

Questions, answers concerning March 7 Housing Referendum given

The following questions and answers are provided so that tribal voters can better understand the March 7 referendum. Further information can be obtained at the scheduled district (Tuesday, February 14) and general council (Tuesday, February 28) meetings later this month.

Can we afford these projects?

Yes. The costs of the projects fit within the Tribes' financial forecast. But we also need grants and the ability to borrow to offset tribal cash outlays.

Will the referendum commit gaming profits for these projects?

No. Profits from gaming have not yet been earmarked. Community meetings will be held within two or three months to gain input on gaming investments. However, we expect the gaming enterprise to pay its fair share for infrastructure needs.

Why does tribal government need to borrow money for infrastructure projects?

Borrowing authority is needed because we do not have enough money to pay cash for everything. Infrastructure, such as utilities, is very expensive. We would have to dip into our reserves if we had to pay cash for everything. It is prudent to finance such long-lasting projects over a longer period of time, like people finance their homes. Also, the Tribes would come out ahead because tribal investments yield a higher return than the cost of loans.

Why are infrastructure projects being combined with housing-related projects?

Because infrastructure, such as water and sewer, is needed for housing development and growth. New homes require utilities, roads and site development. Also, we have a backlog of infrastructure projects which need to be addressed. Federal environmental law is also a factor.

Tribal Voters!
Cast your ballots
Tuesday, March 7
8 a.m. to 8 p.m.
Community Center
One-third of the eligible
voters must vote to
validate the election.

Are grants being looked for to help pay for these projects?

Yes. For example, we expect to get three or more grants to help pay for the Agency's wastewater system. Federal and other grants will be requested from IHS, EPA, BIA and other agencies.

How do we know the \$5 million borrowing/financing authority will be used for reservation-wide needs? And what is the \$5 million based on?

The Tribal Council would be able to approve only projects that support needs across the reservation. That is the purpose of the borrowing. Purposed projects include such things as the Seekseequa and Island area water systems, Sidwalter water storage, Warm Springs domestic water system improvements, Agency wastewater system and the Kah-Nee-Ta wastewater system. The \$5 million is based on estimates of the above projects, plus a 10 percent contingency.

Where would the modular housing plant be located?

The 25,000 square foot building is proposed to be located on a five-acre site in the industrial park.

How will the modular plant be operated? Will it make profits off tribal member?

It is recommended that the plant be operated as a service to tribal members with an advisory committee, or board, to oversee it. Its mission would be to

provide the lowest possible cost for high quality housing for the membership and to be self-sufficient. No profits would be made off tribal members. The profits would come from homes sold to non-members, which would offset the plant's operating costs and reduce the costs of homes sold to tribal members. A plan of operation will need to be drawn up to formalize operating policies.

Why will housing built in the modular plant be more affordable than conventional site-built homes? How much would modular homes cost compared to conventional homes?

A manufacturing environment provides stronger controls over scheduling and costs such as labor and materials. This is referred to as "economies of scale". For example, windows and other items could be standardized and ordered in large quantities. Employees would become proficient as they develop a routine for construction. Also, weather would not be a factor. Modular homes would cost about 30 percent less to build than site-built homes. A three-bedroom modular home would cost about \$47,378 for tribal members, as compared to \$63,360 for a site-built home of the same size.

What kinds of jobs will be created in the modular plant? Would non-members be employed?

The plant will create two management/supervisory positions, 11 labor positions, three deliver/set-up jobs and two clerical jobs. Also, opportunities would be expanded for independent contractors for such things as excavation/foundation work, electrical and plumbing work, and garage/finish work. Affirmative action laws will be followed to ensure maximum tribal member employment.

If the referendum is approved, how long will it take to build, equip and staff the modular plant? How many homes does the plant expect to build each year?

It will take about six months to get the plant started up. The plant is expected to produce 40 homes the first year, 50 homes the second year and 60 homes in the third year.

What would be the quality standard for modular housing? Would local materials be used? What is the difference between modular and manufactured housing (mobile homes)?

The building standard would be of high quality and meet "Super Good Sense" specifications. If the referendum is approved, use of local materials from WSFPI and the DE enterprise will be analyzed. Modular

homes are built in the same manner as site-built homes. Manufactured homes (mobile homes) rely on a metal chassis-based system, or underframe.

Regarding modular housing, will people have choices of floor plans?

Yes. There will be alternative floor plans from which to select. Several things, such as roofing, heating systems, windows, doors and plumbing fixtures would need to be standardized. Purchasers would have a number of interior choices on what they could afford. Custom homes could also be built by the modular plant, but they would be more expensive.

Where will homesites be available for tribal members?

More homesite choices are being developed in rural and community housing areas. Infrastructure, especially water, is needed to support housing expansion in areas such as Seekseequa and the Island. Telephone and power also need to be provided. Homesite development is also being coordinated with resource and land use management plans, including IRMP II and III.

Why isn't rental housing included in the referendum?

We expect the private sector to start addressing this need. Business oriented tribal members are encouraged to build rental housing. The modular plant could build quality rental housing, which would keep the costs down.

How would the lease-option program work?

The 20 lease-purchase option homes would be constructed by the modular housing plant. Tribal members would apply for one of these homes through the Housing Department. Tenants would have up to three years to exercise their option to purchase the home through Tribal Credit, where a percentage of their rental payments could be applied as a down payment. If the tenant qualifies for a home loan, the house would transfer to the Credit Department for financing and the tenant would become a homeowner. Tenants who do not exercise their purchase option, or who cannot yet qualify for a home loan, will need to be moved to rental housing. Their potential down payment would be used for refurbishing the lease-option house. Families would have priority for lease-option homes.

What would be the approximate cost and monthly payment for a three-bedroom 1,152 square foot home built in the modular plant? (Including two bathrooms, two-car garage and site preparation.)

| | |
|--|-----------------|
| Current Cost: | \$52,378 |
| Possible Monthly Options | |
| 5% loan, 25 yrs., 5% down (\$306 without down payment) | \$291 |
| 5% loan, 30 yrs., 5% down (\$281 without down payment) | \$267 |
| 5% loan, 35 yrs., 5% down (\$264 without down payment) | \$251 |
| 5% loan, 40 yrs., 5% down (\$252 without down payment) | \$240 |

Note: Credit Code amendments would be needed to change policies for down payments and loan periods.

Could home purchasers reduce the cost by doing some of the work?

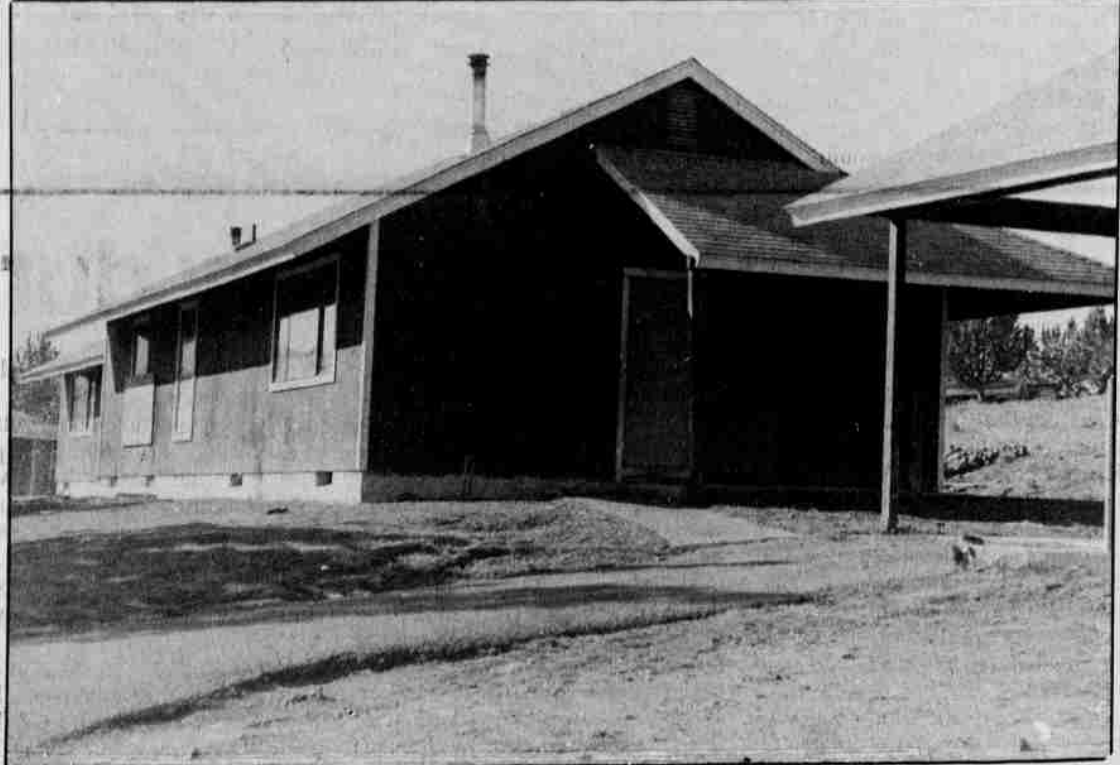
Yes. This is a definite possibility for such things as site preparation, interior painting and clean-up work.

Are changes being considered to help tribal members obtain housing?

Yes. There may be more flexibility for such things as down payments and the number of years for home loans. We would also like to centralize housing services so that tribal members can obtain housing information and planning services in one place. This would include information on housing costs (purchase or rental), income needs for housing, housing sites, home maintenance classes, housing rehabilitation, budgeting and related information. Any proposed Credit Code changes would need to be analyzed by the Credit Committee and decided upon by Tribal Council.

If the referendum is approved, how many homes will be Credit Department be able to finance?

Currently, Credit has about \$1.8 million available for home loans, which will finance about 36 homes. The proposed \$3 million credit appropriation will finance approximately 60 homes. Other financing opportunities may also be available which would extend tribal funds for more home loans.



Available and adequate housing on the Warm Springs Reservation is almost non-existent. Nearly 200 individuals are currently on the waiting list and while waiting, those individuals and families become "homeless", and often move in with other family members until something comes open. In the meantime, other houses are deemed unsuitable for living and are condemned or are extensively remodeled and repaired, such as the houses shown here. A \$12+ million housing referendum is planned for Tuesday, March 7.

Voters faced with deciding fate of upcoming referendum

Inadequate housing on the Warm Springs Indian Reservation continues to be a thorn in the side of many. According to statistics, multiple family households continue to create overcrowded living conditions which magnify health, social and sanitation problems. Intensifying these concerns are the levels of household income, unemployment and population growth.

To address the critical housing shortage, the Warm Springs Tribal Council approved a housing referendum to be held Tuesday, March 7, 1995. The \$12,145,000 referendum,

It has been estimated there is a need for 168 housing units on the reservation. This total includes 17 homes for singles, 32 for couples, 113 for families and six for senior citizens. The 1992 Tribal Census indicated that 510 tribal households were "homeless". The tribal definition of homeless is: "a tribal member at least 18 years of age who did not reside in independent shelter." Many of these were young, unemployed, and single. Several were students and most were living with their families.

Many homes on the reservation

are in need of repair. A 1994 HIP report indicated 270 housing units have "serious structural deficiencies" and 344 have "moderate structural deficiencies." Fifty-four housing units should be replaced. Recent HUD grants will expand the rehab program in assisting private homes, rentals and public housing renovation needs.

It has been estimated that 30 homesites should be developed on an annual basis to maintain housing needs. Additional homesites, a total of 270 lots, will be needed over the next five years. Development pressure will continue to increase on reservation lands. Alternative housing locations need to be identified and developed. Tribal members have few options for obtaining homesites.

Tribal enrollment is projected to increase at a rate of two percent per year, or 70 tribal member births each year. Over 70 percent of the tribal membership resides on the reservation, indicating an ongoing housing need that reaches into the future.

The 1992 Census showed a reservation unemployment rate of 38 percent. This figure included all tribal members 18 years of age and older. Unemployment is still a severe problem which directly impacts housing needs and opportunities. Unemployment will gradually decrease as educational achievement improves and

new jobs are created.

Approximately 20 housing units are needed for "key" non-tribal employees which includes teachers and medical staff.

Currently, there are approximately 900 housing units on the reservation including the following:

| | |
|------------------------------------|-----|
| Individual ownership— | 471 |
| HUD-assisted individual ownership— | 68 |
| BIA/509-J/Kah-Nee-Ta rentals— | 72 |
| Mobile home/rental spaces— | 68 |
| Individual rentals— | 5 |
| Tribal rentals— | 125 |
| HUD rentals— | 100 |

As indicated in the referendum financial breakdown, a total of \$1,450,000 will be needed to build a modular housing construction plant on the reservation. Not only will this provide affordable housing to tribal members, the plant will also employ about 18 people within the first year of operation.

Also included in the appropriation portion of the referendum is \$3 million for home loan funds for the credit department. This money would be moved from the tribal general fund to the credit fund, in chunks totaling no less than \$1 million at a time, for the sole purpose of housing loans.

Further information concerning the housing referendum will be made available in the next two issues of Splyay. District meetings have been scheduled this month to discuss the referendum. All three districts will meet Tuesday, February 14. The Warm Springs District will meet at Simnasho Longhouse, Agency District will meet at the Agency Longhouse and the Seekseequa District will meet at the Community Center. Dinner will be served at 6 p.m. and the meetings will follow at 7 p.m. A general council meeting has been set for Tuesday, February 28 at the Agency Longhouse.

- For more information, call:**
- Modular Housing Information (Small Business Center) 553-3592
 - Infrastructure Information (Public Utilities) 553-3601
 - Housing Information (Housing Department) 553-3250
 - Credit Information (Credit Department) 553-3201
 - Financial Forecast Information (Finance Department) 553-3217

if passed, is divided in two parts: one for appropriation and one for borrowing authority.

The appropriation portion, totaling \$6,645,000, will be split as follows:

| | |
|--|-------------|
| Modular Housing Plant | \$ 950,000 |
| Subdivision Development Funds | \$ 250,000 |
| 20 Tribal Member Lease Option Homes | \$1,280,000 |
| Agency Wastewater Treatment Improvements | \$ 500,000 |
| Simnasho Lagoon's Third Cell | \$ 125,000 |
| Water Treatment Plant Improvements | \$390,000 |
| 30 Rural Housing Road Grants | \$150,000 |
| Home Loan Funds for Credit Department | \$3,000,000 |

The borrowing authority portion, totaling \$5,500,000, will be divided as follows:

| | |
|-------------------------------------|--------------|
| Operating Capital for Modular Plant | \$ 500,000 |
| Reservation-wide Infrastructure | \$ 5,000,000 |