

Offutt AFB Housing Privatization Beat



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Pass it on!

This is the third issue of "*the Beat*". We hope that you have found the information useful in your patient pursuit of privatization prowess. Okay enough alliteration...If you have been a loyal reader of this publication, we urge that you make others aware. It is extremely important to the housing privatization team here at Offutt that all military families become educated on the particulars of privatization. This holds true whether or not you currently live in base housing. You can find out why by reading this month's "**Question of the Month**."

It has come to "*the Beat's*" attention that there are concerns that once military family housing becomes privatized, any benefits of living "on base" go out the proverbial window. This is not the case at all. Our "**Feature**" article aims at easing your concerns by clearly showing you why "privatized" housing not only still provides significant advantages to military members but is also by far and away the better choice when compared to "private" housing.

As always, if you have any ideas or suggestions on what you'd like to see discussed in our "**Feature**" section or anything you'd like presented differently, please contact Mr. Chris Wolf of Booz Allen Hamilton (contact information provided at the end of the newsletter). Offutt is a big base with a lot of people and despite efforts to increase awareness, there are still a lot of people who aren't up to speed on what's happening with housing privatization. If you know of anyone (fellow workers, neighbors, friends or even enemies) that may be impacted by privatization, please pass on to them what "**The Housing Privatization Beat**" is and how they can get hooked up to all of the information resources. Thank you in advance for your support!!!

What's New?

Request For Proposal (RFP) Near Final - In May, the RFP continued to wade its way through the review process. ACC gave its blessing so after a few refinements, it will go forward to the Air Staff. It is important to know that the RFP is continually being improved to ensure military families will get the best deal possible. This is why it is so crucial for current housing occupants to ask questions and express their concerns. There may be something all the experts haven't thought of yet. We've already received some great input from the folks in the housing trenches and look forward to getting more.

Base Briefings Continue - As mentioned in last month's issue, the 55th CES has made a proactive effort in soliciting various units across base for the opportunity to brief housing privatization to interested members. Some of the takers in the month of May included the base "Chief's" meeting, STRATCOM Top 3 meeting, and the Mid-Tier Advisory Council meeting. If you think your unit would benefit from a housing privatization briefing, please consider talking to your First Sergeant about getting it arranged (again contact Mr. Wolf).

An extended briefing was conducted during the quarterly Wing Spouse Call. This forum also provided an opportunity for military family members to ask questions and get first-hand responses to their concerns. It is expected that additional briefings will also be provided at future Wing Spouse Calls. So if you missed out, you'll most likely get another chance!

FEATURE The "**Bennies**" of Privatization **FEATURE**

You're an airman with two kids. You've been living on base ever since you've been eligible to do so. Despite not living in the most attractive house you've ever seen, you appreciate the affordability and like the added benefits such as increased security. Now, you hear the base is going to give all of the housing units to some private owner. "What?" you ask, scratching your head. "Some private company is going to come in to our housing area and treat me like I'm just any other person off the street?"

or...

Maybe you're a married captain with a spouse who is also a military member. You've always wanted to live on base to be close to work and other base facilities as well as be part of a close-knit military community that understands your needs. But seeing as both you and your spouse receive BAH, it makes more economical sense to live downtown and pocket a little extra cash in the process. You hear about privatization and think, "hmm...maybe I can get the best of both worlds."

Whatever your particular situation is, housing privatization will most likely impact you in some way. But just how that impact is

conveyed and understood will determine exactly how much sleep you will lose over it. Something that is becoming abundantly clear is that there is a lot of misinformation out there. One of the objectives of this feature is to dispel the "rumors" and educate people on why privatization is a good thing. An easy way to approach this is to address the simple question..."once housing is privatized and I have to pay my own way, what are the benefits of staying on base?"

First of all, please remember the Air Force's goal of all of this is to bring housing communities up to current standards within a reasonable timeframe. Therefore the largest and most obvious benefit is better housing!

Before

After



This is part of the larger desire to improve quality of life for all Air Force members. With this in mind, it makes no intuitive sense for the Air Force to allow privatization to negatively impact housing occupants.

"That's all well and good", you may be telling yourself, "but I can find nice housing downtown too so why should I stay?" Perhaps the easiest way to answer that is by asking yourself another question..."why do I live on base now?" The most likely reasons are affordability, proximity to work and other base facilities (e.g., the BX, Child Development Center, etc.), proximity to schools, increased security, and a sense of military community and support. These are all very valid reasons. The great news is, every single one of these benefits will not only still be present after privatization but most will be improved upon! For example, security will be increased via installation of increased lighting, a security fence with gated access and other features and communities will see improvements in their recreational facilities, increased landscaping, and additional aesthetic "green" space.

"Hey, wait, you mentioned affordability as still being a benefit. Explain yourself please."

Another of the Air Force's privatization goals is to limit out-of-pocket expenses for military families living in privatized housing. That is why so much effort is going into structuring rent to be based on **your** BAH (i.e., what **you** can afford) and utilities allowance (110% of your expected utilities - see April issue of "the Beat" for more information). Under this system, you may even end up with a little extra cash if you practice good energy conservation practices. Nowhere downtown do landlords base rent on your BAH much less factor utilities into the equation. Rent is what it is. And more often than not, rent alone sucks up all of your BAH leaving nothing for utilities. In addition, with privatized housing, rent will only increase if BAH increases. On the "outside", rent can increase whenever a lease expires and there is no limit on the amount of the increase. Finally, under privatization, the developer is required to provide renter's insurance at no additional expense to the occupant. Good luck finding this on the outside!

Other additional benefits to privatized housing include a forum for voicing concerns through representation on the Management Review Committee (see next month's "Feature") and features such as yards and garages that often either aren't available or require more money to obtain if you live in the private sector. Combining all of these benefits with the fact that all the individual housing units will undergo much needed improvements, hopefully you can clearly see why privatization is the best way for the Air Force to go. Oh and by the way, for that Captain (or any other grade) with a military spouse...if you live in privatized housing, you'll both get BAH and rent will only be based on one of them!!!

???????Question of the Month???????

Is privatization only happening at Offutt?

No. The Air Force (and DOD) has initiated or plans to initiate housing privatization at almost every installation where housing meets the following criteria:

- **Severability** - housing can be physically separated from the base (like Capehart) or could be accessed directly from a public road (like Wherry/Coffman Heights)
- **Economic Feasibility** - revitalization is economical when compared to current funding methods and life cycle costs for Government ownership

It is therefore recommended that even if you do not think you will still be at Offutt by the time privatization is initiated, you learn as much about the process as possible. Chances are the same thing will be happening at your next base or at some time during your military career.

What's Next?

■ Advertise RFP

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Direct all questions to the CPM, Mr. Chris Wolf of Booz Allen Hamilton, at 294-1149 or e-mail at christopher.wolf@offutt.af.mil