

Photo by Barbara Dindl, Fort Drum Housing Office



Real Estate Program Places Military Families in Homes

By Dr. JoAnne Castagna

While stationed in Denmark in 2006, a military couple was living in a tight two-bedroom townhouse with four newly adopted teenage sisters. Their Family grew quite large, quite fast. Living in these crowded conditions, and not thinking that life could get even more challenging, the Army called the Soldier to Afghanistan and the wife to Fort Drum, New York. She packed up her daughters and arrived at the installation in urgent need of a home. Fort Drum, located on 107,265 acres in upstate New York's North Country, is home to the Army's 10th Mountain Division, which trains and deploys thousands of troops.

Because of the Army's new way of doing business, hundreds of military Families are now being stationed stateside. The Army is experiencing its biggest organizational change since World War II. It's changing from a force that was prepared to take on one or two potential wars at one time to an expeditionary force that can deploy continuously to different parts of the

world to fight the War on Terrorism. This restructuring is requiring Soldiers and their Families serving overseas to return stateside, resulting in an urgent need for quality housing.

To prepare for this, Army installations such as Fort Drum are eliminating inadequate housing and facilities and improving and constructing others. The United States Army Corps of Engineers®, the Army's construction agent, is

building barracks for single Soldiers on the installation. But while Family housing is being built, military Families need affordable offpost housing. The Army, which is traditionally about 80 percent rental, provides Soldiers a base allotment toward housing, whether they reside on- or offpost.

In February 2005, the Fort Drum housing team informed the Corps's New York District that 2,100 temporary,



Photo by Barbara Dindl, Fort Drum Housing Office

A developer renovated a school to be used as homes for Fort Drum military Families.



The Divarty Barracks are being constructed at Fort Drum to house single Soldiers.

affordable, quality homes outside of the installation, but within commuting distance, were needed by 2009. New York District personnel, in cooperation with the housing team, began researching the nearby civilian community. The area within a 30-mile radius of Fort Drum is semirural, and the area outside the 30-mile radius is completely rural; Syracuse, New York, is the nearest city.

The New York District created the Domestic Lease Program around the same time. The program encourages land developers to construct or rehabilitate new housing specifically for Soldiers and their Families at installations where housing is hard to find. Under the program, developers are offered a government lease. The developer provides the money for utility services, refuse collection, and maintenance when they are not part of the lease contract.

The District began an education campaign within the 30-mile radius of Fort Drum to inform residents about the program and the Army's need for quality housing. They also placed advertisements in local newspapers, posted flyers, mailed letters, and made telephone calls to a host of institutions—including banks and financial lenders, real estate property associations, community groups, realtors, churches, the Chamber of Commerce, apartment complexes, land surveyors, and assessors. The District encouraged banks and financial institutions to lend money for construction, refurbishments, and new development of housing in a moderate and affordable range. They also worked

with interested developers on their unique development needs, educated them about the market, and offered assistance with state and local officials. In addition, the District held meetings with mayors and city and town officials to express the positive economic impact the program would have on their community, and they spoke with the county office responsible for certificates of occupancy to expedite the permit process.

In the spring of 2005, developer Mike Treanor and Associates contacted the Corps about the program. The company had purchased an apartment complex close to the installation with the intent of developing the property into new housing units and thought these units might be suitable for Army Families. The Corps visited the property to ensure that it met Army housing criteria. Then the developer borrowed money from a financial lender and used it to create 33 new housing units—sending a positive message to the market early on. Since then, Mike Treanor and Associates has renovated more than 40 homes and purchased a factory to develop into an additional 32 apartments.

Clover Management, one of the largest developers of affordable housing in New York, also contacted the Corps with interest in the program. In September 2006, the company signed a contract for 103 acres just outside of Fort Drum to build 648 apartments—418 with two bedrooms and 230 with three bedrooms. The complex will also provide an Olympic-size swimming pool, a community room, and a physical fitness facility.

Military Families are benefiting from the innovative program, to include the Family that moved from Denmark. They were housed “right outside the gate” of the installation with “plenty of room, neighbors, a real yard, and room to breathe.”

The program is beneficial to other people also. The government would normally select one developer to do all of the work, but this program creates a natural free market approach with healthy competition. The New York District is encouraging other Corps districts to implement this program: the Alaska District implemented it last summer.

The Domestic Lease Program is improving the economy of the community, because it brings in more residents and revenue to the area, creates jobs for developers and service industries, and improves the infrastructure by rehabilitating existing homes and creating new ones. The program is providing quality, affordable temporary housing close to Fort Drum for military Families. The potential housing built around Fort Drum, at no cost to the government, is now more than \$100,000,000.

For more information about the Domestic Lease Program, contact the author at <joanne.castagna@usace.army.mil>.



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