



UNITED STATES MARINE CORPS  
MARINE CORPS INSTALLATIONS COMMAND  
3000 MARINE CORPS PENTAGON  
WASHINGTON, DC 20350-3000

IN REPLY REFER TO:  
11101  
GF  
**JUN 07 2021**

MARINE CORPS INSTALLATIONS COMMAND POLICY LETTER 1-21

From: Commander, Marine Corps Installations Command  
To: Distribution List

Subj: MARINE CORPS PUBLIC PRIVATE VENTURE DISPUTE RESOLUTION PROCESS

Ref: (a) 10 U.S.C. § 2890  
(b) 10 U.S.C. § 2894  
(c) DoD MHPI TBoR  
(d) ASD memo of 12 Feb 21  
(e) NAVFAC ltr Ser AM/015 of 1 Mar 21  
(f) 10 U.S.C. § 2884  
(g) NDAA FY21 Section 2811 (g) and (h)  
(h) ASN (EI&E) memo of 6 Feb 21  
(i) MCO 11000.22 Ch 1 of 22 Jan 18  
(j) USD (AT&L) memo of 16 Apr 14  
(k) MCPL Implementation of the MHPI TBoR, Item #4 (Plain Language Briefing) of 22 Apr 20  
(l) NAVSUPINST 4200.99C  
(m) Government Purchase Card Desk Guide  
(n) Simplified Acquisition Procedures Guide  
(o) Federal Acquisition Regulation

Encl: (1) Process for Dispute Resolution  
(2) Deciding Authority Roles and Responsibilities  
(3) Independent Dispute Resolution Investigator Description  
(4) Inspection Procedures  
(5) Rent Segregation

1. Situation. The Department of Defense (DoD) Military Housing Privatization Initiative (MHPI) Tenant Bill of Rights (TBoR) was signed by the DoD and all Services to ensure that their privatized housing programs provide safe and suitable housing for Service Members and their families (also referred to as "Tenants" throughout). Per references (a) and (b), the TBoR (reference (c)) includes the right for Tenants of Public Private Venture (PPV) housing to enter into a formal dispute resolution process that may include rent segregation when requested and approved. Per references (d) and (e), the Universal Lease was distributed to the Assistant Secretary of the Navy (Energy, Installations and Environment) (ASN (EI&E)) and Department of Navy (DoN) Housing PPV property manager/owners. The Universal Lease includes the PPV formal dispute resolution process. The MHPI companies have agreed to implement the formal dispute resolution process beginning on 1 June 2021.

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2. Mission. This policy letter provides standardized processes and procedures for implementing the formal dispute resolution process for Marine Corps PPV projects per references (a) through (o). This policy letter also provides consistent processes and guidance across the Marine Corps for the segregation of rents in conjunction with such formal dispute resolution processes.

3. Execution

a. Commander's Intent

(1) Purpose. Per reference, (d), enclosure (1) provides the formal dispute resolution process which allows eligible Service Members and their families who reside in privatized military housing to obtain prompt and fair resolution of housing disputes concerning rights and responsibilities in their lease agreement, including maintenance and repairs, rental payments, displacement rights, lease termination, inspections or fees and charges. As of 1 June 2021, eligible Service Members and their families living in PPV housing will be afforded the formal dispute resolution process.

(2) Method. The primary methods by which Regional Commanders, their Installation Commanders, and Military Housing Offices (MHOs) will provide the formal dispute resolution process are as follows:

(a) Per enclosure (1), utilization of the process for dispute resolution.

(b) Per enclosure (2), identification of Deciding Authority roles and responsibilities.

(c) Per enclosure (3), identification of the Independent Inspector roles and responsibilities.

(d) Per enclosure (4), adherence to the process of inspection of PPV housing.

(3) End State. MCICOM will provide standardized PPV Housing processes and procedures for implementing the formal dispute resolution process.

b. Concept of Operations. This policy guides the Marine Corps Installations Command (MCICOM), Regional Commanders, Installation Commanders, MHOs, and MHO Housing Directors/Installation Housing Program Directors (IPDs) in providing guidance on the formal dispute resolution process.

c. Tasks

(1) MCICOM

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(a) Ensure the Formal Dispute Resolution process is implemented per references (a) through (o), by providing program management, oversight, funding and policy necessary to execute the dispute resolution process.

(b) Coordinate with the DoN as required for all execution, policy, oversight, funding, and reporting activities.

(c) Provide dispute resolution findings report to ASN (EI&E) as requested on a quarterly basis, no later than thirty (30) calendar days after each fiscal quarter ends.

(d) Post reference (d), enclosure (1) (Universal Lease to publicly available MCICOM GF Housing website. Reference (d), enclosure (1) provides details on the formal dispute resolution and rent segregation processes, as noted in Section 9 and Schedule 3 of the Universal Lease.

(2) Regional Commanders

(a) Serve as the Deciding Authority for the formal dispute resolution process for Marine Corps PPV housing projects.

(b) Provide oversight and assistance to Installations in the administration and implementation of the formal dispute resolution process to include oversight of timelines, communications, and reporting requirements.

(c) Provide Regional Housing Office information on dispute resolutions as applicable, including respective Installations reports to MCICOM for roll-up on a quarterly basis no later than twenty (20) calendar days after each fiscal quarter ends for inclusion in ASN (EI&E) report of dispute resolution.

(3) Installation Commanders

(a) Manage the formal dispute resolution process at the MHO per this policy letter and references (a) through (o).

(b) Ensure the MHO follows required timelines and notifies all required parties once a completed Formal Dispute Resolution request is received.

(c) Ensure the MHO documents all related actions and inspections in the enterprise Military Housing (eMH) database. This includes the reason for the dispute resolution, submission date, final decision date and total processing time from submission to completion of the dispute resolution process for reporting purposes.

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(d) Provide the housing inspection report and any other pertinent information, to include any recommendation for corrective action, as requested by the Deciding Authority.

(e) Provide a report of all informal and formal installation dispute resolution cases to the Region on a quarterly basis, no later than ten (10) calendar days after each FY quarter ends.

(f) Distribute reference (d), enclosure (1) (Universal Lease) by posting to publicly available website. The MHO will post the dispute resolution and rent segregation processes, as noted in Section 9 and Schedule 3 of the Universal Lease.

#### 4. Administration and Logistics

a. Responsibility for the Marine Corps formal dispute resolution process is shared between MCICOM, the supported command and program manager, and Naval Facilities Engineering Command (NAVFAC), the supporting command and PPV business agreement execution agent.

b. Leaders at all levels will strongly support and advocate for residents' highest quality of life, health, and safety by ensuring correct dispute resolution processes and procedures are executed.

c. The point of contact for this policy is Mrs. Julie Barnes, 571-256-2832, email [Julie.barnes@usmc.mil](mailto:Julie.barnes@usmc.mil).

#### 5. Command and Signal

a. Command. This policy applies to MCICOM Headquarters, Regions, and Installations.

b. Signal. This policy is effective 1 June 2021.



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DISTRIBUTION: B

## Process for Dispute Resolution

1. The following, as per reference (d), enclosure (1), is the formal dispute resolution process that allows Service Members and their families who reside in privatized military housing to obtain prompt and fair housing dispute resolution concerning the rights and responsibilities in their lease agreement:

a. Attempt to Resolve at Lowest Level First. Issue resolution of disputes is encouraged at the lowest level possible. When a Service Member or their family has an issue with the PPV Property Manager/Owner's (PPV PM) responsibilities under their lease agreement, the Tenant will first attempt to resolve that issue by bringing it to the attention of the PPV PM. If Tenant and PPV PM are unable to come to resolution, the Tenant should seek resolution via the informal dispute resolution process prior to initiating the formal resolution process.

b. Informal Dispute Resolution. Per reference (i), the MHO offers an informal dispute resolution process, commonly known as Family Housing Resolution Process, to assist Service Members or their families in resolving complaints while residing in privatized housing. The informal dispute resolution process involves the following steps: (1) the Tenant contacts PPV PM to address the concern, which initiates the informal resolution process; (2) if resolution at that level is not satisfactory, the Tenant contacts the PPV PM Regional Manager to address the concern; and (3) if the issue is still unresolved, the Tenant reports the concern to the MHO Advocate and MHO Director to address their concern. To address the Tenant's concern, the MHO Advocate and/or MHO Director may be required to review or research the complaint, conduct an inspection, examine documentation, determine corrective actions as applicable, initiate cooperation, and foster resolution among all parties. Per reference (j), eMH is the established DoD enterprise information management system and authoritative data source for housing operations. All Tenant complaints received by the MHO are managed in eMH. Upon receiving an informal dispute resolution complaint, the MHO will document all relevant actions, notes, and inspection reports related to the dispute issues in the Family Housing Module (FHM) complaints component of eMH.

(1) If the issue is resolved to the satisfaction of all parties, the MHO will follow-up with all parties after thirty (30) calendar days of the original complaint and before closing the complaint. Once MHO staff have confirmed there are no outstanding or unresolved issues, the complaint will be closed in eMH.

(2) If issues are unresolved, the MHO will inform the Tenant of the formal dispute resolution process and provide reference (d), enclosure (1), exhibit A, the Request Form for Dispute Resolution Process to the Tenant and explain the process as outlined in this policy letter and on Schedule 3 of the Universal Lease. A request for formal dispute resolution cannot be processed until the MHO verifies

that the tenant first attempted to resolve the issue under the informal dispute resolution process.

c. Formal Dispute Resolution. A Tenant who decides to initiate the formal dispute resolution process is required to complete and submit the Request Form for Dispute Resolution Process to the local MHO. Within two (2) calendar days after receiving a Request Form for Dispute Resolution Process, the MHO will review and determine the eligibility of the request and take the following action:

(1) If the MHO determines the Tenant is not eligible to request dispute resolution, the dispute is not an eligible housing dispute, or the request for dispute resolution does not contain the required information, the MHO will provide a written notification to the Tenant explaining the reason(s) for ineligibility or the information required for a valid request. The Tenant may submit a revised Request Form for Dispute Resolution Process. All deadlines noted below associated with the Dispute Resolution Process will start from the date that the MHO validates that the Tenant's Request Form for Dispute Resolution Process is complete.

(2) Once the Tenant's Request Form for Dispute Resolution Process is validated, the MHO will notify the Tenant of receipt and simultaneously provide a copy of the request to the PPV PM, Installation Commander, IPD, NAVFAC Business Agreement Manager (BAM), Regional Commander, Regional Housing Office responsible for the PPV project, and finally to the MCICOM Housing Directorate.

d. Available Legal Assistance. If available, the MHO will advise the Tenant of the availability of legal services if desired. The applicable Legal Services Support Section (LSSS) may provide statutorily eligible legal assistance services to the Service Member or their family to the extent such services are available on the installation. However, the formal dispute process does not require that the Marine Corps provide legal assistance services. Further, the Marine Corps is not responsible for reimbursement of any costs incurred by the Tenant if the Tenant chooses to obtain a private civilian attorney or other assistance.

e. Relationship to Applicable Laws. Nothing in the formal dispute resolution process, or any decision rendered by the Deciding Authority, prohibits a Tenant or PPV PM, from pursuing a claim in any adjudicative body that has jurisdiction per applicable state and/or federal law.

f. Confidentiality and Use of Information. By using the formal dispute resolution process, all parties and their representatives agree to maintain the confidential nature of the proceeding and the decision, per Schedule 3 of the Universal Lease. All recommendations received by the Deciding Authority and any written decisions or remedies rendered in the formal dispute resolution process will remain confidential and not released or used as evidence in a judicial

proceeding unless it is necessary to demonstrate that any alleged damages have or have not been remedied. Further, such information shall be withheld from release, as applicable, under the Freedom of Information Act (FOIA)

g. Dispute Resolution Process Timeline. The following table lists the timeline of the formal dispute resolution process. The table lists all necessary steps in the formal dispute resolution process, the responsible party for completing these steps, and the timeframe in which these steps must be completed.

<b>Dispute Resolution Process Timeline</b>		
<b>Dispute Resolution Activity</b>	<b>Responsible Party</b>	<b>Timeframe</b>
Submit Request Form for Dispute Resolution Process. Resubmit Request Form if MHO deems it incomplete	Tenant	After completing the informal dispute resolution process
Validate Request Form	MHO	Within two (2) calendar days of receiving the Request Form from the Tenant
Notify Tenant of receipt and provide copy of Request Form to the PPV PM, Installation Commander, IPD, NAVFAC BAM, Regional Commander, Regional Housing Office, and MCICOM Housing Directorate	MHO	Within two (2) calendar days of receiving the Request Form from the Tenant
<b>The following steps must be completed within thirty (30) calendar days of the MHO validating the Request Form from the Tenant. In limited circumstances the Deciding Authority may take an additional thirty (30) calendar days to render a decision, but only when good cause exists.</b>		
Coordinate inspection	MHO	Within five (5) calendar days of receiving and validating the Request Form
Grant inspection extension	Deciding Authority	Five (5) calendar day extension if requested and necessary
Send written inspection report to Deciding Authority, PPV PM, Tenant, and other parties as determined by Deciding Authority	MHO	Within three (3) calendar days of MHO inspection
Appoint Independent Dispute Resolution Investigator and other parties (if necessary)	Deciding Authority	Independent Dispute Resolution Investigator and other parties must be available within seven (7) calendar days of notification

Conduct independent investigation	Independent Dispute Resolution Investigator and other necessary parties	Within seven (7) calendar days of notification
Prepare investigation report for Deciding Authority based on all evidence collected through independent investigation	Independent Dispute Resolution Investigator	Within five (5) calendar days following the inspection
Draft written recommendation based on findings and send to PPV PM and Tenant	Deciding Authority	Within three (3) calendar days of receiving all recommendations and information related to the dispute
Send written rebuttal to Deciding Authority's recommendation	PPV PM and Tenant	Within three (3) calendar days of receipt of information provided by Deciding Authority
Share rebuttal with all parties	Deciding Authority	Within three (3) calendar days of receipt of the rebuttal
Finalize and send written decision to the Tenant, PPV PM, MHO, and MCICOM Housing Directorate	Deciding Authority	No later than thirty (30) calendar days after the MHO receives and validates the Request Form for Dispute Resolution Process



## Deciding Authority Roles and Responsibilities

1. Deciding Authority. The appropriate Regional Commander is the MCICOM designated official that will serve as the Deciding Authority for all formal disputes. The Deciding Authority will issue a final written decision in the formal dispute resolution process and will use the process outlined in this policy letter and in Schedule 3 of the Universal Lease when deciding formal disputes. If a conflict of interest arises with the Regional Commanders serving as the Deciding Authority for a particular case, the IPD, Tenant, or PPV PM may send a waiver request stating the conflict of interest and recommending an alternate appointment to MCICOM GF Housing.

a. The Deciding Authority will select the Independent Dispute Resolution Investigator.

b. The Deciding Authority will select one or more professionals with specific subject expertise in the matter under dispute, when the dispute involves maintenance or other facility related matter.

c. The Deciding Authority may grant an extension for an additional seven (7) calendar days, if requested and necessary, to facilitate inspection of the affected PPV housing unit. An extension request can be made by the MHO, the PPV PM, or the Tenant. The initial period for an inspection of the affected PPV housing unit is seven (7) calendar days from the notification by the MHO that the dispute involves living conditions or the physical condition of the affected PPV housing unit. The request approval must be in writing. The Marine Corps is not responsible for reimbursement of any costs incurred by the requesting party for additional inspections, reports, or evidence gathered by outside parties.

d. If a Tenant does not grant access to the premises for an inspection outlined in this policy letter, the Deciding Authority will terminate the request in writing with no decision rendered and the specific issue of the dispute will not be eligible for future consideration in the Formal Dispute Resolution Process.

e. The Deciding Authority will consider actions taken by the PPV PM to repair the premises during the Dispute Resolution Process.

f. The Deciding Authority will request and consider written recommendations and information relating to the dispute from each of: IPD, MHO, Tenant, PPV PM, Independent Dispute Resolution Investigator, and subject matter experts (SME).

g. The Deciding Authority will provide a written recommendation and information to PPV PM and Tenant within three (3) calendar days of receiving all recommendations and information related to the dispute.

h. The PPV PM and Tenant may submit a written rebuttal to any information received by the Deciding Authority within three (3)

calendar days of receipt of information provided by the Deciding Authority.

i. If either party submits a rebuttal, the Deciding Authority must share with the other party within three (3) calendar days of receipt. At the end of the rebuttal period, the fact-finding portion of the Dispute Resolution Process is considered completed.

2. Decision. The Deciding Authority will issue a final written decision in the formal dispute resolution process no later than thirty (30) calendar days after MHO receives and validates the Request Form for Dispute Resolution Process. Per references (b) and (g), in limited circumstances the Deciding Authority may take an additional thirty (30) calendar days to render a decision, but only when good cause exists. Among the factors constituting good cause are any extension requested in writing from the Inspector, a Subject Matter Expert (i.e., maintenance), PPV PM, or Tenant for such reasons as additional tests, investigations, rebuttal, etc.

a. A final written decision must be rendered no later than sixty (60) calendar days after the MHO receives and validates Request Form for Dispute Resolution Process.

b. The Deciding Authority will forward the decision to the Tenant, PPV PM, the MHO, and MCICOM Housing Directorate on or before the deadline. The decision will certify that the Deciding Authority requested and considered the recommendations outlined in the policy; provided a concise statement of the rationale underlying the decision; and rendered a resolution to the dispute, which may include direction of any remedies available or finding of no fault by the PPV PM, as applicable.

3. Remedies. The Deciding Authority's decision is final under the formal dispute resolution process but may only specify remedies identified in (c)1-3 below. When the decision requires the PPV PM to perform work at the premises, the decision will stipulate that the Tenant will give the PPV PM access and not interfere with the PPV PMs' ability to perform required work at the premises. If the decision requires corrections to or repair of housing deficiencies, the written decision will specify a commercially reasonable period of time, but not less than ten (10) calendar days, for the work to be completed, per reference (g). The MHO will monitor the progress of the work and will inform the NAVFAC BAM on its progress and completion. The NAVFAC BAM is responsible for ensuring the execution of any required reductions to amounts payable to the Tenant or PPV PM. If remediation is not satisfactorily completed per prescribed timeline, it will result in reductions to amounts payable to the PPV PM of 10 percent for each period of five (5) calendar days during which the issues remain un-remediated.

a. The PPV PM to take action to remediate the premises. This determination may identify specific commercially reasonable outcomes but will not specify methods of repair.

b. The PPV PM to fund relocation of Tenant per the minimum Tenant displacement guidelines identified in reference (d), enclosure (1), Schedule 4 of the Universal Lease.

c. Final determination of the disposition of any segregated rental payments and may direct one or more of the following remedies and specify a reasonable time for the PPV PM and/or Tenant to comply.

(1) The distribution of any Segregated Rental Payments to PPV PM or Tenant, as applicable.

(2) A reimbursement or credit, for the payment of any fees, charges, or move-out damage assessments determined to be due to PPV PM or Tenant; or allow Tenant to terminate the lease or excuse Tenant from minimum move-out requirement notice and any associated fees.

Independent Dispute Resolution Investigator Description

1. The following are the requirements and scope of the Independent Dispute Resolution Investigator, per references (a) through (o):

a. The Investigator shall not be an employee or member of the Regional Command or subordinate commands and shall not be an employee of or affiliated with the MHPI project company.

b. The Investigator must be available to attend an in-person inspection within seven (7) calendar days of notification.

c. The Investigator must review all provided recommendations.

d. The Investigator must provide a final recommendation to the Deciding Authority within thirty (30) calendar days of the formal dispute resolution process.

2. The following are additional MCICOM qualifications for the Independent Dispute Resolution Investigator:

a. The Investigator should be familiar with:

(1) Federal, state and local Landlord Tenant laws, including tenant and landlord responsibilities.

(2) The USMC's MHPI program, including but not limited to the provisions and applicability of Ground Leases, Operating Agreements, Universal Leases, policy, guidance and instructions relating thereto. The investigator may be required to sign a Non-Disclosure Agreement when dealing with documents that contain proprietary information.

(3) The state environmental, safety, and health laws where the investigation is occurring.

(4) Life, health and safety hazards in housing.

(5) Landlord tenant mediation procedures.

b. The Investigator should have experience with conducting an inspection and preparing a written report as follows:

(1) Analyzing reports and information gained from tenant/landlord files, maintenance records, interviews, and previously conducted inspection records and testing results.

(2) Conducting additional fact-finding investigations as required.

(3) Accurately documenting the investigation by providing all relevant information in a final report and developing written recommendation(s) by using supporting evidence.

3. The Independent Dispute Resolution Investigator is selected by the Deciding Authority. The Deciding Authority will select a third-party investigator who meets the requirements set forth in this enclosure.

a. The Investigator must carefully examine and evaluate all evidence to determine its validity and significance; this includes physical evidence, records and information gained from interviews, and any actions taken by the PPV PM to repair the premises during the Dispute Resolution Process to uncover intentions and uncertainties. When making a recommendation, the Investigator will consider recommendations and information collected from IPD, PPV PM or its representatives, the Tenant, and other professionals/SME for the matter under dispute.

b. The Investigator will prepare a report that identifies all data based on evidence collected that they deem factual and relevant, and contains an analysis, a conclusion and a recommendation.

4. Funding for the independent investigator will be included in the Regional annual control for Family Housing, Navy (FHN). If Regions determine they need additional funds for procurement of said services, then follow existing CNIC procedure to request additional funds as appropriate.

5. Procurement of independent investigator services that are at or below the cardholder's micro-purchase threshold can be processed through the open-market using the government commercial purchase card (GCPC), funded with FHN, and complying with the policies described per references (l) and (m). For investigative services estimated above the cardholder's micro-purchase threshold:

a. Prepare a contract requirements package and submit to the Region Contract Services Management Office, and/or;

b. Procure using reference (n) with the GCPC as a method of payment.

c. Selection and award of a contract for independent investigator services may be accomplished non-competitively under Part 6.302-3 of reference (o). Neither GCPC nor contractual procurements for the professional services of an independent investigator are subject to the requirements of the Service Contract Act, per the provisions of Part 22.11 of reference (o).

## Inspection Procedures

1. Inspection. The MHO must schedule and conduct an inspection within seven (7) calendar days of receiving and validating the Request Form for Dispute Resolution Process for any formal dispute related to the living or physical conditions of the premises.

a. Once inspection has been scheduled the MHO will notify the PPV PM (and appointee), the Tenant (and representative), and the Investigator to give them the opportunity to be present at the inspection.

b. The MHO is responsible for developing a written inspection report within three (3) calendar days of the MHO inspection. After completion, the MHO will forward the inspection report to the Deciding Authority, the PPV PM, Tenant, and other parties as determined by the Deciding Authority.

c. The PPV PM or its designee may schedule a separate inspection, at which the Tenant or Tenant's representative will be allowed to be present. The Tenant will grant access to the premises for these inspections at a mutually agreeable time and duration.

d. The Deciding Authority will identify and select the Independent Investigator as well as any other required professionals with specific subject expertise in the matter under dispute as needed. The Deciding Authority may grant an additional five (5) calendar day extension in writing, if necessary, at the request of the MHO, the PPV PM or the Tenant to facilitate inspections.

## Rent Segregation

1. If a formal dispute alleges failure to meet maintenance procedures as agreed upon under the terms of the Universal Lease or applicable schedules or addenda, or the housing unit is otherwise alleged to be uninhabitable per applicable State or local law, the Tenant may request that all or part of their rental payments received by the PPV PM are segregated during the formal dispute resolution process (not to exceed sixty (60) calendar days). If the Tenant is making such a request, it must be included on the Request Form for Dispute Resolution Process. Upon receipt and validation of a Request Form for Dispute Resolution Process in which the Tenant has requested a partial or complete withholding of rental payments, the MHO will notify the PPV PM to initiate the rent segregation process. As provided under the terms of the applicable PPV Operating Agreement or separate Memorandum of Agreement between the Navy and PPV PM, the PPV PM will segregate the tenant's rental payments in a designated project level account unavailable to the PPV property manager or owner, or PPV property manager or owner's property manager, employees, agents, or contractors for any purpose pending completion of the formal dispute resolution process.

