

**FAMILY HOUSING, DEFENSE-WIDE
FY 2005 BUDGET ESTIMATE**

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**FAMILY HOUSING, DEFENSE-WIDE
PROGRAM SUMMARY
FY 2005**

(Dollars in Thousands)

	<u>NSA</u>	<u>DIA</u>	<u>DLA</u>	<u>Total</u>
New Construction	-	-	-	-
Improvements	49	-	-	49
Planning and Design	-	-	-	-
Construction Subtotal	49	-	-	49
Operations	563	3,925	405	4,893
Utilities	471	0	419	890
Maintenance	1,939	0	397	2,336
Leasing	11,257	30,199	0	41,456
O&M Subtotal	14,230	34,124	1,221	49,575
Reimbursable Program	-	3,500	-	3,500
Total Program	14,279	37,624	1,221	53,075

**APPROPRIATIONS LANGUAGE
FAMILY HOUSING, DEFENSE-WIDE
FY 2005**

FAMILY HOUSING CONSTRUCTION, DEFENSE-WIDE

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, as authorized by law, \$49,000, to remain available until September 30, 2009.

FAMILY HOUSING OPERATION AND MAINTENANCE, DEFENSE-WIDE

For expenses of family housing for the activities and agencies of the Department of Defense (other than the military departments) for operation and maintenance, leasing, and minor construction, as authorized by law, \$49,575,000.

**FAMILY HOUSING CONSTRUCTION, DEFENSE-WIDE
FY 2005**

The FY 2004 Family Housing Construction, Defense-wide request is \$49,000. The National Security Agency requests \$49,000 in Post Acquisition Construction funds to improve 27 family housing units at overseas locations.

1. Component NSA	FY 2005 MILITARY CONSTRUCTION PROJECT DATA			2. Date Feb 2004
3. Installation and Location: RAF Menwith Hill, Harrogate, UK		4. Project Title Storm Water Drainage Upgrade		
5. Program Element	6. Category Code 711	7. Project Number NA	8. Project Cost (\$000) 49	
9. COST ESTIMATES				
Item	U/M	Quantity	Unit Cost	Cost (\$000)
Post Acquisition Construction				49
Total Request				49
10. DESCRIPTION OF PROPOSED CONSTRUCTION: This project will construct new surface water drainage systems for the Station's Family Housing plant rooms. The project will also upgrade existing defective soak-aways.				
11. REQUIREMENT: 111 DU ADEQUATE: 27 DU SUBSTANDARD: 84 DU				
PROJECT: Construct new surface water drainage systems at 111 on-station family housing units. These funds will enable the completion of the new system for approximately 27 units.				
REQUIREMENT: Excavate and install new rain gullies and provide new drainage systems to the nearest inspection chamber. Repair damage to inspection chambers and concrete sidewalks.				
CURRENT SITUATION: The surface water from the plant room's rain water pipes is not connected to the existing housing surface water drainage system. The soak-aways were constructed during the late 1950's and are not working efficiently.				
IMPACT IF NOT PROVIDED: There will be a continual deterioration of the existing defective soak-away. The plant room water pipes will continue to be discharged onto the sidewalks. This will compound the problem of ponding and icing of sidewalks during the winter months.				
Point of Contact:				

**FAMILY HOUSING OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2005**

The FY 2005 Family Housing Operation and Maintenance, Defense-Wide request is \$8,119,000. The Operation and Maintenance includes 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 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>			
Units in Being Beginning of Year	390	387	387			
Units in Being End of Year	387	387	387			
Average Inventory for Year	389	387	387			
Units Requiring O&M Funding						
a. Conterminous U.S.	203	201	201			
b. U.S. Overseas	186	186	186			
c. Foreign	-	-	-			
d. Worldwide	389	387	387			
	<u>FY 2003</u>		<u>FY 2004</u>		<u>FY 2005</u>	
	Unit	Total	Unit	Total	Unit	Total
	Cost*	Cost	Cost*	Cost	Cost*	Cost
	(\$)	(\$000)	(\$)	(\$000)	(\$)	(\$000)
<u>Funding Requirements</u>						
1. Operation						
a. Management	825	321	780	302	791	306
b. Services	1,674	651	1,233	477	1,181	457
c. Furnishings	9,576	3,725	10,305	3,988	10,535	4,077
d. Miscellaneous	49	19	132	51	137	53
Subtotal-Gross Obligations	12,123	4,716	12,450	4,818	12,643	4,893
Anticipated Reimbursements	-	200	-	200	-	200
2. Utilities Operations						
Anticipated Reimbursements	2,085	811	2,132	825	2,300	890
3. Maintenance						
a. M&R Dwellings	2,907	1,131	7,597	2,940	5,992	2,319
b. M&R Exterior Utilities	0	0	0	0	0	0
c. M&R Other Real Property	41	16	4,248	1,644	41	16
d. Alterations & Additions	0	0	3	1	3	1
Subtotal-Gross Obligations	2,949	1,147	11,848	4,585	6,036	2,336
Anticipated Reimbursements	-	-	-	-	-	-
Total Direct Obligations	17,157	6,674	26,429	10,228	20,979	8,119
Total Anticipated Reimbursements		200		200		200

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

**NATIONAL SECURITY AGENCY
PROGRAM SUMMARY
FY 2005**

(Dollars in Thousands)

	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
New Construction	-	-	-
Improvements	50	50	49
Planning and Design	-	-	-
Construction Subtotal	50	50	49
Utilities	404	413	471
Operations	608	581	563
Maintenance	718	2,528	1,939
Leasing	9,831	11,987	11,257
O&M Subtotal	11,561	15,509	14,230
Total Program	11,611	15,559	14,279

**NATIONAL SECURITY AGENCY
OPERATION AND MAINTENANCE SUMMARY
(Excludes Leased Units and Costs)**

<u>Inventory Data</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>			
Units in Being Beginning of Year	186	186	186			
Units in Being End of Year	186	186	186			
Average Inventory for Year	186	186	186			
Units Requiring O&M Funding						
a. Conterminous U.S.						
b. U.S. Overseas	186	186	186			
c. Foreign						
d. Worldwide						
	<u>FY 2003</u>		<u>FY 2004</u>		<u>FY 2005</u>	
	Unit Cost*	Total Cost	Unit Cost*	Total Cost	Unit Cost*	Total Cost
	(\$)	(\$000)	(\$)	(\$000)	(\$)	(\$000)
<u>Funding Requirements</u>						
1. Operations						
a. Management	0	0	70	13	70	13
b. Services	3,140	584	2,178	405	2,048	381
c. Furnishings	27	5	602	112	624	116
d. Miscellaneous	102	19	274	51	285	53
Direct Obligations-Operations	3,269	608	3,124	581	3,027	563
Anticipated Reimbursements	-	-	-	-	-	-
Subtotal-Gross Obligations	3,269	608	3,124	581	3,027	563
2. Utilities						
Direct Obligations-Utilities	2,172	404	2,220	413	2,532	471
Anticipated Reimbursements	-	-	-	-	-	-
Subtotal-Gross Obligations	2,172	404	2,220	413	2,532	471
3. Maintenance						
a. M&R Dwellings	3,806	708	13,516	2,514	10,339	1,923
b. M&R Exterior Utilities	-	-	-	-	-	-
c. M&R Other Real Property	54	10	75	14	86	16
d. Alterations & Additions	-	-	-	-	-	-
Direct Obligations-Maintenance	3,860	718	13,591	2,528	10,425	1,939
Anticipated Reimbursements	-	-	-	-	-	-
Subtotal-Gross Obligations	3,860	718	13,591	2,528	10,425	1,939
Total Direct Obligations	9,301	1,730	18,935	3,522	15,984	2,973
Anticipated Reimbursements	-	-	-	-	-	-
Total Gross Obligations	9,301	1,730	18,935	3,522	15,984	2,973

*Based on total number of government owned units.

**NATIONAL SECURITY AGENCY
OPERATION AND MAINTENANCE
Reconciliation of Increases and Decreases**

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 2004 President's Budget Request	581
2.	FY 2004 Appropriated Amount	581
3.	Price Growth	
a.	Inflation	8
4.	Program Decrease	
a.	Closure of two sites, relocation of one site	-26
5.	FY 2005 Budget Request	563

Utilities:

1.	FY 2004 President's Budget Request	413
2.	FY 2004 Appropriated Amount	413
3.	Price Growth	
a.	Inflation	6
4.	Program Increase	52
5.	FY 2005 Budget Request	471

Maintenance:

1.	FY 2004 President's Budget Request	2,528
2.	FY 2004 Appropriated Amount	2,528
3.	Price Growth	
a.	Inflation	35
4.	Program Decrease	
a.	FY 2004 one time increase to cover maintenance backlog	-624
5.	FY 2005 Budget Request	1,939

**DEFENSE INTELLIGENCE AGENCY
PROGRAM SUMMARY**

FY 2005

(Dollars in Thousands)

	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
New Construction	-	-	-
Improvements	-	-	-
Planning and Design	-	-	-
Construction Subtotal	-	-	-
Operations	3,689	3,844	3,925
Utilities	0	0	0
Maintenance	0	0	0
Leasing	26,220	27,225	30,199
O&M Subtotal	29,909	31,069	34,124
Reimbursable Program	3,400	3,500	3,500
Total Program	33,309	34,569	37,624

One of the missions of the Defense Intelligence Agency (DIA) is operation and support of 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 (DAO), which are organic elements of U.S. Diplomatic Missions.

The U.S. Embassy housing board controls assignment of quarters for the attaché and support staff. Housing is provided to DAO personnel 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 2005 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 costs which include lease, utilities, residential security 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) system and Memoranda of Understanding.

**DEFENSE INTELLIGENCE AGENCY
OPERATION AND MAINTENANCE SUMMARY
(Excludes Leased Units and Costs)
FY 2005**

	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
<u>Inventory Data</u>			
Units in Being Beginning of Year	-	-	-
Units in Being End of Year	-	-	-
Average Inventory for Year	-	-	-
Units Requiring O&M Funding			
a. Conterminous U.S.	-	-	-
b. U.S. Overseas	-	-	-
c. Foreign	-	-	-
d. Worldwide	-	-	-

Note: All DIA family housing units are leased.

	<u>FY 2003</u>		<u>FY 2004</u>		<u>FY 2005</u>	
	Unit Cost* (\$)	Total Cost (\$000)	Unit Cost* (\$)	Total Cost (\$000)	Unit Cost* (\$)	Total Cost (\$000)
<u>Funding Requirements</u>						
1. Operations						
a. Management	-	-	-	-	-	-
b. Services	-	-	-	-	-	-
c. Furnishings	44	3,689	44	3,844	45	3,925
d. Miscellaneous	-	-	-	-	-	-
Direct Obligations-Operations	44	3,689	44	3,844	45	3,925
Anticipated Reimbursements	-	200	-	200	-	200
Subtotal-Gross Obligations	44	3,889	44	4,044	45	4,125
2. Utilities						
Direct Obligations-Utilities	-	-	-	-	-	-
Anticipated Reimbursements	-	-	-	-	-	-
Subtotal-Gross Obligations	-	-	-	-	-	-
3. Maintenance						
a. M&R Dwellings	-	-	-	-	-	-
b. M&R Exterior Utilities	-	-	-	-	-	-
c. M&R Other Real Property	-	-	-	-	-	-
d. Alterations & Additions	-	-	-	-	-	-
Direct Obligations-Maintenance	-	-	-	-	-	-
Anticipated Reimbursements	-	-	-	-	-	-
Subtotal-Gross Obligations	-	-	-	-	-	-
Total Direct Obligations	44	3,689	44	3,844	45	3,925
Anticipated Reimbursements	-	200	-	200	-	200
Total Gross Obligations	44	3,889	44	4,044	45	4,125

*Based on total number of government owned units.

**DEFENSE INTELLIGENCE AGENCY
OPERATION AND MAINTENANCE
Reconciliation of Increases and Decreases
Operations**

The FY 2005 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>(\$000)</u>
1. FY 2004 President's Budget Request	3,844
2. FY 2004 Appropriated Amount	3,844
3. Price Growth (Inflation)	54
4. Program Increases	
a. Increased costs due to additional personnel assigned in support of Defense Attaché System operations worldwide.	27
5. FY 2005 Budget Request	3,925

Increased costs due to additional personnel assigned in support of the Defense Attaché System operations worldwide.

**DEFENSE INTELLIGENCE AGENCY
OPERATION AND MAINTENANCE
Furnishings Summary
FY 2005**

(Dollars in Thousands)

	Furnishings less Hsldhold Equip					Household Equipment					Total Furnishings				
	<u>Mvg/ Hdlg</u>	<u>Maint /Repr</u>	<u>Repl ment</u>	<u>Init Issue</u>	<u>Total</u>	<u>Mvg/ Hdlg</u>	<u>Maint /Repr</u>	<u>Repl ment</u>	<u>Init Issue</u>	<u>Total</u>	<u>Mvg/ Hdlg</u>	<u>Maint /Repr</u>	<u>Repl ment</u>	<u>Init Issue</u>	<u>Total</u>
FY 03															
CONUS															
US O/S															
Foreign	373	164	1,110	565	2,212	292	102	597	486	1,477	665	266	1,707	1,051	3,689
Public															
Private															
Total	373	164	1,110	565	2,212	292	102	597	486	1,477	665	266	1,707	1,051	3,689
FY04															
CONUS															
US O/S															
Foreign	383	177	1,125	595	2,280	297	117	624	526	1,564	680	294	1,749	1,121	3,844
Public															
Private															
Total	383	177	1,125	595	2,280	297	117	624	526	1,564	680	294	1,749	1,121	3,844
FY05															
CONUS															
US O/S															
Foreign	392	181	1,154	606	2,333	302	119	638	533	1,592	694	300	1,792	1,139	3,925
Public															
Private															

Total	392	181	1154	606 2,333	302	119	638	533 1,592	694	300	1,792	1,139 3,925
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**DEFENSE LOGISTICS AGENCY
PROGRAM SUMMARY
FY 2005**

(Dollars in Thousands)

	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
New Construction	-	-	-
Improvements	5,430	-	-
Planning and Design	-	300	-
Subtotal Construction	5,430	300	0
Operation	419	393	405
Utilities	407	412	419
Maintenance	429	2,057	397
Leasing	-	-	-
Subtotal O&M	1,255	2,862	1,221
Reimbursable Program	-	-	-
Total Program	6,685	3,162	1,221

The Defense Logistics Agency (DLA) has a family housing inventory of two hundred, one (201) units. There are 31 units located at Defense Supply Center Richmond, Virginia, and 170 units at the Defense Distribution Center; 140 at the Susquehanna, Pennsylvania depot and 30 at the San Joaquin, California depot. Of the total units, 18 were built in 1975 and 1976; the remaining 183 were built prior to 1960. Of the older units, the 30 at San Joaquin were completely renovated in FY 1989. Renovation of 54 of the 140 units at Susquehanna was completed in FY 2001, with an additional 34 units being completed in FY 2002. The improvement funding completes the renovation project with 38 units in FY 2003 and 14 units in FY 2004.

The FY 2005 budget request supports routine operation requirements that include management costs, utility costs, and replacement of household appliances. This request also supports routine and cyclical maintenance requirements that include a kitchen and bathroom partial rehabilitation project, window replacement, floor refinishing and interior and exterior painting.

**DEFENSE LOGISTICS AGENCY
OPERATION AND MAINTENANCE SUMMARY
(Excludes Leased Units and Costs)**

	<u>FY 2003</u>		<u>FY 2004</u>		<u>FY 2005</u>	
<u>Inventory Data</u>						
Units in Being Beginning of Year	204		201		201	
Units in Being End of Year	201		201		201	
Average Inventory for Year	203		201		201	
 Units Requiring O&M Funding						
a. Conterminous U.S.	203		201		201	
b. U.S. Overseas	-		-		-	
c. Foreign	-		-		-	
d. Worldwide	-		-		-	
	<u>FY 2003</u>		<u>FY 2004</u>		<u>FY 2005</u>	
	Unit	Total	Unit	Total	Unit	Total
	Cost*	Cost	Cost*	Cost	Cost*	Cost
	(\$)	(\$000)	(\$)	(\$000)	(\$)	(\$000)
<u>Funding Requirements</u>						
1. Operation						
a. Management	1,581	321	1,438	289	1,458	293
b. Services	330	67	358	72	378	76
c. Furnishings	153	31	159	32	179	36
d. Miscellaneous	-	-	-	-	-	-
Subtotal-Gross Obligations	2,064	419	1,955	393	2,015	405
Anticipated Reimbursements	-	-	-	-	-	-
Direct Obligations-Operations	2,064	419	1,955	393	2,015	405
2. Utilities Operations	2,005	407	2,050	412	2,085	419
Anticipated Reimbursements	-	-	-	-	-	-
Direct Obligations-Utilities	2,005	407	2,050	412	2,085	419
3. Maintenance						
a. M&R Dwellings	2,084	423	2,119	426	1,970	396
b. M&R Exterior Utilities	0	0	0	0	0	0
c. M&R Other Real Property	30	6	8,109	1,630	0	0
d. Alterations & Additions	0	0	5	1	5	1
Subtotal-Gross Obligations	2,113	429	10,234	2,057	1,975	397
Anticipated Reimbursements	-	-	-	-	-	-
Direct Obligations-Maintenance	2,113	429	10,234	2,057	1,975	397
Grand Total O&M	6,182	1,255	14,239	2,862	6,075	1,221

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

**DEFENSE LOGISTICS AGENCY
OPERATION AND MAINTENANCE
Reconciliation of Increases and Decreases**

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. Operation also includes management costs associated with the administration of the family housing program. Also included are supplies and equipment required to support the management personnel and to operate the housing office.

The operation requirement for FY 2005 is slightly higher than the FY 2004 budget request. This is attributed to an increase in services and furnishings (equipment and appliances) as renovations in Susquehanna are completed and units are occupied.

Utilities – Included in this category of costs are electricity, gas, fuel oil, water and sewage requirements. The utility costs for FY 2005 remain in line with the FY 2004 levels. The slight increase will accommodate the continued increase in the price of natural gas. With the completion of the renovation project at Susquehanna, all 140 units will be occupied in FY 2005. This, along with the addition of central air conditioning in the renovated units will result in an increase in electricity consumption. However, the additional costs will be offset by energy-efficient measures that were incorporated during renovation of the units.

Additionally, DLA has other ongoing efforts that will ensure compliance with the energy efficiency goals outlined in Executive Order 12759. Energy-efficient water heaters have been installed in the San Joaquin units. Walls and ceilings are being insulated to meet current energy standards. Kitchen appliances are replaced with new, energy efficient appliances, and tenants are issued guidelines on how to save energy in family housing units.

Maintenance – This category of costs supports routine and cyclical maintenance requirements such as floor refinishing and interior and exterior painting. Included in this request is the final phase of the kitchen cabinet/countertop and bathroom vanity replacement project at San Joaquin. The FY 2005 request is a significant decrease from the FY 2004 budget which included a \$1.6 million paving, sewer and water line project at Susquehanna. An additional contributor to the decrease is a reduced requirement for the Richmond units. A whole-house renovation project is currently planned for these units in FY 2006, so only minimal and necessary maintenance work will be done during FY 2005.

DEFENSE LOGISTICS AGENCY**FY 2005**

(Dollars in Thousands)

Reconciliation of Increases and Decreases**Operation**

1. FY 2004 President's Budget Request	393
2. FY 2004 Appropriated Amount	393
3. Price Growth	
a. Inflation	5
4. Program Increases	
a. Operations costs at Susquehanna	7
5. FY 2005 Budget Request	405

Utilities

FY 2004 President's Budget Request	412
1. FY 2004 Appropriated Amount	412
2. Price Growth	
a. Inflation	5
b. Increase in price of natural gas	2
4. FY 2005 Budget Request	419

Maintenance

FY 2004 President's Budget Request	2,057
1. FY 2004 Appropriated Amount	2,057
2. Price Growth	
a. Inflation	27
3. Program Decreases	
a. Completion of the FY 2004 paving project at Susquehanna	-1,651
b. Maintenance of dwellings at Richmond	-36
5. FY 2005 Budget Request	397

**DEFENSE LOGISTICS AGENCY
OPERATION AND MAINTENANCE
Furnishings Summary
FY 2005**

(Dollars in Thousands)

	Furnishings less Household Equip					Household Equipment					Total Furnishings				
	<u>Movg/ Hdling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>	<u>Movg/H dling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>	<u>Movg/ Hdling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>
FY 2003															
CONUS						8.5	2.5	16.0	4.0	31.0	8.5	2.5	16.0	4.0	31.0
US O/S															
Foreign															
Public															
Private															
Total	0	0	0	0	0	8.5	2.5	16.0	4.0	31.0	8.5	2.5	16.0	4.0	31.0
FY 2004															
CONUS						6.0	6.0	18.5	1.0	31.5	6.0	6.0	18.5	1.0	31.5
US O/S															
Foreign															
Public															
Private															
Total	0	0	0	0	0	6.0	6.0	18.5	1.0	31.5	6.0	6.0	18.5	1.0	31.5
FY 2005															
CONUS						5.5	6.5	23.3	1.0	36.3	5.5	6.5	23.3	1.0	36.3
US O/S															
Foreign															
Public															
Private															
Total	0	0	0	0	0	5.5	6.5	23.3	1.0	36.3	5.5	6.5	23.3	1.0	36.3

**LEASING SUMMARY
FAMILY HOUSING, DEFENSE-WIDE
FY 2004**

**LEASING SUMMARY
FAMILY HOUSING, DEFENSE-WIDE
FY 2005**

The FY 2005 leasing request by agency is as follows:

	<u>FY 2003 Actual</u>		<u>FY 2004 Estimate</u>		<u>FY 2005 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>
<u>National Security Agency</u>						
Direct Obligations	9,831	448	11,987	468	11,257	475
Reimbursements	-	-	-	-	-	-
Gross Obligations	9,831	448	11,987	468	11,257	475
<u>Defense Intelligence Agency</u>						
Direct Obligations	26,220	500	27,225	500	30,199	500
Reimbursements	3,200		3,300		3,300	
Gross Obligations	29,420	500	30,525	500	33,499	500
Total Appropriation	36,051	948	39,212	968	41,456	975

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
OPERATION AND MAINTENANCE
Analysis of Leased Units
FY 2005**

<u>Location</u>	FY 2003			FY 2004			FY 2005		
	<u>Units Auth.</u>	<u>Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	<u>Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	<u>Lease Months</u>	<u>Cost (\$000)</u>
Domestic Leases									
None									
Foreign Leases									
Standard	230	2,760	4,817	235	2,820	5,954	2412,892	5,173	
Special Crypto Activities	218	2,616	5,014	233	2,796	6,033	234	2,808	6,084
Total Foreign Leases	448	5,376	9,831	468	5,616	11,987	475	5,700	11,257
Grand Total	448	5,376	9,831	468	5,616	11,987	475	5,700	11,257

**NATIONAL SECURITY AGENCY
OPERATION AND MAINTENANCE
Leasing**

Reconciliation of Increases and Decreases

	<u>(\$000)</u>
Leasing:	
1. FY 2004 President's Budget Request	11,987
2. FY 2004 Appropriated Amount	11,987
3. Price Growth	
a. Inflation	168
4. Program Decrease	
a. Closure of two sites and relocation of one site	-898
6. FY 2005 Budget Request	11,257

**DEFENSE INTELLIGENCE AGENCY
OPERATION AND MAINTENANCE
Analysis of Leased Units
FY 2005**

<u>Location</u>	<u>Units Auth.</u>	FY 2003 <u>Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	FY 2004 <u>Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	FY 2005 <u>Lease Months</u>	<u>Cost (\$000)</u>
Domestic Leases									
None									
Foreign Leases									
Classified Locations*	500	5,548	26,220	500	5,560	27,225	500	5,572	30,199
Reimbursable			3,200			3,300			3,300
Total Foreign Leases	500	5,548	29,420	500	5,560	30,525	500	5,572	33,499
Grand Total	500	5,548	29,420	500	5,560	30,525	500	5,572	33,499

*Due to the sensitive nature of this information, country detail, to include lease months, can be provided to the committee through channels.

**DEFENSE INTELLIGENCE AGENCY
OPERATION AND MAINTENANCE
Leasing**

An important element of DIA's mission is the operation and management of the Defense Attaché System (DAS) which consists of Defense Attaché Offices (DAOs) located at U.S. embassies in capital cities around the world. The FY 2005 budget request for DIA includes funding associated with ICASS, residential security and leases costs for the DAS which operates in many high cost and high threat areas worldwide.

<u>Reconciliation of Increases and Decreases</u>		<u>(\$000)</u>
1. FY 2004 President's Budget Request		27,225
2. FY 2004 Appropriated Amount		27,225
3. Price Growth (Inflation)		381
4. Program Increases		
a. Increased costs for ICASS, residential security and additional personnel assigned in support of Defense Attaché System operations worldwide.		2,593
5. FY 2005 Budget Request		30,199

Increased costs for ICASS, residential security and additional personnel assigned in support of Defense Attaché System operations worldwide