

# Air Force Installation & Mission Support Center



## Department of the Air Force Enhanced Use Lease (EUL) Program

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**Installations Directorate**  
**29 Oct 24**

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- **What is an EUL?**
- **EUL Opportunities – the Basics**
- **DAF EUL, EAL, & EAE Program – the Stats!**
- **Project Locations**
- **Benefits**
- **DAF Successes**
- **More Information**

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# What is an EUL?

**EULs  
Are**

**Self-sustaining**

EUL development proposals must be self-sustaining; developer proposal cannot rely on the AF for financial viability or AF subsidization

**Market Driven**

Development is market driven and at highest and best use; developer is responsible for development proposal not the AF

**Benefits the AF &  
local community**

AF receives cash rent payments and In-kind consideration (IKC) in return for right to develop leased property; value received by the AF is dependent on the property valuation (i.e., Fair Market Value determined by an appraisal)!; meets a community need!

**Developer Owned &  
Operated**

Lessee is responsible for project utilities, infrastructure and services and state and local government taxes

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# ***EUL Program – the Basics***



- **Installations submit EUL proposals to AFCEC/CIUE**
  - **Proposals are reviewed and evaluated to determine feasibility**
  - **If approved, project proceeds, step by step, to project definition, acquisition and lease negotiations and closing**
- **EUL opportunities are competed and follow a FAR-like process**
  - **Requests for Information and Requests for Lease Proposals are posted at SAM.gov**
  - **Unsolicited proposals no accepted**
- **Air Force must receive at least fair market lease value as lease payments and/or In-kind consideration (10 United States Code Section 2667)**
- **Development must be compatible with installation's mission**
- **Lease period is usually 50 years**

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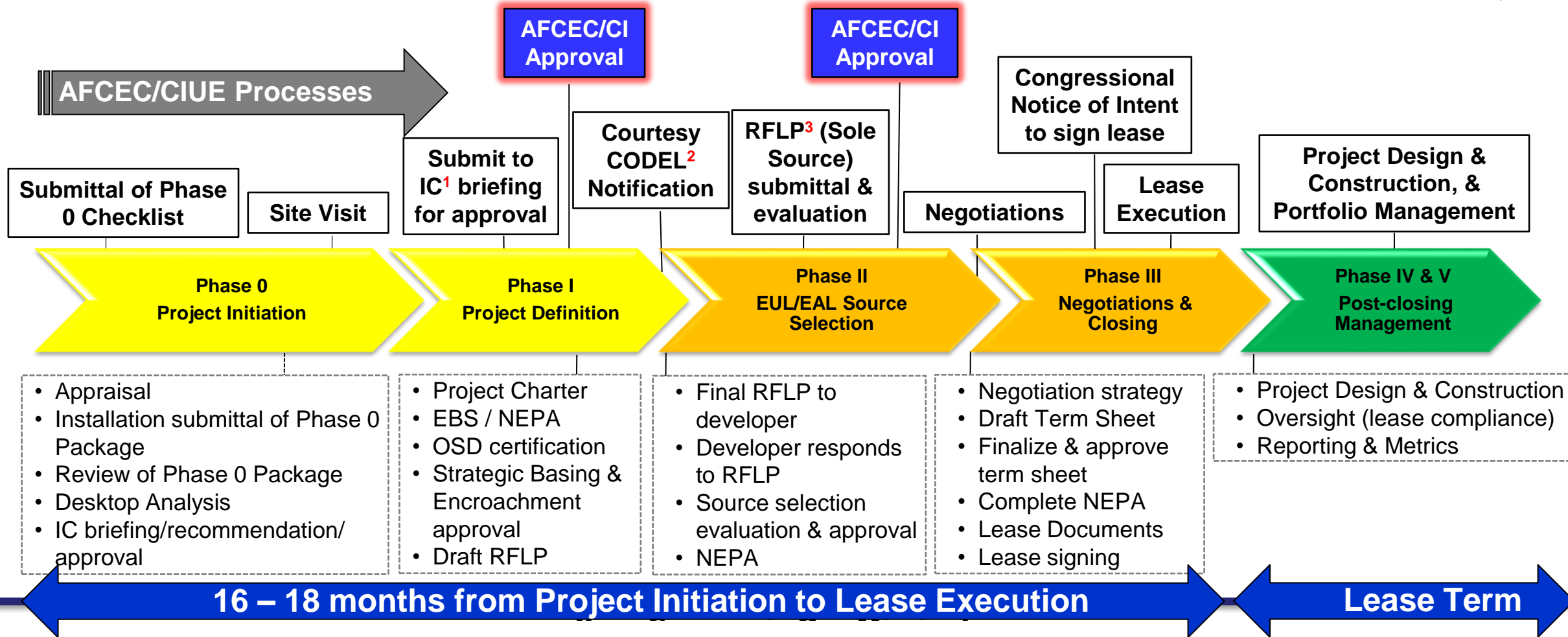
# EUL Program - the Basics (Cont.)



## Project Development

## Lease & Project Execution

## Manage Portfolio



<sup>1</sup> IC: Investment Committee

<sup>2</sup> CODEL: Congressional Notification to the Congressional Delegation

<sup>3</sup> RFLP: Request for Lease Proposal



# DAF EUL, EAL & EAE Program – the Stats!



- Executed: 19 EULs, 1 EAE, & 2 EALs (active)
- In development: 6 EULs & and 1 EAE in development
- Total estimated Value Received: \$160M (NPV)
- Total Estimated Value of Portfolio: \$251M (NPV)
- Energy resiliency Value: first right to power during national emergencies or power outages

NPV – Net Present Value

EAE – Energy Assurance Easement

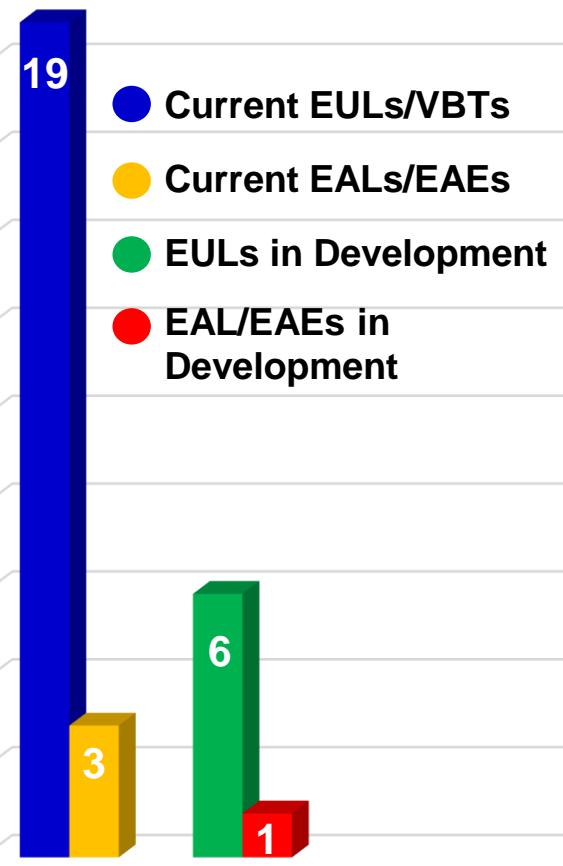
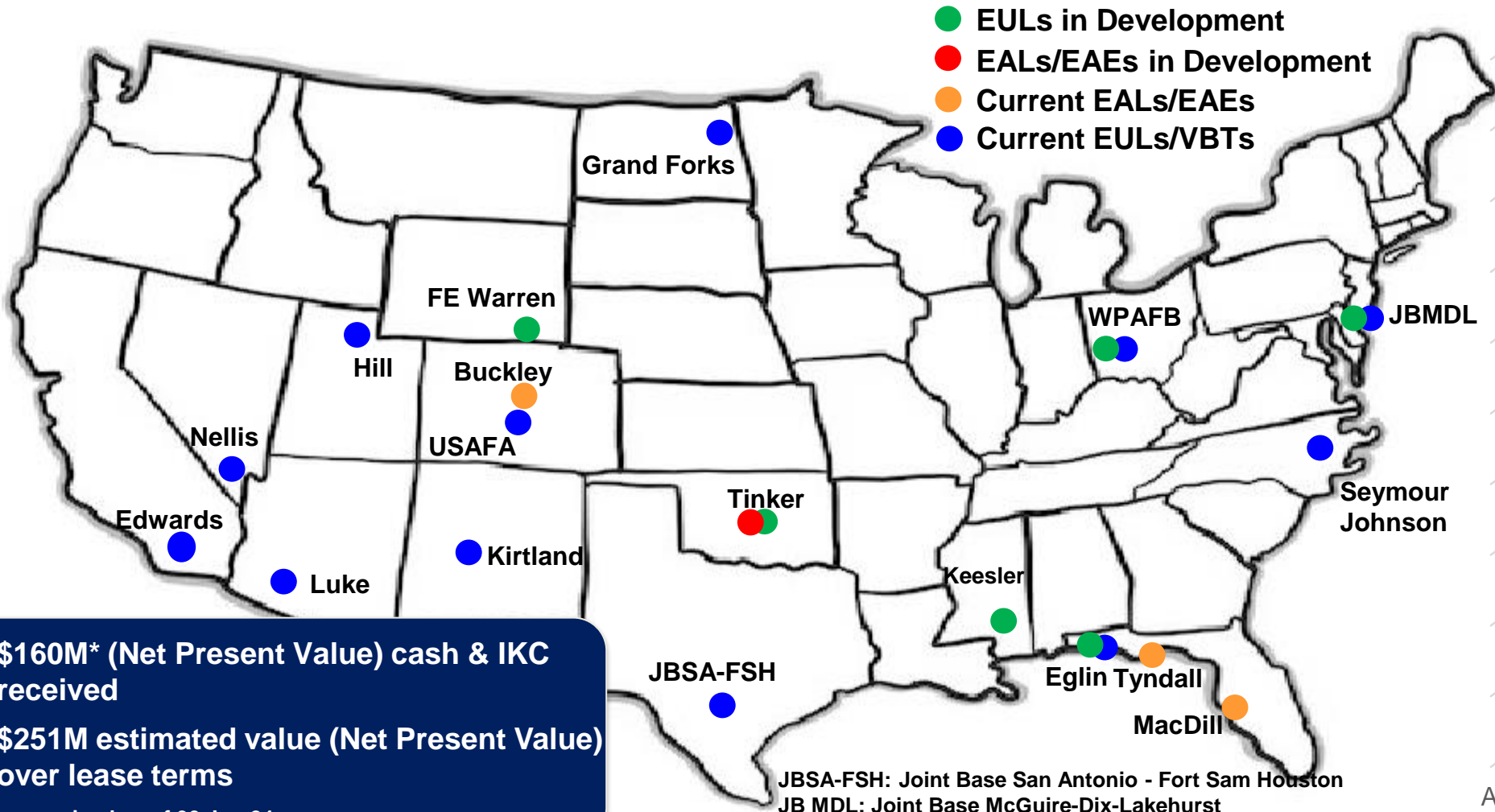
EUL – Enhanced Use Lease

EAL – Energy Assurance Lease

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# Project Locations



✓ \$160M\* (Net Present Value) cash & IKC received  
 ✓ \$251M estimated value (Net Present Value) over lease terms  
 \*Value received as of 30 Jun 24

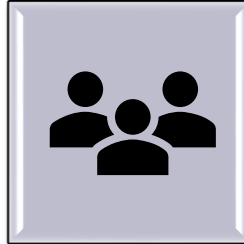
JBSA-FSH: Joint Base San Antonio - Fort Sam Houston  
 JB MDL: Joint Base McGuire-Dix-Lakehurst  
 WPAFB: Wright-Patterson AFB

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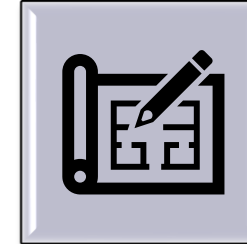
## Air Force

- Compliant with EO 13327, 10 USC § 2667 and SAF/IEI policy
- Facilitates community collaboration
- Efficient management of assets is “highest and best” use of the property
- Consideration recapitalizes AF facilities/infrastructure



## Community

- Increases local and State tax base and job opportunities as well as promotes economic development
- Supports base/State/local economic development



## Developer

- Financially beneficial business deal
- Supports “highest and best” use of real estate; single/stable landowner
- Installation site security
- Potential tax incentives and proximity to utilities
- EALs: Utility company utilizes AF leased property for infrastructure or energy facilities

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# DAF Successes



## ■ Commercial EUL projects in the AF portfolio

- Hotels
- Business, Technology, & Aviation Parks
- Sports Complex
- Solar photovoltaic arrays
- Waste Reclamation Facilities
- Mixed-use commercial development

## ■ Types of IKC received by AF

- Fitness Center - Nellis AFB, NV
- Security Gate - Hill AFB, UT
- Security Forces Bldg - Hill AFB, UT
- Sustainment, repair and maintenance (SRM) projects – multiple installations
- USAFA Visitors Center (in construction)



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# For More Information

- **10 U.S.C. § 2667, Leases: non-excess property of military departments and Defense Agencies**
  - <https://uscode.house.gov/view.xhtml?req=granuleid%3AUSC-prelim-title10-section2667&num=0&edition=prelim>
- **Executive Order (EO) 13327, Federal Real Property Asset Management**
  - <http://www.archives.gov/federal-register/executive-orders/2004.html#13327>
- **10 U.S.C. § 2911 - Energy Policy of the Department of Defense**
  - <https://www.govinfo.gov/content/pkg/USCODE-2019-title10/html/USCODE-2019-title10-subtitleA-partIV-chap173-subchapl-sec2911.htm>
- **AFI 32-9003, Granting Temporary Use of Air Force Real Property, 24 October 2018**
  - [https://static.e-publishing.af.mil/production/1/saf\\_ie/publication/afi32-9003/afi32-9003.pdf](https://static.e-publishing.af.mil/production/1/saf_ie/publication/afi32-9003/afi32-9003.pdf)
- **DAF Enhanced Use Lease Playbook**
  - <https://usaf.dps.mil/teams/10041/ceplaybooks/enhanceduselease/narrative%20documents/forms/allitems.aspx>
- **DAF EUL Brochure: [Enhanced Use Lease \(EUL\)\(CIUE\) - Home](#)**

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