

Straight Talk

Brought to you by the Nellis AFB Privatization Management Office

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Hello!

The more you know, the better it gets. This holds true for the Family Housing Privatization project here at Nellis AFB. The goal of “Straight Talk” is to provide military personnel and their families’ valuable information on housing privatization. There are quite a few rumors floating around pertaining to what privatization isn’t going to provide the occupants of family housing, and how it may have a negative impact on those who choose to occupy family housing. The Nellis Privatization team’s goal is to educate military family members and the base populace in general, on privatization. You may not encounter privatized homes at Nellis AFB during your stay, but as more bases start privatization projects, odds are you will eventually come in contact with it. So why not learn all you can? This issue addresses some of the most prevalent rumors about the demise of family housing, as it exists today. Our feature “Center Stage” reveals the truths of living in privatized housing.



Center Stage

The Advantages of Privatization

Everyone is wondering what will happen to family housing when privatization occurs. A civilian company running military family housing conjures up ideas of the military community, as we know it, disappearing. Not so. It will evolve into a higher quality community with modern homes. What will be the advantages of living in military family housing? To answer this, you’ll have to examine the reasons why you are presently living or planning to live in family housing. Most folks live on base because it’s affordable, close to work, and close to base facilities. There is also the common thread of the community understanding your needs and the sense of security that living on

base provides. Family housing privatization will not take away any of these. What it will provide is affordable, quality homes for military families. The biggest misconception is that it’s going to cost the military member to live there. Remember, you forfeit BAH to live in present military family housing. Privatization will provide you the opportunity to live in a modern home comparable to what is offered downtown, at a price that is based on your BAH. The same home downtown may cost more than your current BAH will cover. Not so with the privatized homes. Another concern is paying for utilities. Yes, occupants of privatized housing will be responsible for paying their natural gas and electric bills directly to the utility provider. The Air Force’s goal is to minimize out-of-pocket expenses for the military families living in privatized

housing. A lot of effort has gone into developing a plan to structure BAH and a utility allowance to cover both the actual "rent" for the home and the projected utility costs. Your rent will be your BAH minus 110% of the expected utility costs for the type of home you live in. Remember, your BAH will be used to calculate the exact amount of rent on the home. Paying for utilities is also an area of concern. The military family needs to be utility wise when it comes to consumption. Thermostats need to be set to a recommended range during the summer for cooling and the winter for heating. Your utility provider can supply conservation guidelines. If you choose not to conserve utilities, and your bills amount to more than your utility allowance provides for, you will have to pay the difference. On the other hand, if your utility bills are less than your allowance, you keep the difference. Paying for utilities only applies to the newly constructed privatized homes, New Nellis Terrace and the SOQs' in Manch Manor. The new privatized homes will have meters installed at the time of their construction. Other homes will be upgraded and eventually meters will be installed. Homes scheduled for replacement/ demolition will not have meters installed. The occupants will only pay their BAH to the developer. The developer is responsible for paying utility costs. If you choose to live downtown, remember, your BAH may or may not cover your rent cost alone, and you will be paying for your utilities out-of-pocket. With privatization, all factors are considered and will provide the military family with affordable, quality, well maintained modern homes in a

community where you will choose to live.

Where We Stand

The preliminary results of the Nellis Housing Requirements and Market Analysis (HRMA) were briefed to base officials May 03. These findings have a direct impact on the total number of privatized homes for Nellis AFB. The new HRMA study revealed a greater number of available rental properties in the local area, which reduces the requirement for privatized homes.

Although the number of privatized homes has decreased from the original amount of 1,433 to 1,178, the quality of the homes will remain the same.



Down the Road

HRMA 35% Brief	May 03
Pre-Solicitation Meeting	Aug 03
Issue RFP	Aug 03
Evaluate Proposals	Sep 03 - Jan 04
Close Deal	Aug 04



Questions of the Month

If both husband and wife are active duty military members, will they pay double BAH for living in a privatized home?

No. The privatized housing rental rate for military married to military members is based on the senior member's BAH at the with dependent rate, minus the utility allowance. The spouse will continue to collect BAH at the single rate.

When is Privatization going to take place?

Privatization will not be official until the deal is closed in August 2004. At that time the developer will assume control of all existing housing units.

Readers are encouraged to submit questions to:
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