Lessee to remove some or all of its Property from the Leased Premises, and that certain portions of the Leased Premises be restored to the Air Force's satisfaction to fulfill Lessee's restoration obligations. The Lessee would then transfer the remaining Improvements to the Air Force on the SDL Expiration Date, in lieu of the Lessee's Removal and Restoration Obligation (Partial Removal and Restoration Notice). After the SDL expires, the Lessee has 180 days, or a date mutually agreed to by Lessee and the Air Force, to complete its Removal and Restoration Obligation.

Removal of Fixtures and Equipment per Removal and Restoration Obligations

If the Air Force delivers a Government Retention Notice or Partial Removal and Restoration Notice to the Lessee for all or any portion of the Leased Premises Improvements, the Lessee then terminates its operations on the Leased Premises and vacates and surrenders possession of the Leased Premises on the SDL Expiration Date.

If the Lessee placed Improvements on the Leased Premises (Lessee Improvements) and demolition of the Improvements is necessary, the Lessee must immediately restore and surrender possession of the Leased Premises to the Air Force in good, usable, and buildable condition. Surrender of the Property occurs after completion of such demolition of all or any portion of the Improvements on the Leased Premises. After completion of any demolition, the Lessee must immediately surrender possession of the Leased Premises to the Air Force in good and buildable condition.

If the Lessee fails, refuses, neglects, or for any reason does not satisfy its Removal and Restoration Obligation prior to or by the Restoration Deadline, the Air Force has the right to recover costs to meet the Removal and Restoration Obligation from the Demolition Reserve Account (DRA). If the funds available to the Air Force are insufficient to cover the costs, the Lessee is liable for any funding shortage. If the Lessee owes the Air Force in excess of \$100,000, in connection with its Removal and Restoration Obligations, the PM will forward the matter to SAF/GCN-SA and request they turn the matter over to the Department of Justice (DOJ) for action and resolution.

Surrender of Possession

Upon Termination of the SDL, the Lessee must cease operations on the Leased Premises, vacate, and surrender possession of them to the Air Force. The premises reverts back to the Air Force and any improvements transfer to the Air Force automatically and at no cost to the Air Force. The Lessee must execute any documentation requested by the Air Force to confirm or affect the conveyance.

Terminate Demolition Reserve Account

The DRA procedures and controls are outlined in a Demolition Reserve Escrow/Trust Agreement between the Lessee, the Air Force, and the Escrow or Trust Holder. This Agreement requires that all disbursements from the DRA are made at the Lessee's written direction to the Escrow or Trust Holder and with the consent of the Air Force.

Any funds remaining in the DRA should be distributed as directed in the SDL. Any shortage in the DRA funds becomes a claim against the Lessee.

Terminate IKC Account and IKC Agreement

Any remaining funds in the Escrow/Trust Account are disbursed per the SDL and Legal Documents, and the Escrow Account is closed. If the Lessee owes the Air Force delivery of an in-kind consideration (IKC) Project or services, the debt becomes a claim against the Lessee. The PM will work with SAF/GCN-SA to draft a Termination of Escrow/Trust Agreement to send to the Lessee and the Escrow/Trust Account Holder for signature. When the Termination of Escrow/Trust Agreement is executed by Lessee and the Escrow/Trust Account Holder, the PM will prepare an electronic Staff Summary Sheet (eSSS) package to staff to the Government Air Force signature authority. The Termination of Escrow/Trust Agreement then becomes a part of the Termination Documents.

Place Termination Documents into Air Force Official Records and AFCEC Shared Drive

The PM is responsible for adhering to the Air Force requirements for the storage of documents and ensuring all documentation pertaining to Termination are stored for historical and possible future legal use. All Termination Documents are stored in the appropriate Air Force location (i.e., Air Force Shared O Drive, Air Force Civil Engineer Center [AFCEC] SharePoint, and the Air Force Portfolio and Asset Control and Evaluation System [AFPACES]).

Follow-up Activities

Certain SDL provisions survive and extend beyond the SDL Termination date, including demolition/restoration and close out of the Demolition and/or Restoration reserve accounts. The PM should identify all Post-Termination activities outlined in the Project -specific SDL and Legal Documents and take appropriate action if deemed necessary (i.e., refer to restoration conditions and Environmental Restoration obligations [in the event of a Lessee environmental incident not resolved by Termination] in the SDL).

PMs are to ensure the following activities are completed:

- Execute and Record Amendment
- Execute and Record New Lease
- Execute Termination of Escrow/Trust Agreement
- Follow-Up and Assist SAF/GCN-SA on legal matters
- Finalize Termination Checklist
- Place Termination Documents into Air Force official records for Project and AFCEC Shared Drive

Termination Site Visit

When a Project nears Termination, the PM may schedule a TSV to develop a plan to manage the Project and Termination. Some of the items that typically are included, but not limited to, are the items listed below. After the TSV, the PM may conduct a Hot wash with all necessary Stakeholders to analyze results of the TSV. If improvements are recommended by Stakeholders to improve the Project and the TSV, they may be incorporated into the LL database. This enables other PMs to take advantage of process improvements that serve the Stakeholders and the Project.

Best Practices

- Schedule meetings and temporary duty (TDY) information with leadership well in advance
- Engage with AFCEC Leadership, Installation, SAF/GCN-SA, Lessee (if necessary), and Major Command (MAJCOM) POC (if necessary) to coordinate TSV and logistics
- Emphasize the importance of strong Installation leadership and open communications for smooth negotiations (if applicable) and smoother Termination Process
- Conduct Hot wash
- Capture LL
- Ensure you follow through with Hot wash and LL, as you want future Termination instances to be taken care of in a timely, legal, professional, and ethical manner to ensure possible future relationships with Lessee, if applicable
- Ensure AFCEC, Installation, SAF/GCN-SA, and MAJCOM POCs are invited to the TSV to foster positive, partnering relationships and maintain a proactive, solution-oriented approach to communication, renegotiations and/or negotiations, and problem solving during the Termination Process
- Ensure all final documents are saved to the shared O drive and in the Project Continuity Binder for future use

EUL – Appendix 1 – Parallel Process – Project Termination or Modification

Background

Background

In some cases, a Project may encounter hurdles, such as lower than expected valuations, changes in market conditions, and/or change in mission needs, which require the Project to be delayed or terminated. In each separate situation, there is a need to document why the Project is being terminated, delayed, or reopened with a new Highest Ranked Offeror (HRO).

Action Officer (AO) tasks/roles include:

- Prior to installation leadership approval to proceed to Industry Day, a Project may be terminated under the authority of Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division (AFCEC/CIU) with notification to the Major Command (MAJCOM) Point of Contact (POC) and installation via an AFCEC/CIU Project Termination Memo
- Following installation leadership approval to proceed to Industry Day, a Project may be terminated under the authority of the Air Force Civil Engineer Center, Installations Directorate (AFCEC/CI) Director with MAJCOM POC and installation concurrence using the AFCEC/CI, installation, and MAJCOM POC Project Termination Memo and Federal Business Opportunities (FedBizOpps) announcement

If, in the course of good faith negotiations, the Air Force and the HRO are unable to reach agreement, the Project may be terminated by the Air Force. However, the more likely outcome is that the parties will mutually agree to terminate discussions and AFCEC will proceed negotiating with another party (the second HRO). No cost recovery is allowed by either party pursuant to the Memorandum of understanding (MOA)/Negotiations Charter. If there are multiple Offerors, all Offerors will be thoroughly evaluated and ranked in the Source Selection Decision Document (SSDD). The Source Selection Authority (SSA) (typically the Director of AFCEC Installations Directorate) will concurrently approve the next HROs within the SSDD upon approving the HRO. Therefore, if negotiations with the HRO need to be terminated, the SSA has already reviewed and approved selection of the next HROs to proceed to negotiations. SAF/IEI will need to be briefed on Termination of negotiations with the HRO and the selection of the next HRO.

Date	Task
Project Termination / Delay Process Prior to Industry Day	
	AFCEC DT, MAJCOM POC, and Installation Review and Agree to Terminate or Delay
	TL Drafts EUL Project Termination Memo and Submits to AFCEC/CIU Division Chief
	AFCEC/CIU Division Chief Reviews and Comments on Letter and Submits Back to TL
	TL Incorporates Comments and Submits Back to AFCEC/CIU Division Chief
	AFCEC/CIU Division Chief Approves and Signs Memo and Submits Back to TL
	TL Forwards Memo to MAJCOM POC and Installation
Project Termination / Delay After Industry Day	
	AFCEC DT, MAJCOM POC, and Installation Review Project and Agree to Terminate or Delay
	MAJCOM POC Leadership, Installation Leadership, AFCEC/CIU Attend VTC to Discuss Termination
	TL Drafts EUL Termination Memo
	AFCEC/CIU Division Chief Reviews and Comments on Termination or Delay Memo and Returns to TL
	TL Incorporates Comments

		AFCEC DT, MAJCOM POC, and Installation Review Project and Agree to Terminate or Delay
		MAJCOM POC Leadership, Installation Leadership, AFCEC/CIU Attend VTC to Discuss Termination
		AFCEC/CIU Division Chief Approves and Signs EUL Termination / Delay Memo
		TL Forwards Memo to MAJCOM POC and Installation for Review
		Installation Leadership and MAJCOM POC Leadership Review and Comment and Return to TL
		TL Incorporates Comments and Submits to Installation and MAJCOM POC
		Installation Leadership and MAJCOM POC Leadership Approve and Sign
		TL Notifies SAF/IEI, A&AS Consultant, Community, Other Stakeholders, and the HRO in Writing of Decision to Terminate or Delay Project
		AFCEC/CIU Division Chief Approves and Signs EUL Termination / Delay Memo
		TL Forwards Memo to MAJCOM POC and Installation for Review
		Installation Leadership and MAJCOM POC Leadership Review and Comment and Return to TL
Termination Negotiations and Reopen with New HRO		
		DT Concur that Negotiations Have Reached an Impasse
		Installation Leadership, MAJCOM POC Leadership, SAF/GCN-SA, AFCEC/CI Director, and TL Attend VTC to Discuss Impasse
		TL Drafts EUL Impasse Concurrence Letter
		AFCEC/CI Director Reviews and Comments on Letter and Returns to TL
		TL Incorporates Comments
		AFCEC/CI Director Approves and Signs
		TL Forwards Memo to MAJCOM POC and Installation for Review
		Installation and MAJCOM POC Leadership Review and Comment on Memo and Return to TL
		TL Incorporates Comments
		Installation Leadership and MAJCOM POC Leadership Approve and Sign Letter
		AFCEC/CI Director and TL Develop and Send Notice to SAF/IEI
		SAF/GCN-SA and TL Draft Memo Terminating Negotiations
		SAF/IEI Signs Memo Terminating Negotiations
		TL Sends Memo to Developer/HRO
		TL Notifies A&AS Consultant of Negotiation Termination
		TL Notifies Second-HRO of Intent to Negotiate
		DT Proceeds to Negotiations Process

Laws, Regulations, and Policies

- 10 U.S.C. § 2662, Real Property Transactions Reports to Congressional Committees
- 10 U.S.C. § 2667 Leases: Non-Excess Property of Military Departments and Defense Agencies (The Military Leasing Act (MLA))
- 10 U.S.C. § 2668, Easements for Rights-of-Way
- 10 U.S.C. § 2695, Acceptance of funds to cover administrative expenses relating to certain real property transactions
- 10 U.S.C. § 2911, Energy Performance Goals & Master Plan for DoD (Energy EUL only)
- 10 U.S.C. § 2917, Development of Geothermal Energy on Military Installations (geothermal only)
- Section 2822, NDAA for FY 2012 (Energy only)
- 12 U.S.C. § 1770
- 42 U.S.C. § 4321-4347, National Environmental Policy Act (NEPA)
- AFI 32-7063, Air Installation Compatible Use Zone
- AFI 32-9007, Managing Air Force Real Property;
- AFI 32-9003, Granting Temporary Use of Air Force Real Property
- AFI 32-9004, Disposal of Real Property
- AFI 35-101, Public Affairs Responsibilities and Management
- AFI 35-102, Security and Policy Review Process
- AFI 35-103, Public Affairs Travel
- AFI 35-104, Media Operations
- AFI 35-105, Community Relations
- AFI 35-107, Public Web Communications
- AFI 35-108, Environmental Public Affairs
- AFI 35-109, Visual Information
- AFI 38-501, Air Force Survey Program
- Air Force Policy Directive (AFPD) 32-90, Real Property Asset Management
- AFPD 35-1, Public Affairs Management
- 32 CFR Part 989, Environmental Impact Analysis Process (EIAP)
- Executive Order 13327, Federal Real Property Asset Management
- Federal Acquisition Regulation (FAR) 6.302-7 – Public Interest
- GAO Report to Congressional Committees, Defense Infrastructure, regarding the EUL Program, June 2011
- SAF/GC Memo “Engagement with Industry”, 31 Mar 2015
- SAF/IEI Memo, “Pursuing Value-Based Transactions Involving Air Force Real Property Assets”, 14 Feb 2007
- HAF Mission Directive 1-18, 4 Mar 2009
- SAF/IEI Memo, Air Force Policy Memorandum Establishing Distribution of Lease Consideration, 11 May 2012
- SAF/IEI Memo, Estimating Fair Market Value (FMV) for Air Force Real Property Transactions, 21 May 2012
- SAF/IEI Memo, Leases for Education, Amendment to 10 U.S.C. § 2667 – Leases: Non-Excess Property of Military Departments and Defense Agencies

- Other related Executive Orders, statutory authorities and limits

Websites

- AFCEC EUL public website (<http://www.afcec.af.mil/Home/EUL.aspx>)
- Federal Business Opportunities Home Page (i.e., <https://www.fbo.gov>)
- LinkedIn
- YouTube
- AF Encroachment Management: <https://afcec-portal.lackland.af.mil/cp/cpp/em/SitePages/Home.aspx>
- Air Force NEPA Division:
<https://cs1.eis.af.mil/sites/edash/Web%20Part%20Pages%20%20Program%20Pages/Environmental/NEPA%20EIAP.aspx>

EUL – Appendix 4 – Associated Playbooks

PLAYBOOK	RELATION TO EUL
Fiscal Year 18-22 Air Force Activity Management Plan (FY 18-22 AFAMP)	The FY 18-22 AFAMP Playbook is used for managing investment planning, which could prove useful in the business development phases of the Enhanced Use Lease (EUL) process
Air Installation Compatible Use Zone (AICUZ)	The AICUZ program may have an impact on, or be a consideration for, an EUL at an Air Force site.
Airfield Obstruction	Applicable if there is a scenario where a Lessee is interested in utilizing an Air Force airfield through an EUL. If the Lessee, through in-kind consideration (IKC), makes improvements to the Airfield, constructs additions to the runways or airfield facilities, the Airfield Obstruction Playbook would have relative information
Comprehensive Planning	If an EUL is implemented at an Installation, it will need to be included in the Comprehensive Planning process for the Installation
Environmental Restoration Program	Environmental Restoration can be completed via IKC through an EUL when it concerns maintenance, protection, alteration, repair, improvement, or restoration (and environmental) of property or facilities
Hazardous Materials Management Process (HMMP)	HMMP 7.0 covers information regarding the use of Hazmat by contractors on base. This could be something installation-level personnel have to deal with to address from a reporting perspective if the Lessee of the EUL uses these materials
Hazardous Waste (HW)	If the EUL is a waste-to-energy Lease, the HWM Playbook could be referenced for additional information on how to properly manage hazardous waste on an Air Force installation
Integrated Solid Waste Management (ISWM)	Reference the ISWM Playbook for additional information on how to properly manage waste on an Air Force Installation
Project Execution (PE)	If demolition is executed throughout the course of an EUL, the PE Playbook would have relevant information
Real Estate Transaction, Accountability, and Inventory (RETAI)	The RETAI Playbook contains information on the steps that need to be taken for out-grant of property by the Real Property Office (RPO) or whenever Space/real property (RP) data is needed to make EUL decisions
Requirements Definition and Programming (RD&P)	If demolition is executed throughout the course of an EUL, the RD&P Playbook would have relevant information

EUL – Acronyms

A

A&AS	Advisory and Assistance Services
A4C	Director of Civil Engineers
AAFES	Army Air Force Exchange Service
ABW/CC	Air Base Wing Commander
ACES	Automated Civil Engineer System
ADR	Alternative Dispute Resolution
AF	Air Force
AF/A8PB	Air Force Strategic Basing Division
AFCEC	Air Force Civil Engineer Center
AFCEC/CI	Air Force Civil Engineer Center, Installations Directorate
AFCEC/CIM	Air Force Civil Engineer Center, Installations Directorate, Air Force Portfolio Management Division
AFCEC/CIU	Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division
AFCEC/CIUE	Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division, Execution Branch
AFCEC/CIUP	Air Force Civil Engineer Center, Installations Directorate, Real Estate Development Division, Enhanced Use Lease Portfolio Management

	Branch
AFCEC/CL	Air Force Civil Engineer Center, Director
AFCEC/CN	Air Force Civil Engineer Center, Energy Directorate
AFCEC/CNR	Air Force Civil Engineer Center, Energy Directorate, Rates and Renewables Division
AFCEC/CR	Air Force Civil Engineer Center, Chief Financial Officer
AFCEC/CZ	Air Force Civil Engineer Center, Environmental Directorate
AFCEC/CZN	Air Force Civil Engineer Center, Environmental Directorate, National Environmental Policy Act
AFCEC/PA	Air Force Civil Engineer Center Public Affairs
AFI	Air Force Instruction
AFLOA	Air Force Legal Operations Agency
AFLOA/JACE	Air Force Legal Operations Agency, Environmental Law and Litigation Division
AFMAN	Air Force Manual
AFPACES	Air Force Portfolio and Asset Control and Evaluation System
AFPC	Air Force Personnel Center
AFPD	Air Force Policy Directive
AICUZ	Air Installation Compatible Use Zone
AO	Action Officer

ASV	Annual Site Visit
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B

BBP	Bullet Background Paper
BCE	Base Civil Engineer
BD	Business development
BLM	Bureau of Land Management
BLUF	Bottom Line Up Front
BRRP	Basing Requirements Review Panel
BW/CC	Bomb Wing Commander

C

CATEX	Categorical Exclusion
CCB	Configuration Control Board
CE	Civil Engineering
CEQ	Council on Environmental Quality
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act

CES/CC	Civil Engineer Squadron, Wing or Installation Commander
CES/CD	Civil Engineer Squadron, Deputy Commander
CES/CEA	Civil Engineer Squadron, Asset Management Flight
CES/CEP	Civil Engineer Squadron, Programs Flight
CES/CER	Civil Engineer Squadron, Resources Flight
CES/CEV	Civil Engineer Squadron, Environmental Flight
CFR	Code of Federal Regulations
CO	Contracting Officer
COA	Course of Action
CODEL	Congressional Delegation
COR	Contracting Officer's Representative
CRB	Certification Review Board
CS	Communications Squadron
CSAF	Chief of Staff of the Air Force

D

D&F	Determination and Findings
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DBCE	Deputy Base Civil Engineer
DFARS	Defense Federal Acquisition Regulation Supplement
DFAS	Defense Finance and Accounting Services
DM/CM	Design Management and Construction Management
DoD	Department of Defense
DOJ	Department of Justice
DOPAA	Description of Proposed Action and Alternatives
DRA	Demolition Reserve Account
DRL	Disbursement Request Letter
DOTMLPF	Doctrine, Organization,
DT	Deal Team
DUSD/I&E	Deputy Under Secretary of Defense for Installations and Environment

E

EA	Environmental Assessment
EBS	Environmental Baseline Survey
EIA	Environmental Impact Analysis

EIAP	Environmental Impact Analysis Process
EIS	Environmental Impact Statement
EMRS	E-Mail Ready to Send
EMT	Encroachment Management Team
EN	Evaluation Notice
EO	Executive Order
EPF	Environmental Planning Function
ESA	Environmental Site Assessment
ESG	Executive Steering Group
ESS	Enterprise Support Squadron
eSSS	Electronic Staff Summary Sheet
EUL	Enhanced Use Lease

F

FAD	Funding Authorization Document
FAR	Federal Acquisition Regulation
FedBizOpps	Federal Business Opportunities

FM	Financial Manager
FMV	Fair Market Value
FOA	Field Operating Agency
FONSI	Finding of No Significant Impact
FS	Feasibility Study
FUB	Facilities Use Board
FW/CC	Fighter Wing Commander
FYDP	Future Years Defense Plan

G

GAO	Government Accountability Office
GIS	Geographic Information Systems

H

HAF	Headquarters Air Force
HASC	House Armed Services Committee
HQ	Headquarters

HRO	Highest Ranked Offeror
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I

IAW	In Accordance With
IC	Investment Committee
ICRMP	Integrated Cultural Resources Management Plan
IGE	Internal Government Estimate
IKC	In-kind Consideration
IKCA	In-kind Consideration Account
IMP/S	Integrated Master Plan/Schedule
INRMP	Integrated Natural Resources Management Plan
IPC	Independent Project Consultant
IPL	Integrated Priority List
IPM	Independent Project Manager
IRP	Installation Restoration Program
IRP	Issue Resolution Process
IRR	Improvement Removal Report

IRT	Issue Resolution Team
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J

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K

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L

LESV	Lease Execution Site Visit
LL	Lessons Learned
LOE	Level of Effort

M

MAJCOM	Major Command
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MILCON	Military Construction
MLA	Military Leasing Act
MOA	Memorandum of Agreement
MOR	Memorandum of Record
MRC	Management Review Committee
MS	Microsoft
MSG	Mission Support Group
MSG/CC	Mission Support Group Commander
MW/CC	Major Weapons Commander
MWR	Morale, Welfare, and Recreation

N

NDA	Non-Disclosure Agreement
NDAA	National Defense Authorization Act
NEPA	National Environmental Policy Act
NHPA	National Historic Preservation Act
NPV	Net Present Value

NTP	Notice to Proceed
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O

O&M	Operations and Maintenance
OA	Opportunity Assessment
OCR	Office of Collateral Responsibility
OMB	Office of Management and Budget
OPR	Office of Primary Responsibility
OSD	Office of the Secretary of Defense
OSS/OSA	Operations Support Squadron, Airfield Operations Flight

P

PA	Public Affairs
PAO	Public Affairs Officer
PAS	Proposal Analysis Summary
PfM	Portfolio Management
PM	Project Manager

PMR	Project Management Review
POC	Point of Contact
PPA	Power Purchase Agreement
PREIAP	Planning Requirements for the Environmental Impact Analysis Process
PSV	Periodic Site Visit
PWS	Performance Work Statement

Q

Q&A	Question and answer
QC	Quality Control
QD	Quantity Distance

R

RA	Resource Advisor
RD	Requirements Document
REC	Renewable Energy Credit
REPD	Renewable Energy Project Development

RESS	Real Estate Support Services
RFI	Request for Information
RFP	Request for Proposal
RFQ	Request for Qualifications
ROD	Record of Decision
ROI	Return on Investment
RPRL	Real Property Revenue Log

S

SAF	Secretary of the Air Force
SAF/AQC	Assistant Secretary of the Air Force for Air Force Acquisition, Deputy Assistant Secretary for Air Force Contracting
SAF/FM	Assistant Secretary of the Air Force for Financial Management and Comptroller
SAF/FMCE	Assistant Secretary of the Air Force For Financial Management and Comptroller, Deputy Assistant Secretary for Cost and Economics, Directorate of Economics and Business Management
SAF/GCN	Assistant Secretary of the Air Force, General Counsel for Installations, Energy, and Environmental Law
SAF/GCN-SA	Assistant Secretary of the Air Force, General Counsel for Installations, Energy, and Environmental Law – San Antonio

SAF/IE	Assistant Secretary of the Air Force for Installations, Environment, and Logistics
SAF/IEE	Assistant Secretary of the Air Force for Installations, Environment, and Logistics, Deputy Assistant Secretary for Environment, Safety, and Occupational Health
SAF/IEI	Assistant Secretary of the Air Force for Installations, Environment, and Logistics, Deputy Assistant Secretary for Installations
SAF/IEN	Assistant Secretary of the Air Force for Installations, Environment, and Logistics, Deputy Assistant Secretary of Energy
SAF/LLP	Assistant Secretary of the Air Force, Legislative Liaison for Programs and Legislation
SASC	Senate Armed Services Committee
SB	Strategic Basing
SDL	Site Development Lease
SEBS	Supplemental Environmental Baseline Survey
SECAF	Secretary of the Air Force
SECDEF	Secretary of Defense
SEF	Wing Flight Safety
SEPA	State Environmental Policy Act
SEW	Wing Weapons Safety
SFS	Security Forces Squadron
SGHAT	Solar Glare Hazard Analysis Tool

SME	Subject Matter Expert
SON	Statement of Need
SOV	Site Orientation Visit
SOW	Statement of Work
SRM	Sustainment, Restoration, and Modernization
SSA	Source Selection Authority
SSB	Source Selection Briefing
SSDB	Source Selection Decision Briefing
SSDD	Source Selection Decision Document
SSDSP	Source Selection Decision Staffing Package
SSEB	Source Selection Evaluation Board
STDB	Site To Do Business
STSV	Sustainment Training Site Visit
SWOT	Strengths, Weaknesses, Opportunities, and Threats

T

TDY	Temporary Duty
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TL	Team Lead
TSV	Termination Site Visit

U

U.S.C.	United States Code
UFR	Unfunded Requirement List
USACE	United States Army Corps of Engineers
USAF	United States Air Force

V

VBT	Value Based Transaction
VTC	Video Teleconference

W

WAR	Weekly Activity Report
WG/CC	Wing Commander

X

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Y

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Z

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EUL – Definitions

Term	Definition
Alternative Dispute Resolution	A procedure involving non-binding mediation of the dispute by a neutral third party
Applicable Law	Collectively, all federal, state, and local laws, rules, regulations, orders, ordinances, and publicly available governmental standards and requirements that the Air Force identifies or provides to the Lessee, which is applicable to the Lessee or the project during the Lease Term
Approved Mortgagee	Any mortgagee approved by the Air Force or successor or assignee of such mortgagee approved by the Air Force

Closeout Environmental Baseline Survey	Determines whether the Lessee has fulfilled its obligations to maintain and restore the Leased Premises under the Lease, including all obligations set forth in the Lease
Construction Management Plan	The documented strategy for controlling and supervising building activities and is included as an attachment to the Development Agreement
Construction Requirements	Collectively, the requirements for construction outlined in the Lease, the Final Construction Plans, and the Construction Management Plan
Default Termination Notice	Written notice from the Air Force to the Lessee that terminates the Lease if an Event of Default exists
Demolition Reserve Account	The account in which cash deposits are accumulated and maintained as specified in the Lease for eventual demolition of the project improvements
Demolition Reserve Escrow/Trust Agreement	An agreement among the Lessee, Air Force, and Escrow/Trust-holder outlining the manner in which disbursements from the Demolition Reserve Account shall be made upon Lessee's written direction, with consent of the Air Force, to Escrow/Trust holder
Dispute	A disagreement, normally between the Air Force and the Lessee, regarding the Lease or Legal Documents associated with the Lease
Electronic Staff Summary Sheet	A coordination email with supporting attachments used to submit a staffing package for review, signature, and concurrence as it is forwarded through each approval level
Enhanced Use Lease	A lease by the Air Force pursuant to Title 10 United States Code Section 2667, <i>Leases: Non-Excess Property of Military Departments and Defense Agencies</i> , of real or personal property under the control of the Secretary of the Air Force to a public or private sector Lessee
Enhanced Use Lease Project	Defined as an in-kind consideration or Private/Commercial Project originated with the Enhanced Use Lease boundary
Environmental Baseline Survey	A study which sets forth those environmental conditions affecting the Lease Premises as of its effective date, as determined from the records and analysis reflected therein for the particular Enhanced Use Lease project at the specified base, normally dated prior to Project Closing and delivered to the Lessee
Escrow/Trust Account	The in-kind consideration account established at a financial or banking institution in which the in-kind consideration funds are held
Estimated Restoration Cost	The Improvement Removal Report, prepared by a construction and demolition expert and approved by the Air Force, which details and estimates the cost of removing all improvements on the Leased Premises
Event of Default	Defined in the Lease and establishes conditions or situations that may give a party cause to take other toward termination of the lease or some other remedy
Existing Improvements	Those improvements and personal property located on the Leased Land as of the Lease Effective Date

Extensive Damage or Destruction of Improvements	The magnitude of Damaged or Destroyed Property, as determined by the Air Force and any Approved Mortgagees in consultation with the Lessee, which is so extensive that the project cannot be used by the Lessee for its operations and the repairs, rebuilding, or replacement of the Damaged or Destroyed Property cannot reasonably be expected to be substantially completed within nine (9) months of the occurrence of the casualty
Facility	Any building of a public nature covered by, or built on land covered by, the Lease (e.g., lodgings, stores, shops, restaurants, cafeterias, restrooms)
Fixtures and Equipment	The Lessee's removable machinery, equipment, and minor improvements attached in or upon the Leased Premises
Government Retention Notice	Written notice from the Air Force to the Lessee of the Air Force's election to require that all, or any portion, of the Leased Premises Improvements and the personal property of the Lessee located therein revert or be transferred to the Air Force, as applicable, on the Lease Expiration Date or the Effective Date of any Default Termination Notice or Termination Notice for Extensive Damage or Destruction
Hotwash	A meeting between all participating stakeholders, held after an action or event and prior to lessons learned, that identifies successes, areas of improvement, and potential action items
Improvement Removal Report	A report provided by the Lessee to the Air Force that is prepared by a construction and demolition expert approved by the Air Force (such approval not to be unreasonably withheld or delayed), providing details and estimates of the cost of removing all improvements on the Leased Premises
In-Kind Consideration	The consideration Lessee is to provide to the Air Force as Fair Market Value of the Leased Premises containing the Enhanced Use Lease project
In-Kind Consideration Account	The account for the deposit of the Rent by the Lessee and the making of disbursements only with the prior approval of the Air Force, and that the Lessee is required to establish and maintain in accordance with the Lease
In-Kind Consideration Account Agreement	A written escrow or trust agreement (as determined by the Air Force) among the Air Force, the Lessee, and the in-kind consideration account holder outlining provisions of the in-kind consideration account
In-Kind Consideration Account Holder	A third party agent or institution approved by the Air Force that will hold and disburse funds remaining in the in-kind consideration account as directed by the Air Force as cash Rent
In-Kind Consideration Delivery Agreement	An agreement between the Air Force and Lessee outlining the terms and conditions of in-kind consideration delivery pursuant to the Work Order Agreement under the Lease
K2 Account	A special Department of Treasury account for which Lease/Out-Grant money gets deposited
Lease	A legal document between the Air Force and the Lessee outlining provisions of the Enhanced Use Lease project on the Leased Premises. For purposes of the Enhanced Use Lease Playbook, Lease means Site Development Lease

Lease Amendment	An amendment (change, addition or removal) of the original terms of the Lease
Lease Expiration Date	Refers to 11:59 p.m. local time, upon the term of the Lease and its expiration, unless sooner terminated in accordance with the terms contained in the Lease
Lease Term	The period from the Effective Date through the Lease Expiration Date
Lease Termination	The end or dissolution of the lease agreement, such that the parties' obligations under the lease are ended
Leased Premises	Collectively, the Leased Land and the Existing Improvements
Leased Premises Improvements	Those improvements and personal property, if any, existing on the Leased Premises on the Effective Date that are owned by the Air Force together with all improvements and personal property that may be constructed or placed on the Leased Premises by the Lessee
Lessee	The entity to which the Air Force has entered into an Enhanced Use Lease project
Lessee Improvements	Any building, facility, structure, landscaping, or other improvements the Lessee constructs or places on the Leased Premises, or in connection with use of the Leased Premises in accordance with the terms of the Lease
Lessor	The Air Force or the entity which owns the Leased Premises
Mortgage	A lien placed on the Leased Premises for the benefit of the Lessee
Mortgagee	A banking or financial institution that holds a lien against the Leased Premises for the benefit of Lessee
Negotiations	Amicable discussions between the Air Force, Lessee, and other Stakeholders in an attempt to resolve an issue prior to a Dispute or Alternative Dispute Resolution
Notice to Cure	A letter sent by the Air Force to the Lessee upon default of any provision or condition of the Lease and normally allowing the Lessee 30 days to cure the Lease default
Notification to Cure Default	A notification or letter from the Air Force to the Lessee of a Default occurrence as outlined in the Lease and a specific time-frame to cure such Default, usually 30 days
Partial Removal and Restoration Notice	A notice to the Lessee that the Air Force may require the Lessee remove some or all of its Property from the Leased Premises and they be restored to the reasonable satisfaction of the Air Force with Lessee's remaining Improvement to be transferred to the Air Force on the Site Development Lease expiration date
Parties	The Air Force and the Lessee, jointly
Party	The Air Force and/or the Lessee, separately
Project	Collectively, the Leased Premises and the Leased Premises Improvements
Project Documents	The Lease and all documents attached to the Lease
Property	Lessee's machinery, equipment, minor improvements, and removable fixtures which are attached to, or upon, the Leased Premises

Rent	Collectively, Base Rent, [Additional Rent], and Supplemental Rent
Restoration Deadline	The date by which the Lessee shall remove all of the Leased Premises Improvements and its other property from the Leased Premises and restore the Leased Premises to the reasonable satisfaction of the Air Force, as required under the Lease
Subject Matter Expert	An individual who is highly trained, knowledgeable, and competent in a specific job function
Surrender of Possession	Lessee shall terminate its operations on the Leased Premises and vacate and surrender possession of the Leased Premises and all improvements described in the Government Retention Notice to the Lessee
Termination	The closeout and legal process for terminating the Enhanced Use Lease Site Development Lease by: a) Termination by Default; b) Termination by Agreement; or c) Termination by Lease Expiration
Termination Checklist	Checklist of Termination items, actions, and documents, to be handled by the Air Force Portfolio Management Project Manager prior to, or at, Lease Termination
Termination Documents	All Project Documents utilized in connection with Termination of the Lease
Termination Notice	The Air Force's notice of termination to the Lessee when the Air Force elects to do so
Termination Notice for Extensive Damage or Destruction of Improvements	Written notice by the Air Force or the Lessee to the other Party that terminates the Lease in the event of Extensive Damage or Destruction of Improvements
Termination Site Visit	A site visit scheduled by the Portfolio Management Project Manager once a project is determined to be entering the Termination Phase
Utility Services	Existing Government utility systems for providing electricity, gas, water, and sewer services to the Leased Premises