

STATE OF ALASKA-ALASKA HOUSING FINANCE CORPORATION
NSP3 SUBSTANTIAL AMENDMENT TWO

1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
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2. Areas of Greatest Need

Map Submission

The map generated at the website entitled, “HUD NSP3 Mapping Tool for preparing the Substantial Amendment to Action Plan” is included as Attachment 1 to this document.

Data Sources Used to Determine Areas of Greatest Need

Describe the data sources used to determine the areas of greatest need.
<p>Response:</p> <p>Alaska Housing Finance Corporation (AHFC) is the State Housing Finance Corporation and Public Housing Agency for the State of Alaska. The Corporation is responsible for development of the State Consolidated Housing and Community Development Plan (HCD) including any substantial amendments that may be required. The State of Alaska is the only designated recipient of Neighborhood Stabilization Program Three (NSP3) funds within Alaska. The State of Alaska will receive the minimum allocation of \$5 million.</p> <p>The activities included in the second NSP3 Substantial Amendment provide for allocation of NSP3 funding to one area of greatest need (target area) as determined through the HUD NSP3 data. AHFC reviewed the HUD NSP3 foreclosure and abandonment risk data scores in determining the target area of greatest need within Alaska. The final area defined as the “area of greatest need” carries a foreclosure risk assessment score of 10.23. Attachment 1 identifies the area proposed by AHFC as the greatest need “target area” for NSP3.</p> <p>In determining the initial areas to target for NSP3 funding, AHFC reviewed the HUD targeting data and determined that one or more NSP3 rental development projects would have the ability to positively impact target neighborhoods. As a first step, AHFC explored the availability of abandoned, foreclosed, or vacant properties for acquisition in several areas across the state. AHFC solicited information on properties for sale in the initial NSP3 target areas via a “Request for Information” (RFI) release. The RFI was broadly distributed within the real estate and mortgage lending communities> Notice was sent out on the GOAL and Affordable Housing Partnership list-serves, sent to the Alaska Association of Housing Authorities, sent to the Homeless Providers List-Serve, posted on the AHFC website as a Home page “Hot Topic” item, submitted to the Plans room, sent to the Municipality of Anchorage’s Heritage Land Bank and Real Estate Services Division, published on Craigslist and in the Anchorage Daily News, sent</p>

out to members of the MLS List-Serve, and provided to community members who requested a hard-copy of the RFI. As a part of this process AHFC independently explored property acquisitions through lender and national “first look” programs. A statewide teleconference was held to answer questions on the RFI, the three NSP3 strategies proposed, and the initial NSP3 target areas on March 24, 2011, from 4-5 p.m.

In the initial analysis, AHFC also considered the demographics in a number of alternate greatest need areas which were not presented as initial target areas. AHFC initially targeted areas for rental housing projects that have a higher potential for impact as opposed to targeting areas with higher scores but less potential for impact. This assessment continued as properties were made available through the RFI process. A number of rural areas in the state have high assessment scores. However these areas do not have foreclosures and foreclosure starts. Therefore, the acquisition of property and the development of rental housing in those areas would not impact stabilization of the neighborhoods due to the negative effects of foreclosures.

AHFC continued to weigh the pros and cons of the development of a single project site versus the development of multiple project sites. In order to maximize NSP3 impact, AHFC plans to develop one or more projects in only one target area, rather than provide smaller amounts of funding to multiple sites, in multiple communities. Targeting for impact is consistent with the stated objective in NSP3 which states, “The primary objective of the CDBG program is the development of viable urban communities, by providing decent housing, a suitable living environment, and economic opportunity, principally for persons of low- and moderate-income.”

Targeting one target area for one or two multi-family rental housing projects will maximize the impact to the target neighborhood to be served. NSP3 activities must strive to meet this objective in neighborhoods that are in decline. The NSP3 Design Guidebook states “...the goals of NSP are very specific and are intended to stem the foreclosure crisis and revitalize neighborhoods that are plagued with property abandonment and blight. It is in this context that the State needs to make determinations about how to administer its NSP3.” AHFC has designed the Alaskan program to meet these goals and by narrowing the number of target areas to one area will allow the State to make a large impact within the neighborhood.

The Corporation also considered the best approach to take to ensure the longest feasible continued affordability. To assure compliance with the NSP3 “deep targeting” and rental housing preference requirements, AHFC initially proposed three strategies: The Tier 1, Public Housing strategy, targets 40% of the individuals to be served to be at or below 50% AMI. The Tier 2 strategy targets 35% of the individuals to be served at or below 50% AMI. The Tier 1 and 2 strategies exceed the mandatory 25% of 50% AMI set-aside requirement. The Tier 3 Strategy targets 25% of the individuals to be served at or below 50% AMI, with the balance of funding to be used for the development of rental housing for individuals at or below 80% AMI. The Corporation has now determined that the best approach is to utilize the NSP3 funding in one target area for one or more multi-family rental projects, exclusively utilizing the Tier 1-Public Housing strategy.

The NSP3, as authorized by the Dodd-Frank Act, is to be used to further stabilize neighborhoods whose viability has been, and continues to be, damaged by the economic effects of properties that have been foreclosed, abandoned or vacant. All NSP3 funds will be used for housing activities.

In development of the Amendment, AHFC incorporated the priorities of the following statewide plans in this Substantial Amendment: the *State of Alaska Consolidated Housing and Community Development (HCD) FY2011 Annual Action Plan* (www.ahfc.state.ak.us/grants/hcd), the *State of Alaska* draft

*Consolidated Housing and Community Development (HCD) FY2012 Annual Action Plan (www.ahfc.state.ak.us/grants/hcd) the SFY11-16, Five-Year Housing and Community Development Plan (www.ahfc.state.ak.us/grants/hcd), and the "10 Year Plan to End Long-Term Homelessness in Alaska. In addition to reviewing the State Plans, AHFC reviewed and incorporated the goals of the draft *Housing and Community Development CY 2011 Annual Action Plan for the Municipality of Anchorage* (www.muni.org/departments/neighborhoods/pages/default.aspx) in the Amendment. The Municipality of Anchorage is the only other Participating Jurisdiction in Alaska.*

Prior to the development of the draft Substantial Amendment, AHFC sponsored a Public Hearing/Statewide Teleconference on the NSP3 program on December 1, 2010. Several individuals provided public testimony in support of utilizing the NSP3 allocation by private sector project sponsors in order to be as efficient as possible with the NSP3 allocation, utilizing the program for both rental and self-help homeownership development. All three strategies were supported as viable strategies for developing a successful NSP3 program in Alaska. AHFC will also work with homeless providers and other working groups in the state to develop housing that will allow the State to increase resources to diminish homelessness and/or provide additional permanent housing resources for individuals who experience permanent disabilities, as well as serve additional families who are at or below 50% AMI.

Several decisions were made with regard to the NSP3 program design for the initial and second Substantial Amendment:

- Due to the proposed "deep targeting" of low to extremely low income families, and the availability of other sources of funding for self-help homeownership opportunities, no homeownership activities are proposed to be eligible for NSP3.
- Due to the limited amount of funding available for NSP3, all NSP3 funds will be used to increase affordable rental housing opportunities for individuals at or below 80% AMI.
- AHFC has determined that the one percent (\$50,000) of the NSP allocation that was initially set-aside for the demolition of blighted properties in order to redevelop properties into affordable rental housing will be reallocated to an Acquisition or New Housing Construction activity.

Alaska is a vast, diverse service area and there are many challenges in the stabilization of neighborhoods and how best to target projects in such a large state with diverse needs. A flexible approach is needed to develop viable projects. HERA states: "States may define other program terms under the authority of 24 CFR 570.48 (a) and will be given maximum feasible deference in accordance with 24 CFR 570.480(c) in matters relating to the administration of the NSP program."

AHFC initially proposed three different strategies to utilize for potential distribution of the NSP3 allocation. AHFC received HUD approval of the three strategies to allow for a flexible program in Alaska to enable the State to quickly adjust the NSP3 program to better meet local needs. AHFC has determined that the Tier 1 Strategy in one target area is the primary strategy that will be utilized. AHFC reserves the right to move NSP3 funding between the proposed eligible Use B Acquisition or Use E Acquisition and New Housing Construction activities to ensure that the funds are utilized and meet the needs of the State. All changes will be reported in DRGR and submitted to the local field office as these adjustments are made in the program. Any change in target area, strategy, or the addition of new eligible uses and activities to Alaska's program will require an additional Substantial Amendment.

Determination of Areas of Greatest Need and Applicable Tiers

Describe how the areas of greatest need were established and whether a tiered approach is being utilized to determine the distribution of funding.

The distribution and use of NSP3 funds will be mandated by the eligible uses and activities set forth in the NSP3 Notice and within this Substantial Amendment. AHFC proposes the following strategy for the distribution and use of the NSP3 allocation in order to stabilize neighborhoods. All funds will be used to stabilize one target neighborhood through the acquisition of vacant, foreclosed or abandoned properties and the elimination of blight on those properties which may contribute to the destabilization of the target neighborhood. The end-use activity proposed to stabilize the neighborhood is the current and/or future development of affordable rental housing for individuals at or below 80% AMI. No less than 40% of the funding will be used to provide housing for individuals at or below 50% AMI. The NSP3 Attachment 1 sets forth the boundaries of the final target neighborhood proposed to be served by the NSP3 program.

STRATEGY-TIER 1: AHFC plans to initially utilize the Tier 1 Strategy. By utilizing the Tier 1 Strategy, AHFC will create stabilization in a neighborhood that has been destabilized by vacant, foreclosed, or abandoned properties.. AHFC will explore acquisition and redevelopment of properties in the Final Russian Jack-Mountain View target neighborhood. The final targeted neighborhood is slightly smaller than the initial target area and the boundaries have been further refined. The target area has a Neighborhood NSP3 Score of 10.23. Sixty-nine percent (69%) of the families in the area are at or below 80% AMI, with 85.78% of the families below 120% of area median income. HUD data indicates that 132 resident addresses have been vacant for 90 days or more and a visual inspection of the neighborhood reveals vacant properties potentially eligible for redevelopment. In the past year foreclosure starts in the neighborhood stood at 29, with 17 foreclosure completions from the July 2009 to June 2010 time period. The Public Housing Division has also developed a plan to demolish aging public housing in this same area. The addition of an NSP3 site would complement the planned PHD San Roberto redevelopment project and allow further stabilization of this urban neighborhood. The Public Housing Division, directly, or through the assistance of a competitively procured entity, would develop the project and the Division would manage the new affordable housing resource. Forty percent (40%) of the families served through this strategy will be at or below 50% AMI, with many of the families served at or below 30% AMI. AHFC is also exploring whether it is feasible to develop additional non-residential resources, funded through other sources, in order to enhance a tenants' ability to become more self-sufficient as well as enhance PHD's management of projects within the target area.

The April 2011 PHD statewide waiting list has an unduplicated count of over 7,300 families; of the 7,300 families on the current PHD waiting list, 5,315 individuals live within the Municipality Anchorage. The number of low to moderate income households waiting for housing or a housing voucher provides an additional compelling reason to set development of new units of Public Housing in one target area in Anchorage as the primary NSP3 option. Potential tenants will be available from the waiting list to place immediately into housing as soon as the units become available. The AHFC PHD waiting list provides preference points. There are preferences for homeless families, families affected by domestic violence, families affected by natural disaster, families who need housing in order to provide for family reunification, and families who are rent-burdened. Smaller preference points are available for working, disabled, and elderly families, and families whose head of household, spouse or co-head has an incurable, terminal illness, and for a U.S. Veteran or an eligible family member of a U.S. Veteran.

Long-term affordability will be achieved through the use of the PHD’s Annual Contributions Contract (ACC) to provide ongoing subsidy for the units. The addition of long-term operating assistance through the Public Housing Division’s Annual Contributions Contract (ACC) will meet the stated goal in the NSP3 Notice to “ensure longest feasible continued affordability.” Project sites will be located an area currently served through the Division to assure the availability of long-term asset management, maintenance and administrative oversight services.

Additional leveraging of resources will be explored if this strategy is utilized due to the potential to sell tax free bonds, the potential to access the 4% tax credit market, or utilize other corporate resources, or through use of the PHD Capital Fund in the target area. AHFC will also explore whether it is feasible to develop non-residential facilities on or adjacent to the NSP residential units that will augment and strengthen Division’s ability to support families as they move toward self-sufficiency.

The NSP3 Regulation clearly speaks to States using NSP3 funds directly for projects and supersedes the HCD Act requirements to allocate funds to sub-grantees. The Regulation states, “Direct use of funds by a state may also result in more expeditious use of NSP funds.”

Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare and/or multiple code violations. AHFC reserves the right to inspect a property that is proposed to be blighted to determine whether the property meets the national standard. All blighted structures are to be inspected by a qualified inspector and a written report must be submitted that confirms that the property is blighted prior to beginning the demolition of the structure. Demolition of blighted structures is proposed to be minimal and limited to removal of structures that have been vacated and are not livable. No demolition activities are proposed with NSP funds.
Affordable Rents	AHFC defines affordable rents (including utilities) for households as 30% of adjusted gross income as adjusted for family size. The formula for developing rents for the Public Housing Conventional program will be utilized. For any project utilizing ACC assistance, rents will be recalculated on an interim and annual basis as per the policies and procedures for the Public Housing Division’s Conventional Housing Program due to the use of PHD ACC for ongoing rental subsidy.

Descriptions

Term	Definition
Long-Term Affordability	The Tier 1 Long-term affordability will be achieved through the PHD retaining ownership and management of the properties for no less than 30 years. Use of the ACC for these units will continue for the foreseeable future.
Housing Rehabilitation Standards	Housing that is constructed or rehabilitated with NSP3 funds must meet the

	<p>following minimum property standards:</p> <p>Uniform Physical Conditions Standards (Federal Register Volume 66 No. 227/Monday November 26, 2001/pp. 59084-59118) or the Section 8 Housing Quality Standards at 24 CFR 982.401.</p> <p>Newly constructed housing shall meet all applicable local building codes, the <u>State's Building Code</u> (AS 18.56.300) as implemented by 15 AAC 150.030, 15 AAC 154.090, and <u>Building Energy Efficiency Standard</u> (AS 46.11.040) as implemented by 15 AAC 155.010. If the <u>Summary of Building Inspection</u> (PUR-102) form or <u>Building Energy Efficiency Standard Certification</u> (PUR-101) is required (per AS 18.56.300 or AS 46.11.040, respectively), the project must be inspected and the form must be executed by a qualified inspector(s) at various stages of project development. For most projects the inspector must be state certified.</p> <p>All residential buildings with four or more units must obtain a permit from the Alaska State Fire Marshall, as per AS 18.70.010-18.70.100. In communities that have accepted a deferral for full code enforcement, plans should be submitted directly to the city (Anchorage, Juneau, Fairbanks, Kenai, Seward, Kodiak, Sitka and Soldotna). For more information, contact the Alaska State Fire Marshall (http://www.dps.state.ak.us/Fire/asp/).</p> <p>All applicable local codes, rehabilitation standards, AHFC standards, ordinances, and zoning ordinances.</p> <p>For rehabilitations that are not substantial, the HOME Owner-Occupied Rehabilitation Standards will apply. For rehabilitations that are substantial, the inspection standards of the AHFC GOAL Program will apply.</p> <p>All projects requiring substantial rehabilitation or new housing construction will be designed to meet the standard for Energy Star Qualified New Homes. For rehabilitation that is not substantial, grantees will replace any appliances that are replaced with Energy Star labeled products or WaterSense labeled products.</p>
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3. Low-Income Targeting

Low-Income Set-Aside Amount

Enter the low-income set-aside percentage in the first field. The field for total funds set aside will populate based on the percentage entered in the first field and the total NSP3 grant.

Identify the estimated amount of funds appropriated or otherwise made available under the NSP3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.

Total low-income set-aside percentage (must be no less than 25 percent)
 Total funds set aside for low-income individuals = \$2,000,000.00/40% for the Tier 1 Strategy

Meeting Low-Income Target

Provide a summary that describes the manner in which the low-income targeting goals will be met.

AHFC proposes to use NSP3 funding for the development of additional units of rental housing for families at or below 80% AMI, with 40% of the funding targeted to serve families at or below 50% AMI.

AHFC’s PHD waiting list provides preference points for homeless families, families affected by domestic violence, families affected by natural disaster, families who need housing in order to provide for family reunification, and families who are rent-burdened. Smaller preference points are available for working, disabled, and elderly families, and families whose head of household, spouse or co-head has an incurable, terminal illness, and for a U.S. Veteran or an eligible family member of a U.S. Veteran. A detailed definition of “Preferences” is found at www.ahfc.us.

Using the Tier 1 Strategy and providing resources for the development of additional public housing units will allow the established preference points to be utilized for the NSP3 program. By additionally targeting 40% of the rental housing developed to serve individuals at or below 50% AMI will further serve those who are most in need of housing who can least afford to pay for an unsubsidized housing unit. Combining this strategy within a target area which has a documented need for neighborhood stabilization due to the presence of vacant, foreclosed and abandoned properties, provides a win-win scenario for both a low income household and a target neighborhood. To the extent possible, individuals and small businesses will be hired from within the target neighborhood to work on the project; secondarily, individuals from within the larger community will be targeted to work on the project.

AHFC proposes to work closely with homeless providers in the state to develop housing that will allow the State to increase resources to diminish homelessness by providing additional permanent housing resources for individuals who experience permanent disabilities, as well as serve families who are at or below 50% AMI. Public comments from six individuals in the Public Hearing supported the use of the NSP3 allocation for rental housing.

4. Acquisition and Relocation

Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income)?	None
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If yes, fill in the table below.

Question	Number of Units
The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.	0
The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably	Tier 1 15-20

expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).	
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	6-8

5. Public Comment

Citizen Participation Plan

Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.

Public participation began with the development of the NSP3 web page which was posted on November 1, 2010. An NSP3 Informational Bulletin was released on November 23, 2010 and published on the AHFC website. A link to the Public Hearing/Public Comment Period Notice and the Informational Bulletin was sent to the GOAL list-serve, the Homeless Providers list-serve, the Affordable Housing Partnership list-serve, the Alaska Association of Housing Authorities, the NSP1 provider's list, and the Anchorage Land Trust on November 23 and 24, 2010.

An AHFC-sponsored NSP3 Public Hearing/Teleconference was held on December 1, 2010, to solicit comments prior to the development of the draft Substantial Amendment. Six individuals provided public comment. A transcript of the Public Hearing/Statewide Teleconference is available at AHFC Headquarters, 4300 Boniface Parkway, Anchorage, Alaska.

The Substantial Amendment was available for public comment for the mandatory 15-day comment period, beginning December 13, 2010. The public comment period ended at the close of business on December 30, 2010. The AHFC Board of Directors approved the Substantial Amendment via Resolution No. 2011-01 on January 12, 2011, at the regularly scheduled AHFC Board meeting. The Board meeting included an opportunity for public comment. NSP3 comments were not made during the Board meeting public comment period. The initial NSP3 Substantial Amendment was submitted to HUD on January 14, 2011 and approved by HUD on February 24, 2011. The HUD grant agreement was also executed by HUD on February 24, 2011, activating the State's NSP expenditure clock.

An NSP3 Request for Information (RFI) was published requesting information on properties for sale in target areas for a 14-day period in March. Multiple applications were submitted detailing properties for sale in and around NSP3 target areas. AHFC also independently reviewed properties for sale via local lending institutions and "first look" programs which gave NSP grantees a "first look" at property foreclosures. AHFC reviewed the submission information and "first look" information, and determined that the Tier 1-Public Housing Division Strategy, with the State directly operating the NSP3 program, would be the strategy selected for the NSP3 program. Additionally, the State determined that with the limited amount of funds available, and consistent with the NSP3 Policy Alert which recommends the narrowing of the field of potential target areas, AHFC has narrowed the field of potential target areas to one target area within the Municipality of Anchorage. The second Substantial Amendment and final target area map will be published for a 15-day comment period, beginning on April 15, 2011.

AHFC has sought citizen participation from Alaskans statewide in the development of the NSP Plan and encourages the development of projects that support prioritized activities established in state and local Annual Action Plans. The goal of the NSP3 program is to stabilize a neighborhood that has been

destabilized due to the effects of vacant, foreclosed or abandoned properties. The NSP3 program in Alaska will create a stabilized neighborhood by beginning to address the destabilizing influences within the neighborhood by purchasing vacant, abandoned or foreclosed properties within the neighborhood and redeveloping into affordable rental housing for individuals at or below 80% AMI. AHFC will encourage, whenever possible, the hiring of individuals from within the neighborhood to work on the projects within their neighborhood, creating a sense of community, ownership, and pride in the work being done within their neighborhood. AHFC will review all public comments prior to finalizing this Substantial Amendment. A detailed summary of public comments will be attached as Attachment 2.

Copies of the Substantial Amendment will be made available to individuals who are limited English proficient upon request. The AHFC website provides a link to the translation of the NSP3 program summary directly on the NSP3 webpage.

Summary of Public Comments Received. A summary of public comments received will be included as Attachment 2 to this Amendment.

6. NSP Information by Activity

Activity numbers will be set up separately, for each eligible activity, for each population group to be served, utilizing the numbering convention established in Alaska’s NSP1 grant. A flexible strategy to allow the State maximum flexibility in selecting projects and project sites proved successful under NSP1 and AHFC requests that HUD approve the budget outlined below.

The allocation budgets by activity reflected in the following pages have not been split between acquisition and redevelopment activities on vacant and demolished properties, and, acquisition and rehabilitation activities on foreclosed and abandoned properties. The mix of properties available for purchase is unknown presently and will be determined as properties are targeted for acquisition and receive environmental clearance. Activities will be set up by grantee by eligible use/activity in DRGR. Initially a “bucket” allocation will be used as a placeholder for unallocated funds in DRGR. AHFC requests the option to move a portion of the Administrative funds to a project activity if less than 10% of the funds are needed for administration. For NSP1 sub-grantees, program income generated may be retained, upon AHFC approval, for use by sub-grantees to develop additional NSP1 and/or NSP3 eligible activities as prescribed in the applicable Substantial Amendment. NSP1 sub-grantees will be required to submit a Budget Amendment request detailing the program income project.

80% AMI target properties	\$ 2,500,000
50% AMI Set-Aside target properties	2,000,000
Administration (@ 10%)	<u>500,000</u>
TOTAL NSP3 Allocation	\$5,000,000

Activity 1-A											
Activity Name	<p>Use B: Purchase and rehabilitate <i>homes and residential properties that have been abandoned or foreclosed upon</i>, in order to sell, rent, or redevelop such homes and properties.</p> <p>Activities: Acquisition, Disposition, eligible rehabilitation and preservation</p>										
Uses	<p>Select all that apply:</p> <table border="1"> <tr> <td><input type="checkbox"/></td> <td>Eligible Use A: Financing Mechanisms</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Eligible Use B: Acquisition and Rehabilitation</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use C: Land Banking</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use D: Demolition</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Eligible Use E: Redevelopment</td> </tr> </table>	<input type="checkbox"/>	Eligible Use A: Financing Mechanisms	<input checked="" type="checkbox"/>	Eligible Use B: Acquisition and Rehabilitation	<input type="checkbox"/>	Eligible Use C: Land Banking	<input type="checkbox"/>	Eligible Use D: Demolition	<input type="checkbox"/>	Eligible Use E: Redevelopment
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CDBG Activity or Activities	Acquisition & Rehabilitation										
National Objective	LMMH (Households up to 80% AMI adjusted for family size)										
Activity Description	Purchase and rehabilitation of foreclosed or abandoned properties to develop into rental housing for individuals at or below 80% AMI; property to be purchased at a discount of at least 1% below fair market value established by an appraisal no more than 60 days from the final offer.										
Location Description	Anchorage – Final Russian Jack-Mountain View target area										
Budget	<table border="1"> <thead> <tr> <th>Source of Funding</th> <th>Dollar Amount</th> </tr> </thead> <tbody> <tr> <td>NSP3</td> <td>Maximum of \$2,500,000</td> </tr> <tr> <td>To be determined</td> <td>Unknown</td> </tr> <tr> <td>To be determined</td> <td>Unknown</td> </tr> </tbody> </table>	Source of Funding	Dollar Amount	NSP3	Maximum of \$2,500,000	To be determined	Unknown	To be determined	Unknown		
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Total Budget for Activity	Maximum of \$2,500,000										
Performance Measures	# of foreclosed or abandoned units purchased for affordable rental housing # of units rehabilitated for use as rental housing # of families served @ or below 80% AMI in rental housing # of vacant houses in neighborhood, now occupied, as a result of the program										
Projected Start Date	February 24, 2011										
Projected End Date	February 24, 2014										
Responsible Organization	Name	Alaska Housing Finance Corporation									
	Location:	4300 Boniface Parkway, Anchorage, Alaska, 99510-1020									
	Administrator Contact Info	Lona Hammer, 330-8211, lhammer@ahfc.state.ak.us									

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Responsible Organization	Name	Alaska Housing Finance Corporation									
	Location:	4300 Boniface Parkway, Anchorage, Alaska, 99510-1020									
	Administrator Contact Info	Lona Hammer, 330-8211, lhammer@ahfc.state.ak.us									

Activity 2		
Activity Name	Use C: Establish and operate land banks Activity: Acquisition and disposition	
Use	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input checked="" type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment	
CDBG Activity or Activities	Use C: Establish and operate land banks for <i>homes and residential properties that have been abandoned or foreclosed upon</i> Activity: Acquisition/Disposition	
National Objective	LMMA initially; LMMH or LMMH set-aside when property moves out of land bank and is developed and individuals are housed (Households up to 80% AMI adjusted for family size)	
Activity Description	Purchase of foreclosed or abandoned properties to hold for a site-specific rental development project; Grantee will make properties available in a subsequent funding cycle, combining NSP & other affordable housing resources.	
Location Description	Anchorage – Final Russian Jack-Mountain View target area	
Budget	Source of Funding	Dollar Amount
	NSP3	Maximum of \$4,500,000
	To be determined	Unknown
	To be determined	\$
Total Budget for Activity	Maximum of \$4,500,000	
Performance Measures	# of properties land banked # of properties released for disposition # of units of rental housing created for individuals @ or below 50%AMI # of units of rental housing created for individuals @ or below 80% AMI	
Projected Start Date	February 24, 2011	
Projected End Date	February 24, 2014	
Responsible Organization	Name	Alaska Housing Finance Corporation
	Location	4300 Boniface Parkway, Anchorage, AK 99510-1020
	Administrator Contact Info	Lona Hammer – 907-330-8211

Activity Number 3-A		
Activity Name	Use E: Redevelop demolished or vacant properties as housing Activities: Acquisition, Disposition, New Housing Construction	
Use	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input checked="" type="checkbox"/> Eligible Use E: Redevelopment	
CDBG Activity or Activities	Acquisition, Disposition, New Housing Construction	
National Objective	LMMH	
Activity Description	Redevelop vacant or demolished properties into affordable rental housing for individuals at or below 80% AMI	
Location Description	Anchorage – Final Russian Jack-Mountain View target area	
Budget	Source of Funding	Dollar Amount
	NSP3	Maximum of \$2,500,000
	(Other funding source)	Unknown at present
	(Other funding source)	\$
Total Budget for Activity	Maximum of \$2,500,000	
Performance Measures	# of units of rental housing developed for individuals @ or below 80% AMI # of vacant properties acquired and redeveloped # of demolished properties redeveloped	
Projected Start Date	February 24, 2011	
Projected End Date	February 24, 2014	
Responsible Organization	Name	Alaska Housing Finance Corporation
	Location	4300 Boniface Parkway, Anchorage, Alaska
	Administrator Contact Info	Lona Hammer - 907-330-8211

Activity Number 3-B		
Activity Name	Use E: Redevelop demolished or vacant properties as housing Activities: Acquisition, Disposition, New Housing Construction	
Use	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input checked="" type="checkbox"/> Eligible Use E: Redevelopment	
CDBG Activity or Activities	Acquisition, Disposition, New Housing Construction	
National Objective	LMMH 25% of 50% set-aside	
Activity Description	Redevelop vacant or demolished properties into affordable rental housing for individuals at or below 50% AMI	
Location Description	Anchorage – Final Russian Jack-Mountain View target area	
Budget	Source of Funding	Dollar Amount
	NSP3	Minimum of \$2,000,000
	(Other funding source)	Unknown at present
	(Other funding source)	\$
Total Budget for Activity	Minimum of \$2,000,000	
Performance Measures	# of units of rental housing developed for individuals @ or below 50% AMI # of vacant properties acquired and redeveloped # of demolished properties redeveloped	
Projected Start Date	February 24, 2011	
Projected End Date	February 24, 2014	
Responsible Organization	Name	Alaska Housing Finance Corporation
	Location	4300 Boniface Parkway, Anchorage, Alaska
	Administrator Contact Info	Lona Hammer - 907-330-8211

Activity Number 4		
Activity Name	Administration Activity No: NSP-11-AHFC-1-1	
Use	Select all that apply:	
	<input type="checkbox"/> Eligible Use A: Financing Mechanisms	
	<input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation	
	<input type="checkbox"/> Eligible Use C: Land Banking	
	<input type="checkbox"/> Eligible Use D: Demolition	
<input type="checkbox"/> Eligible Use E: Redevelopment		
CDBG Activity or Activities	Program Administration 10% of grant/10% of program income. Pre-award activities may include training/travel expenses for staff; NSP3 program advertisements and related citizen's participation costs; environmental review costs for AHFC and sub-grantees to be reimbursed after awards; staff and/or consultant costs for planning and development of program prior to the award of funds by HUD. A portion of the allocation may be made available to sub-grantees.	
National Objective	N/A	
Activity Description	Administration of the NSP3 Program	
Location Description	Anchorage, Alaska	
Budget	Source of Funding	Dollar Amount
	NSP3	\$500,000
	(Other funding source)	\$0.0
	(Other funding source)	\$0.0
Total Budget for Activity	\$500,000	
Performance Measures	# of staff positions funded through the NSP program	
Projected Start Date	February 24, 2011	
Projected End Date	February 24, 2014	
Responsible Organization	Name	Alaska Housing Finance Corporation
	Location	4300 Boniface Parkway, Anchorage, Alaska 99510-1020
	Administrator Contact Info	Lona Hammer- 907-330-8211

8. Certifications

Certifications for State and Entitlement Communities

(1) **Affirmatively furthering fair housing.** The jurisdiction certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) **Anti-displacement and relocation plan.** The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.

(3) **Anti-lobbying.** The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(4) **Authority of jurisdiction.** The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(5) **Consistency with plan.** The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.

(6) **Acquisition and relocation.** The jurisdiction certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP program published by HUD.

(7) **Section 3.** The jurisdiction certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(8) **Citizen participation.** The jurisdiction certifies that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(9) **Following a plan.** The jurisdiction certifies it is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD. [Only States and entitlement jurisdictions use this certification.]

(10) **Use of funds.** The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.

(11) **The jurisdiction certifies:**

- a. that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
- b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive force.** The jurisdiction certifies that it has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
- c.

(13) **Compliance with anti-discrimination laws.** The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction certifies that it will comply with applicable laws.

(16) **Vicinity hiring.** The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

(17) **Development of affordable rental housing.** The jurisdiction certifies that it will abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.

Signature/Authorized Official

Date

Title