

**FAMILY HOUSING, DEFENSE-WIDE
FY 2001 BUDGET ESTIMATES**

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**PROGRAM SUMMARY
FAMILY HOUSING, DEFENSE-WIDE
FY 2001**

(Dollars in Thousands)

	<u>NSA</u>	<u>DIA</u>	<u>DLA</u>	<u>Total</u>
New Construction	-	-	-	-
Improvements	-	-	-	-
Planning and Design	-	-	-	-
Subtotal Construction	-	-	-	-
Operation	1,084	3,564	791	5,439
Leasing	12,554	25,924	-	38,478
Maintenance	653	-	316	969
Subtotal O&M	14,291	29,488	1,107	44,886
Reimbursable Program	-	3,200	-	3,200
Total Program	14,291	32,688	1,107	48,086
Appropriation Request	14,291	29,488	1,107	44,886

**APPROPRIATION LANGUAGE
FAMILY HOUSING, DEFENSE-WIDE
FY 2001**

For expenses of family housing for the activities and agencies of the Department of Defense (other than the military departments) for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, leasing, and minor construction, as authorized by law, as follows: for Operation and Maintenance, \$44,886,000.

Further, for the foregoing purposes, \$44,886,000 to become available on October 1, 2000, for Operation and Maintenance, and debt payment.

**OPERATION AND MAINTENANCE SUMMARY
FAMILY HOUSING, DEFENSE-WIDE
FY 2001**

The Operation and Maintenance portions of the family housing program include maintenance and repair of government-owned housing units and associated real property; utility services; repair, replacement, transportation and handling of furniture and furnishings; refuse collection and disposal services; management services; and other miscellaneous support. Furnishings support for members of the Defense Attaché System are also included. The costs for leasing family housing units are separately addressed.

OPERATION AND MAINTENANCE SUMMARY
FAMILY HOUSING, DEFENSE-WIDE
(Excludes Leased Units and Costs)

<u>Inventory Data</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>			
Units in Being Beginning of Year	418	406	406			
Units in Being End of Year	406	406	406			
Average Inventory for Year	412	406	406			
Units Requiring O&M Funding						
a. Conterminous U.S.	213	213	213			
b. U.S. Overseas	199	193	193			
c. Foreign	-	-	-			
d. Worldwide	412	406	406			
	<u>FY 1999</u>	<u>FY 2000</u>		<u>FY 2001</u>		
	<u>Actual</u>	<u>Estimate</u>		<u>Request</u>		
	Unit Cost*	Total Cost	Unit Cost*	Total Cost	Unit Cost*	Total Cost
	(\$)	(\$000)	(\$)	(\$000)	(\$)	(\$000)
<u>Funding Requirements</u>						
1. Operation						
a. Management	510	210	608	247	704	286
b. Services	1,323	545	1,256	510	1,212	492
c. Furnishings	6,175	2,544	9,433	3,830	10,177	4,132
d. Miscellaneous	444	183	145	59	158	64
Subtotal-Gross Obligations	8,451	3,482	11,443	4,646	12,251	4,974
Anticipated Reimbursements		17		388		400
Direct Obligations-Operation	8,451	3,465	11,443	4,258	12,251	4,574
2. Utilities Operation	1,925	793	2,288	929	2,131	865
Anticipated Reimbursements	-	-	-	-	-	-
Direct Obligations-Utilities	1,925	793	2,288	929	2,131	865
3. Maintenance						
a. M&R Dwellings	2,697	1,111	1,404	570	2,300	934
b. M&R Exterior Utilities		-	17	7	17	7
c. M&R Other Real Property	12	5	74	30	67	27
d. Alterations & Additions		-	2	1	2	1
Subtotal-Gross Obligations	2,709	1,116	1,498	608	2,387	969
Anticipated Reimbursements	-	-	-	-	-	-
Direct Obligations-Maintenance	2,709	1,116	1,498	608	2,387	969
Grand Total O&M	13,044	5,374	14,273	5,795	15,783	6,408

*Based on number of units requiring O&M funding.

**NATIONAL SECURITY AGENCY
FAMILY HOUSING, DEFENSE-WIDE
PROGRAM SUMMARY
FY 2001**

(Dollars in Thousands)

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>
New Construction	-	-	-
Improvements	50	50	-
Planning and Design	-	-	-
Construction Subtotal	50	50	-
Operations	781	514	640
Utilities	383	515	444
Maintenance	617	244	653
Leasing	11,570	13,299	12,554
O&M Subtotal	13,351	14,572	14,291
Reimbursable Program	-	-	-
Total Program	13,401	14,622	14,291

**NATIONAL SECURITY AGENCY
FAMILY HOUSING, DEFENSE-WIDE
Operation and Maintenance Summary
(Excludes Leased Units and Costs)**

<u>Inventory Data</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>			
Units in Being Beginning of Year	205	193	193			
Units in Being End of Year	193	193	193			
Average Inventory for Year	199	193	193			
 Units Requiring O&M Funding						
a. Conterminous U.S.						
b. U.S. Overseas	199	193	193			
c. Foreign						
d. Worldwide						
	<u>FY 1999</u>		<u>FY 2000</u>		<u>FY 2001</u>	
	Unit	Total	Unit	Total	Unit	Total
	Cost*	Cost	Cost*	Cost	Cost*	Cost
	<u>(\$)</u>	<u>(\$000)</u>	<u>(\$)</u>	<u>(\$000)</u>	<u>(\$)</u>	<u>(\$000)</u>
 <u>Funding Requirements</u>						
1. Operations						
a. Management	0	0	0	0	78	15
b. Services	2,191	436	2,254	435	2,150	415
c. Furnishings	814	162	104	20	756	146
d. Miscellaneous	920	183	305	59	332	64
Subtotal-Gross Obligations	3,925	781	2,663	514	3,316	640
Anticipated Reimbursements	-	-	-	-	-	-
Direct Obligations-Operations	3,925	781	2,663	514	3,316	640
 2. Utilities Operations	1,925	383	2,669	515	2,301	444
Anticipated Reimbursements	-	-	-	-	-	-
Direct Obligations-Utilities	1,925	383	2,669	515	2,301	444
 3. Maintenance						
a. M&R Dwellings	3,075	612	1,238	239	3,321	641
b. M&R Exterior Utilities	-	-	-	-	-	-
c. M&R Other Real Property	25	5	26	5	62	12
d. Alterations & Additions	-	-	-	-	-	-
Subtotal-Gross Obligations	3,100	617	1,264	244	3,383	653
Anticipated Reimbursements	-	-	-	-	-	-
Direct Obligations-Maintenance	3,100	617	1,264	244	3,383	653
 Grand Total O&M	8,950	1,781	6,596	1,273	9,000	1,737

*Based on number of units requiring O&M funding.

**NATIONAL SECURITY AGENCY
FAMILY HOUSING DEFENSE-WIDE
Operation and Maintenance**

The Operation portion of the family housing program for NSA includes maintenance, repair and replacement of furnishings; utility services; refuse collection and disposal; and administrative support at the installation level. Leasing costs are covered separately.

The Maintenance portion includes maintenance and repair of buildings and associated utilities systems, and other incidental improvements, including minor alteration and addition.

Reconciliation of Increases and Decreases

Operation

1. FY 2000 President's Budget Request	514
2. Price Growth	
a. Inflation	+8
b. Foreign Currency Change	0
3. Program Increase	
a. Due to increase in number of leased units	+118
4. FY 2001 President's Budget Request	640

Utilities

1. FY 2000 President's Budget Request	515
2. Price Growth	
a. Inflation	+8
b. Foreign Currency Change	0
3. Program Decrease	
a. Anticipated savings	-79
4. FY 2001 President's Budget Request	444

Maintenance

1. FY 2000 President's Budget Request	244
2. Price Growth	
a. Inflation	4
b. Foreign Currency Change	0
3. Program Increase (Funding realignment from Leasing account)	+405
4. FY 2001 President's Budget Request	653

**DEFENSE INTELLIGENCE AGENCY
FAMILY HOUSING, DEFENSE-WIDE
PROGRAM SUMMARY
FY 2001**

(Dollars in Thousands)

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>
New Construction	-	-	-
Improvements	-	-	-
Planning and Design	-	-	-
Construction Subtotal	-	-	-
Operations	2,279	3,401	3,564
Utilities	-	-	-
Maintenance	-	-	-
Leasing	17,690	22,132	25,924
O&M Subtotal	19,969	25,533	29,488
Reimbursable Program	1,189	3,100	3,200
Total Program	21,158	28,633	32,688

One of the missions of the Defense Intelligence Agency (DIA) is the Defense Attaché System. The missions of the Defense Attaché System are to: (1) observe and report military and politico-military information; (2) represent the DOD and the military services; (3) administer military assistance programs and foreign military sales as directed; and (4) advise the U.S. Ambassador on military and politico-military matters. These missions are accomplished through the Defense Attaché Offices, which are organic elements of the U.S. Diplomatic Missions.

Housing of the attaches and their support staff is controlled by the U.S. Embassy housing board at a level of expense and square footage that is equivalent to their Department of State counterparts.

The DIA's Budget Submission for the FY 2001 Family Housing Program funds 500 government leases (of which 147 are high cost leases) at Defense Attaché Offices (DAO) worldwide. These funds provide for all lease costs which include utilities, residential protection services, custodial and fire protection services, furnishings and appliances, maintenance and repair of furnishings and appliances, and administrative services performed by the Department of State under the International Cooperative Administrative Support Services (ICASS) and Memoranda of Understanding.

**DEFENSE INTELLIGENCE AGENCY
FAMILY HOUSING, DEFENSE-WIDE**

**Operation and Maintenance Summary
(Excludes Leased Units and Costs)**

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>
<u>Inventory Data</u>			
Units in Being Beginning of Year	-	-	-
Units in Being End of Year	-	-	-
Average Inventory for Year	-	-	-
<u>Units Requiring O&M Funding</u>			
a. Conterminous U.S.	-	-	-
b. U.S. Overseas	-	-	-
c. Foreign	-	-	-
d. Worldwide	-	-	-

Note: All DIA family housing units are leased.

	<u>FY 1999</u>		<u>FY 2000</u>		<u>FY 2001</u>	
	Unit Cost*	Total Cost	Unit Cost*	Total Cost	Unit Cost*	Total Cost
	(\$)	(\$000)	(\$)	(\$000)	(\$)	(\$000)
<u>Funding Requirements</u>						
1. Operations						
a. Management	-	-	-	-	-	-
b. Services	-	-	-	-	-	-
c. Furnishings	41	2,296	41	3,789	42	3,964
d. Miscellaneous	-	-	-	-	-	-
Subtotal-Gross Obligations	41	2,296	41	3,789	42	3,964
Anticipated Reimbursements	-	(17)	-	(388)	-	(400)
Direct Obligations-Operations	41	2,279	41	3,401	42	3,564
2. Utilities Operations	-	-	-	-	-	-
Anticipated Reimbursements	-	-	-	-	-	-
Direct Obligations-Utilities	-	-	-	-	-	-
3. Maintenance						
a. M&R Dwellings	-	-	-	-	-	-
b. M&R Exterior Utilities	-	-	-	-	-	-
c. M&R Other Real Property	-	-	-	-	-	-
d. Alterations & Additions	-	-	-	-	-	-
Subtotal-Gross Obligations	-	-	-	-	-	-
Anticipated Reimbursements	-	-	-	-	-	-
Direct Obligations-Maintenance	-	-	-	-	-	-
 Grand Total O&M	 41	 2,279	 41	 3,401	 42	 3,564

*Based on number of units requiring O&M funding.

**DEFENSE INTELLIGENCE AGENCY
FAMILY HOUSING, DEFENSE-WIDE
Operation and Maintenance**

The FY 2001 Family Housing Operations expenses for DIA include the purchase, transportation, maintenance, and repair of furniture and appliances for members of the Defense Attaché System.

Reconciliation of Increases and Decreases

<u>Operations</u>	<u>(\$000)</u>
FY 2000 President's Budget Request	3,401
FY 2000 Appropriated Amount	3,401
Price Growth (Inflation)	54
Program Increases	
a. Program increase due to new DAOs opening in FY 2001	109
Program Decreases	0
FY 2001 President's Budget Request	3,564

**DEFENSE LOGISTICS AGENCY
FAMILY HOUSING, DEFENSE-WIDE
PROGRAM SUMMARY
FY 2001**

(Dollars in Thousands)

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>
New Construction	295	-	-
Improvements	-	-	-
Planning and Design	-	-	-
Construction Subtotal	295	-	-
Operations	405	343	370
Utilities	410	414	421
Maintenance	499	364	316
Leasing	-	-	-
O&M Subtotal	1,314	1,121	1,107
Reimbursable Program	-	-	-
Total Program	1,609	1,121	1,107

DLA's current family housing inventory includes 213 units. These units are located at two Defense Supply Centers and one Defense Distribution Center. With the exception of complete renovation of 30 units located at the West Coast Defense Distribution Center in FY 1989, 18 were built in 1975 and 1976, and the other 195 units were built prior to 1960. In FY 2001, DLA will begin a four-year program to demolish all 11 units at the Defense Supply Center Columbus (3 in FY 2001) in an effort to reduce cost and take advantage of the available private sector housing in the local community.

The FY 2001 DLA Family Housing budget request supports routine operations requirements, including housing management, utilities, and maintenance and repair. Routine maintenance include refinishing floors, replacing carpet, water heaters and heating/air conditioning units, and interior painting. In addition, the FY 2001 request includes costs for the demolition of 3 housing units at the Columbus Supply Center.

**DEFENSE LOGISTICS AGENCY
FAMILY HOUSING, DEFENSE-WIDE
Operation and Maintenance Summary
(Excludes Leased Units and Costs)**

<u>Inventory Data</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>				
Units in Being Beginning of Year	213	213	213				
Units in Being End of Year	213	213	213				
Average Inventory for Year	213	213	213				
Units Requiring O&M Funding							
a. Conterminous U.S.	213	213	213				
b. U.S. Overseas							
c. Foreign							
d. Worldwide							
	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>Unit</u>	<u>Total</u>	<u>Unit</u>	<u>Total</u>
	Cost*	Cost	Cost*	Cost	Cost*	Cost	Cost
	(\$)	(\$000)	(\$)	(\$000)	(\$)	(\$000)	(\$000)
<u>Funding Requirements</u>							
1. Operations							
a. Management	986	210	1,160	247	1,272	271	
b. Services	512	109	352	75	362	77	
c. Furnishings	404	86	99	21	103	22	
d. Miscellaneous	-	-	-	-	-	-	
Subtotal-Gross Obligations	1,901	405	1,610	343	1,737	370	
Anticipated Reimbursements	-	-	-	-	-	-	
Direct Obligations-Operations	1,901	405	1,610	343	1,737	370	
2. Utilities Operations	1,925	410	1,944	414	1,977	421	
Anticipated Reimbursements	-	-	-	-	-	-	
Direct Obligations-Utilities	1,925	410	1,944	414	1,977	421	
3. Maintenance							
a. M&R Dwellings	2,343	499	1,554	331	1,376	293	
b. M&R Exterior Utilities	0	0	33	7	33	7	
c. M&R Other Real Property	0	0	117	25	70	15	
d. Alterations & Additions	0	0	5	1	5	1	
Subtotal-Gross Obligations	2,343	499	1,709	364	1,484	316	
Anticipated Reimbursements	-	-	-	-	-	-	
Direct Obligations-Maintenance	2,343	499	1,709	364	1,484	316	
Grand Total O&M	6,169	1,314	5,263	1,121	5,197	1,107	

*Based on number of units requiring O&M funding.

**DEFENSE LOGISTICS AGENCY
FAMILY HOUSING, DEFENSE-WIDE
Operation and Maintenance**

OPERATION - Includes refuse collection and disposal, snow removal, entomological services, custodial services, street cleaning, moving and handling of government-owned furnishings, and maintenance, repair, and replacement of household equipment. Operations also include management costs. These are costs associated with family housing administration. These costs include salaries, fringe benefits, training, supplies and equipment required to support the management personnel and to operate the housing office. The FY 2001 operations request reflects a slight increase over the FY 2000 funding level, and is attributed primarily to increased management and services costs directly related to the planned demolition of 3 housing units. The replacement of aging appliances accounts for the slight increase in furnishings costs.

UTILITIES - The FY 2001 request remains unchanged over FY 2000 with the exception of inflation. We continue our efforts to reduce utilities costs by replacing oil-fired furnaces with energy efficient gas-fired furnaces and heating pumps; insulating walls and ceilings to meet current energy standards; replacing water heaters and kitchen appliances; and issuing new tenants guidelines on "How to Save Energy in Family Housing." These projects are instrumental to cost reduction initiatives, and complies with the energy efficiency goals outlined in Executive Order 12759.

MAINTENANCE - Our request for FY 2001 includes a modest number of maintenance and repair projects for dwellings, other real property, and alterations and additions to upgrade our family housing units. Maintenance includes carpet replacement, water heaters, interior painting and refinishing floors. The aging (circa 1918 - 1942) and deteriorating units at the Columbus Supply Center have consistently resulted in higher operation and maintenance costs. Market surveys indicate that there is adequate and affordable housing available in the local Columbus area. After careful study, DLA has planned a four-year phased demolition of all 11 units, beginning with 3 units in FY 2001. The projected cost of demolition in FY 2001 is offset by the completion of the sidewalk replacement project at Richmond Supply Center and fewer maintenance and repair projects due to the projected completion of phase one of the whole house renovation project at the New Cumberland Defense Distribution Center.

Reconciliation of Increases and Decreases

Operations

	<u>(\$000)</u>
FY 2000 President's Budget Request	343
FY 2000 Appropriated Amount	343
Price Growth	
a. Inflation	2
b. Civilian pay raise	11
Program Increases	
a. Demolition of 3 housing units	13
b. Furnishings	1
Program Decreases	-
FY 2001 President's Budget Request	370

Utilities

	<u>(\$000)</u>
FY 2000 President's Budget Request	414
FY 2000 Appropriated Amount	414
Price Growth	
a. Inflation	7
Program Increases	-
Program Decreases	-
FY 2001 President's Budget Request	421

Maintenance

	<u>(\$000)</u>
FY 2000 President's Budget Request	370
Congresssional Adjustment	
a. Government-wide rescission	-6
FY 2000 Appropriated Amount	364
Price Growth	
a. Inflation	6
Program Increases	
a. Demolition of 3 housing units	35
Program Decreases	
a. M&R Dwellings	-79
b. M&R Other Real Property	-10
FY 2001 President's Budget Request	316

**LEASING SUMMARY
FAMILY HOUSING, DEFENSE-WIDE
FY 2001**

The FY 2001 leasing request by agency is as follows:

	<u>FY 1999 Actual</u>		<u>FY 2000 Estimate</u>		<u>FY 2001 Request</u>	
	<u>Total Cost (\$000)</u>	<u>No Units</u>	<u>Total Cost (\$000)</u>	<u>No. Units</u>	<u>Total Cost (\$000)</u>	<u>No. Units</u>
National Security Agency						
Gross Obligations	11,570	500	13,299	525	12,554	535
Reimbursements	-	-	-	-	-	-
Direct Obligations	11,570	500	13,299	525	12,554	535
Defense Intelligence Agency						
Gross Obligations		350		400		450
Reimbursements						
Direct Obligations	17,690	350	22,132	400	25,924	450
Total Appropriation	29,260	850	35,431	925	38,478	985

The Defense Agency leases are located exclusively overseas, in many cases at remote locations where housing comparable to western standards is scarce or nonexistent. Leasing in areas where suitable housing is in short supply is very expensive which accounts for the fact that the bulk of the high cost leases are concentrated in the Defense Agencies. These lease units support both activities in classified locations and the Defense Attaché System. Host government restrictions, security requirements, and safety and health improvements add additional costs to these leases in many locations. Detailed justification by agency is provided on the following pages.

**NATIONAL SECURITY AGENCY
FAMILY HOUSING DEFENSE-WIDE
Analysis of Leased Units
FY 2001**

<u>Location</u>	<u>Units Auth.</u>	<u>FY 1999 Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	<u>FY 2000 Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	<u>FY 2001 Lease Months</u>	<u>Cost (\$000)</u>
Domestic Leases									
None									
Foreign Leases									
Standard	300	3,600	6,570	315	3,780	7,996	325	3,900	7,251
Special Crypto Activities	200	2,400	5,000	210	2,520	5,303	210	2,520	5,303
Total Foreign Leases	500	6,000	11,570	525	6,300	13,299	535	6,420	12,554
Grand Total	500	6,000	11,570	525	6,300	13,299	535	6,420	12,554

**NATIONAL SECURITY AGENCY
FAMILY HOUSING, DEFENSE-WIDE
Leasing
FY 2001**

Reconciliation of Increases and Decreases

Leasing	(\$000)
FY 2000 President's Budget Request	13,299
FY 2000 Appropriated Amount	13,299
Price Growth	
a. Inflation	+200
b. Foreign Currency	0
Program Increases	-
Program Decreases	
a. Funding Realignment and other adjustments	-945
FY 2001 President's Budget Request	12,554

**DEFENSE INTELLIGENCE AGENCY
FAMILY HOUSING DEFENSE-WIDE
Analysis of Leased Units
FY 2001**

<u>Location</u>	<u>Units Auth.</u>	<u>FY 1999 Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	<u>FY 2000 Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	<u>FY 2001 Lease Months</u>	<u>Cost (\$000)</u>
Domestic Leases									
None									
Foreign Leases									
Classified Locations*	350	3,748	18,862	400	4348	21,367	500	4891	28,724
Reimbursable			(1,172)			(2,712)			(2,800)
Total Foreign Leases	350	3,748	17,690	400	4348	18,847	500	4891	25,924
Grand Total	350	3,748	17,690	400	4348	18,847	500	4891	25,924

*Due to their sensitive nature, this information can be provided to the committee separately.

**DEFENSE INTELLIGENCE AGENCY
FAMILY HOUSING, DEFENSE-WIDE
Leasing**

An important element of DIA's mission is the operation and management of the Defense Attache System for the Defense Attache Offices located at U.S. embassies in capital cities around the world. The FY 2001 request provides for an increase in the Leasing account. The funds added starting in FY 1999 will fix shortfalls created by the unplanned inflation and high lease costs in the Commonwealth of Independent States, Peoples Republic of China and other high cost locations.

Reconciliation of Increases and Decreases

<u>Leasing</u>	<u>(\$000)</u>
FY 2000 President's Budget Request	22,265
FY 2000 Appropriated Amount	22,265
Government-wide rescission	-133
Price Growth (Inflation)	332
Program Increases	
a. Increased costs associated with opening new DAOs	623
b. Increase costs for ICASS	1,175
c. Additional costs associated with 38 new leases worldwide	1,662
Program Decreases	0
FY 2001 President's Budget Request	25,924