

**CONSOLIDATED HOUSING AND COMMUNITY
DEVELOPMENT PLAN
FOR THE STATE OF ALASKA**

FIVE-YEAR PLAN

**State Fiscal Years 2011-2015
(Federal Fiscal Years 2010-2014)**

May 14, 2010

(July 1, 2010 through June 30, 2015)

TABLE OF CONTENTS

I. EXECUTIVE SUMMARY	4
A. Introduction	5
B. Guiding Principles	6
C. Outcome Performance Measures	7
II. PUBLIC INPUT INTO THE HCD PLAN DEVELOPMENT	8
III. ALASKA PROFILE	10
A. Geography and Climate	10
B. Economic Conditions	11
IV. NEEDS ASSESSMENT	14
A. General Demographics	14
B. Racial Composition	17
C. Age Composition	18
D. Household Size and Composition	20
E. Other General Demographic Trends	20
V. DEMAND FOR AFFORDABLE HOUSING	21
A. Housing Cost Burden	22
B. Inadequate Housing	23
VI. DEMAND FOR SPECIAL NEEDS HOUSING	25
A. Older Alaskans	25
B. Persons with Disabilities	26
C. Alaskan Mental Health Trust Beneficiaries	27
D. Persons With HIV/AIDS	29
E. Other At-Risk Populations	30
F. Alaska Continuum of Care for the Homeless	33
VII. MARKET ANALYSIS OF HOUSING SUPPLY	34
A. Existing Housing Supply	34
B. The State of Homeownership	36
C. The State of the Rental Market	37
D. Public Housing Division	38
E. Other Publicly Assisted Housing	41
F. General Market Conditions	42
G. Alaska's Housing Delivery System	43
H. Lead Based Paint Hazards	44

VIII. INVENTORY OF HOUSING AND SERVICES FOR THE HOMELESS	47
IX. AFFORDABLE HOUSING BARRIERS	48
X. ALASKA’S FAIR HOUSING PLAN	50
A. Analysis of Impediments to Fair Housing Choice (AI)	50
B. Affirmatively Furthering Fair Housing	55
XI. NON-HOUSING COMMUNITY DEVELOPMENT NEEDS	58
XII. THE FIVE YEAR STRATEGIC PLAN	59
A. General Priorities	59
B. Affordable Housing	63
C. Homelessness	66
D. Other Special Needs	69
E. Non-Housing Community Development Plan	72
F. Barriers to Affordable Housing	74
G. Lead-Based Paint Hazards	75
H. Anti-Poverty Strategy	76
I. Institutional Structure	77
J. Coordination	80
K. Low-Income Housing Tax Credit Use	81
L. Public Housing Resident Initiatives	82
APPENDIX A PUBLIC COMMENTS	
APPENDIX B HUD REQUIRED TABLES	
APPENDIX C DETAILED TABLES	
APPENDIX D SF 424 FORMS & CERTIFICATIONS	
APPENDIX E CITIZEN PARTICIPATION PLAN	
APPENDIX F PUBLIC HEARING TRANSCRIPTS	

CONSOLIDATED HOUSING AND COMMUNITY DEVELOPMENT PLAN FOR THE STATE OF ALASKA

FIVE YEAR PLAN State Fiscal Years 2011-2015

I. Executive Summary

The U.S. Department of Housing and Urban Development (HUD) provides funding for housing and community development through several formula grant programs. Alaska receives approximately \$7.5 million annually for three of them: the HOME Investment Partnership Act (HOME), the Community Development Block Grant Program (CDBG) and the Emergency Shelter Grants Program (ESG). In order to maintain eligibility for these, the State must engage in a consolidated planning process that results in the development of this Five-Year Housing and Community Development Plan (HCD Plan) as well as several other documents.

This HCD Plan will provide guidance to the State regarding expenditure of HOME, CDBG and ESG funds over the next five years (July 1, 2010 through June 30, 2015). As the Plan was developed, the following points were recognized:

- The seven Guiding Principles developed during the drafting of the Plan are roughly the same as those found in the current HCD Plan as based on public comment and with recognition of the increasing necessity to consider transportation when determining cost and location of housing development.
- Since the last five year plan, the population of Alaska has grown 4%, from 692,314 in 2005 to 664,334 in 2009. During the same time period, the population in the “balance of state” (all areas, but Anchorage) grew 4%, from 278,407 to 290,588.
- The two biggest housing related issues moving forward into the next five years are in-state migration from rural areas to urban areas and the growth in the senior population.
- People are aware of fair housing laws, who to call if they have a complaint, but more work is needed to continue to increase awareness.
- Affordable housing has become more available, but remains an area of need.
- Homelessness remains an important concern, particularly as uncertainty exists with the national economy and recidivism in the corrections system remains high.
- The availability of housing for persons with disabilities has increased, but remains a barrier for many households with a disabled household member.
- Compared to the rest of the country, Alaska has weathered much of the real estate turmoil of the last two years. This has helped maintain the general health of the housing industry and demand for affordable housing and community development projects.

Overall, the housing and community development situation in Alaska has improved during the past five years. The work done during that period with HOME, CDBG and ESG funds, as well as other related state and federal monies, has had a positive effect, but there is more work to be done. This HCD Plan provides the strategy by which that work can be accomplished so that growth, improvement and success will continue for the next five years.

A. Introduction

The Consolidated Housing and Community Development Plan (HCD Plan) is a federally mandated planning process that serves as an application for several formula grant programs of the U.S. Department of Housing and Urban Development (HUD). These include the Community Development Block Grant (CDBG), HOME Investment Partnership Act (HOME), and the Emergency Shelter Grant (ESG). A number of other HUD programs are required to be certified as being consistent with the Consolidated Plan of the jurisdiction in which the activity is proposed to take place.

In Alaska, two Participating Jurisdictions (PJs) receive formula funding for the CDBG, HOME, and ESG programs; the Municipality of Anchorage and the State of Alaska. The Municipality of Anchorage is responsible for the preparation and maintenance of its own HCD Plan. The State of Alaska's HCD Plan covers all geographic areas of Alaska *outside of the Municipality of Anchorage*; often referred to as the "balance of state."

The State of Alaska's HCD Plan is a cooperative effort among the Alaska Housing Finance Corporation (AHFC), the Alaska Department of Commerce, Community and Economic Development (DCCED), the Alaska Department of Health and Social Services (DHSS), the Alaska Mental Health Trust Authority (AMHTA), the Alaska State Commission for Human Rights (ASCHR), and the Alaska Workforce Investment Board (WIB). AHFC is the lead agency in the preparation and maintenance of the State's Consolidated Plan.

The State's five-year Consolidated Housing and Community Development Plan (SFY-2011-2015) profiles housing and community development (HCD) conditions in Alaska, outlines an assessment of HCD needs, and provides a market analysis of the environment in which these needs exist. This five-year plan includes a strategy to be followed in carrying out HUD programs, and other resources leveraged in conjunction with these programs. Implementation of the five-year plan will be done through a series of one-year Annual Action Plans (AAP), based on the State of Alaska's fiscal year. The AAP identifies housing and community development resources expected to be available and it provides the details for the use of HOME, CDBG and ESG funds during the year. The AAP includes a description of how funds will be allocated, the program activities to be undertaken, and the amount of funds to be distributed for each program activity. Also included in the AAP is an overview of homelessness needs and actions to be undertaken to address homelessness, special needs housing, lead based paint hazards, collaboration with the public housing agency, and non-housing community development concerns.

The AAP will provide a basis for assessing effectiveness through completion of Consolidated Annual Performance Evaluation Reports (CAPER).

In 2009, HUD, the U.S. Department of Transportation (DOT) and U.S. Environmental Protection Agency (EPA) entered into a Sustainable Communities Partnership with the purpose of recognizing the strong link between housing and transportation. The new federal Sustainable Communities Initiative identifies the importance of development patterns to affordability. Scattered site development of residential sub-divisions and the “silo” nature of funding streams can produce a significant separation of housing, community facilities, commercial areas and employment centers. This can result in a larger percentage of limited household income going to transportation expenses and less available to support basic operations and maintenance. To the extent that reliable data is available, the cost of transportation will be considered as housing and community development decisions are made.

B. Guiding Principles

The statutory goal of the HCD Plan is to:

Provide decent housing, create suitable living environments, and expand economic opportunities for Alaskans at or below 80% of median income.

A set of seven guiding principles direct the use of program resources covered by this Consolidated Plan. The wide range of housing and community development conditions across Alaska makes the use of guiding principles the most practical and effective means of targeting scarce HCD resources. **The 2011-2015 guiding principles are:**

- 1) **The use of federal housing and community development funds should emphasize benefit to low income Alaskans and increase sustainable housing and neighborhood options for Alaskans.** Rationale: The amount of federal funds is limited; greatest needs are among the lowest-income households. Low to moderate income Alaskans should not have their housing options limited to only lower-income neighborhoods.
- 2) **Use of community development funds should emphasize the creation of economic opportunity through development of infrastructure.** Rationale: Basic infrastructure is lacking in many of Alaska’s communities and is a major barrier to economic self-sufficiency. Location-efficient facility decisions can reduce the operating and capital expenses associated with transportation.
- 3) **Preserve and upgrade existing housing supply through weatherization and rehabilitation.** Rationale: Because it is so expensive to develop new housing, every effort must be made to prolong the useful life and to lower operating costs of Alaska’s existing housing.
- 4) **Use of federal homeless funds should emphasize activities that maintain and strengthen the service delivery system for Alaska’s homeless, consistent with**

- local strategies.** Rationale: Very little formula funding is available for services to help the homeless and near-homeless.
- 5) **Maximize the use of federal housing and community development funds by supporting projects that include significant leveraging resources.** Rationale: The amount of federal funds is limited; more can be accomplished if federal funds are combined with state and local resources.
 - 6) **Expand the supply of affordable housing for Alaskans with special needs, incorporating universal design and appropriate supportive services.** Rationale: Existing housing supply is inadequate to meet current and projected need for this population, which has historically been underserved.
 - 7) **Housing and community development projects should incorporate climate specific design and engineering, energy efficient community design and construction techniques and innovative technologies.** Rationale: Use of appropriate technologies insures long term viability of housing and community development projects. Communities designed in consideration of the link between transportation and housing costs, can minimize the consumption of energy used for mobility.

C. Outcome Performance Measures

The Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs was implemented during SFY 2007 (FFY 2006). The State determined that performance measure additions did not constitute a significant amendment under its citizen participation plan. Beginning with the SFY 2008 Annual Action Plan, the state incorporated performance measures for (Federal) Fiscal Year 2007 CDBG, HOME and ESG funding. In addition to comparing quantifiable achievements (i.e. units built) with projected goals to determine program success, performance evaluation includes a review of needs fulfillment. Each activity is correlated with an objective and outcome relevant to the activity type and purpose.

Objective categories are:

1. **Suitable Living Environment**—In general, this objective relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment.
2. **Decent Housing**—The activities that typically would be found under this objective are designed to cover the wide range of housing possible under the HOME, CDBG or ESG programs. This objective focuses on housing programs where the purpose of the program is to meet individual family or community needs; not programs where housing is an element of a larger effort, since such programs would be more appropriately reported under Suitable Living Environment.

3. **Creating Economic Opportunities**—This objective applies to the types of activities related to economic development, commercial revitalization, or job creation.

Outcome categories are:

1. **Availability/Accessibility.** This outcome category applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low and moderate income people, including people with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low and moderate income people where they live.
2. **Affordability.** This outcome category applies to activities that provide affordability in a variety of ways in the lives of low-and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care.
3. **Sustainability: Promoting Livable or Viable Communities.** This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefits to persons of low- and moderate-income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

OUTCOME STATEMENT MATRIX			
	Outcome 1: Availability or Accessibility	Outcome 2: Affordability	Outcome 3: Sustainability
Objective 1: Suitable Living Environment	Enhance Suitable Living Environment through Improved Accessibility	Enhance Suitable Living Environment through Improved or New Affordability	Enhance Suitable Living Environment through Improved or New Sustainability
Objective 2: Decent Housing	Create Decent Housing with Improved or New Availability	Create Decent Housing with Improved or New Affordability	Create Decent Housing With Improved or New Sustainability
Objective 3: Economic Opportunities	Provide Economic Opportunity through Improved or New Accessibility	Provide Economic Opportunity through Improved or New Affordability	Provide Economic Opportunity through Improved or New Sustainability

Annual achievements will be measured against annual projections as well as the five-year goals indicated in this plan.

II. Public Input into the HCD Plan Development

The development of the HCD Plan is a result of input from a number of different sources. Those providing input include individuals, state agencies and local governments, non-profit organizations, regional housing authorities and tribally designated housing entities, and the private sector. The HCD Plan also encourages the involvement of private

citizens, particularly those with low incomes or residents of areas in which community development activities are likely to take place. Federal regulations require the State adopt a Citizen Participation Plan, encouraging the public to participate in the development of the HCD Plan, and outlining the steps the State will take to solicit public input. Alaska's expansive geography and widely varying conditions offer challenges for the implementation of the State's Citizen Participation Plan. A number of different approaches may be used to maximize public input including:

- Interactive workshops
- Public hearings
- Teleconferences
- Working groups
- Linkages with other planning efforts
- Internet surveys
- Internet communications

The State uses teleconferencing and the internet to overcome the barriers of distance. Citizens in even the most remote areas of the State are given the opportunity to participate in the HCD process. AHFC's web-site (www.ahfc.us) provides an overview of the HCD planning process, and offers an electronic means of providing HCD input. Other state, federal and non-profit agency web-sites are linked to AHFC's web-site. Some of these links include the Alaska Mental Health Trust Authority; the Alaska Coalition on Housing and Homelessness; the Alaska Department of Commerce, Community and Economic Development; and the Alaska Department of Health and Social Services.

All of the public hearings held in conjunction with the development of the five-year plan have been extensively advertised on the AHFC website, in statewide and local newspapers and via emails. An overview of the five-year HCD planning process, anticipated timelines for completion and program performance were discussed at the events mentioned below; comments were encouraged. On December 16, 2009, a public hearing and statewide teleconference was held to obtain public input prior to drafting the HCD Plan. A second public hearing and statewide teleconference prior to release of the draft plan was conducted on January 14, 2010. Additionally, AHFC consulted with the following entities in drafting the HCD Plan:

- Alaska Department of Transportation and Public Facilities – December 7, 2009
- Alaska Coalition on Housing and Homelessness – December 15, 2009
- Mat-Su Homeless Coalition – December 17, 2009
- Fairbanks Homeless Coalition – December 17, 2009
- Kenai Homeless Coalition – January 14, 2010
- Association of Alaska Housing Authorities – January 20, 2010
- Juneau Homeless Coalition – January 21, 2010
- Affordable Housing Partnership – February 2, 2010
- Association of Alaska Housing Authorities – February 10, 2010
- Alaska Coalition on Housing and Homelessness – February 16, 2010

The draft plan was released on March 12, 2010 with public comments accepted through April 12, 2010. A statewide teleconferenced public hearing on the draft plan was held Wednesday, March 31, 2010, from 4:00 to 6:00 p.m. at AHFC's Board Room, 4300 Boniface Parkway, in Anchorage. AHFC's Board of Directors approved the SFY 2011-2015 HCD Plan on May 4, 2010 and directed AHFC staff to submit it to HUD. All public comments and the State's responses to the comments are in Appendix A.

III. Alaska Profile

A. Geography and Climate

Alaska is a unique state, encompassing a wide range of geographic, environmental, social and economic conditions. Housing and community development needs reflect these widely varying circumstances. The challenges are immense when developing strategies to effectively mobilize, target and apply resources towards Alaska's affordable housing and community development needs. This profile on Alaska will provide background information to better understand these challenges.

The geography of Alaska is a factor that cannot be ignored. With more than a fifth of the total land mass of the United States, Alaska is larger than the combined areas of France and Germany. Covering 656,424 square miles (including 86,041 square miles of lake and river water surface), Alaska stretches from the temperate rain forests of Southeast Alaska to the polar environment of the treeless North Slope. The eastern border Alaska shares with Canada stretches over more than 1500 miles of rugged mountain ranges and ocean. The Aleutian chain contains 14 large islands, and 55 smaller ones extending 1100 miles into the North Pacific towards Japan. Alaska's total shoreline, including islands, is estimated at more than 33,000 miles. The vast interior of the state contains the Yukon River, which flows for more than 1875 miles in Alaska, and an additional 400 miles in Canada. From east to west, Alaska stretches over 2,400 miles.

Alaska is a land of extremes. Seventeen of the highest mountain peaks in the United States are in the state, including the highest in North America, Mt. McKinley. The summit of Denali (the Athabascan native name for the peak) is 20,230 feet above sea level. Alaska has more than 5,000 glaciers, covering five percent of the state's area. Alaska has more than 3,000 rivers and 3 million lakes. Geologically, Alaska is a very active area. More than seventy potentially active volcanoes are present in the state, with several eruptions occurring in the past decade. Alaska is the most earthquake-prone state and one of the most seismically active regions in the world. Alaska experiences a magnitude 7 earthquake almost every year, and a magnitude 8 or greater earthquake on average every 14 years.

Located on the northwest extremity of the North American continent, Alaska's various climatic regions reflect the influence of the North Pacific Ocean and the Polar region. Areas closest to the Gulf of Alaska have a relatively temperate climate, but are exposed to storms originating in the North Pacific, frequently bringing precipitation and wind. Western Alaska experiences cool summers, and winters with high winds and snows. The

Interior of Alaska has great temperature variations from summer to winter, with only moderate amounts of precipitation. The northern areas, Arctic Alaska, have permanently frozen ground, limited snowfall, cool summers, and high winds. Alaska's northern latitude is also responsible for the extreme variation in daylight hours throughout the year. In Barrow, on the North Slope, the sun is not seen from late November through the end of January. Barrow's daylight is continuous from early May until early August.

Geographic conditions divide Alaska into a number of isolated regions, with no surface road conditions between most communities. Aircraft, boats and snow machines provide the only means of transportation to these communities. The magnitude of Alaska's size, and its variable weather conditions, add a dimension to travel within the state that is not faced elsewhere in the United States. The logistics and cost of developing and implementing projects are greatly influenced by this reality. If a map of Alaska were superimposed on the continental United States, Ketchikan would be near Atlanta, Georgia, Barrow would be in northern Minnesota, and the tip of the Aleutians would be in southern California. Just as housing and community development differs greatly among these three diverse states, housing and community development differs greatly among the diverse regions of Alaska.

B. Economic Conditions

Alaska is a relatively young state, attaining statehood only in 1959. During the past fifty years, Alaska's economy has dramatically changed. A brief review of Alaska's economic history will help identify the probable conditions that will be faced during the next five years. The late 1950's were a time of economic challenges for the state. The World War II and Cold War military buildups had peaked and were in decline. Fishing stocks were being over-harvested, and the long term prospects for this resource appeared grim. Gold mining was at a very low level of production. Not all was gloomy, however. Japan made substantial investments in the timber industry in Southeast Alaska, and two pulp mills broadened the area's economic base. The most significant long term development of the late 1950's was the discovery of oil and gas on the Kenai Peninsula. The foundation was being laid for the petroleum industry's huge impact on Alaska's economy over the next four decades.

One recurring theme in Alaska's history is the impact of unanticipated events upon the state's economy. During the 1960's, this was particularly true. The 1964 Good Friday earthquake devastated infrastructure in several coastal communities, including Anchorage, Valdez, Seward, Kodiak and Seldovia. Federal disaster aid of approximately \$400 million helped provide more than 2000 construction jobs over a two-year period to repair the damage. In 1967, the Chena River flooded in Fairbanks with extensive damage resulting. Disaster aid helped create 900 construction jobs over a two-year period to repair the flood damage. In the shadow of these two disaster recovery efforts, Alaska's economy was developing in other areas. The petroleum industry developed two refineries and a fertilizer plant on the Kenai Peninsula. Oil and gas exploration continued in the Cook Inlet region, and the giant Prudhoe Bay oil field was discovered on the North Slope.

In the trade, service and finance industries, employment doubled during the 1960's. Incomes also soared during the decade, with the average monthly wage rising by 50%, and per capita income increasing by an impressive 80%. These Alaskan growth rates were greatly outpacing the national figures for the same period. Alaska's high wage levels acted as a magnet for job seekers from other areas. Alaska experienced tremendous economic growth in the 1970's. With the construction of the 800 mile Trans Alaska Pipeline system, the "boom" was on. During the decade, Alaska's employment grew three times faster than the rest of the nation. The gross state product tripled, and personal income more than doubled. Alaska was seen as land of opportunity, and its population growth reflected this attraction. During the 1970's, the state's population grew from 308,000 to 419,000. Of this increase, 58,000 came from in-migration. In 1975 alone, Alaska's population grew by more than 30,000 due to in-migration. By 1980, there were 78,700 more jobs in Alaska's economy than there had been in 1970. This increase is all the more impressive considering the completion of the Pipeline in 1977 and the resulting severe reduction in its peak construction workforce of 28,000.

The 1980's represented a time of economic extremes for many Alaskans. As the decade began, oil was flowing through the Trans-Alaskan Pipeline at 1.5 million barrels per day. International market conditions caused the price of oil to triple, rising from \$10 per barrel to more than \$30 per barrel. Between 1980 and 1981 per capita state government spending doubled, and continued at a high level through the mid 1980's. State services of all kinds were expanded, and a wide range of capital projects all over Alaska fueled the construction industry at a feverish pace. At a time of high interest rates nationally, state owned corporations such as Alaska Housing Finance Corporation and the Alaska Industrial Development Authority offered below market rates to homeowners and business borrowers. These huge spending outlays propelled the Alaskan economy to new heights, and resulted in a population increase of more than 124,000 people in the first five years of 1980's.

By the end of 1985, the Alaska economy was beginning to implode. The price of oil had collapsed to less than \$10 per barrel, and state government responded by cutting more than a billion dollars from its budget. In 1986 and 1987, Alaska lost more than 20,000 jobs. Between July of 1985 and July of 1989, 44,000 more people left Alaska than arrived. This exodus fed a downward economic spiral. The state's real estate market collapsed, with thousands of foreclosures resulting, and numerous financial institutions going out of business. The heady optimism of the early 1980's had turned into an economic nightmare for many by the end of the decade. A sad irony was the positive short-term economic growth resulting from the 1989 wreck of the Exxon Valdez oil tanker in Prince William Sound. Cleanup efforts provided many jobs and a welcome cash infusion into a weak state economy.

In the midst of this economic recession of the late eighties, some positive developments would lay the foundation for the economic recovery and stability of the 1990's. The Magnuson Act, giving the United States jurisdiction over the lucrative Bering Sea bottom fishery, led to substantial investment in this area. Investments in hard rock mining led to the development of the Red Dog lead/zinc mine near Kotzebue, and the opening of Greens Creek mine near Juneau. The timber industry also experienced strong growth in

the late 1980's. Other stabilizing influences in the economy at this time were the growth in tourism, and the increasing military presence in Fairbanks.

During the 1990's, Alaska's boom and bust economy appeared to attain a level of stability and slow growth. The tourism industry continued its expansion, with great growth in the tourism support sector. The services sector overall provided the greatest growth during the decade, adding 18,400 jobs. The health care industry was responsible for the largest percentage of this growth, although the influx of new national retailers added substantial numbers of jobs. Some key developments in the 1990's had a long-term impact on Alaska's economic conditions. Southeast Alaska's timber industry experienced a great contraction, with the closure of pulp mills in Sitka and Ketchikan, and Sawmills closing in Seward, Haines and Klawock. More than 2500 timber related jobs were lost during the decade. Changes in the petroleum industry, particularly the decline in oil production levels, led to a reduction in the number of oil industry jobs. The merger of Atlantic Richfield Company and British petroleum coupled with an expanded of Phillips Petroleum, created a new environment for the Alaskan oil industry. The continued reliance of the Alaska state government budget upon petroleum revenues underscored the continuing importance of Alaska's North Slope oil production to the state's overall economy.

In the December 1999 *Alaska Economic Trends*, published by the Alaska Department of Labor and Workforce Development, the following assessment of Alaska's economy in the 1990's was given:

Although Alaska's economy experienced stable employment growth during the decade, the 1990's have been a time of significantly slower growth in terms of wages and incomes relative to the rest of the nation. In the 1970's and 1980's, Alaska was far ahead of most states in terms of incomes and wages, primarily due to the high earnings from the oil fields, fishing and timber jobs. In 1990, Alaska was ninth in the nation in per capita income. Although per capita income continued to grow, it increased at a smaller rate than the national average, and Alaska's per capita income dropped below the national average in 1997. In 1998, Alaska was ranked twentieth on the list, and was among five states with the slowest growth in per capita income. It appears that the income differential between Alaska and other states is becoming smaller as high paying oil and timber jobs are lost.

As the state closed the 1990's and entered the new millennium, the economy continued to expand at a slow, but steady pace. Despite a national recession in 2001, Alaska continued to add jobs at a pace of 1-2% annually. From 2000 to 2008, the State of Alaska's employment grew by approximately 40,000 jobs. The largest increases were noted in health care, transportation, trade, and government. Wage and salary income also experienced incremental growth, although at a much slower rate than the previous decade. Positive growth in the economy coupled with historically low interest rates also drove residential lending activity to levels not seen since the early 1980's.

Starting in 2009, however, Alaska began to feel the impact of a national recession, with pronounced contraction occurring in the trade, transportation, construction and tourism

industries. The state finished 2009 with the most serious setback in job growth since 1988. These losses were mild (less than 1%) compared to the national economic picture due largely to Alaska having a large, productive oil industry, a significant inflow of federal government funding, and an absence of durable goods manufacturers – an industry that was hardest hit on the national level. Economists expected incremental job losses to continue through 2010, but at a softer pace (less .5%) than in 2009.

Moving into the decade of the “10’s” Alaska’s economic growth is directly tied to the strength of the oil and gas industry.

The migration out of rural areas to more urban centers, and explosive growth in the senior population remain as important factors in changing housing and community development needs over the next five years.

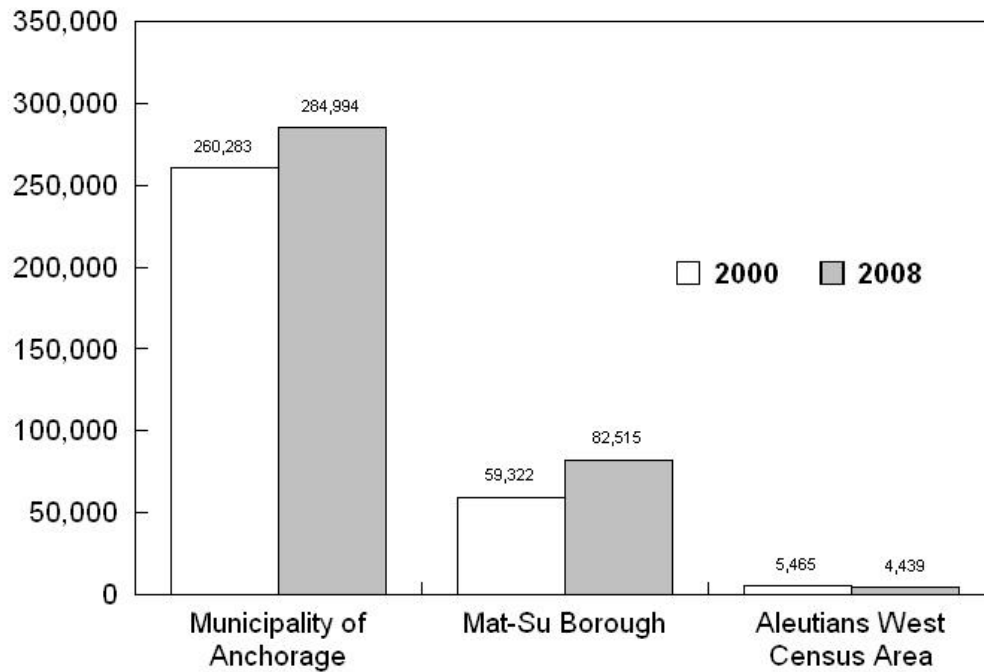
IV. Needs Assessment

A. General Demographics

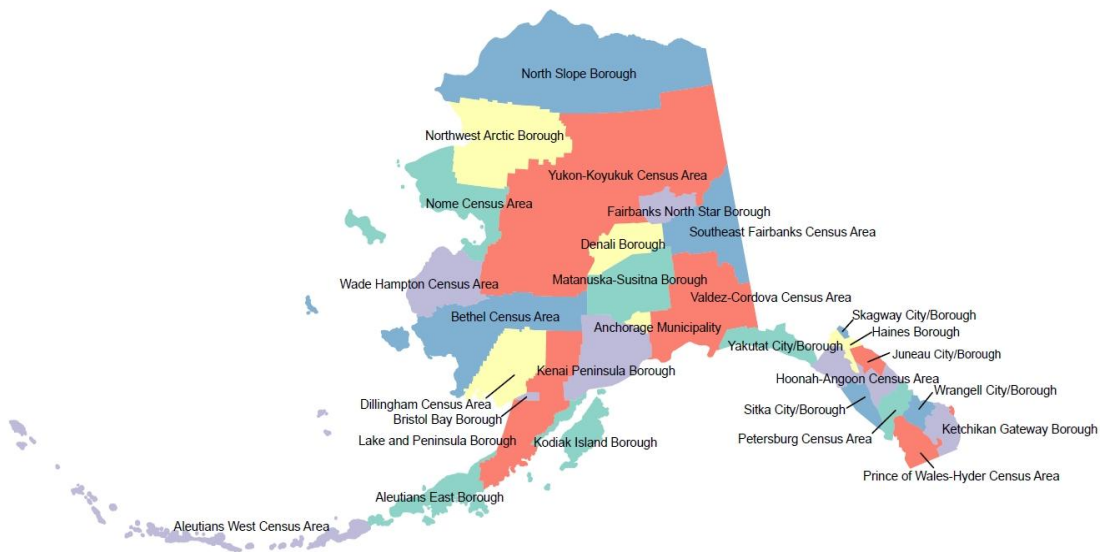
As of July 1, 2008, the Alaska resident population was estimated at 679,720. The geographic area covered by this HCD Plan encompasses all areas of Alaska *except the Municipality of Anchorage*, commonly referred to as the “balance of state.” The 2008 population estimate for the balance of state was 394,726. The population for non-metropolitan Alaska in 1990 was 323,705. Appendix C, Table 1 provides more information on Alaska’s population.

Between the 1990 and 2000 Census, the balance of state population increased at approximately 1.2% per year. This growth rate has remained fairly consistent with an estimated 1% per year growth for the period from 2000 through 2008. This average rate of population growth does not accurately portray the widely varying demographic conditions across the state. In the Aleutians West Census area, the population declined from 9,478 in 1990, to 5,465 in 2000, and it is estimated, declined an additional 4,439 in 2008. This decline in population was largely due to the closing of the Adak Naval Base and Eareckson Air Force Station. In contrast, the Matanuska-Susitna Borough experienced explosive population growth, increasing from 39,683 in 1990, to an estimated 82,515 in 2008. Outside of Anchorage and the Matanuska-Susitna Borough, population growth was much slower, an increase of 4,885 between 2000 and 2008. The chart below illustrates the population growth rates in the various areas of Alaska.

2000 - 2008 Population Change Selected Census Areas and Boroughs



Borough and Census Areas---State of Alaska



According to the 2000 Census, Alaska has a higher rate of migration than any state, other than the District of Columbia. According to a Department of Labor report on migration in 2009, 94,200 people either migrated in or out of the State. This is a higher percentage of a state's total population than occurs in any other state. Historically, the State of Alaska has experienced significant in-migration when national recessions push the U.S. unemployment rate above 7 percent, and significant out-migration in other economic periods. The U.S. recession of 2001 resulted in a significant increase in migration of about 3,700 people from 2002-2004. When the recession came to an end in 2005, net migration turned negative. A significantly increasing national unemployment rate in 2009 may lead to a significant rise in in-migration over the next two years, depending on the severity and duration of the current recessionary period.

Within Alaska, there is significant migration from community to community. In July 2004, the Alaska Department of Labor and Workforce Development published a report that showed there were six areas of the state in which more than 50% of the population moved at least once during the 1995-2000 period. Aleutians West and Kodiak experience substantial transience associated with fish processing. Fairbanks North Star Borough, Kodiak, Sitka and Juneau all experience higher levels of population movement because of Army, Air Force, and Coast Guard rotation. The fewest movers are found in the Lake and Peninsula Borough and the Wade Hampton Census Area, and in the predominantly rural Alaska Native areas of the state.

This July 2004 report on migration, quoted below in pertinent part, also identified another important trend:

A key part of this internal migration is the movement of Alaska natives. . . Between 1995 and 2000, the data clearly documents the rural to urban movement of Alaska's Native population. Anchorage and Mat-Su saw a 10-15% increase in their Native populations through in-migration from other parts of Alaska. Native populations of the Fairbanks North Star Borough, Kenai Peninsula Borough and Denali Borough increased between 5% and 9%, and Juneau, Yakutat, Bristol Bay, Dillingham, and Aleutians West had 1% to 4% increases. In all other parts of Alaska, native populations experienced out-migration.

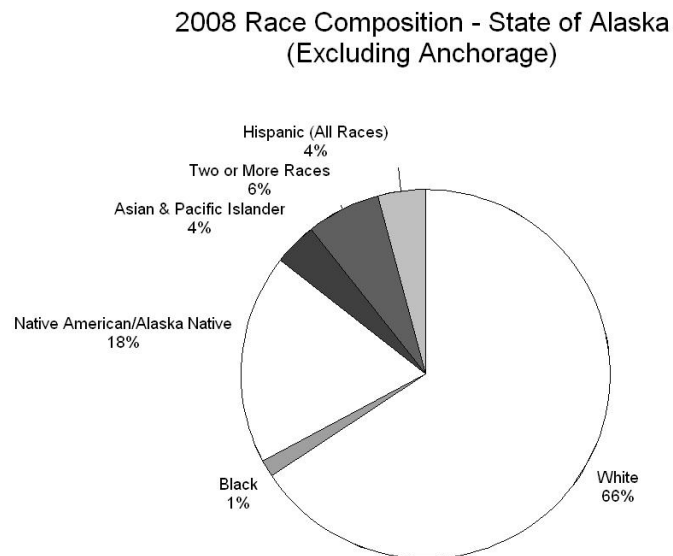
More recent data published by the Department of Labor and Workforce Development in February 2010 suggests that there has been a significant increase, since 2004, of migration from predominately Native communities to hub communities like Anchorage. While these population movements constitute a very small percentage of the overall population (<.5%) of the hub communities, they represent an annual loss of 2% of the predominately Native communities. Since 2000, this represents a loss of roughly 10% of the population in these communities.

Population and growth patterns in Alaska raise questions and concerns about the allocation of scarce housing and community development resources over the next five years. Substantial unmet needs continue to exist in areas with declining populations, but

such communities may be unable to afford the long-term operation and maintenance of programs and projects. Funding sources are increasingly requiring business and operating plans, as a part of determining the feasibility of a project or program; “sustainability” has become a requirement of funding sources. Many communities are financially unable to keep up with their existing programs and infrastructure. Reductions in funding from the state government to local governments have exacerbated this problem.

B. Racial Composition

In the late 1990s, the Federal Office of Management and Budget (OMB) redefined the way information on race is collected to allow individuals to define themselves as “multi-race”. With the 2000 census, people could select all of the races by which they thought they were defined. As a result, race as reported in 2000 is no longer compatible with earlier data, and statistics on race are far more complex. In recent decades, one had to choose from one of four races---White, Black or African American, American Indian or Alaska Native, or Asian and Pacific Islander. The new OMB guidelines establish a five race classification for federal race data on race and ethnicity. It also allows for identifying race in more than one category. The chart below identifies the 2008 racial distributions for the “balance of state.” Appendix C, Table 2 provides more information on Alaska’s racial and ethnic composition.



The largest minority population in Alaska is the Native American/Alaska Native population. According to the Alaska Department of Labor and Workforce Development (Alaska Population Overview: 2001-2002 Estimates and Census 2000), the following observation is made:

The changes in the definition of race make 2000 race data incompatible with prior censuses. There is no longer a direct answer to “How many Alaska Natives live

in Alaska” because of multi-race; the answer must be in the form of a range rather than a single number.

The number of American Indians or Alaska Natives who declared *one race alone* in 2008 was 76,306 or 19.2% of the population. The number of American Indians or Alaska natives who declared this race *alone or in combination with one or more races* was 103,178 or 27.1 % of the population. Alaska had the second highest portion of multi-race in the U.S. after Hawaii.

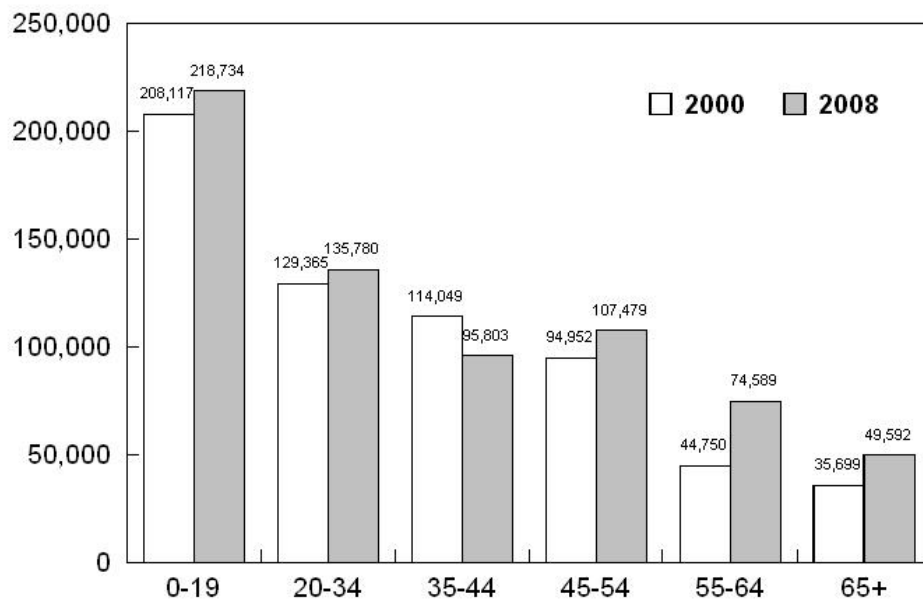
C. Age Composition

Alaska’s median age has been increasing over the past twenty years, and the gap between the national median age (36.7 in 2008) and Alaska’s (33.5 in 2008) is narrowing. In 1980 Alaska’s median age was 26.0, increasing to 29.3 by 1990. The median age of Alaska by race is: White 36.6; Native American 26.4; African-American 28.8; and Asian/Pacific Islanders 30.0. The median age of Hispanics is 24.7. The Native American, Hawaiian and Pacific Islanders and Hispanic populations are much younger because of their higher fertility rates. The African-American population is young because it is largely military.

The prime age for household formation is 25-34. Despite a significant decline from 1990 to 2000, this age group has remained relatively stable over the past eight years, representing approximately 14% of the State’s population. For areas outside of Anchorage, the age group has stayed relatively stable over the last 8 years, representing 13% of the total population. Appendix C, Table 3 provides additional information on the age composition of Alaska’s population.

From 1980 into the late 90’s there was a significant rate of growth in population aged 35-44 as new households migrated to Alaska. This age group now represents the core of the baby-boom generation in Alaska. According to the State of Alaska Department of Labor and Workforce Development Population Projections, the numbers in this age group continue to fall as more baby boomers age in place. Over the last eight years (2000 vs. 2008), the number of individuals aged 35-44 has dropped 16%, while the number of individuals aged 55-64 has increased 67%.

State of Alaska Population Change By Selected Age Group 2000 vs. 2008

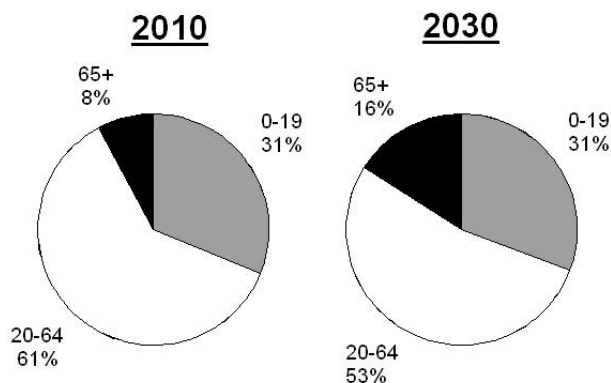


Over the next twenty years, Alaska's population 65 years and older is expected to grow substantially from 55,324 in 2010 to 134,391 in 2030. As a percentage of the State's total population, this age cohort will climb from 8% of Alaska's population to 16% of Alaska's population by 2030. This change is largely due to the aging of Alaska's large cohort of baby-boomers.

Alaska's population under the age of 19 is expected to increase, from 217,790 in 2010 to 257,693 in 2030. As a percentage of the State of Alaska's total population, the representation of this cohort will remain stable at approximately 32% of the total population. This group largely represents school age children of baby boomers, or the "echo boom" cohort, which is expected to initially age into adulthood with little growth. However, Alaska's school age population is expected to increase eventually as members of the "echo boom" cohort start forming households.

Alaska's work age population, 20-64 is expected to increase from 425,459 in 2010 to 446,592 in 2030. However, as a percentage of the state's total population, this will represent a drop from 60.9% to 53.2%. By 2030, there will be a greater number of young and old in relationship to Alaska's working age population. Appendix C, Table 4 provides 20 year projections of Alaska's population by age group.

State of Alaska Population Projections By Age Group



D. Household Size and Composition

The U.S. Census counts all persons as living either in households or group quarters. A household occupies a housing unit. The census currently defines a housing unit as a house, an apartment, a group of rooms or a single room intended as separate living quarters. Boats, tents, vans, and caves are included if they are occupied as a usual place of residence. Mobile homes are included provided they are intended for occupancy on the site where they stand. Seasonal residences, Forest Service cabins, or vacant cabins that are habitable are included in the inventory.

Alaska's household size declined from 2.80 in 1990 to 2.74 in 2000. Almost all the decline in household size occurred in non-metropolitan Alaska. Anchorage's household size in 1990 was 2.68, and in 2000 the household size was 2.67. For areas outside of Anchorage, the decline in household size was more dramatic. In 1990 the figure was 2.90, falling to 2.79 persons per household in 2000. This decline was not seen in all areas of Alaska. Wade Hampton's household size increased from 4.23 in 1990 to 4.38 in 2000. In 2008, non-metropolitan Alaska had an estimated 132,229 households. Family households comprised 89,877 of this total, with 42,352 non-family households identified. From 2000 to 2008, the number of family households increased 44 percent, while non-family households doubled.

E. Other General Demographic Trends

Alaska's population continues to expand. From 2000 to 2008, the State of Alaska grew by 52,789. The majority of this growth has occurred through natural increase; 59,828 (Births-Deaths). Net migration continues to be negative (-7,039), with out-migration exceeding in-migration. The bulk of Alaska's population increase has occurred in the Mat-Su Borough (23,193), the Municipality of Anchorage (24,711), and the Fairbanks North Star Borough (7,056). Most other areas of the state, 21 out of the 27 total Census

Areas/Boroughs, reported net losses in population. A recent report by the Department of Labor and Workforce Development links this population loss to an increasing migration of people from predominately Native communities to Hub communities over the last five years.

The greatest losses in population in the 2000-2008 period were in the Aleutians West Census Area (-1,026), Ketchikan Gateway Borough (-1,066), Yukon-Koyukuk Census Area (-841), Prince of Wales and Outer Ketchikan Census Area (-797), and the Valdez-Cordova Census Area (-682). In terms of population loss as a percentage of a Borough/Census Area's total population, the greatest losses were reported in Aleutians West Census Area (-2.5%), Bristol Bay Borough (-2.4%) and Skagway-Hoonah-Angoon Census Area (-1.9%).

Total personal income for Alaska in 2005 was estimated at \$23.6 billion and has increased by \$11 billion since 1990. However, Alaska's total personal income has increased at an average annual rate of 4.7% since 1990 compared to 4.8% for the United States as a whole. Since 1990, the areas where the greatest annual increase in total personal income were the Municipality of Anchorage (4.8%) and the Matanuska-Susitna Borough (7.6%). These two areas increased the most in population as well as income during this period. Aleutians West Census Area had the greatest decline, decreasing 2.27% annually.

Per capita income for Alaska in 2005 was \$35,564. Income per person has increased about 2.4% annually between 1990 and 2005. In 1980, Alaska was ranked first nationally in per capita income. Over time, Alaska's ranking has fallen, to 7th place in 1990, and then to 16th place by 2005.

Per capita income can fluctuate either because of change in income, population or both. Per capita income rose substantially between 2000 and 2005 in most regions of the State. For 1990-2005, the highest average annual growth was in the Interior Region (3.7 percent), followed by the Northern Region (3.4 percent), Anchorage/Mat-Su (2.8 percent) and Southeast (2.8 percent). Growth was the lowest in the Southwest Region (2.5 percent) and the Gulf Coast (2.3 percent).

V. Demand for Affordable Housing

Alaska's population and employment trends shape the current demand for affordable housing in Alaska. The broad statistical description of Alaska's economic and demographic conditions points to the housing challenges faced by extremely low, low and moderate income households in the state. This section on demand for affordable housing will evaluate the housing cost burden of low and moderate income households, and will examine inadequate housing conditions.

A. Housing Cost Burden

Federal regulations covering the development of the consolidated plan require that the description of housing needs include a discussion of the cost burden and severe cost burden, overcrowding (especially for large families), and substandard housing conditions being experienced by extremely low-income, low-income, moderate income, and middle income renters and owners compared to the State as a whole. Extremely low income households are those with an income of less than 30% of median family income (MFI). Very low income households are at less than 50% of MFI, and low income households are those with an income of less than 80% of median family income.

Households paying more than 30% of their income towards housing are considered to experience a housing cost burden. Households paying more than 50% of their household income are considered to experience a severe housing cost burden.

Table 5 in Appendix C estimates the total number of low income households, with a breakdown between renters and owners, income level and housing cost burden. The 2009 estimate of the total number of households in Alaska outside of Anchorage is approximately 135,528. Of this total, 42,144 households are estimated to have an income of less than 50% of median family income. Estimates were based on data from the U.S. Census 2006-2009 American Communities Survey, the U.S. Census 2000 Decennial Census, and HUD 2009 Consolidated Planning/CHAS Data for the State of Alaska.

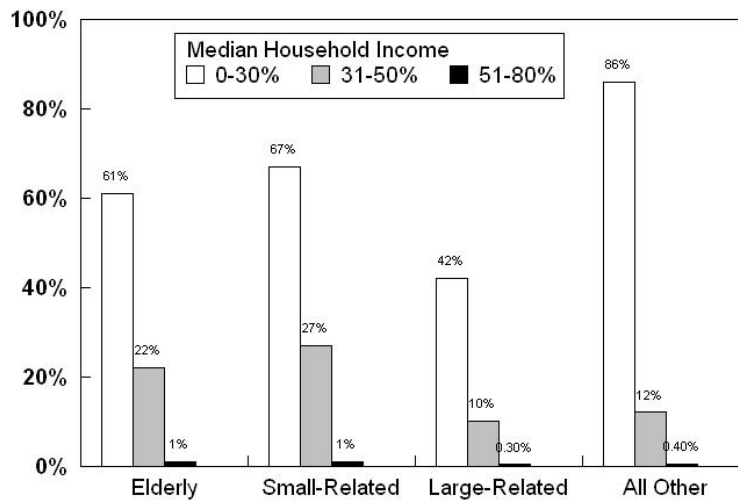
Between 2004 and 2009, the following trends were seen in the number of households in the following incomes ranges:

Income Range	2004	2009	Change
1) 0 to 30% MFI	17,916	19,388	8.22%
2) 31 to 50% MFI	17,637	22,761	29.05%
3) 51 to 80% MFI	23,547	20,599	-12.52%
4) >80% MFI	77,643	72,780	-6.26%
Total Households	136,743	135,528	-0.89%

Forty-seven percent of the extremely low income households (0-30% MFI) outside of Anchorage reported a severe cost burden. For extremely low income renters, 86% of non-family and single person households (All Other Households) reported a severe cost burden. Forty-seven percent of extremely low income elderly homeowners also reported a severe cost burden.

Households between 31-50% of MFI generally had lower percentages of severe cost burden across renter and owner categories. However, 86% of the small-related renter households and 52% of elderly homeowners reported paying more than 30% of their income toward rent. Households making 51 to 80% of MFI generally had lower cost burdens than all the other income groups, except homeowner households which were more likely to report having a cost burden than renter households. For example, 30% of homeowners reported a cost burden, compared to 3% for renters.

2009 Renters With Housing Cost Burden >50% Balance of State

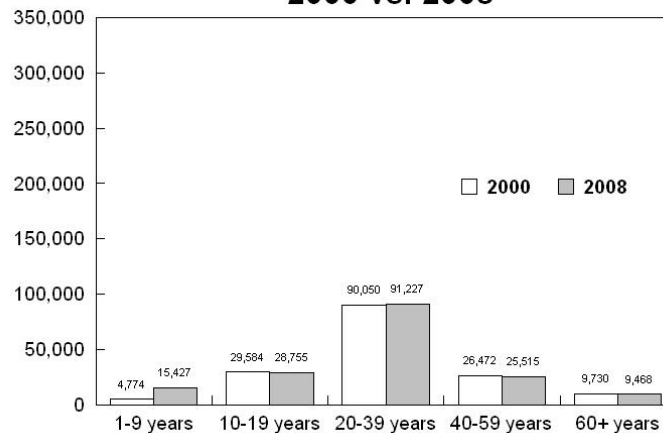


Comparing 2004 to 2009, the greatest increases in cost burden were reported for extremely low income renter households. Non-family and single-person renter households reported a 32% increase in the number of households with a severe cost burden. Homeowners, however, reported the largest decrease in severe cost burden; 44%. For 31-50% MFI households, senior and small related renter households recorded a significant increase in cost burden. Senior households paying more than 30% of their income toward rent grew by 26%. There was a 35% increase to small, related households that were paying more than 30% of their income toward rent. For households at 51 to 80% of MFI, cost burdens decreased for all renter households and increased by 20% for owner households.

B. Inadequate Housing

Alaska's housing stock varies greatly in quality. For one to three unit structures, there is no state code. Many local governments do impose and enforce residential building standards. For residential buildings of three units or greater, the State Fire Marshal adopts a statewide building code, fire code and mechanical code applicable to all areas except where the Fire Marshal has deferred enforcement to local government agencies. Deferrals are currently in effect for Anchorage, Fairbanks, Juneau, Kenai, Kodiak, Seward, Sitka, and Soldotna. The State Fire Marshall does not adopt a residential (one and two family) building code. Some sources of financing impose a de facto building standard if their funds are used in a project. Many residences in Alaska are built "out of pocket" in non-deferred areas, with no construction standards applied.

**Age of Housing Stock - Balance of State
2000 vs. 2008**



Census data is inadequate to make a complete assessment of the quality of Alaska’s housing stock. Inferences can be made, however, given the backdrop of historically weak construction standards, Alaska’s harsh environment, and a rapidly aging housing stock. Limited public resources have been targeted to housing rehabilitation activities, and the deferred and major rehabilitation housing needs continue to grow. The chart above shows the aging of Alaska’s housing stock between the 2000 Census and the 2008 American Community Survey. More information on the age of Alaska’s housing stock is available in Appendix C, Table 6. The majority of housing stock outside of Anchorage remains aged 20 or more years. The production of new housing over the past eight years has increased the available stock under 10 years old, from 4,774 to 15,427. There was also a loss of housing stock aged 40+ years by approximately 1,200 units.

For the purposes of determining the one-for-one replacement of lower-income housing in accordance with 24 CFR Part 42.375, the State considers housing to be in a “standard condition” if it conforms to applicable local and state codes and meets the requirements of the HOME Housing Quality Standards.

Housing is considered to be in a “substandard condition but suitable for rehabilitation” if all the following are true:

1. Housing fails to meet the definition of “standard condition,” and
2. Housing can be rehabilitated to a “standard condition,”
 - a. within the regulatory limitations of the applicable funding program(s) and
 - b. for a rehabilitation cost that is less than 75% of the cost of replacement;
3. The useful life of the housing after rehabilitation will be at least equal to the duration of any debt incurred for the rehabilitation work or the required period of compliance.

The funding program will dictate the applicable codes and property standards assisted housing must meet at project completion.

VI. Demand for Special Needs Housing

A number of Alaskans have special housing concerns. Alaska's senior population has been growing rapidly, and is projected to continue growing at a fast pace. As the state's population ages, accessibility features and availability of appropriate supportive services have become important considerations for many Alaskans. Common appropriate support services that special needs populations often require include: financial management, mental health services, access to affordable medical care, assistance with transitioning back into the community after institutionalization, career services. Other special needs populations have important housing issues that need to be addressed. Persons with all types of disabilities are looking for affordable and accessible housing options. Individuals with mental illness and developmental disabilities are now seeking independent living options, in normal residential settings, with appropriate supportive services.

A. Older Alaskans

Alaska Housing Finance Corporation's Senior Housing Office exists to help Alaska's senior citizens obtain adequate, accessible, secure and affordable housing. In accordance with Alaska Statutes, the Senior Housing Office works closely with the 11 members of the Alaska Commission on Aging (ACoA, established in 1982), appointed by the Governor, in achieving this mission. Simultaneously, the Senior Housing Office works cooperatively with several other advocacy groups in the state to collaborate on a myriad of other senior related issues.

During fiscal year (FY) 2007, the Senior Housing Office worked closely with the Alaska Commission on Aging (and several other agency partners) in developing the State Plan for Senior Services serving FY 2008-2011. Six overall goals were established. Goal Four specifically addresses the need for a range of adequate, accessible, secure and affordable housing options for Alaska's seniors. The State Plan for Senior Services is submitted to the U.S. Administration on Aging for review, approval and final adoption.

In addition to the duties mentioned above, AHFC's Senior Housing Office also maintains an up-to date inventory of senior housing units available within Alaska, including both assisted and independent living. This information is regularly distributed to senior citizens around the state in an effort to assist them with locating needed housing. An assisted living unit is one in which the senior resident requires assistance with activities of daily living, including meals. By definition, one assisted living unit serves one individual. An independent living unit may serve one or more individuals. For areas of Alaska outside of Anchorage, the spring, 2010 senior housing inventory listing identified 953 assisted living units and 1,716 independent living units.

Alaska's senior population has been growing at a more rapid rate than any other segment of the population. Between 1980 and 2008, the Alaska population aged 65 and over increased from 2.9% to 7.0% of the overall population. For the second year in a row, Alaska is the state with the fastest growing senior population, according to the U.S. Administration on Aging (2009), replacing Nevada, which held that ranking for many years. Alaska is currently home to approximately 80,000 persons 60 years old and older

who comprise about 12 percent of the state's population (Alaska Department of Labor). Alaska's senior population is expected to increase by 5 to 6 percent each year through 2020, by which time the total number of seniors will have grown by almost two-thirds, or approximately 64 percent.

While Alaska's seniors are a diverse group, a few statistics (ACoA, 2009) are worth noting to highlight the various needs and challenges associated with one of Alaska's most treasured resources:

- Approximately 3% of Alaska's seniors are living in poverty, while the US average is just under 10%;
- Twenty-percent of Alaska's seniors receive a cash supplement from the Senior Benefits program, from 13% in the North Slope Region to 59% in the Wade Hampton census area;
- Alaskan seniors are more likely than their Lower 48 counterparts to die of causes related to behavioral health issues;
- Retired seniors as a whole contribute approximately \$1.7 billion annually to Alaska's economy, including retirement income and health care spending;
- While older Baby Boomers are now entering the youngest group of seniors and making that the fastest growing segment of Alaska's senior population, the second largest group is those over the age of 85. Many within this 'oldest of old age group' suffer from Alzheimer's disease and related dementia (ADRD), and are the most likely to depend on home & community based care, including long-term support services within the state, and;
- Over the last ten years, extremely low income seniors experienced a large increase in the percentage of households paying more than 50% of their income for housing expenses. From 2005-2009, the percentage rose from 48% to 61%. Increasing energy costs and property tax burdens also contribute to the financial hardship felt by Alaska's senior population.

B. Persons with Disabilities

Alaskans who experience disabilities want to secure accessible, affordable, and integrated housing in their communities. According to the 2009 *Out of Reach* report issued by the National Low Income Housing Coalition, a disabled individual in Alaska receiving only the monthly Supplemental Security Income (SSI) payment of \$647 could only afford to pay \$202 in monthly rent. Even with additional income from Alaska's Adult Public Assistance program, the most they could pay for an "affordable" unit would be \$300. (A unit is considered affordable if it costs no more than 30% of the renter's income.)

In their 5-Year Plan (2006-2011 State Plan), the Governor's Council on Disabilities and Special Education identified a series of specific housing and community development needs. Included among those unmet needs were:

- Inadequate supply of housing that meets universal design/visit-ability standards.
- Lack of emergency housing options for disabled persons experiencing a housing crisis.

- Insufficient supply of housing vouchers and other forms of subsidized housing for disabled persons on fixed incomes.
- Inadequate supply of affordable housing for young persons with disabilities transitioning out of foster care.
- Inability of persons with disabilities to access community service facilities & public amenities.
- Limited access to homeownership opportunities.
- Uneven application of Fair Housing laws.

Several sources of information were drawn upon to estimate the demand for accessible housing in Alaska. The U.S. Census Bureau provides disability data based on three primary sources: the Survey of Income and Program Participation, the decennial census of population, and the Current Population Survey. Nationwide, the overall disability rate is estimated at approximately 20%. The Census Bureau defines a disability as difficulty in performing functional activities (seeing, hearing, talking, walking, climbing stairs and lifting and carrying a bag of groceries) or activities of daily living (getting into and out of bed or a chair, bathing, getting around inside the home, dressing, using the toilet, and eating), or other activities relating to everyday tasks or socially defined roles. A person with a severe disability is completely unable to perform one of these activities of tasks and/or needs personal assistance. An estimated one in ten persons nationally experiences a severe disability according to Census Bureau estimates.

Disability rates vary by age. According to the U.S. Census Bureau, overall Alaska disability rate for the population aged 5 and older is 14.9%. For persons aged 5 to 20 years old, 5.7% are disabled. This figure increases to 14.6% for persons 21 to 64 years old. The rate nearly triples to 47.8% for persons 65 years and over. With Alaska's senior population projected to increase rapidly over the next five years, increasing numbers of Alaskans will experience some form of disability.

C. Alaskan Mental Health Trust Beneficiaries

The settlement of the Alaska Mental Health Trust Lands litigation in 1994 led to the creation of the Alaska Mental Health Trust Authority (AHMTA or the Trust) as an important player in policy development and funding for mental health trust beneficiaries.

These beneficiaries include:

- Persons who experience mental illness
- Persons with developmental disabilities
- Chronic alcoholics with psychosis
- People with Alzheimer's disease and related dementia
- Persons who have experienced a traumatic brain injury

The Alaska Mental Health Trust Authority occupies a unique niche in state government. The Trust provides leadership in shaping a Comprehensive Integrated Mental Health Program to help the most vulnerable Alaskans. State statute AS 47.30.011 sets out the purpose of The Trust as assuring a comprehensive integrated mental health program. The current plan, *Moving Forward (2006-2011)* estimates the following number of beneficiaries:

- Serious mental illness (adults): 21,754
- Serious Emotional Disturbance (youth): 12,725
- Alzheimer’s Disease and Related Disorders (adults over age 65): 5,100
- Brain injured: 11,900
- Developmentally disabled: 12,185
- Alcohol dependent: 22,000

Moving Forward is coordinated with plans developed by the Alaska Mental Health Board, the Governor’s Council on Disabilities and Special Education, the Governor’s Advisory Board on Alcoholism and Drug Abuse and the Alaska Commission on Aging, collectively called the beneficiary planning and advocacy boards.

In 2003, the Substance Abuse and Mental Health Services Administration (SAMHSA) conducted a National Survey on Alcohol and Drug Use. In their report, SAMHSA estimated that 10.4 percent of Alaska’s population was classified with alcohol or drug dependence or abuse: 8.6 percent for alcohol and 3.1 percent for other drugs. Approximately 1.3 percent of the population was dependent or abusing both alcohol and drugs. An earlier in-state study conducted in 1998 estimated that the proportion of chemical dependence varied throughout the regions: 11.9% in the Bush, 10.5% in Southeast, 8.5% on the Gulf Coast, and 9.4% in urban areas.

	Alcohol		Other Drugs	
	Males	Females	Males	Females
Alaska population 18 yrs and over that is alcohol and other drug dependent	27,355	12,240	9,283	4,956

Source: SAMSHA as reported by McDowell Group, *Economic Costs of Alcohol and Other Drug Abuse in Alaska*, 2005

While many Alaskans struggle to find decent, affordable housing, Mental Health Trust beneficiaries find it especially difficult to access and retain appropriate housing. People with mental or addictive diseases may exhibit behaviors that housing providers fail to recognize as connected to their disease and react by evicting them. Such a displacement to homelessness starts a cycle of interrupted treatment, compounded trauma and health problems. Others are burdened by stigmas associated with their disability and cannot compete with non-disabled persons in tight rental markets.

One sobering reality concerns the housing situation of a significant number of Alaska Mental Health Trust beneficiaries. Unfortunately, the largest single provider of housing for persons experiencing mental illness is the Alaska Department of Corrections (DOC). According to the Trust, approximately 37% of persons in DOC custody suffer mental illness – 12% with major psychiatric disorders. Depending upon the nature of the offense leading to incarceration, beneficiaries coming out of DOC facilities may find themselves

barred from a wide range of conventional housing assistance. This situation many times leads to a revolving door leading back to incarceration.

In recognition of the many challenges Trust beneficiaries face, the Alaska Mental Health Trust Authority established *Affordable Appropriate Housing* as one of its five specific focus areas. Program staff assigned to this focus area work on projects ranging from collecting statistics on unmet housing needs, providing technical assistance to special needs housing providers and mobilizing resources to expand housing opportunities for beneficiaries.

D. Persons With HIV/AIDS

AIDS became a reportable condition in Alaska in 1985. Data on AIDS in Alaska reflect the number of individuals first diagnosed with AIDS while Alaska residents. Because of the long incubation period between the time of first infection with HIV and the onset of conditions that meet the AIDS case definition, AIDS case data do not necessarily reflect HIV infection data. Through December 2003, 565 Alaskans have been confirmed to have AIDS. Of these, 294 (52%) are known to have died. Of the 565 cases, 478 (84.6%) are male and 87 (15.4%) are female.

HIV infection did not become reportable in Alaska until February 1999. HIV data reflects all of the reported cases of persons who have been diagnosed with or received health care for HIV infection in Alaska. This includes persons both with and without an AIDS diagnosis, regardless of the state of residence at the time of diagnosis with HIV infection. Through December 2003, a cumulative total of 844 cases of HIV infection reported among individuals in Alaska. Of the 844 cases of HIV infection, 565 individuals had AIDS, and 294 are known to have died.

The relatively low number of persons in Alaska with AIDS does not show the complete picture of the problem. Until HIV became reportable in 1999, only data on those who were tested through the State Laboratory or the Department of Defense was available. Since neither of the two major hospitals in Alaska uses the State Laboratory, the actual number of persons living with HIV/AIDS has been under-reported. The three major HIV/AIDS service providers in Alaska continue to report that their clients generally face precarious housing situations, rather than homelessness. With fragile health and limited resources, even the smallest of events, such as a higher heating bill in January, can trigger a major financial crisis within these households. Without financial assistance, many persons in Alaska with HIV/AIDS are forced to choose between basic needs such as life-saving medications, food, or housing. The State of Alaska, Division of Public Health, Section of Epidemiology, issued the 1998 Statewide Coordinated Statement of Need. From this report, the following concerns were outlined:

The cost of travel is high, yet travel may be necessary for clients to access services outside of their home communities, or may require providers to visit the clients in their home communities to deliver services.

Clients with mental illness and/or substance abuse problems present special challenges for HIV health care such as lack of available, suitable services, inability to maintain housing and difficulty complying with HIV care regimens.

Recent medical breakthroughs have increased the longevity odds for clients, but most Alaskans with HIV/AIDS are low income and cannot bear the financial burden while still meeting basic living expenses. Increased demand for services may soon force providers to limit services due to lack of available funds. (In other words, the good news is clients don't have to face certain short-term death, but the bad news is they must figure out how to pay to stay alive.)

Clients experiencing improved health face interruptions in or possible loss of HIV care due to a loss of medical benefits if they decide to return to work.

An increasing number of Alaskans with HIV/AIDS face difficult situations concerning health care. Often, clients with HIV are not meeting the disability criteria to qualify for Medicaid. A growing number of clients reside in more rural areas, making it difficult for providers to deliver services.

E. Other At-Risk Populations

Acute housing needs exist for at-risk populations that may have access to community support services, but lack safe, affordable, permanent housing. The availability of affordable housing options for at-risk populations may increase the effectiveness of other state and federal service programs as well. At-risk populations are constantly at the brink of homelessness. In many instances, these households have already experienced homelessness at least once in their lifetimes. Unmet housing needs for these populations often mean increases in the utilization of emergency medical services and increases in public safety interventions and incarcerations. Providing affordable housing options to at-risk populations who have access to other community support services can decrease the over-utilization of emergency services and increase the likelihood that these households may transition successfully back into the community. In addition, these households are more likely to succeed and transition into permanent housing situations if safe, affordable housing options are made available.

Persons Released From State Supervision

Individuals that no longer require, or are eligible for, state supervisory services have the difficult task of transitioning back into the community. This period of transition from state supervision to independent living can be fraught with episodes of homelessness, unemployment and incarceration. With affordable housing options and the availability of community supports services, households have the supports needed to navigate these issues and achieve independence.

Correctional Facilities

According to DOC, Alaska had the highest growth rate for incarceration per capita in the United States from 2005-2006 at 9.4%; Alaska ranked fifteenth in the United States for the incarceration rate per capita. DOC planned to add another 368 beds in five existing correctional facilities between 2008 and 2010, and to build a new 1536 bed prison by 2012. According to research conducted by the University of Alaska Anchorage's Institute of Social and Economic Research in 2009, with no change in policies the number of inmates in Alaska is likely to double by 2030, from 5,300 to 10,500. In addition, the research found that "without any intervention, about two-thirds of those who serve their sentences and are released commit new crimes". DOC reports that the rate of recidivism of Alaska's inmates is commensurate with the national average which is approximately 67%.

According to the 2007 Alaska Department of Corrections Homeless Offender Survey, 54% of respondents reported being homeless at least once prior to incarceration. While a disproportionate amount of these individuals have self-reported a disability, more than a third of individuals who have experienced homelessness prior to incarceration have reported no disability. There is a need for housing related services to persons being released from corrections regardless of whether or not the individual has a disability. In fact, more services exist for persons who have a diagnosed disability, while significantly fewer services are available for non-disabled individuals being released.

Children's Services

According to the State of Alaska's Office of Children's Services (OCS) website, youth placed in foster care often have difficulty transitioning to adulthood. The OCS articulates the specific needs of this population and the hurdles that they must navigate to achieve self-sufficiency as follows:

Many of these youth have lacked a stable, safe, and nurturing environment that enables young people to grow into healthy adults. When young people reach age eighteen in foster care they are no longer in the state's custody. These young people often are faced with living on their own without family or financial support. A recent report from the Casey Family Program shows that youth transitioning from foster care have:

- *a higher rate of arrest and incarceration;*
- *an increased likelihood of early parenting and instability in relationships, including divorce;*
- *lower high school graduation rates and generally lower school performance;*
- *an increased likelihood of health and mental health problems, including emotional and behavioral problems;*
- *a greater likelihood to experience homelessness;*
- *a higher rate of substance abuse;*

- *a higher rate of unemployment.*

Of the approximately 2500 children in the Alaska Office of Children's Services custody and placed in out of home care, approximately 18%, or 450 youth, are age 14 and above. From available data, we expect 100 youth to enter this group every year. Of the youth in OCS custody, placed in out of home care approximately 9% or 225 are age 16 and above. Based on current data, it is projected that 100 youth will enter this population every year. Approximately 40 youth age out of foster care in Alaska each year. Independent living skills and resources are necessary for these young adults to survive as they reach the age of majority and lose the safety net of services available to children.

By definition, these youth are from homes with significant dysfunction. Frequently, they have witnessed domestic violence, substance abuse, and criminal activity.

OCS provides various educational, vocational and life skills training opportunities to youth in custody as well as aftercare services for youth who age out. A gap exists between affordable housing options and housing services available for this at-risk population.

Victims of Domestic Violence

Persons who are displaced as a result of domestic violence often have complex housing needs that take time to resolve. Many victims who seek safety at a shelter cannot return home unless the perpetrator is incarcerated. Even in that case, the victim may no longer have the financial means to maintain that home. If returning home is not an option, the victim may have to wait many months for court proceedings to determine their compensation or permit the victim to relocate to another state where safety and a support network is more extensive. Due to the nature of domestic violence, victims may have been withheld from employment for many years and require training to re-enter the workforce. Without a system of affordable, supportive housing, victims stand the risk of exposure to further harm if they see dependence on the perpetrator or other inappropriate persons as their only option.

Persons Enrolled in Job Training or Vocational Rehabilitation

Persons who are enrolled in job training or vocational rehabilitation increase their ability to obtain and maintain a livable wage. Participation in these programs may stabilize a household's finances as well as their housing situation and help to prevent homelessness.

Job Training

Job training programs provide opportunities to individuals to obtain and retain a job and advance in a career. It is likely that some low-income households are not able to participate or complete job training programs and continue to meet their costs of living. Affordable housing options that are made available to these individuals will enable them

to attend and complete job training programs in order to achieve financial self-sufficiency. Once financially self-sufficient, affordable housing options may still be needed, however the need for subsidized housing may decline.

Vocational Rehabilitation

The State of Alaska's Division of Vocation Rehabilitation (DVR) assists individuals with disabilities to obtain and maintain employment. In many instances, these individuals may be on a fixed income, like public assistance, SSI or SSDI; subsidized housing is often necessary for individuals living on fixed incomes. A housing gap exists for households on fixed incomes. Individuals who take advantage of the opportunities available to them through the Division of Vocational Rehabilitation may require affordable housing options and/ or subsidized housing opportunities as they work towards achieving financial self-sufficiency.

F. Alaska Continuum of Care for the Homeless

In the housing realm, "continuum of care" is both a planning framework and the name of a specific grant program funded by HUD. Components within the planning framework include outreach, homeless prevention, emergency shelter, transitional housing, and permanent supportive housing. The Alaska Coalition on Housing & Homelessness serves as the clearinghouse for local coalitions to report information on unmet needs in their respective communities and development of new housing opportunities. The Coalition also fosters dialogue and information exchanges to develop strategies to address those unmet needs.

In accordance with HUD guidelines, AHFC conducts an annual "Point-in-Time" enumeration of homeless persons and housing resources during the last week in January. In addition to collecting information on those that meet the strict HUD definition of "homeless" (persons sleeping in emergency shelters, transitional programs targeting homeless and places not meant for human habitation), AHFC also tracks the number of persons sleeping in motels or temporarily with relatives or friends as a result of hardship and displacement. The winter 2009 count identified 725 persons meeting the HUD homeless definition and 896 persons sleeping temporarily with family/friends or in a motel for a total of 1,621. The reason so many persons do not meet the HUD definition is because of the lack of emergency shelter facilities in many communities within the Balance of State. Martha Burt, a leading researcher on homelessness for the Urban Institute estimates that during a one year period, four or five times as many people experience homelessness as are homeless on any particular day. Using this assumption, an estimated 6500 Alaskans outside of the Municipality of Anchorage will experience homelessness at some time during any given year.

Within the overall homeless population are many subpopulations. Included are single men and women, single mothers with children, single fathers with children, two-parent or blended families with children, disabled persons, runaway and homeless youth, victims of domestic violence, and others. The 2009 Homeless Survey indicated that approximately 53% percent of Alaska's homeless were persons in families with children. Homelessness

for many families is the result of a sudden economic downturn such as illness, divorce, or job loss. Approximately 12% were persons identified as “chronic homeless.” HUD defines persons in this category as “an unaccompanied individual with a disabling condition who has been homeless for a year or more, or those who have experienced at least four episodes of homelessness within three years.” In many cases, the “disabling” condition is mental illness and/or substance abuse.

Though Alaska Natives make up approximately 17% of the overall population in Alaska, they represent 39% of the homeless counted in the AHFC survey. Approximately 5% of those counted in the 2009 survey were veterans. The 2006-2008 U.S. Census Bureau’s American Community Survey notes that veterans comprise 10% of the population of Alaska and 11% of the population of Anchorage making Alaska one of the states with the highest percentage of veterans *per capita*.

Details concerning homelessness in the balance of state of Alaska are included in Table 1 which can be viewed in Appendix B.

VII. Market Analysis of Housing Supply

A. Existing Housing Supply

The decade of the 1990’s was a time of growth in Alaska’s housing supply. The 1990 Census identified 138,455 housing units in all areas of Alaska outside of Anchorage. The 2000 Census counted 160,610 housing units in non-metropolitan Alaska. More recently, the 2008 American Community Survey identified 170,392 housing units in non-metropolitan Alaska. One major challenge in utilizing Census housing data concerns the general lack of housing quality information. Another limitation is the large number of housing units falling in the category of vacant housing units called “for seasonal, recreational or occasional use.”

Some of these housing units “float” into and out of the occupied residential category, depending on local housing market conditions and the quality of the housing stock. At this time, no one has a clear, empirically substantiated picture of this component of the overall housing supply. Some limited inferences can be made from available Census data. In 2000, a total of 33,832 housing units in non-metropolitan Alaska were vacant, representing 21% of the area’s total number of housing units. Approximately 63% of the vacant housing units were for seasonal, recreational or occasional use. The 2008 Census showed a slight increase in vacant housing units, with 38,163 identified. The 2008 seasonal and occasional use units increased slightly to 21,608; the comparable 2000 figure was 21,245. Seasonal and occasional use housing units grew in total numbers by less than 2%, compared to the overall growth in housing stock of approximately 6% over the period from 2000 to 2008. An increase was seen in the number of vacant housing unit not in the occasional use category---the 2000 Census identified 12,587 such units, with the figure rising to 16,555 in the 2008 American Community Survey. . Using available data from the 2000 Census and the 2006-2008 American Community Survey, AHFC

estimates the elements of demand, as noted below, drove housing stock growth and utilization between 2000 and 2008.

- Population growth @ 2.49 persons per household 9,615 units
 - Increase in household size from 2.79 to 2.92 6,299 units
 - Increase in seasonal/occasional 363 units
- Total = 16,277 units

The increase in total housing units between 2000 and 2008 was 10,731. A “gap” exists between the “demand-driven” 16,277 units identified above and the Census identified increase of 10,731 additional housing units identified between the 2000 Census and 2008 American Community Survey counts. Another estimated 2,080 housing units were demolished or destroyed in the same period.

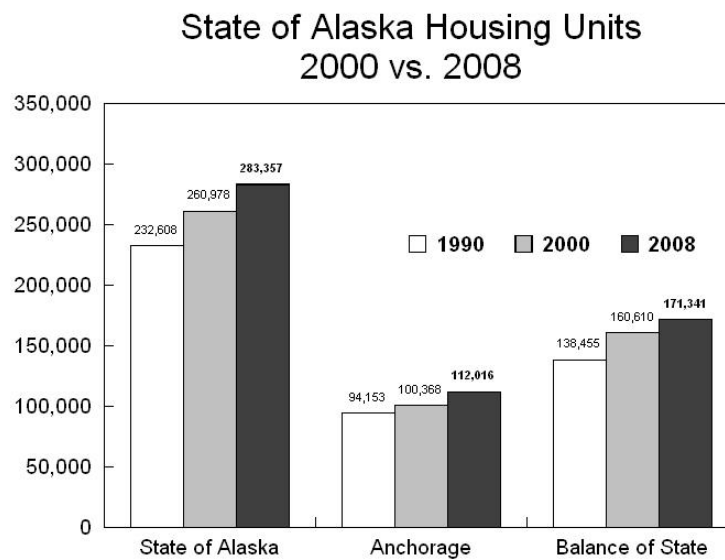


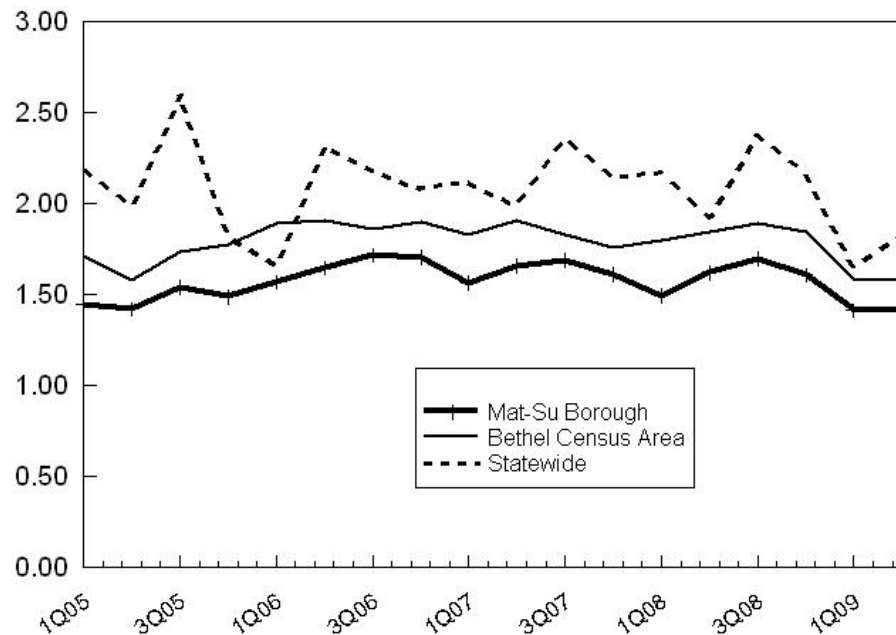
Table 7 in Appendix C provides additional information on 2008 housing units by Census area or Borough. The data for 2008 are estimates provided through the American Community Survey. The Fairbanks North Star Borough added the most housing stock over the last eight years, with the inventory growing from 33,291 to 37,999 housing units. The Matanuska-Susitna Borough was second with an increase of 1,360 units of housing added over the same period.

B. The State of Homeownership

Homeownership rates increased for Alaska as a whole from 62.5% in the 2000 Census to 66.8% in the 2008 Census Housing Vacancy and Homeownership Survey. In areas of the state outside of Anchorage, this increase was from 64.3% in 2000 to 65.9% in 2008. The 2008 American Community Survey only provides data on Alaska's largest boroughs or census areas, so current homeownership data is not available for all areas of the state. However, the Matanuska-Susitna Borough rate of homeownership continues to climb, rising from 78.9% in 2000 to 80.6% in 2008. The Kenai Peninsula Borough also reported a slightly-higher than average 2008 rate of homeownership, at 72.7%.

Favorable long-term mortgage interest rates and a variety of mortgage programs have helped expand homeownership opportunities. The chart below shows the current trend in Alaska's housing affordability through the Alaska Affordability Index:

**Affordability Index - State of Alaska and Selected Areas
2005 - 2009**

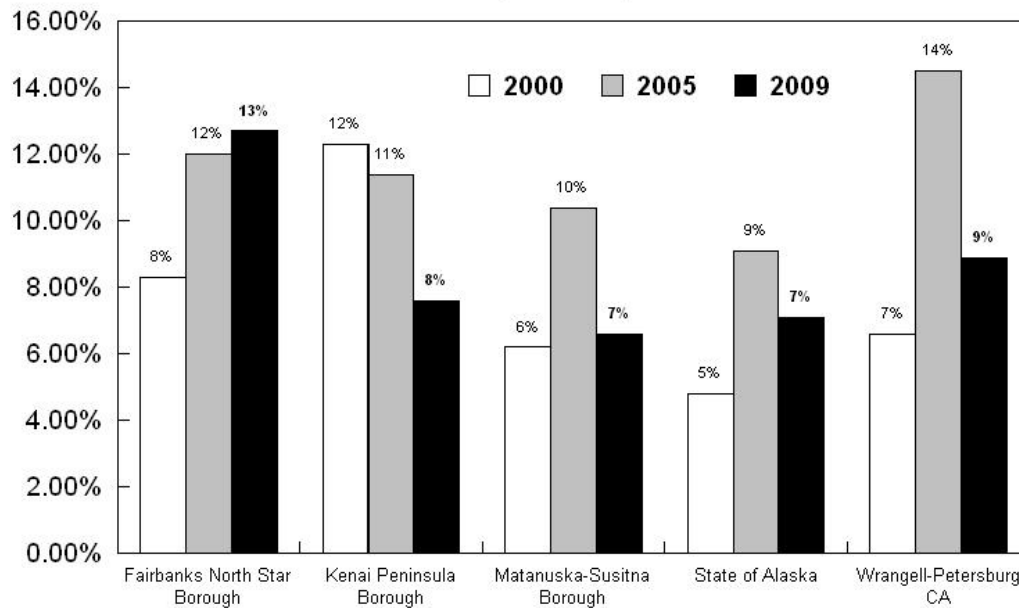


The Alaska Affordability Index is a measure of the number of wage earners necessary to afford an average home. The index value indicates the number of earners per residence receiving the average wage that are necessary to qualify for a 30-year single family mortgage at the prevailing interest rate with a 15% down payment. An increase in this index means that a family is less able to afford a home. More information about the Alaska Affordability Index is available in Appendix C, Table 8.

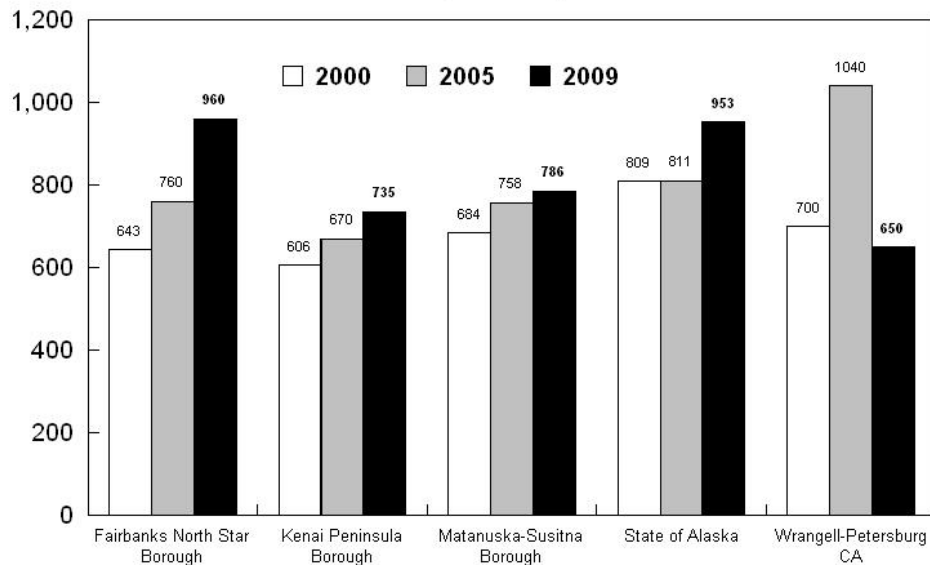
C. The State of the Rental Market

The Alaska Rental Market Survey is conducted for Alaska Housing Finance Corporation every March by the Alaska Department of Labor and Workforce Development. Residential rental information is collected on more than 22,000 single family, condominium, apartment, and mobile-home rentals from over 2,900 landlords in ten areas of the state: Fairbanks North Star Borough, City and Borough of Juneau, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kodiak Island Borough, Matanuska-Susitna Borough, Municipality of Anchorage, City and Borough of Sitka, Valdez-Cordova, and Wrangell-Petersburg. These areas represent 87% of Alaska's rental market. The charts below show the trends in rental market vacancy and rents over the last nine years (Table 9 in Appendix C provides additional information on Alaska's Rental Market).

**Rental Market Vacancy: State of Alaska and
Selected Areas
2000, 2005, 2009**



Average Contract Rents State of Alaska and Selected Areas 2000, 2005, 2009



D. Public Housing Division

Alaska Housing Finance Corporation, Public Housing Division is the public housing authority for the State of Alaska, including the Municipality of Anchorage. For all areas outside of Anchorage, AHFC manages and maintains 1,132 public housing and Section 8 housing units. These units are located in 13 communities throughout Alaska.

AHFC also administers the Housing Choice Voucher program for the entire state. Outside of Anchorage, the Voucher program operates in twelve communities, and administers 1,900 vouchers.

Over the past decade, Congress has made no new additional funds available for expansion of public housing units.

“Moving To Work”

On June 24, 2008, AHFC entered into a “Moving To Work” Agreement (MTW Agreement) with the US Department of Housing and Urban Development (HUD). MTW is a demonstration program authorized by Congress, through which participating agencies are given the flexibility to waive certain statutes and HUD regulations in order to design and test approaches for providing housing assistance that:

- 1) Reduces cost and achieves greater cost effectiveness in Federal expenditures;
- 2) Gives incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and,
- 3) Increases housing choices for low-income families.

The three objectives listed above are referred to as “MTW statutory objectives”.

The MTW Agreement provides AHFC with the flexibility to test out new approaches consistent with the MTW statutory objectives and to expand the MTW demonstration to include all public housing and tenant-based Housing Choice Vouchers administered by AHFC with certain exceptions. Those exceptions are vouchers under the Veterans Affairs Supportive Housing (VASH) and Family Unification Programs (FUP) - which are excluded from the flexibilities under the MTW Agreement.

AHFC has established guiding principles for its MTW activities. These principles augment the three Federal objectives of the MTW program and ensure that AHFC’s activities are reflective of AHFC’s mission and goals.

- MTW activities will be supportive of elderly and disabled families, continuing AHFC’s long standing tradition of ensuring that the elderly and disabled families are served by our programs.
- MTW initiatives will be designed to ensure the stability of AHFC’s low income housing programs and to increase the stability of the families it serves.
- In designing, operating and evaluating MTW initiatives, AHFC will leverage the network of Alaskan service organizations and agencies.
- MTW activities will be designed to promote tighter linkages and synergies between the public housing/HCV programs and the operations and mission of AHFC by providing affordable housing to low income residents of Alaska.

Overview

During Fiscal Year 2010, AHFC undertook a range of MTW-related and other activities summarized as follows:

- AHFC continued to provide public housing and HCV subsidies for low income families throughout Alaska.
- AHFC reduced administrative costs and achieved greater cost efficiencies. In general, these efficiencies began to allow staff to assume a greater role in being more proactive in addressing local needs that may be unmet and provided greater support to families seeking economic self sufficiency.

- In addition to the MTW initiatives, AHFC also proposed changes to its policies that are authorized under existing regulation. These initiatives will work hand-in-hand with the MTW initiatives to streamline AHFC's programs and increase housing choice.
- Included in the proposed MTW initiatives were reductions in the number of inspections conducted, reductions in the number of annual reexaminations conducted, changes to the method of calculating income and rent, transitioning waiting list intake and management functions to some, or all, Project Based Voucher (PBV) owners, consistent with existing multi-family industry practice, changes to the live-in aide policy, and implementation of a re-entry program for individuals coming out of prison.

For a comprehensive review of the MTW program please visit the HUD website at:

<http://www.hud.gov/offices/pih/programs/ph/mtw/index.cfm>

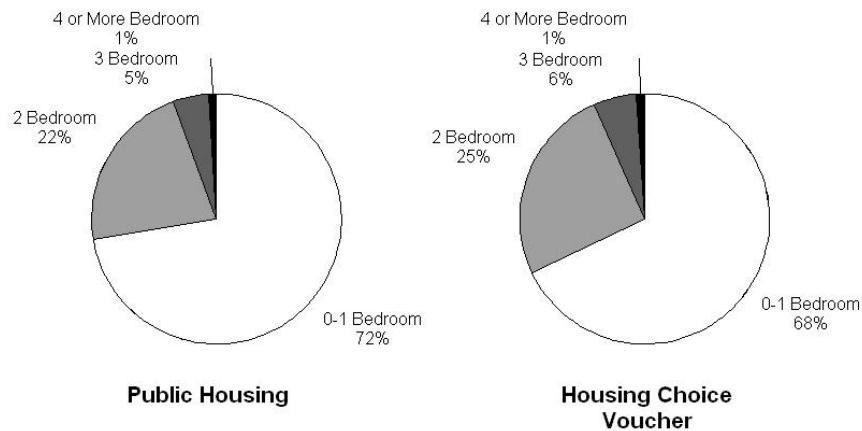
Please also visit the AHFC website to view the full text of the year one AHFC Moving to Work Program Annual Plan for Fiscal Year 2010. This includes the fourteen MTW initiatives that AHFC has undertaken for its first year in MTW, as well as the non-MTW initiatives that AHFC has undertaken throughout FY 2010.

http://www.ahfc.state.ak.us/iceimages/reference/mtw_annual_plan_fy2010.pdf

AHFC is currently in the process of preparing their FY 2011 Moving to Work Program Annual Plan for public review and comment.

Table 10 in Appendix C identifies the public housing waiting list as of November 23rd, 2009. Table 11 in Appendix C provides a project list by community of public housing planned physical improvements between FY 2011 and FY 2015.

Wait List Number of Households By Bedroom Size Requested November 23rd, 2009



E. Other Publicly Assisted Housing

Alaska Housing Finance Corporation is not the only source of publicly assisted housing in the state. A number of project- based Section 8 rental developments are located in eight Alaskan communities. Thirty-one of these projects provide a total of 1,317 rental units, with 1,004 units receiving rental assistance to make them affordable to lower income households. One key issue concerns the expiration of the existing project- based Section 8 contracts. The contracts from the U.S. Department of Housing and Urban Development (HUD) provide the funding to private sector landlords, enabling below market rents to be paid by lower income tenants. In the past, the project based Section 8 contracts had a term of 20 to 30 years. Contract terms have been typically decreased to no more than five years. Thus far, the participating landlords are opting to renew. As more of the Section 8 properties move into an annual renewal cycle, the potential exists for disruptions in the availability of this affordable housing resource.

The largest single source of publicly assisted housing in Alaska is funded through HUD's Office of Native American Programs (ONAP); more than \$93 million per year, goes to its Indian Housing Programs.

One key development in the Indian Housing Programs occurred in the fall of 1996 with the passage of the Native American Housing Assistance and Self Determination Act (NAHASDA). This federal legislation dramatically changed the way Indian Housing Programs were delivered, with Alaska being impacted the greatest of any state. In the past, fourteen regional housing authorities (RHAs) established by state statute, were the designated entities responsible for the administration and delivery of Indian Housing programs in their respective areas. With the passage of NAHASDA, Alaska's approximately 237 federally designated tribes were provided a formula based annual

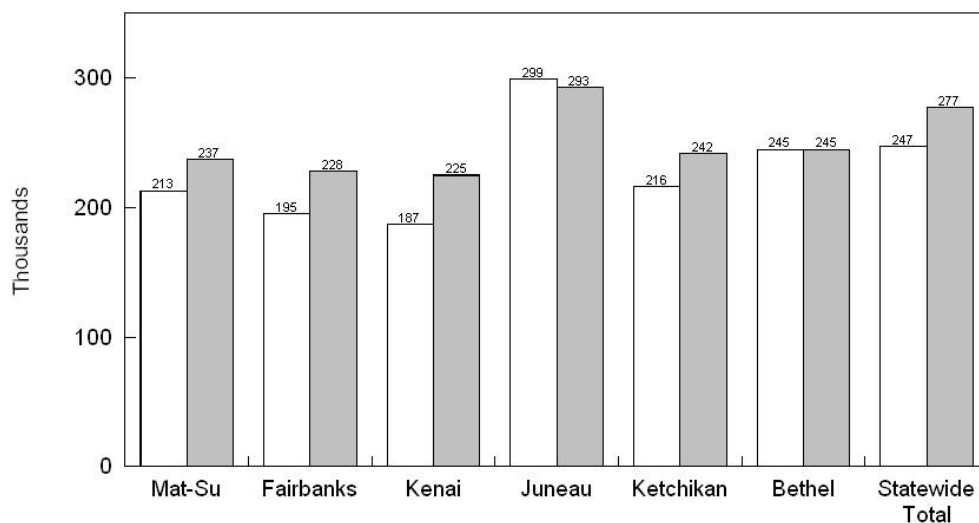
funding allocation and could either operate their own housing program or designate another entity to become their Tribally Designated Housing Entity (TDHE) (usually a regional housing authority). Thus far, most of the tribes have contracted with the existing regional housing authorities for any new housing development. Some of the smaller tribes have elected to focus upon small scale rehabilitation projects.

F. General Market Conditions

The greatest influence on Alaska's general housing market conditions has been relatively stable, low, long-term interest rates for mortgages over the past nine years. An historic review of 30-year fixed rate mortgages shows a 2000 average of approximately 8.0%, declining to an average of 5.03% in 2009.

Housing price trends have been greatly impacted by this positive interest rate environment. The Alaska Housing Market Indicators Quarterly Survey of Lenders identified an average single family purchase price of \$163,814 in 2000. This rose to \$265,678 by the 3rd quarter of 2009, an increase of almost 62% over the last eight years. Analysis of Alaska Housing Finance Corporation loan commitments for the 2000-2009 period indicates that the average total purchase price of all single family homes increased from \$165,424 in 2004 to \$220,000 in 2009. Single family loan prices on new construction also increased. Over the 2005-2009 period, average total purchase prices on new homes increased marginally from \$236,000 to \$237,900 in non-metropolitan Alaska (outside of Anchorage). Appendix C, Table 17 provides additional information on the sales price of single family homes in Alaska.

**Average Sales Price By Selected Area
2005 vs. 2009**



AHFC's Alaska Rental Market Survey showed an increase in average contract rents over the 2005--2009 period in most areas of the state. During this period Fairbanks experienced a 26.3% increase in average contract rents over the period. Juneau had a 9.0% rise, the increase in Kenai was 10.0%, Sitka was 20%, while Mat-Su experienced a 4.0% growth in average contract rents. In nine of the eleven areas participating in this rental market survey, eight experienced an increase in vacancy rates between 2005 and 2009.

G. Alaska's Housing Delivery System

A number of different organizations and individuals are involved in the production, maintenance and management of housing stock in Alaska. These various entities include private sector participants, non-profit organizations, and public sector organizations. Partnerships between the private and public sectors are common in affordable housing developments. The private sector is the dominant player in the production of most housing in the state. Several public sector organizations play a key role in Alaska's affordable housing delivery system.

Alaska Housing Finance Corporation (AHFC) is a public corporation created by the State of Alaska in 1971. AHFC plays a number of roles in the state's housing delivery system. Outside of Anchorage, AHFC owns and manages 932 public housing (including Section 8 Multi-Family New) units in 13 communities. More than 2,000 low-income households receive AHFC administered Housing Choice Voucher (Section 8) rental assistance, in 13 communities outside Anchorage.

AHFC is a critical funding resource. AHFC purchased just \$330 million in residential mortgages in FY09. That number was nearly \$564 million just two years earlier benefiting more than 2,600 households that year. Other AHFC administered programs expand and preserve, affordable housing opportunities, including the Low Income Housing Tax Credit Program, HOME Investment Partnerships, Senior Citizens Housing Development Fund, Low Income Weatherization, Supplemental Housing Development Program, Homeless Assistance Program, and the Grant Match Program for Federal and Other Competitive Grants.

AHFC programs promote private-public partnerships that expand housing opportunities in a creative and effective manner. AHFC is a housing organization in Alaska with a bona fide statewide presence, and a wide range of housing programs to offer.

Another very important public sector player in Alaska's housing delivery system is the U.S. Department of Housing and Urban Development (HUD). HUD is the major funding source for AHFC's public housing programs. HUD also provides funding for the HOME Investment Partnerships Program, Housing Opportunity for Persons with AIDS, McKinney Homeless Assistance Programs, and key technical assistance programs designed to expand the capacity and competence of the housing delivery system.

The most significant amount of HUD funding, more than \$93 million per year, goes to its Indian Housing Programs. HUD's Federal Housing Administration (FHA) is another critically important component in Alaska's affordable housing picture. FHA mortgage insurance allows home loans to be originated with reduced down-payments compared to conventional mortgages. FHA insurance has helped to expand the rate of homeownership in the state.

Non-profit housing development organizations are an important part of the housing delivery system as it relates to expanding affordable housing opportunities. Community Housing Development Organizations (CHDOs) are a special form of non-profit housing organization that is recognized and given special consideration under the HOME Investment Partnerships Act. Fifteen percent of the state's annual HOME funding is set-aside for qualified activities by CHDOs. As of March 2010, Four CHDOs are currently certified in Alaska (outside of Anchorage):

Kenai Peninsula Housing Initiatives---Kenai Peninsula

Valley Residential Services---Mat-Su Borough

CDI Alaska, Inc. --- Throughout Alaska, with the exception of the North Slope Borough
Housing First, Inc. --- Juneau

Alaska's regional housing authorities, providing housing and housing-related services to Alaska Natives and non-Alaska Natives throughout the state, will continue to play an important role in the delivery of housing. In FY2010, the regional housing authorities are providing housing construction, rehabilitation and weatherization programs on behalf of 189 tribes and often provide consulting assistance to the 47 tribes that are operating their own housing programs.

Continuing technical assistance will be an important component in promoting effective planning and execution of housing programs. This is true for all involved in the wide range of affordable housing programs. Many affordable housing projects involve multiple funding sources, each with their own rules, regulations and compliance issues. To help ensure the production of quality housing in the state, the Alaska Housing Finance Corporation provides technical assistance to entities requesting those services whether they are non-profit, private, public or tribal organizations.

H. Lead Based Paint Hazards

The Consolidated Housing and Community Development Plan supports actions to evaluate and reduce lead based paint hazards. The Interagency Steering Committee for the Consolidated Plan will continue to work with the Alaska Division of Public Health, Section of Epidemiology to monitor the blood lead levels in tested Alaskan children.

All covered projects under the HOME, CDBG, HOPWA, Public Housing and Section 8 programs will be administered to conform to the applicable lead based paint regulations. Rehabilitation of pre-1978 housing using HUD housing assistance programs covered by the lead based paint rule (Subpart of the Rule Within 24 CFR Part 35), will follow the applicable HUD procedures, reporting and record keeping standards outlined.

Section 1018 of the Residential Lead-Based Paint Hazard reduction Act of 1992 requires that sellers, landlords and agents warn homebuyers and tenants of lead-based paint and lead based paint hazards in pre-1978 housing. A prospective home purchaser or prospective tenant must receive the following information prior to becoming obligated under any contract to lease or purchase a property covered by this Act:

- An EPA approved information pamphlet on identifying and controlling lead-based paint hazards.
- Any known information concerning lead-based paint or lead-based paint hazards.
- Any records or reports on lead-based paint which are available to the seller or landlord.
- An attachment to the contract or lease which includes a Lead Warning Statement and confirms that the seller or landlord has complied with all of the notification requirements.

Sellers must provide homeowners a 10-day period to conduct a paint inspection or risk assessment for lead-based paint or lead-based paint hazards. Parties may mutually agree, in writing, to lengthen or shorten the time period for inspection. Homebuyers may waive this inspection. Sellers are not required by law to allow homebuyers to void their contract based on the results of the lead based paint evaluation.

In April 2008, EPA issued a new rule requiring that, beginning in April 2010, contractors performing renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities and schools built before 1978 must be certified and must follow specific work practices to prevent lead contamination.

A recent study by the Division of Epidemiology of the Alaska Department of Health & Social Services, reports that incidents of lead-based paint poisoning in Alaska are extremely rare. Targeted lead screening programs of at-risk communities and inquiries to health care professionals over the past two decades have failed to identify *any* children with blood levels which would benefit from medical or environmental intervention, leading the Division of Epidemiology to question the need for universal blood lead testing in Alaska. The study further demonstrated no value in testing Medicaid-eligible children.

Although the testing done so far does not point to a great lead-based paint hazard in Alaska, the State concurs with the U.S. Environmental Protection Agency that increased education about the potential health risks from exposure to lead based is an important step in reducing health related problems involving lead poisoning.

Alaska state regulations require laboratories and health care providers to report all Blood Lead Level (BLL) results greater than 10 micrograms per deciliter (µg/dL) to the Section of Epidemiology (Division of Public Health, Alaska Department of Health and Social Services). The Section of Epidemiology conducts follow-up investigations on all cases of elevated BLLs and updates targeted screening recommendations as new risk factors and trends are identified. Currently, the Section of Epidemiology recommends that children

under the age of six years, who meet the following criteria, be screened for elevated blood lead:

- Child is suspected by a parent or a health care provider to be at risk for lead exposure
- Child has a sibling or playmate with elevated blood lead level
- Child is a recent immigrant, refugee, or foreign adoptee
- Child's parent or principal caregiver works professionally or recreationally with lead
- Child has a household member who uses traditional, folk, or ethnic remedies or cosmetics or who routinely eats food imported informally from abroad
- Child's family has been designated at increased risk for lead exposure by the health department because the family meets local risk factors for lead exposure (e.g., such as residence in a designated high-risk zip code or near a known lead point source)

The Alaska State Public Health Laboratory now offers blood lead testing on "finger stick" blood samples analyzed using inductively-coupled plasma mass spectrometry. This service is provided free of charge for Medicaid-eligible children.

The State of Alaska Survey of Lead-Based Paint was conducted for the Environmental Protection Agency (EPA) in 1996 to provide a statewide survey of privately-owned homes, day care facilities, elementary schools, and community buildings that were built prior to 1978. A total of 224 structures were sampled during the survey using an X-Ray fluorescent lead detector. According to 2000 census data, 46.7% of Alaska's housing stock was built prior to 1980.

During the field work for the State of Alaska Survey of Lead-Based Paint, a total of 42 privately owned homes (26%) of the total 163 homes tested contained lead based paint concentrations above the action level (1.0 milligram per centimeter squared) somewhere in the home. From this data, an estimated 37,143 homes (+ or - 7% at a 95% confidence level) presented levels of lead in paint above the Federal action level of 1.0 mg/cm². The study concluded that:

"Although this estimated 26% compared with the national estimate of 83% appears to be a significantly smaller amount of affected homes. This data show that Alaska has a notable potential source for lead poisoning from paint in privately owned homes. Increased education about the potential health risks from exposure to lead based paint is one-step in reducing health-related problems involving lead poisoning"

Alaska Housing Finance Corporation's Public Housing Division tested the low-income rental properties it owns across the state. Fourteen projects outside of Anchorage, with a total of 404 rental units, were inspected for lead-based paint. In eight of the projects no lead based paint over the HUD threshold was detected. Lead was abated in all of the remaining units. All privately owned rental units that receive Federal or State funding for rental assistance have also been determined to be lead-based paint free.

Based on the 1996 study and information regarding low income households reported by the U.S. Census Bureau, we have concluded that 28.25% or 17,978 of those households occupy housing units with potential lead-based concentrations above the HUD threshold per centimeter squared excluding the Anchorage area.

The most recent figures date from the study conducted more than five years ago. During the next five years covered by this plan, AHFC will explore the possibility of conducting a follow up survey to establish the current status of lead-based paint in the state. Newer information and recent regulations in the State of Alaska indicate that the findings revealed by the 1996 study on lead-based paint would be significantly lower in the year 2010.

VIII. Inventory of Housing and Services for the Homeless

Three key components of the homeless “continuum of care” include emergency shelter, transitional housing and permanent supportive housing. The most common emergency shelter response in Alaska is the private home. Any attempt to live in a car, the streets or in the woods is a life-threatening proposition during much of the year. Within the Alaska Continuum (all areas outside of Anchorage), there are only 27 emergency shelters with a capacity for approximately 567 persons. Of these, 15 are for domestic violence victims, 8 are for the general population including veterans, and 4 serve runaway youth. In smaller communities such as Kake, Haines and Wrangell where no shelters exist, service providers rely on the use of emergency motel vouchers for short-term stays when funds are available. Safe home systems are also utilized for victims of domestic violence in Cordova, Seward and other areas.

Many coastal communities such as Dillingham, Kodiak, and Dutch Harbor/Unalaska experience a seasonal influx of transient workers seeking employment in the fishing industry. For years, churches would open their basements for use as overnight “hostels,” or canneries would be surrounded by “tent cities”. As a result of considerable pressure from city officials, some local canneries now offer dormitories with sanitary facilities. These facilities have helped to mitigate the problem among those lucky enough to be hired, but the transient problem remains.

Funding to develop and support emergency shelters for the general population is extremely limited. Alaska only receives an annual average of \$120,000 in federal formula Emergency Shelter Grant (ESG) funding. Each year, dozens of homeless service providers must compete to become one of the five or six recipients of an Emergency Shelter Grant, ranging from \$20,000 to \$25,000. Since 1993, AHFC has received legislative authorization to award funding each year through its Homeless Assistance Program (HAP) to support homeless prevention, emergency shelters and transitional housing. Subject to appropriations from the Alaska Legislature each year, grants are awarded for projects involving upgrades or operation of emergency shelters. In SFY10, AHFC issued ten HAP awards totaling \$527,195 to Balance of State recipients. Additional operating support is awarded each spring to the domestic violence shelters through the Alaska Council on Domestic Violence and Sexual Assault. Some Medicaid funds are used to support services for the disabled. Within the State’s Operating budget,

the only specific support of emergency shelters is directed towards domestic violence shelters. Operating support for shelters is an eligible activity of the Human Services Matching Grant that the Legislature awards to Fairbanks and the Mat-Su borough, but those shelters must effectively compete against other human services to receive an award. Aside from AHFC's HAP awards, shelters that serve the general population primarily rely upon funding from private donations and municipal funding sources. Future support from municipal governments appears precarious in the view of shrinking state revenue sharing and limited ability (or desire) to raise new tax revenues.

With stays generally limited to 30-60 days, emergency shelter supportive services tend to be limited to the basics. Such services include food, childcare, help with accessing income supports through public assistance or social security, and housing placement services. Public transportation is virtually non-existent in most Alaskan communities outside of Fairbanks and Juneau. Most caseworkers reportedly use their own autos to transport clients to appointments. Most emergency shelters for the general public turn people out during the day and re-open again in the late afternoon or evening.

For those with complex problems, finding a permanent housing solution may not be achievable within a limited 30-60 day emergency shelter stay. Some homeless sub-populations such as victims of domestic violence, persons involved in re-entry programs or youth require a more extended stay in a homeless facility and benefit from the services offered. A transitional housing program provides that extra time to continue the supports started in the shelter, and helps to build a firmer foundation for successful placement in permanent housing. Approximately 16 transitional housing facilities are now operating in Bethel, Fairbanks, Juneau, Kenai, Ketchikan, Kodiak, Seward, Sitka and Wasilla. These facilities include seven for persons with behavioral health issues, four for victims of domestic violence, two for youth and three for non-targeted populations. Four of these facilities were developed using federal McKinney Supportive Housing Program (SHP) funds. Most of these facilities provide case management services and use a combination of "in-house" and mainstream resources to assist with financial guidance, counseling, transportation, child care, and development of skills necessary to live independently.

For homeless populations with disabilities, a "housing first" solution breaks the cycle of repeated displacement. Development of permanent supporting housing (PSH) that specifically targets homeless disabled persons and provides program flexibility and supports has been highly effective in achieving long-term stability. The 2009 Alaska Balance of State Homeless Inventory lists 127 units (144 beds) of housing that meets HUD's PSH definition. There are a number of other permanent housing properties that target persons with disabilities, but only passively serve those who may be entering from homelessness.

Appendix B---Table 1 contains additional information on homeless resources in the areas of the State outside of Anchorage.

IX. Affordable Housing Barriers

Conditions in Alaska offer challenges to developers and providers of affordable housing that exist nowhere else in the nation. Alaska's extreme climate offers a relatively tight window of opportunity to develop affordable housing projects. The state is huge; many communities are not accessible by road. In these areas, shipping is done via waterways or by air, and such transportation charges lead to increased construction costs.

- A barrier to affordable housing can be the lack of technical and administrative capacity that exists in smaller non-profit organizations and some smaller communities. Both the Alaska Housing Finance Corporation and Alaska's state-chartered regional housing authorities have provided and will continue to provide services and assist smaller entities in developing organizational capacity to access and administer affordable housing programs.
- One of the continuing barriers to affordable housing concerns the availability of affordable building sites, with supporting infrastructure. This problem is more acute in some areas, than others, and over 2011-2015 period continues to be a factor. A significant amount of the building sites absorbed during the 1990's were actually developed during the 1980's. The real estate crash of the late 1980's depressed prices for developed building sites, and helped provide a lower cost basis for many affordable housing projects. The steady residential construction activity of the 1990's has eliminated the supply of "cheap" building sites. Present day construction costs, land acquisition prices, and the current regulatory environment surrounding development, will contribute to increasing the cost of providing building sites for affordable housing projects. In rural areas, much land is held by federal, state and local governments, and is not generally available for housing development. The residential development of much Native-owned land has been similarly restricted.
- Property tax assessment policies of local governments are an issue that may impact the viability of affordable rental development projects. Most subsidies provided to affordable rental projects carry some restrictions on the amount of rent that may be charged to the targeted lower income households. A specified percentage of the total number of units will be "set-aside," to be rented only to households with lower incomes (as defined by a percentage of the area's median income, adjusted for household size). These rent restrictions limit the amount of income that an affordable rental project can generate. Some local property assessors do not use these legally binding rent restrictions when determining property values. High tax assessments may negatively impact the long-term sustainability of such affordable rental projects. These property tax assessment policies may similarly impact the long-term viability of community land trust projects. Community land trusts have enforceable deed restrictions that impact the market value of homes developed through this model. Failure to consider these deed restrictions in the property tax assessment process will negatively impact community land trust affordable housing projects.
- The "gap" that exists between new construction costs and appraisal valuations is another barrier to affordable housing. The cost of construction is particularly high in rural areas of Alaska, making this development gap more pronounced. Effective targeting and leveraging of affordable housing resources necessary to fill this "gap" (both for rental and homeownership developments) will be increasingly important. Per unit construction costs, outside of the Municipality of Anchorage, have escalated

by an estimated 37% between 2004 and 2010. The HOME subsidy to “plug” the gap has been relatively flat over the past decade. The Community Development Block Grant Program, used for some rehabilitation and emergency shelter/transitional housing projects, has been declining for the state of Alaska. In AHFC’s 2010 Fair Housing Survey, 15% of the Residential Construction sector surveyed identified the high cost of building materials and the high cost of land as top concerns.

- On-going operating expenses (property taxes, insurance and utilities) and escalating maintenance and repair expenses are stretching many affordable housing sponsors to the limit. Many are operating on already thin margins, restricted reserves and cash flows are insufficient to meet the challenges. Business planning and strategic planning for organizational sustainability will be critical issues over the next five years.

X. Alaska’s Fair Housing Plan

A. Analysis of Impediments to Fair Housing Choice (AI)

The State of Alaska strongly supports efforts to promote fair housing choice and will continue to work to affirmatively further fair housing. Passed in 1963, the Alaska Human Rights Law protects persons from discrimination on the basis of race, sex, color, national origin, religion, age, pregnancy, marital status, changes in marital status, and physical and mental disability. The Alaska State Commission on Human Rights is responsible for the enforcement of this law. In this Consolidated Housing and Community Development Plan, equal and fair access to housing is central to Alaska’s overall housing and community development goals. The State’s Fair Housing Plan is maintained and updated through the consolidated planning process.

AHFC conducted a statewide Fair Housing Survey in February-March of 2010 and updated the “Analysis of Impediments to Fair Housing Choice” (AI). AHFC will review the AI on an annual basis and provide an update in each Annual Action Plan.

AHFC previously completed an Analysis of Impediments (AI) to Fair Housing Choice in 2004 and periodically reviewed and updated the AI. Comments on the state’s Fair Housing Plan were received in conjunction with the Fiscal Year 2004 Annual Action Plan, a component of the ‘Housing and Community Development Consolidated’ Plan. Fair Housing planning activities included a review of current updated impediments to fair housing and assessed public and private housing conditions that impact fair housing choice. Various administrative policies, procedures, and practices in the housing industry were also examined. Subsequent updates to the Fair Housing Plan are reported in each Annual Action Plan.

AHFC has identified the following impediments to fair housing choice:

Impediment 1: Lack of understanding of what types of discrimination are covered by Fair Housing laws is an impediment to fair housing choice.

The results of the 2010 Dittman Research Fair Housing Survey showed that majorities of respondents in all surveyed groups demonstrated an increased awareness of the types of discrimination that is illegal compared to the previous survey completed in August of 2003. However, respondents continue to identify groups that are not covered under the Fair Housing Act and not all respondents could identify all protected groups. This Fair Housing knowledge gap is a factor in several of the other impediments identified below. Some professional groups offer fair housing classes as part of the educational requirements for their licensing. The Institute of Real Estate Management was identified by 65% of the realtor/lender group as their primary trainer for Fair Housing. Outside of annual HUD and/or AHFC sponsored Fair Housing events, widespread availability for Fair Housing training has not been evident in all areas in Alaska.

State's Response to Impediment 1: AHFC will sponsor a Fair Housing/504 Training on an annual basis. This training is targeted for Public Housing Division staff, Community Housing Development Organizations, HOME grantees, and McKinney-Vento grantees. Other entities such as builders, realtors, landlords and mortgage lending partners will be invited to attend these trainings on a space-available basis.

During SFY 2011, AHFC will work with the Alaska State Office of HUD to continue developing and implementing a Fair Housing outreach and training calendar. AHFC's Public Housing Division (PHD) may provide additional training on Fair Housing/Section 504, specifically for PHD staff.

AHFC, in all of its tenant and participant notices, provides information about reasonable accommodations and the means to request an accommodation. With assistance from the HUD Office of Fair Housing, AHFC modified several of its reasonable accommodation forms to better serve both persons with disabilities and staff in the decision making process. In the summer of 2010, AHFC will contract with the firm Spectrum Consulting to provide Fair Housing/Section 504 training to staff, grantees and the public.

Impediment 2: Low awareness of available fair housing enforcement mechanisms, and the lack of fair housing advocacy organizations, is identified as an impediment.

All complaints and cases are filed either with the Seattle HUD Fair Housing Office or the Alaska State Commission for Human Rights. The 2010 Fair Housing Survey identified the Department of Housing and Urban Development as the clear first recommendation regarding Fair Housing Complaints, followed by the Alaska State Commission for Human Rights (ASCHR) and the Municipality of Anchorage Equal Rights Commission (ERC). Improvement was seen between 2003 and 2010 however a low level of awareness of fair housing enforcement mechanisms continues to exist among the Residential Construction sector and the Property Manager sector, where respectively, 25% and 24% of the individuals surveyed were unsure of where to refer an individual who had a Fair Housing complaint. Among members of the general public, this awareness may be at an even lower level.

State's Response to Impediment 2: AHFC, in all of its tenant and participant notices, provides information about reasonable accommodations and the means to request an

accommodation. With assistance from the HUD Office of Fair Housing, AHFC modified several of its reasonable accommodation forms to better serve both persons with disabilities and staff in the decision making process.

During SFY 2011, AHFC will continue to provide information regarding fair housing and encourage potential fair housing program sponsors to apply for HUD Fair Housing funding. In cooperation with the Alaska State Field Office of HUD, AHFC will continue to work with other agencies and organizations to identify opportunities to increase awareness of fair housing enforcement mechanisms.

Impediment 3: Disabled Alaskans have limited housing opportunities because of financial barriers and the lack of accessible and appropriate housing stock.

The lack of housing stock that is both affordable and accessible continues to be an impediment to fair housing choice. Although improving from the 2003 Survey, areas of the housing industry continue to be unaware that persons with a disability are a protected class.

Disabled Alaskans generally have low income. Surveys of Alaska Mental Health Trust beneficiaries reveal that only 30-35 percent of adults with mental illness or developmental disabilities are employed. Those who are employed usually work in low paying or part-time jobs.

State's Response to Impediment 3: During FY 2007/2008, AHFC continued to operate its Housing Choice Voucher Homeownership program targeting households with disabilities. The program is not accepting new participants however the program continues to serve over 30 families with a head of household, co-head, or spouse who experience permanent disabilities.

The Public Housing Division is working with the Alaska Mental Health Trust in development of a project-based Housing Choice Voucher program targeting individuals who experience permanent and severe disabilities. In October of 2009 the Board of Directors approved the use of up to 10 percent of Housing Choice Voucher portfolio (420 vouchers) for project based assistance on behalf of persons with disabilities. Housing Choice Vouchers will be assigned to locations in conjunction with the Special Needs Housing Program.

AHFC continues to monitor use of the vouchers set-aside for disabled families and those receiving Medicaid Waiver services. AHFC has established a policy to recycle 100 vouchers to qualified persons with disabilities as vouchers are returned through attrition. Another 25 vouchers are targeted toward families on the Medicaid Waiver program; 20 vouchers are dedicated to families dually diagnosed with mental illness and substance abuse; almost 100 vouchers are set aside for disabled veterans under the Veterans Administration Supportive Housing program.

The AHFC GOAL Program Rating Criteria governs the award of Low-Income Housing Tax Credits, HOME Rental Development funds, and Senior Citizens Housing Development Funds. The GOAL Program makes 504 compliance mandatory and requires

a basic percentage of units to be 504 compliant; in addition to this, the program will continue to award points for the number of units to be developed which are in excess of the minimum required by federal fair housing law, state or local law, or specific program requirements. In addition, the GOAL Rating and Award Criteria Plan will award points for projects that serve special needs populations.

In the 2010 Fair Housing Survey, 70% of the Residential Construction sector surveyed indicated that they would incorporate universal design and accessibility features into the homes they build in the future. Only 40% of this sector in 2003 indicated that they would utilize universal design in 2003. This represents a substantial increase in the level of awareness and willingness to provide housing that provides accessibility for all.

Impediment 4: Various administrative policies, procedures, and practices are impediments to fair housing choice for members of protected classes.

Many individuals and organizations active in the housing industry do not perceive fair housing discrimination to be a significant problem. AHFC's 2003 Fair Housing Survey showed that 5% or less of the realtors, mortgage lenders and builders surveyed believed that fair housing discrimination was a problem; AHFC's 2010 survey mirrored the 2003 Survey results. Sixteen percent (16%) of all renters surveyed in 2010 Fair Housing Survey believed that fair housing discrimination was a problem, while only 2% of the property managers surveyed viewed housing discrimination as a problem. Non-profit and agency providers reported the highest level of perceived fair housing discrimination, with 27% of agency providers surveyed believing discrimination to be a problem. The 2010 Fair Housing survey revealed a significant increase in educational opportunities on the topic of Fair Housing and Section 504. Realtors (98%) report the highest total level of training regarding Fair Housing laws and the training was provided most often through the "Institute of Real Estate Management." Rental Property Managers reported the least amount of training. Increased efforts are needed to continue to examine administrative policies, procedures and practices for potential impediments to fair housing.

Reasonable accommodation for persons with disabilities is one specific area with potential negative impacts. Some level of awareness exists in the area of reasonable accommodation for persons with observable physical disabilities. However, further opportunities exist to improve clarity and comprehension of reasonable accommodations for persons with disabilities not easily observable.

In general, the level of awareness and comprehension fair housing laws and enforcement mechanisms could be enhanced to communicate the gravity associated with fair housing discrimination.

State's Response to Impediment 4: During FY 2007/2008, the AHFC Public Housing Division updated its 504 Self Analysis including updated Fair Housing documentation. AHFC continues to update the Self Analysis as units are modified and/or rehabilitation projects move forward. This review covers records retention; further examination of impediments to fair housing choice within housing assistance programs; ensuring that the next available mobility accessible unit in public housing is targeted to waiting list family requiring those features; and working with local jurisdictions to implement any of their

initiatives to affirmatively further fair housing that require AHFC Public Housing Division involvement.

AHFC has developed a Limited English Proficiency Plan (LEP) for its Public Housing Division. At the Corporate level, the plan includes a contract for 24/7 telephonic translation services.

To the extent reasonable, AHFC will work with real estate industry trade and professional organizations, and the Alaska Municipal League to encourage an on-going review of the administrative, operating and business practices that may have fair housing implications. In April 2008 AHFC sponsored a two-day section 504 accessibility seminar designed for architects and builders. While well attended, it also highlighted discrepancies between the various standards and codes a builder must abide by; not least of which is HUD reliance on using the Uniform Federal Accessibility Standards (UFAS) when other organizations are using the newer Architectural Barriers Act (ABA) Standards.

AHFC is working with the State of Alaska's Department of Law to revise a portion of the Landlord Tenant Act clarifying language related to a landlord's approval of tenants under a sub-lease. AHFC anticipates that a legislative bill to change the Landlord Tenant Act will be reintroduced during the next legislative session. The Alaska Attorney General's office is revising the State of Alaska Landlord Tenant Act booklet to reflect the necessary changes.

Impediment 5: The lack of available affordable housing stock, that is designed to meet the needs of individuals who are in protected classes, may be an impediment to fair housing.

The 2010 Fair Housing Survey indicates that one out of every three renters, who had problems finding a rental, reported they had some form of disability and among these renters, their disability made it more difficult to find a place to live.

By a wide margin, the major barriers in both the 2003 and 2010 Fair Housing Surveys were reported to be the high costs and rents associated with existing housing and a general shortage of appropriate affordable housing stock. One specific example concerns larger households. A significant percentage of the individuals assisted by agency and non-profit service providers surveyed were members of protected classes. Thirty-five percent of these agencies reported that large families were the hardest to place due to people "not wanting to rent to large families" (23%), a "housing shortage" in general (20%), and more specifically a "shortage of affordable housing" (18%). This statistic represents a 7% drop from the 2003 Fair Housing Survey, but represents a continuing unmet need in the State.

Annual point-in-time homeless surveys conducted by Alaska Housing Finance Corporation show that Alaska's homeless population continues to have a high percentage of persons who are in a protected class. The most recent point-in-time count identified an alarming statistic--53% of the identified homeless were homeless families with children. Over thirty percent of individuals identified in the point-in-time count reported having a disability. The most prevalent disability was mental illness. The 2010 Fair Housing

Survey identified that “large families” (presumably with children) continue to be the hardest household size to place (35%).

State’s Response to Impediment 5: In SFY 2011, AHFC will continue to work with the Alaska Coalition on Housing and Homelessness to address disability issues among the homeless. AHFC is the lead agency in the Governor’s Interagency Council on the Homeless, which submitted its plan to the Governor in early 2006. As an outgrowth to the plan, AHFC is examining the means to provide case management services to previously homeless families or those recently housed through an AHFC assisted housing program (Special Needs Housing Grant Program). This strategy is being discussed in concert with the Municipality of Anchorage and the Alaska Mental Health Trust Authority. The Homeless Prevention and Rapid Re-housing Program (HPRP), funded through the American Recovery and Reinvestment Act (ARRA), provided additional resources for the homeless service provision.

AHFC continues to offer bonus points in its GOAL Rating and Award Criteria Plan for projects which serve special needs populations, including homeless persons and to projects that include three or more bedroom units to accommodate larger families. The Public Housing Division continues to offer its highest admissions preference points to families experiencing domestic violence, the homeless, and those living in substandard housing. More recently, AHFC amended its homeless definition to include families with children who receive school-based McKinney/Vento homeless assistance benefits if documented by an Alaskan school district.

The Public Housing Division continues to offer information about fair housing in its Housing Choice Voucher ‘briefing book.’ The fall 2009 staff training included an update on fair housing and reasonable accommodations.

During the SFY2011-2015 Five-Year Plan period, AHFC will continue to review impediments to fair housing and respond to alleviate them as indicated.

B. Affirmatively Furthering Fair Housing

AHFC conducts many activities which affirmatively further fair housing:

- Through its Planning and Program Development Department, AHFC provides information to developers and project sponsors on how to comply with accessibility guidelines. AHFC administers the Low Income Housing Tax Credit program, NSP, HPRP, ESG and HOME grants. In its distribution of tax credits, extra points are awarded for projects that develop accessible units. HOME funding automatically requires the minimum of 5% accessible and 2% site and sound unit thresholds. These programs have adopted 504 requirements as the accessibility standard.
- All AHFC Grant Agreements across the state have requirements to affirmatively further fair housing. Development projects require affirmative marketing plans to be submitted to the Internal Audit Department.

- AHFC displays the appropriate signage at all of its properties and on all correspondence indicating that it abides by laws governing Fair Housing and Section 504.
- AHFC offers Fair Housing/Section 504 Training to a broad sector of the community on an annual basis. On at least an annual basis, AHFC provides statewide staff training on both fair housing and Section 504 reasonable accommodations.
- AHFC ensures that each and every assisted housing applicant and participant receives the brochure, “Equal Opportunity for All” and a copy of how a person with disabilities can apply for reasonable accommodation.
- AHFC’s Public Housing Division has a designated 504 Coordinator on its staff, responsible for among other things, decisions on accommodation requests, training and technical assistance.
- Compliance with Fair Housing requirements is monitored through the AHFC Internal Audit’s Compliance Department and through the Planning Department through a periodic Grantee On-Site or Desk Monitoring Review.
- During February/March 2010 AHFC funded a statewide market research survey to assess impediments to fair housing among landlords, service providers, realtor/lenders and renters. The data gathered will help frame subsequent community-wide trainings on discrimination in the housing marketplace.
- A review of PIC data from the Public Housing Division on public housing tenant characteristics reveals that minorities are served in greater proportion to their respective numbers in the general population; the number of families whose head or spouse is a person with disabilities is nearly 30% of the entire public housing portfolio. In February of 2010, outside of the Municipality of Anchorage, nearly 50% of the housing choice voucher families included one or more individuals in the household who experienced permanent disabilities.

Activities that promote fair housing and fair housing choice are outlined below:

- Following HUD guidelines, AHFC conducted a review of the number of contacts with Limited English Proficiency individuals and other pertinent data. None of the thresholds were met requiring written translation of documents. For oral translation, AHFC relies on a local professional assistance or use of a 24/7 phone translation service that is on retainer for corporate-wide use.
- AHFC contributes staff time and financial resources to team up with other advocacy agencies to deliver fair housing training to the general public. In the spring of 2008, AHFC hosted an architectural training on Section 504 design considerations, offered to architects and engineers statewide. In the spring of 2009, AHFC hosted Fair Housing/Section 504 training for the general public.

The annual Fair Housing/Section 504 training for 2010 is scheduled for July 12, 2010.

- In its briefing packets for both Public Housing and Housing Choice Voucher participants, AHFC provides information on fair housing, the Alaska Landlord Tenant Act, and methods for voicing a housing discrimination complaint. AHFC recently updated its web page with the objective of increasing information about fair housing choice. The web site contains a link to the ‘Alaska Housing Locator,’ a rental housing database that includes information about units with accessibility features and related information.
- In all of its tenant and participant notices, AHFC provides information about reasonable accommodations and the means to request an accommodation.
- AHFC maintains a database of accessible public housing units and enforces policies that ensure those units are occupied by families requiring the features.
- AHFC meets the 504 requirements in all of its recent renovations of public housing, most often exceeding the 5% and 2% requirements for accessible and sight and sound features.
- In development of its annual Moving to Work Plan, AHFC ensures that its Resident Advisory Board represents a true cross section of its public housing population. Certifications of compliance with fair housing and Section 504 requirements are promoted both in the public hearing and among the Advisory Board. It is not unusual for them to insist upon examples of how compliance is documented.

C. Limited English Proficiency

As part of the process to develop the State of Alaska’s five year HCD Plan, an assessment was done of Limited English Proficiency (LEP) individuals and households in areas covered by this Plan. Persons who do not speak English as their primary language and who have a limited ability to read, write speak or understand English can be LEP. They are entitled to language assistance with respect to a particular type of service, benefit, or encounter. In the Federal Register dated January 22, 2007 (72FR2731) HUD finalized guidance originally issued December 19, 2003. The “Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons” provides examples of populations likely to include LEP persons who are encountered and/or served by HUD recipients and should be considered when planning language services. These populations include, but are not limited to:

- Persons who are seeking housing assistance from a public housing agency or assisted housing providers or are currently tenants in such housing;

- Persons seeking assistance from a state or local government for a rehabilitation grant for their home;
- Persons who are attempting to file a housing discrimination complaint with a local Fair Housing Assistance program grantee;
- Persons who are seeking supportive services to become first-time homebuyers;
- Persons seeking housing related social services, training, or any other assistance from HUD recipients; and
- Parents and family members of the above.

In keeping with this guidance, five factors will be used to assess current LEP practices and procedures, and provide a foundation for better addressing LEP obligations. The five factors are:

1. The number or proportion of LEP persons served or encountered in the eligible service population.
2. The frequency with which LEP individuals come into contact with the program.
3. The nature and importance of the program, activity or service provided by the program.
4. The resources available to the recipient and cost.
5. The effectiveness of projects' affirmative market plan to target LEP households

A review was done of the Census 2000 Summary File 4 (SF-4)—PCT42—Household Language by Linguistic Isolation. This review looked at all areas of Alaska outside of Anchorage, and examined linguistic isolation by racial or ethnic grouping. Several areas were identified as requiring additional analysis and improvements in data collection, including the frequency with which LEP individuals come into contact with the covered programs.

XI. Non-Housing Community Development Needs

The State of Alaska is faced with a staggering number of non-housing community development needs. A critical long-term need is providing financial resources to communities for:

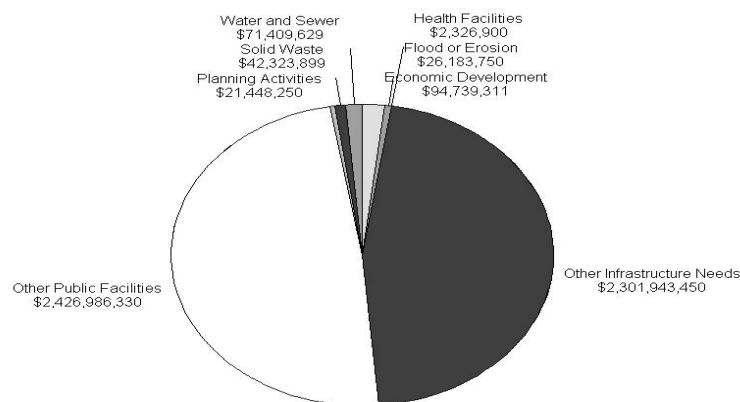
- Key public facilities such as community centers, health clinics, shelters, senior centers, fire stations, tank farms and landfills

- Infrastructure developments such as docks, harbors, road improvements, and electrical upgrades
- Planning for community development projects which reduce or eliminate conditions detrimental to the health and safety of local residents and which encourage community efforts to combine public and private sources of funding

There are several hundred small towns and villages in Alaska. Estimates vary, but 353 is the most common estimate of both Native and non-Native communities. Most are not on a road system and are small, isolated and usually based upon a subsistence economy. Within DCCED, the mission of the Division of Community and Regional Affairs is to promote strong communities and healthy economies. It is a continuing challenge to serve the needs of Alaskan communities while working with decreasing program funds and the need to offset the increases in costs of fuel, materials and freight. The long term sustainability and affordability of community infrastructure and services will continue to be the most daunting challenges over the next five years.

Appendix C, Table 15 provides information on Alaska's non-housing community development needs. The data in the table is from the Department of Community, Commerce, and Economic Development's Community Projects Database. The database provides information on community need from 237 communities located in "rural" Alaska (essentially those communities not on the road system). See the chart below for a breakdown of community need by type.

**Community Projects Database - Non-housing
Community Development Needs
November, 2009**



XII. The Five Year Strategic Plan

A. General Priorities

The statutory goal of the Consolidated Housing and Community Development (HCD) Plan is to:

“Provide decent housing, create suitable living environments, and expand economic opportunities for Alaskans at or below 80% of median income.”

Seven guiding principles identified below direct program resources governed by the HCD Plan. The SFY 2011-2015 HCD guiding principles are:

- 1) **The use of federal housing and community development funds should emphasize benefit to low income Alaskans and increase sustainable housing and neighborhood options for Alaskans.** Rationale: The amount of federal funds is limited; greatest needs are among the lowest-income households. Low to moderate income Alaskans should not have their housing options limited to only lower-income neighborhoods.
- 2) **Use of community development funds should emphasize the creation of economic opportunity through development of infrastructure.** Rationale: Basic infrastructure is lacking in many of Alaska’s communities and is a major barrier to economic self-sufficiency. Location-efficient facility decisions can reduce the operating and capital expenses associated with transportation
- 3) **Preserve and upgrade existing housing supply through weatherization and rehabilitation.** Rationale: Because it is so expensive to develop new housing, every effort must be made to prolong the useful life and to lower operating costs of Alaska’s existing housing.
- 4) **Use of federal homeless funds should emphasize activities that maintain and strengthen the service delivery system for Alaska’s homeless, consistent with local strategies.** Rationale: Very little formula funding is available for services to help the homeless and near-homeless.
- 5) **Maximize the use of federal housing and community development funds by supporting projects that include significant leveraging resources.** Rationale: The amount of federal funds is limited; more can be accomplished if federal funds are combined with state and local resources.
- 6) **Expand the supply of affordable housing for Alaskans with special needs, incorporating universal design and appropriate supportive services.** Rationale: Existing housing supply is inadequate to meet current and projected need for this population, which has historically been underserved.
- 7) **Housing and community development projects should incorporate climate specific design and engineering, energy efficient construction techniques and innovative technologies.** Rationale: Use of appropriate technologies insures long term viability of housing and community development projects.

The State does not target specific geographic areas in the Consolidated Plan. The allocation criteria of several competitive programs have a priority that awards points to projects located in small communities, as defined by AHFC. A small community is a community of 6,500 or less that is not connected by road or rail to Anchorage or

Fairbanks. Or, a community of 1,600 or less that is connected by road or rail to Anchorage or Fairbanks and is located at least 50 statute miles outside of Anchorage or 25 statute miles outside of Fairbanks. In this definition, “connected by road” does not include a connection by the Alaska Marine Highway System or roads outside the boundary of the State of Alaska.

Basis for Assigning Priorities

Alaska’s wide range of housing and community development conditions makes the use of guiding principles the most practical and effective approach of targeting scarce HCD resources. The seven guiding principles were developed from HCD public hearings; consultation with federal, state and local entities; involvement with housing and community development in both the private and public sectors over the past five years; and an analysis of the Consolidated Annual Performance Evaluation Reports (CAPERs) for state fiscal years 2006, 2007, 2008 and 2009. Data gathered in the development of this five year plan support the seven guiding principles above.

Obstacles to Meeting Under-served Needs

The Alaska Profile part of this Consolidated Plan describe a state covering a huge geographic area, with an extreme range of climatic, economic, cultural, and physical conditions. Alaska’s isolated regions, with many communities not linked by road transportation, add to the difficulty of developing and implementing projects addressing under-served needs across the state. The logistics and costs associated with such projects are much greater than those faced elsewhere in the United States. Organizational capacity is another critical issue in the effective delivery of housing and community development (HCD) programs. Many organizations involved in HCD programs are small, with limited staff resources. Organizational capacity is unevenly distributed across Alaska with some areas demonstrating very limited capacity.

Priorities and Specific Objectives

The specific objectives under this Consolidated Plan will be defined through the development of the Annual Action Plans. The state Fiscal Year 2011 Annual Action Plan is being developed concurrently with the development of this five-year Consolidated Plan (FY 2011-2015). The FY 2011 Annual Action Plan will cover the period July 1, 2010 through June 30, 2011. The specific formula program activities under the HOME Investment Partnership Program, the Community Development Block Grant Program, and Emergency Shelter Grant Program will be described in detail, as will the specific funding allocation criteria and priorities of the three programs. The specific objectives of other activities covered by the 5-Year HCD Plan will also be outlined. A description will be given on the linkages between the proposed activities and any of the seven guiding principles that are applicable. When the Consolidated Annual Performance Evaluation Report (CAPER) is completed (within 90 days of the close of the fiscal year), an evaluation will be done on the program accomplishments and success in meeting the

objectives outlined in the Annual Action Plan. All available quantitative data will be used to measure progress under the seven guiding principles. The CAPER also helps shape the development of Annual Action Plans that follow.

Anticipated Accomplishments

Over the next five years, quantifiable progress will be made under each of the seven guiding principles. Specific accomplishments will be dependent upon funding levels from the state and federal governments for the programs covered. The Annual Action Plans under the Consolidated Plan will determine the specific priorities for the allocation of HOME, CDBG, and ESG funds. Based upon on-going public input from the Consolidated Planning process, and the annual review of program performance in the Annual Performance Report, the specific program activities (and the funding levels allocated to those activities) may change. Another variable will be the interest rate levels that will be available for long term financing of affordable housing projects. In addition, the proposed SAFE Act regulations may soon require agencies and loan originators to be licensed; the ability of agencies to obtain and maintain licensures may adversely impact the outcomes of single family loan programs. Assuming funding levels remain comparable to the levels of the past five years, the following accomplishments are anticipated during the FY 2011-2015 period:

- Approximately 70 owner-occupied homes will be rehabilitated using HOME funds meeting the HUD objective of providing decent housing with improved or new sustainability. It is anticipated that the majority of these households will be at or below 60% of median income, with more than 75% of those households anticipated to be below 50% of median.
- More than 110 low income households will become homeowners through the HOME funded Home Opportunity Program (HOP) and/or the Homeownership Development Program (HDP). The program meets the HUD objective of providing decent housing with improved affordability and availability.
- Approximately 50 households will be assisted through the HOME Tenant Based Rental Assistance (TBRA) Program. It is anticipated that all of these households will be at or below 60% of median income, with more than 75% of those households anticipated to be below 50% of median. This program meets the HUD objective of providing decent housing with improved or new availability.
- The Community Development Block Grant (CDBG) Program will fund an estimated 25 projects that will provide a substantial or direct benefit to low and moderate income Alaskans. This projection is subject to the CDBG annual funding of approximately \$3 million annually, and retaining its current program structure and regulations. The projects range in type but all serve low to moderate income persons and address the objectives of creating suitable living environments (enhancing availability and accessibility), creating decent housing (with improved or new sustainability) as well as enhancing a suitable living

environment (with improved accessibility and improved or new sustainability).

- The Emergency Shelter Grant (ESG) program will, on an annual basis, fund four to six critically needed emergency shelter grant programs across the state. These programs address the HUD objective of creating or enhancing a suitable living environment through improved accessibility.
- HOME funding will be used to leverage other resources for affordable rental development. An anticipated 30 rental units in 10 projects will be funded through the HOME program. An estimated 30 units will be set aside for households at or below 60% of median income. Of that set-aside total, an estimated 25 units will benefit households at or below 50% of median income and will meet the HUD objective of providing decent housing with improved affordability.
- Technical assistance will be provided to improve the housing delivery system in the state. Organizational sustainability and effectiveness will be the primary goals over the next five years. Business and strategic planning technical assistance will be provided to Alaska's CHDOs over the next five years. No less than fifteen housing training events will be delivered over the next five years.
- The Greater Opportunities for Affordable Living Program (GOAL) will continue to fund rental development projects benefiting low and moderate income Alaskans. GOAL uses funding from the HOME Program, Low Income Housing Tax Credits, and the Senior Citizens Housing Development Fund to expand affordable rental housing opportunities across Alaska. An estimated 400 units will be developed (non metropolitan Alaska) during the next five years. Seventy five per cent of these units will be set-aside for households at or below 60% of median family income and will meet the objective of providing decent housing with improved affordability.

B. Affordable Housing

Affordable Housing---Priority Needs

Affordable housing needs vary greatly across the state, depending upon local community conditions. In order to address these needs, and effectively target scarce affordable housing resources, a high priority is given to the leverage of other resources, both public and private, in affordable housing development. The development and maintenance of a flexible array of funding tools are a key component of the state's five-year affordable housing strategy.

The use of federal housing and community development funds should emphasize benefit to low income Alaskans and increase housing and neighborhood options for Alaskans. Existing housing supply, both owner-occupied and rental property, should be protected and improved through weatherization and rehabilitation activities. Housing and

community development projects should incorporate climate specific design and engineering, energy efficient construction techniques and innovative technologies.

Pages 17-18 and Table 5 in Appendix C detail the estimated housing assistance needs of low and moderate income households. More than 7,350 renter households earning less than 50% of median family income experience a housing cost burden of more than 50% of their household income. More than 6,353 homeowners earning less than 50% of median family income pay more than 50% of their household's income in housing expenses. The highest percentage level of housing cost burden is experienced by "other" households of very low income (0 to 30% MFI) who are renting. Eighty-six percent of these households are paying more than 50% of their income for housing. Table 2A in Appendix B, the Priority Housing Needs Table, will help shape annual program funding allocations.

Affordable Housing---Displacement Minimization

The State of Alaska's policy is to minimize any adverse impact on existing residents of buildings that will be acquired or rehabilitated with program funds. Where relocation of existing residents will occur as the result of program funding, a relocation assistance plan and tenant roll will be required from all applicants when they apply for program funding.

Applicants for HOME and Denali Commission Elder Housing (DCEH) funds -and in most cases any other federal assistance- will be required to comply with the full provisions of Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and Section 104(d) of the Housing and Community Development Act including, but not limited to, proper tenant notifications, advisory services and relocation assistance.

Affordable Housing---Basis for Assigning Priorities

The basis for assigning priorities comes from several sources. The state's Consolidated Planning (HCD) process collects data on affordable housing from a wide range of sources on an on-going basis. These sources include AHFC Public Housing waiting lists, AHFC mortgage data, Alaska Department of Labor, the Alaska Coalition on Housing and Homelessness, University of Alaska Anchorage's Institute of Social and Economic Research, Community Housing Development Organizations (CHDOs), local community planning information, Indian Housing Plans, and input from other affordable housing developers. When the state develops its Annual Action Plans to implement this five year strategy, a specific allocation plan is outlined for the upcoming state fiscal year covering resources governed by the 5-Year HCD Plan. Activities using other anticipated affordable housing resources are also described in the Annual Action Plan. After the conclusion of the fiscal year, a Consolidated Annual Performance Evaluation Report (CAPER) is completed, evaluating program performance, and making recommendations for future Annual Action Plans. Public input is sought and received at all stages of the HCD process. The data gathering in the development of this five year Plan also examined projected population, household and income growth to the year 2015 and, in

some cases, beyond. The existing housing cost burden table (Table 5 in Appendix C) detailed the situation in the year 2009. The Priority Housing Needs Table, Table 2A in Appendix B was based upon all of these sources of input.

Affordable Housing---Obstacles to Meeting Under-served Needs

The geographic, climatic and physical conditions existing in Alaska provide obstacles in meeting under-served affordable housing needs. These conditions are a given in the state's affordable housing development environment. Project development costs, project timelines and logistics are all affected by Alaska's challenging environment. Affordable housing programs must be realistic and responsive in order to be effective. Appropriate climate specific design and engineering, energy efficient construction techniques and innovative technologies must be used to ensure the long-term sustainability of affordable housing projects. Another obstacle to meeting under-served affordable housing needs is the uneven distribution of organizational capacity across the state. This condition serves as a barrier to some areas accessing affordable housing resources.

Affordable Housing---Priorities and Specific Objectives

During the next five years, the following priorities and objectives are outlined:

- The use of HOME funds should be leveraged with other funding sources to maximize the expansion of affordable housing opportunities, both for homeowners and renters.
- Affordable housing projects using HOME funds will be evaluated in the context of what the greatest affordable housing needs are in the project's local market.
- The organizational capacity and experience of project sponsors will be strongly considered in evaluating HOME funded affordable housing projects.
- HOME funded projects must be financially viable both in the short term (development) and long term (management and operation).
- HOME funds should be used to expand the supply of affordable housing for Alaskans with special needs and at-risk populations, incorporating appropriate accessibility features and support services.
- HOME funds should be used to encourage activities that protect and improve existing housing supply, both owner-occupied and rentals, through weatherization and rehabilitation activities.

Affordable Housing---Anticipated Accomplishments

Meeting the objectives of suitable living environment and decent housing with improved availability or accessibility, improved or new affordability and improved or new sustainability, the following accomplishments are anticipated under this five-year strategy:

- 70 housing existing units will benefit from HOME funded rehabilitation and weatherization activities. This activity lends itself to the objective of a suitable living environment or decent housing with the outcomes of improved accessibility and new or improved sustainability. It is estimated that 20 of the households will be at or below 30% of the median income and 33 of the households will be at or below 50% of the median income; the remainder of households served will be at or below 80% of the median income.
- 110 new lower income households will attain homeownership through HOME funded initiatives. This activity lends itself to the HUD objective of decent housing with the outcomes of availability and affordability. It is estimated that 35 households will be at or below 50% of the median income; the remainder of households served will be at or below 80% of the median income.
- 50 households will be provided rental assistance to households at or below 60% of the median family income. This activity lends itself to the HUD objective of decent housing with the outcomes of availability and affordability. It is estimated that 15 of the households served will be at or below 30% of the median income, 18 of the households will be at 50% of the median income; the remainder of households served will be at or below 80% of the median income.
- 30 new HOME funded affordable rental units developed, benefiting 30 households at or below 60% of median family income. This development lends itself to the HUD objective of decent housing with the outcomes of improved or new availability and affordability. It is estimated that 25 units will benefit households at or below 50% of median income; the remainder of households served will be at or below 80% of the median income.
- The Greater Opportunities for Affordable Living Program (GOAL) will continue to fund rental development projects benefiting low and moderate income Alaskans. The GOAL program allocates HOME Program funds, Low Income Housing Tax Credits, and the Senior Citizens Housing Development Funds to expand affordable rental housing opportunities across Alaska. An estimated 400 units will be developed (non metropolitan Alaska) during the next five years. Seventy five per cent of these units will be set-aside for households at or below 60% of median family income (it is estimated that approximately 50 of the units will be occupied by households will be at or below 30% of the median income, 100 units occupied by households at or below 50% of the median income). These developments will address the HUD objectives of suitable living environments and decent housing with the outcomes of improved or new availability and affordability.

C. Homelessness

Homelessness---Priority Needs

The needs of households who are either homeless or at risk of homelessness vary greatly across the state. In some locales, each of the homeless subpopulations has a place to go in the event of a housing crisis. Other communities only offer shelter to a few groups such as victims of domestic violence or runaway youth. Rather than prioritize certain

subpopulations or housing types for the entire state, a high priority is given to local plans and their identified unmet needs. The development and maintenance of a flexible array of funding tools are a key component of the state's five-year affordable housing strategy.

The use of federal housing and community development funds should be responsive to local conditions and priorities and fund services that lack alternative means of support. Existing homeless facilities should be preserved through operating support and rehabilitation activities. Homeless facility upgrades should incorporate energy efficient features to reduce operating costs.

Priority Needs Matrix for Homeless
State of Alaska (excluding Anchorage)
2006-2010

Priority Homeless Needs	Priority Need Level (High, Medium, Low, No Such Need)		
	Families	Individuals	Persons w/Special Needs
Assessment/Outreach	Medium	Medium	Medium
Emergency Shelter	High	High	Medium
Transitional Housing	High	Low	Low
Permanent Supportive Housing	Medium	Medium	High
Permanent Housing	High	High	High

Homelessness---Basis for Assigning Priorities

The basis for assigning priorities comes from several sources. Data from the most recent Point-In-Time homeless enumeration and Continuum of Care Homeless Inventory Charts were analyzed. Information gathered during the development of Alaska's Ten-Year Plan to End Long-Term Homelessness was reviewed. Input from the Alaska Coalition on Housing and Homelessness and members of the Alaska Interagency Council on the Homeless was also taken into consideration. In consultation with these groups it was agreed that consistency of this section with the Ten-Year Plan was essential for effective implementation and progress assessment in the coming years.

Homelessness---Obstacles to Meeting Under-served Needs

As noted above, within each of Alaska's geographic areas, there remains missing at least one major component of a homeless continuum of care. For example, although the Mat-Su Borough is the fastest growing part of the state, only victims of domestic violence, runaway youth or persons with mental illness are likely to find emergency or transitional housing. There are no shelters available for homeless individuals within the general population.

By far, the greatest obstacle to reducing homelessness is the gap between household income and housing costs. Without access to a project-based or tenant-based form of housing assistance, the prospects for overcoming a housing crisis remain bleak for those at or below 50% of median income. Since most all forms of housing subsidy currently come from Federal sources, any funding cuts enacted by Congress are certain to compromise the financial stability of the affordable housing resources already developed and exacerbate Alaska's homelessness problem. If no changes to the methodology for distribution of formula funds are forthcoming, Alaska will be ill-equipped to address the needs of the homeless with Federal resources.

Alaska's Strategy for Ending Long Term Homelessness (a.k.a. Ten Year Plan)

In May 2009, the Alaska Council on the Homeless adopted a Ten Year (*strategic*) Plan to End Long Term Homelessness. The plan contains specific actions and measurable goals at the five- and ten-year mark. The following are excerpts from that plan as they relate to 24 CFR 91.315(d):

(1) Helping low-income families avoid becoming homeless. AHFC will work with its funding partners to coordinate a centralized pool of funds to provide direct financial assistance with rent, mortgage and utility arrearages. Each year, AHFC's Basic Homeless Assistance Program application will identify a specific percentage of funds available for prevention services. (Section F-4.1, AK Plan)

(2) Reaching out to homeless persons and assessing their individual needs. AHFC will continue to assist local homeless coalitions to conduct outreach activities to homeless persons through projects such as the Point-in-Time enumeration and events such as Project Homeless Connect. (Section F-6, AK Plan)

(3) Addressing the emergency shelter and transitional housing needs of homeless persons. Alaska will continue to commit financial resources to maintain the current inventory of emergency shelter and transitional housing, as well as expand the inventory to address underserved communities or subpopulations. (Section F-4.3, AK Plan)

(4) Helping homeless persons (especially any persons that are chronically homeless) to make the transition to permanent housing and independent living. Alaska will apply an interdepartmental approach to expand the supply of "service-enriched" housing for persons needing more intensive assistance to transition from homelessness to permanent and independent living. (Section F-1, AK Plan)

Homelessness---Priorities and Specific Objectives

During the next five years, the following priorities and objectives are outlined for the use of federal ESG resources:

- The use of ESG funds should be leveraged with other funding sources to maximize the resources available to households experiencing or at risk of homelessness.

- Projects using ESG funds will be evaluated in the context of what the greatest homeless needs are in the project's local community.
- The organizational capacity and experience of homeless providers will be strongly considered in evaluating ESG funded projects.
- ESG funds should be used to preserve and/or expand the supply of temporary housing and services for homeless Alaskans.

Homelessness---Anticipated Accomplishments

Meeting the objectives of suitable living environment and decent housing with improved availability or accessibility, improved or new affordability, the following accomplishments are anticipated under this five-year strategy:

- 10-12 homeless facilities will be preserved with ESG-funded rehabilitation activities. This activity lends itself to the objective of a suitable living environment or decent housing with the outcomes of improved accessibility.
- 125,000 shelter bednights will be provided to homeless persons who might otherwise have to sleep in places not meant for human habitation
- 15,000 unduplicated persons will benefit from the shelter and services provided by agencies receiving ESG funding.

D. Other Special Needs

Other Special Needs---General Priorities

Affordable housing opportunities should be made available for Alaskans with special needs as referenced on page 24. In some communities, these affordable housing options may require the development of rental projects. When existing housing supply is adequate, rental assistance for Alaskans with special needs may be the most effective approach. The homeownership option will make sense for some, if the financing package can be structured to make homeownership affordable and sustainable over the long term.

The incorporation of appropriate supportive services and accessibility features must be an integral component of expanding affordable housing for special needs Alaskans. The level of supportive services required will depend upon the circumstances of the individual served. A relatively small amount of formula funding that is specifically targeted towards special needs and supportive housing programs, comes to Alaska each year. A continuing priority over the next five years will be the use of "mainstream" assistance programs for both housing and supportive services. These programs include the Section 8 Housing Choice Vouchers, HOME Investment Partnerships, Low Income Housing Tax Credits, and the Medicaid program (including Medicaid Waivers). The allocation process governing the distribution of HOME and Low Income Housing Tax Credit funds will include a "preference" for targeting the following special needs populations: homeless, persons with physical or mental disabilities, and extremely low-income households (0-30%).

Other Special Needs---Basis for Assigning Priorities

The basis for assigning priorities comes from several sources. The State's Consolidated Planning (HCD) process collects data on affordable housing from a wide range of source on an on-going basis. These sources include AHFC Public Housing waiting lists, AHFC mortgage data, University of Alaska Anchorage's Institute of Social and Economic Research, Alaska Department of Labor and Workforce Development, the U.S. Census, the Alaska Coalition on Housing and Homelessness, Community Housing Development Organizations (CHDOs), Alaska Department of Corrections, local community planning information, Indian Housing Plans, and input from other affordable housing developers and state agencies. When the State develops its Annual Action Plans to implement this five year strategy, a specific allocation plan is outlined for the upcoming state fiscal year covering the resources governed by the HCD Plan. Activities using other anticipated affordable housing resources are also described in the Annual Action Plan. After the conclusion of the fiscal year a Consolidated Annual Performance Evaluation Report is completed, evaluating program performance and making recommendations for future action plans. Public input is sought and received at all stages of the HCD process. The data gathered in the development of this 5-Year HCD Plan also examined projected population, household and income growth to the year 2015, and in some instances, beyond.

Other Special Needs---Obstacles to Meeting Under-Served Needs

A number of obstacles exist to meeting the under-served needs of Alaska's special needs populations:

- Funding resources to address the priorities of Alaskans with special needs lacks centralized administration. Coordination between some of the funding sources has improved over the past five years. However, further opportunities for improved coordination and effective leveraging of resources remains.
- Informational reporting systems on many of these populations continue to be inadequate and generally not accessible.
- Most service providers have inadequate capacity to plan and execute housing development projects.
- The cost of special needs housing projects is another obstacle, both in terms of the development costs and the long-term operational expenses. Integration of the service component with the housing development has been an obstacle in supportive housing programs.
- Financial pressures upon the Housing Choice Voucher program have created a large amount of uncertainty about the extent this resource may be relied upon to meet the housing needs of Alaskans with special needs.

Other Special Needs---Priorities and Specific Objectives

Priorities and specific objectives over the next five years for Alaska's special needs populations will maintain and expand affordable housing opportunities, incorporating appropriate supportive services and accessibility features.

- The Housing Choice Voucher program is the single most important housing assistance program for persons with special needs. Maintaining access to the Voucher program for Alaskans with special needs is a high priority of this Consolidated Housing and Community Development Plan.
- Utilize resources to provide rental assistance for Alaskans with special needs and at-risk populations.
- The allocation of HOME Investment Partnership and Low-Income Housing Tax credits will include a preference for activities targeting the following special needs populations: homeless, persons with physical or mental disabilities, extremely low-income households (0-30%).
- Available technical assistance resources will be used to improve the ability of housing and service providers to plan, implement and operate programs that serve the housing needs of special needs populations.
- Another priority will be to leverage other funding resources for special needs housing projects, and to develop more effective ways of providing affordable housing opportunities for Alaskans with special needs.

Other Special Needs---Anticipated Accomplishments

The anticipated accomplishments over the next five years for housing initiatives for other special needs are:

- A Housing Choice Rental or Homeownership Voucher will be provided to an estimated 905 households, which contain one or more individuals who experience permanent disabilities, outside of the Municipality of Anchorage.
- The majority of the estimated 50 households that will be provided HOME tenant based rental assistance will have special needs.
- Production of 25 units of housing for persons with special needs.
- No less than fifteen housing training events will be delivered to housing and service providers.
- Scholarships will be provided to housing and service providers to attend local, regional and out of state trainings.
- It is anticipated that at least half of the housing development projects funded will leverage more than 55% of the total development costs.
- AHFC Corporate receipts will fund a portion of the pre-development activities for project sponsors pursuing the special needs and senior housing-- including HUD 811 and 202 projects.
- Subject to legislative appropriations, provide matching funds to leverage additional special needs housing resources.

E. Non-Housing Community Development Plan

Non-Housing Community Development Plan---General Priorities

The overall mission of the Community Development Block Grant (CDBG) Program is to enhance the quality of life for low and moderate income persons by ensuring that the State's CDBG funds will be used to primarily benefit low and moderate income persons. Financial resources will be provided to communities for public facilities, planning, and special economic development activities which encourage community self-sufficiency. CDBG activities will give a priority to those activities which reduce or eliminate conditions detrimental to the health and safety of local residents; reduce the costs of essential community services; and provide capital to assist in the creation or retention of jobs for low and moderate incomes persons.

Non-Housing Community Development Plan---Basis for Assigning Priorities

Funding priorities are based on need as reflected in the requests for CDBG funds received over the past several years. The Alaska Department of Commerce, Community, and Economic Development maintains the Alaska Capital Projects Database. The database contains descriptions, funding levels and status for capital projects in 353 communities located throughout Alaska. The database clearly demonstrates a huge need for public facilities and a variety of local infrastructure needs across the state. Another basis for assigning priorities comes from input received from local government officials and local residents at public hearings and CDBG technical assistance workshops.

Non-Housing Community Development Plan---Obstacles to Meeting Under-Served Needs

Over ninety cities in Alaska have populations only numbering in the hundreds. The majority of these communities are not accessible by road. For many of these cities, it is a constant struggle to maintain basic services. This situation threatens the State's investment in essential community facilities and poses a threat to the health and safety of Alaska's rural residents. Obstacles to meeting these non-housing community developments needs include frequent staff turnover, limited financial management expertise and local government skills. A significant decline in state financial resources to communities, coupled with a limited local tax base or economy all contribute to the ability of many rural Alaskan communities to successfully apply for and implement a community or economic development project. A lack of local building codes and a lack of local expertise in building sciences can influence the quality of construction that takes place in some communities. This must be taken into consideration when evaluating potential future operation and maintenance cost for proposed facilities. Commitments from public and private sources to adequately fund the high cost of construction in rural Alaska can also be an obstacle the Community Development Block Grant Program faces in meeting local unmet needs. The feasibility of proposed economic development projects is impacted by high transportation and marketing costs for exported goods.

Cultural differences can, in some instances, impact the delicate balance between supply and demand for goods and services.

Non-Housing Community Development Plan---Priorities and Specific Objectives

The following priorities and objectives guide the distribution and use of Community Development Block Grant (CDBG) funds:

- To support activities which provide a substantial or direct benefit to low- and moderate-income persons;
- To support activities which eliminate clear and imminent threats to public health and safety;
- To support local efforts toward solving public facility problems by constructing, upgrading, or reducing operational/maintenance costs of essential community facilities;
- To support activities which demonstrate strong local support as evidenced by inclusion in a local community, economic, or capital improvement plan;
- To support activities which demonstrate potential for long-term positive impact;
- To support activities which complement the Owner-Occupied Housing Rehabilitation (ORP) component of AHFC's HOME Investment Partnership Program;
- To support activities which encourage local community efforts to combine and coordinate CDBG funds with other public and private resources whenever possible;
- To support economic-development activities which will result in business development and job creation or retention which principally benefit low-and moderate-income persons; and
- To support activities which either include, as part of the application, or have completed, design, engineering, architectural, or feasibility plans as appropriate.

Non-Housing Community Development Plan---Anticipated Accomplishments

It is anticipated that during the next five years, requests for CDBG funding will be similar to those made in the last five-year period. The focus of the CDBG program on eliminating threats to health and safety and on supporting local efforts to solve public facility problems will continue. It is anticipated that approximately 3500 persons per year will benefit from CDBG funded projects and approximately 60% of those persons will be of low to moderate income.

Given an allocation of approximately \$3 million, CDBG has funded annually, during the last five years (2005-2010), 6 applications at an average of \$340,380 each. A typical year will see the following types and numbers of projects funded:

- **Public Facilities** (senior centers, homeless facilities, health facilities, and fire station/equipment) ---4 per year.

- **Infrastructure** (water and sewer improvements, street improvements, sidewalks, solid waste disposal improvements, harbors, electrical upgrades, and energy projects) ---2 per year.

These anticipated accomplishments under the CDBG program are based upon an analysis of identified non-housing community development needs, and an analysis of CDBG projects funded during the past five years. The particular "mix" of projects in any one year will depend upon a number of factors that are not possible to forecast, including project and sponsor readiness, and the availability of other funding sources needed to complete the project. Generally these projects will address the objective of creating a suitable living environment and the outcome of enhancing availability and accessibility.

F. Barriers to Affordable Housing

Alaska's barriers to affordable housing are similar to those of other states, but are exaggerated by social, economic and geographic conditions. Increasing total development costs (TDCs) of affordable housing projects, coupled with flat or declining amounts of housing subsidy over the next five years, point to fewer units of affordable housing being developed, rehabilitated, or made available through rental subsidies. Increasing housing needs and the lack of economic resources to address the "development gap" will result in a number of outcomes. In some cases, the housing "shock absorber" will be an increase in household size, and overcrowding situations. Other households will be forced to stay in housing of a substandard quality. Some households and individuals will leave their communities to find better housing and economic opportunities. Data published by the Department of Labor and Workforce Development in February 2010 suggests that there has been a significant increase since 2004 of migration of approximately 2% per year from predominately Native communities to hub communities.

The high cost of development in Alaska is a persistent barrier to affordable housing and a difficult one to address. The State is relatively powerless to change many of the underlying causes of Alaska's high construction costs. Short construction seasons, high transportation costs, Davis-Bacon wage requirements, and a strong overall construction economy have contributed to high construction costs. Improving the capacity and ability of affordable housing developers to initiate and implement projects is one means of mitigating high construction costs. Through technical assistance, the State will work to address this barrier.

The ongoing operation, management and maintenance of affordable housing projects are negatively impacted by a number of factors. Increasing energy costs, rising insurance premiums, and increasing property tax assessment threaten an already fragile bottom line for many affordable housing projects. Organizations responsible for the operation and management of these projects have their own "sustainability challenges". Many non-profit housing organizations have small staffs, small reserves and limited free cash flow. The State will provide technical assistance to assist these organizations in the areas of strategic planning, business planning, asset management, and energy efficient construction techniques to enhance long term project viability.

G. Lead-Based Paint Hazards

The Consolidated Housing and Community Development Plan supports actions to evaluate and reduce lead based paint hazards. The Interagency Steering Committee for the Consolidated Plan will continue to work with the Alaska Division of Public Health, Section of Epidemiology to monitor the blood lead levels in tested Alaskan children.

All covered projects under the HOME, CDBG, HOPWA, Public Housing and Section 8 Housing Voucher programs will be administered to conform to the applicable lead based paint regulations. Rehabilitation of pre-1978 housing using HUD housing assistance programs covered by the lead based paint rule (Subpart of the Rule Within 24 CFR Part 35), will follow the applicable HUD procedures, reporting and record keeping standards outlined.

Section 1018 of the Residential Lead-Based Paint Hazard reduction Act of 1992 requires that sellers, landlords and agents warn homebuyers and tenants of lead-based paint and lead-based paint hazards in pre-1978 housing. A prospective home purchaser or prospective tenant must receive the following information prior to becoming obligated under any contract to lease or purchase a property covered by this Act:

- An EPA approved information pamphlet on identifying and controlling lead-based paint hazards.
- Any known information concerning lead-based paint or lead-based paint hazards.
- Any records or reports on lead-based paint which are available to the seller or landlord.
- An attachment to the contract or lease which includes a Lead Warning Statement and confirms that the seller or landlord has complied with all of the notification requirements.

Sellers must provide homeowners a 10 day period to conduct a paint inspection or risk assessment for lead-based paint or lead-based paint hazards. Parties may mutually agree, in writing, to lengthen or shorten the time period for inspection. Homebuyers may waive this inspection. Sellers are not required by law to allow homebuyers to void their contract based on the results of the lead based paint evaluation.

In April 2008, EPA issued a new rule requiring that, beginning in April 2010, contractors performing renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities and schools built before 1978 must be certified and must follow specific work practices to prevent lead contamination.

Although the testing done so far does not point to a great lead-based paint hazard in Alaska, an estimated 15% to 20% (approximately 42,242 to 56,323 units), of all of the housing stock in the state does have a potential source of lead poisoning from paint. The State concurs with the U.S. Environmental Protection Agency that increased education about the potential health risks from exposure to lead based is an important step in reducing health related problems involving lead poisoning.

Alaska Housing Finance Corporation's Public Housing Division tested the low-income rental properties it owns across the state. Fourteen projects outside of Anchorage, with a total of 404 rental units, were inspected for lead based paint. In eight of the project, no lead based paint over the HUD threshold was detected. Lead was abated in all of the projects at an estimated cost of \$466,000. The remaining two projects received lead abatement activities upon receipt of funding. The soils adjacent to the units play areas, parking lots, and roadways were also below the threshold levels for lead in soils.

H. Anti-Poverty Strategy

In their 2009 *Out of Reach* report, the National Low-Income Housing Coalition determined that an average Alaskan household needs to earn \$3,375 monthly or \$40,504 annually to afford the average Fair Market Rent of \$1,013 for a 2-bedroom apartment. Assuming a 40-hour work week, 52 weeks per year, this translates into a "Housing Wage" of \$19.47 per hour. Clearly, the challenge for Alaska is to work at both ends of this equation by lowering housing costs as described in the previous sections and raising earning potential as described below.

According to U.S. Census data, the percentage of Alaskans living in poverty had an incremental increase from 8.4% in 2000 to 9.1% in 2008. In areas of Alaska outside of Anchorage, the increase was slightly higher, with the poverty rate increasing from 9.6% to 10.7% in the same time frame. Twenty five of Alaska's 27 census areas experienced an increase in the poverty rate. Despite an increase in the percentage of households in poverty, median household income for Alaska from 2000 to 2008 increased by approximately 29%. Income growth was bolstered by the State of Alaska Permanent Fund Dividend. The PFD had significant declines from 2000 through 2004, but has increased significantly over the last five years, with a payment of \$3,269 in 2008 and \$1,305 in 2009. Over the past 23 years, permanent fund dividends have become an important component of Alaskan's total household income.

The Alaska Workforce Investment Board (AWIB) provides policy oversight of state and federally funded job training and vocational education programs. Board members, a majority of whom are business and industry leaders, look at employment trends and emerging occupations to ensure training is customized and Alaskans are prepared for high demand, good wage jobs. Because of their oversight, public and private educators and training providers connect with employers to ensure the right people are being trained for the right jobs. The vision for the (AWIB) is "building connections that put Alaskans into good jobs." This comprehensive vision keeps the board focused on developing a workforce system that is useful, accessible and understandable to all of the system's customers. Today's customers include businesses looking for qualified workers, unemployed Alaskans looking for jobs and incumbent workers wanting to upgrade their skills in a changing work environment. Building upon the accomplishments of the 2007-2009 Plan, Governor Palin's administration extended the AWIB's Two-Year plan through June 30, 2010. It is expected the Plan will again be renewed through SFY 2011. Section I was modified to include greater emphasis on preparing Alaska's youth for occupations in growing and emerging industries. The American Recovery and

Reinvestment Act of 2009 (ARRA) emphasizes work experience that ensures young people will succeed at an early age and take advantage of a coordinated continuum of education and workforce development. In addition to maintaining the one-stop Job Centers and the role of the Workforce Investment Board, the new plan identifies four priorities. They are:

- Alaska's youth will be job ready when they complete high school.
- Alaska will have a world class workforce ready to meet the needs of Alaska's high skill, high demand jobs.
- Alaska's post-secondary vocational and technical training facilities and professional education system will provide world class training, using state-of-the-art equipment and technology.
- Alaska's businesses will have the support and resources to compete in the global market.

The entire plan can be accessed at <http://www.labor.alaska.gov/bp/forms/WIA-strategic-plan2009.pdf>.

Additionally, the Denali Commission in partnership with the Alaska Department of Labor and Workforce Development administers the Denali Training Fund. The Denali Training Fund provides assistance to local residents in obtaining the skills necessary to become employed in the areas of the construction, operation, and maintenance of Denali Commission and other public infrastructure projects in rural Alaska. This provides a mutually beneficial atmosphere where jobs are created directly and locally for rural Alaskans and the significant investment by the Denali Commission in infrastructure, and other state and federal construction projects, is maintained by the fact that Alaskans have the skills and knowledge required to work on the construction, operation and maintenance phases of these projects.

Further, the Denali Commission, again in partnership with the Alaska Department of Labor and Workforce Development, Division of Business Partnership administers the Denali Training Fund Youth Program. The Youth Program is designed to prepare youth ages 16 to 24 for their first job in the realm of Denali investment priorities: construction, maintenance, operations of infrastructure for energy and health care.

AHFC provides training in the areas of energy rating performance, weatherization methodologies, building analyst skills and proficiencies, heating system diagnostics and retrofit methodologies through contracted training companies. Funding for this training is provided by AHFC, and is being negotiated with the Denali Commission and Alaska Department of Labor and Workforce Development.

I. Institutional Structure

The institutional structure of the housing delivery system within Alaska is unique. As described in the Plan, the state faces significant challenges to housing delivery due to sheer geographic size and great distances among its many communities. Alaska is relatively “small” when considering the number of people and organizations and the complexity of its government. This dichotomy represents both a strength and a challenge to the execution of this plan. The three institutional structures that impact housing and community development in Alaska are private industry, public/government institutions and non-profit organizations.

In Alaska, members of the private sector most involved in the provision of housing for low-income Alaskans include: financial institutions; construction firms; owners, developers and managers of rental housing. The private sector enhances community and housing development activities throughout the state by bringing their expertise and organizational capacity to bear on projects, leveraging private resources, and utilizing private financing resources and tools. Non-profit agencies often rely on the members of the private sector for construction and rehabilitation services; this enables non-profit agencies to provide a variety of housing and community development services without having to maintain the necessary staff and crews. However, due to the sheer geographic size of the state and the isolation of various communities, private sector availability, capacity and experience varies by location and region. The lack of availability and participation of the private sector in some areas of the state produces a gap in services. Private sector entities are frequent developers of successful LIHTC projects. To encourage ongoing participation from the private sector, private sector entities (from within and outside the state) are eligible to apply LIHTCs and HOME-funded zero-interest loans through the GOAL program.

In so varied a setting as Alaska, a one-size-fits-all housing policy makes little sense. Policies and programs that will work in Bethel may not be appropriate in Seward, and vice versa. This point is illustrated by the finding that only 14 of Alaska’s 269 markets behave *normally* in terms of sales, private sector presence, and property values (Research conducted for AHFC by CZB LLC, 2009).

Throughout Alaska’s relatively young history, government agencies have played a disproportionately large role in the state’s economy. Federal spending for military installations, Indian programs, and natural resource oversight is considerable. Almost all of the housing supports for low-income households come from Federal sources such as the US Department of Agriculture (USDA) and HUD. In some rural communities, employment from the local school district fuels the local economy. The role of government in rural Alaska has been much greater, by necessity, because of the lack of traditional housing markets.

As the primary agency designated by the Governor and Legislature to address housing needs in Alaska, AHFC has taken on the central administrative role for housing programs in the State. Within the scope of this role is the necessity to provide ample opportunity for the other two sectors to participate in housing and community development activities that benefit low-income Alaskans. As previously stated, AHFC provides tax credits, bidding opportunities and technical assistance to private firms contributing to the housing

delivery system. AHFC administers the ESG and HOME funding and partners closely with DCCED who administers CDBG. AHFC is also home to the State's Public Housing Division.

Small, rural governmental entities throughout the State face unique challenges due to geographic isolation. These governmental entities have the same responsibilities to their residents as larger, urban local governmental entities. However, rural local governments tend to have fewer resources and staff. The Non-Housing Community Development Plan relies upon local governments of non-metropolitan Alaska for its implementation. The financial stability of these local governments will impact their ability to effectively participate in HCD Plan activities. In a 2004 Survey of Municipal Fiscal Conditions conducted by The Alaska Municipal League, 76 municipalities identified the following concerns which remain true today:

- Nearly half of the rural municipalities surveyed responded that they do not have the financial resources necessary to provide minimum public services or continue as a city or borough.
- Accelerating state budget cuts are overburdening both urban and rural local tax structures.
- State cuts in combination with serious local economic downturns in 75% of the municipalities surveyed have severely dampened the potential for local economic recovery.
- Rural challenges impact urban economies. Up to one third of Alaska's urban economies benefit through commerce with rural Alaska.

Local governments have been cutting back in services and reducing workforces in many areas. Asking them to administer new programs and develop new projects (with the accompanying oversight responsibilities, rules, regulations and reporting requirements) will be a great challenge. Municipalities with inadequate staffing capacity and capability will be at an extreme disadvantage in accessing and effectively deploying housing and community development resources.

A growing number of non-profit organizations have made it their mission to provide low-income Alaskans with affordable housing, especially those with disabilities and other special needs. These organizations fill gaps in housing and community development by partnering with government agencies and private entities to obtain available federal funding, develop facilities and provide services. Currently there are four CHDO's in the jurisdiction. Non-profit agencies experience many of the same challenges as small local governments described above. Many small non-profits with fewer than five staff exist throughout the state. When key staff turnover in small non-profit agencies takes place, gaps in services provided typically follow. To meet agency needs, staff is often required to have developed a wide range of skill sets. Consequently, finding replacement staff to address turnover can be challenging, particularly in rural communities.

To resolve gaps in services in both non-profit and governmental agencies, recognition of the challenges to maintain and increase experience and capacity is the first step to overcoming barriers. Over the next five years, the state will continue to provide technical assistance opportunities and will encourage local government entities to participate. In

addition, scholarships will be provided to attend trainings. GOAL applicants who do not meet the experience and capacity thresholds may partner with non-profit and / or private sector entities in order to meet threshold. In addition, the State administers a pre-development grant program. The Foraker Group administers a pre-development/technical assistance program that is funded by the Alaska Mental Health Trust Authority, the Rasmuson Foundation, and the Denali Commission; applicants may be referred to this program. The State also facilitates networking among local agencies to maximize skill sets across the State. The Alaska Municipal League represents Alaska's local governments to successfully influence state and federal decision making and provides training and joint services to strengthen Alaska's local governments.

During the performance period of the last 5-Year HCD Plan, the Denali Commission was a significant part of the institutional structure of the State.

Denali Commission

The Denali Commission Act of 1998 states the purpose of the Denali Commission (www.denali.gov) as follows:

- To deliver the services of the Federal Government in the most cost-effective manner practicable by reducing administrative and overhead cost.
- To provide job training and other economic development services in rural communities, particularly distressed communities.
- To promote rural development, provide power generation and transmission facilities, modern communications systems, bulk fuel storage tanks, water and sewer systems and other infrastructure needs.

With annual funding of approximately \$100 million per year, the Denali Commission has had a significant impact on housing and community development activities in Alaska. The Federal Fiscal Year 2005 Omnibus Appropriation bill included two housing components for the Commission, including \$10 million to address the problem in remote villages where there is limited housing available for teachers. Another \$20 million was received to provide for facilities serving Native elders and seniors citizens as well as residential and supportive housing for elders. The Commission developed policies that promoted investment in infrastructure where the promise of sustainability (both for facilities and services) could reasonably be demonstrated both in the present and future.

Over the past two years, annual Denali Commission funding levels for housing and community development have steadily declined. With the current recession and change in direction in federal government, the Denali Commission is now seeking more conventional funding streams and is redefining its role. The State will continue to work with the Commission through these changes to maintain optimum working relationships.

J. Coordination

The Consolidated Housing and Community Development Plan (HCD Plan) will be used as a vehicle to promote coordination between public and assisted housing providers, and the wide range of service providers involved in special needs housing. The Interagency Steering Committee responsible for the oversight of the State's HCD Plan periodically reviews its membership and takes steps, if appropriate, to amend its composition to improve and enhance coordination. A number of key elements of coordination are already in place. Alaska Housing Finance Corporation plays a key role as a coordinator for a wide range of activities including public housing functions, funding activities, technical assistance delivery, and information dissemination. Other key elements in the State's coordination strategy include the Alaska Coalition on Housing and Homelessness, the Alaska Council on the Homeless, and the Alaska Affordable Housing Partnership.

To the extent that the Denali Commission provides funding and supports for housing and community development in Alaska, the State will continue to coordinate pertinent programs and resources with this body.

K. Low-Income Housing Tax Credit Use

Alaska Housing Finance Corporation (AHFC) allocates the State of Alaska's Low Income Housing Tax credits (LIHTC) through a competitive process called the GOAL program (Greater Opportunities for Affordable Living). The purpose of the GOAL program is to expand the supply of decent, safe and sanitary, and affordable housing for occupancy by lower income persons and families, and senior citizens.

The State of Alaska's 2010 Qualified Allocation Plan governing the use of Alaska's LIHTC specifies state priorities for project that:

1. Meet specific market criteria, as defined by AHFC;
2. Are developed by applicants / sponsors who demonstrate the greatest capability to carry out the project;
3. Maximize the use of GOAL program funds by having only the amount of subsidy necessary, over and above the amount of debt that can be supported, to make the project financially feasible (from both a developmental and operational viewpoint);
4. Leverage GOAL program funds with other funding sources, including those which qualify as "match" under 24 CFR part 92 of the HUD regulations;
5. Maximize the energy efficiency of the projects;
6. Address the highest need in the local rental market for housing;
7. Target "special needs populations" (i.e. persons who experience mental or physical disabilities, homeless persons, and families whose income does not exceed 30% of the area median income, adjusted for family size);
8. Include larger units (i.e., greater number of bedrooms) for families;
9. Are located in "rural" communities, as defined by AHFC;
10. Provide meaningful training and employment opportunities for Alaskans.

AHFC will award points in the LIHTC rating process that address these priorities. Please note: these rating and award criteria and priorities in the Qualified Allocation Plan may

be revised, subject to AHFC Board of Directors approval, during the period covered in this Plan.

L. Public Housing Resident Initiatives

Family Self Sufficiency: AHFC administers the Family Self-Sufficiency (FSS) program in Anchorage. A waiver from HUD exempts AHFC from offering the FSS program statewide due to administrative costs. Anchorage is positioned to have both FSS/YES programs. Though a partnership with Alaska Division of Public Assistance (DPA), however, AHFC can offer the Your Earnings Saved (YES) program to families who receive both Alaska Temporary Assistance Program (ATAP) benefits and voucher assistance. The YES programs outside of Anchorage utilize DPA case managers and their contractors to introduce and complete a referral process with our mutual participants. The Anchorage FSS/YES office checks each referral and completes the enrollment process by confirming that all the HUD and AHFC eligibility criteria are in place.

The result is an increase in enrollment of families in the program. The collaboration has acquired national attention as a best practice. AHFC continues to expand the program to other locations without TANF support, as funding allows.

YES sites are located in Fairbanks, Mat-Su Valley, Kenai, Soldotna, Homer, Kodiak, Juneau, and Ketchikan. Housing Support and Compliance will periodically issue Numbered Memos with instructions about new communities added through the YES partnership.

Safety and Education Measures: AHFC utilizes a combination of Corporate and Federal funds to maintain programs that have measurable effect on youth. Examples include a grant to the Camp Fire program in Fairbanks; grants to Boys and Girls Clubs; an after-school program in Anchorage sponsored by Nine Star Inc., and another in Juneau sponsored by Southeast Regional Resource Center.

AHFC continues to maintain its Gateway Learning Center in Anchorage in cooperation with the University of Alaska, Inc. The center also houses the Anchorage FSS staff. Other computer labs are located in Juneau (2) and at the Loussac Manor complex in Anchorage.

AHFC funds a scholarship program on behalf of public housing and voucher participants. Ten awards are made annually based upon competitive applications.

Services to Elderly/Disabled Families: In the public housing program AHFC continues to support service coordination programs in Anchorage, Fairbanks and Juneau. Full time social service staff is employed through contractual arrangements with not-for-profit agencies. The goal is to help elderly and disabled families remain independent.

AHFC is also a recipient of two Resident Opportunities and Self Sufficiency grants (ROSS). These grants are through HUD and pay for a ROSS Neighborhood Network in Juneau and a ROSS Family/Homeownership program in Anchorage. As HUD grant

opportunities become available, the Public Housing Division applies for grant funding to enhance the menu of services and/or programs offered for residents of public housing to enhance self-sufficiency and skill-building training opportunities.

In the Housing Choice Voucher program, AHFC set aside approximately 100 vouchers statewide for persons with disabilities. Twenty-four additional vouchers are reserved for families whose head, spouse or co-head receives services under the state Medicaid waiver program. In Anchorage, additional vouchers (approximately 50 total) are set aside for referrals from Anchorage Community Mental Health Services, Inc. and Veterans Administration.

AHFC has recently received an allocation of 35 new VASH vouchers. The new VASH program operates through an AHFC/VA agreement in which the Veterans Administration provides eligibility screening, case management and program referral. Participants who are referred to AHFC receive a rental voucher. The new VASH program has an expanded definition of eligibility for services, which allows the new VASH program to serve individuals who may not have been eligible to be served through the regular Housing Choice Voucher program. VA provides ongoing case management services to participants.

Up to 10% (420) of AHFC's voucher allocation has been set-aside for project-based rental assistance. Vouchers will be available for housing units developed through the AHFC Special Needs Housing Grant (SNHG) program. This program is scheduled to begin prior to the end of calendar year 2010.

Per federal statute, AHFC is not required to appoint a public housing resident to its own Board of Directors; however, Alaska Housing Finance Corporation supports a nine-member Resident Advisory Board (RAB). The RAB makes recommendations on a number of topics that relate directly to resident services and reviewed the Moving To Work Plan.

APPENDIX B:

HUD TABLES

Table 1 - Housing, Homeless and Special Needs

Table 2A (Required) - State Priority Housing/Special Needs/Investment Plan Table

Optional Table 2C - Summary of Specific Objectives

Table 1 - Housing, Homeless and Special Needs

Housing Needs

Household Type	Elderly Renter	Small Renter	Large Renter	Other Renter	Total Renter	Owner	Total
0 –30% of MFI	889	2,831	939	2,822	7,482	11,906	19,388
%Any housing problem	90%	91%	89%	97%	88%	59%	71%
%Cost burden > 30	98%	80%	64%	99%	85%	36%	56%
%Cost Burden > 50	61%	67%	42%	86%	67%	34%	47%
31 - 50% of MFI	874	3,702	1,517	2,258	8,351	14,410	22,761
%Any housing problem	65%	52%	48%	87%	89%	41%	55%
%Cost burden > 30	74%	86%	36%	46%	93%	33%	50%
%Cost Burden > 50	22%	27%	10%	12%	28%	16%	19%
51 - 80% of MFI	490	5,009	1,879	2,964	10,342	10,257	20,599
%Any housing problem	42%	40%	49%	43%	57%	64%	61%
%Cost burden > 30	43%	25%	18%	41%	39%	50%	45%
%Cost Burden > 50	1%	1%	0%	0%	1%	9%	5%

Homeless Continuum of Care: Housing Gap Analysis Chart

	Current Inventory	Under Development	Unmet Need/ Gap
--	-------------------	-------------------	-----------------

Individuals

Example	Emergency Shelter	100	40	26
Beds	Emergency Shelter	313	0	86
	Transitional Housing	136	32	77
	Permanent Supportive Housing	117	1	253
	Total	566	33	416
Chronically Homeless		36	0	89

Persons in Families With Children

Beds	Emergency Shelter	254	0	81
	Transitional Housing	117	1	139
	Permanent Supportive Housing	26	0	75
	Total	397	1	295

Continuum of Care: Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Number of Families with Children (Family Households)	57	29	18	104
1. Number of Persons in Families with Children	168	87	52	307
2. Number of Single Individuals and Persons in Households without Children	203	97	118	418
(Add lines Numbered 1 & 2 Total Persons)	371	184	170	725
Part 2: Homeless Subpopulations	Sheltered		Unsheltered	Total
a. Chronically Homeless	93		32	125
b. Seriously Mentally Ill	152			
c. Chronic Substance Abuse	147			
d. Veterans	41			
e. Persons with HIV/AIDS	4			
f. Victims of Domestic Violence	140			
g. Unaccompanied Youth (Under 18)	36			

Table 1 Housing, Homeless and Special Needs

Special Needs (Non-Homeless) Subpopulations	Unmet Need
1. Elderly	173
2. Frail Elderly	118
3. Severe Mental Illness	239
4. Developmentally Disabled	115
5. Physically Disabled	224
6. Persons w/Alcohol/Other Drug Addictions	239
7. Persons w/HIV/AIDS	46
8. Victims of Domestic Violence	95
9. Other: At-Risk Populations excluding Victims of Domestic Violence	159

Table 2A (Required)
State Priority Housing/Special Needs/Investment Plan Table

PART 1. PRIORITY HOUSING NEEDS		Priority Level Indicate High, Medium, Low, checkmark, Yes, No	
Renter	Small Related	0-30%	High
		31-50%	High
		51-80%	Medium
	Large Related	0-30%	High
		31-50%	High
		51-80%	Medium
	Elderly	0-30%	High
		31-50%	High
		51-80%	High
	All Other	0-30%	High
		31-50%	High
		51-80%	Medium
Owner		0-30%	Medium
		31-50%	Medium
		51-80%	Medium
PART 2 PRIORITY SPECIAL NEEDS		Priority Level Indicate High, Medium, Low, checkmark, Yes, No	
Elderly		Medium	
Frail Elderly		High	
Severe Mental Illness		High	
Developmentally Disabled		Medium	
Physically Disabled		High	
Persons w/ Alcohol/Other Drug Addictions		Medium	
Persons w/HIV/AIDS		Low	
Victims of Domestic Violence		High	
Other: At-Risk Populations excluding Victims of Domestic Violence		High	

Optional Table 2C Summary of Specific Objectives

Specific Obj. #	Outcome/Objective Specific Annual Objectives	Sources of Funds	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
DH-1 Availability/Accessibility of Decent Housing							
DH-1.1	Home Opportunity Program: Creating opportunities for home ownership through education and financial assistance. Tenant Based Rental Assistance: Improving the availability of affordable housing options through rental subsidies.	HOME	Number of homebuyers receiving assistance. Number of tenant households receiving rental assistance.	2010	22 10		
DH-1.2		HOME		2011	22 10		
				2012	22 10		
				2013	22 10		
				2014	22 10		
		MULTI-YEAR GOAL		110 50			
DH-2 Affordability of Decent Housing							
DH-2.1	Rental Housing Dev.- Creating affordable decent housing opportunities through rehabilitation and preservation of existing housing resources. Homeownership Dev. Program- Creating affordable housing for LMI families through assistance with the cost of development.	HOME	Number of affordable units developed. NOTE: For the rental development program, only the federal HOME units are reported.	2010	6 10		
DH-2.2		HOME		2011	6 0		
				2012	6 0		
				2013	6 0		
				2014	6 0		
		MULTI-YEAR GOAL		30 10			

DH-3 Sustainability of Decent Housing							
DH-3.1	Owner Occupied Rehab.- Create decent housing with improved or new sustainability.	HOME	Number of homeowners receiving assistance.	2010	14		
				2010	14		
				2012	14		
				2013	14		
				2014	14		
			MULTI-YEAR GOAL			70	

Optional Table 2C Summary of Specific Objectives (cont)

Specific Obj. #	Outcome/Objective Specific Annual Objectives	Sources of Funds	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
SL-1 Availability/Accessibility of Suitable Living Environment							
SL-1.1	Create a suitable living environment through new construction or renovation of public facilities to benefit low to moderate income persons.	CDBG	Number of persons with new access to a public facility or infrastructure benefit.	2010	200 18/30		
				2011	300 0		
SL-1.2	Create a suitable living environment by providing funding for owner-occupied housing rehabilitation services which address emergency needs and health and safety measures for LMI households.	CDBG	Number of LMI households receiving funding to address health and safety issues <u>and</u> number of persons in those households benefitting.	2012	600 0		
				2013	200 16/25		
				2014	300 0		
				MULTI-YEAR GOAL		1600 34/55	
SL-2 Affordability of Suitable Living Environment							
SL-2.1	N/A			2010			
				2011			
				2012			
				2013			
				2014			
				MULTI-YEAR GOAL			

SL-3 Sustainability of Suitable Living Environment							
SL-3.1	N/A			2010			
				2011			
				2012			
				2013			
				2014			
			MULTI-YEAR GOAL				

Optional Table 2C Summary of Specific Objectives (cont)

Specific Obj. #	Outcome/Objective Specific Annual Objectives	Sources of Funds	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
SL-1 Availability/Accessibility of Suitable Living Environment							
SL-1.3	Create a suitable living environment through rehabilitation or renovation of emergency shelter or transitional housing to benefit homeless households.	ESG	Number of homeless facilities upgraded with ESG funds.	2010	2-3 25,000 3,000		
SL-1.4	Create a suitable living environment by providing funding to operate and maintain emergency shelters or transitional housing for homeless households.	ESG	Number of bednights provided in homeless facilities receiving ESG funds to meet operating costs.	2011	2-3 25,000 3,000		
				2012	2-3 25,000 3,000		
SL-1.5	Create a suitable living environment where homeless households can benefit from shelter and services to overcome a housing crisis.	ESG	Number of homeless persons who benefited from shelter or services provided by agencies receiving ESG funding.	2013	2-3 25,000 3,000		
				2014	2-3 25,000 3,000		
				MULTI-YEAR GOAL		10-15 125,000 15,000	
SL-2 Affordability of Suitable Living Environment							
	N/A		MULTI-YEAR GOAL				
SL-3 Sustainability of Suitable Living Environment							
	N/A		MULTI-YEAR GOAL				

APPENDIX C

STATE TABLES

TABLE 1 THROUGH TABLE 17

Table 1: Population of Alaska By Labor Market Region, Borough and Census Area

2000 – 2008

State of Alaska Department of Labor and Workforce Development, Research and Analysis

Area By Labor Market Region	Population Estimates				April 1 Census 2000	Change		Percentage Change		Components of Change (Births) - (In-Migration) - (Deaths) (Outmigration)	
	2008	2007	2006	2005		2007	2000	2007	2000	2000-2008	2000-2008
Alaska	679,720	674,510	669,716	663,085	626,931	5,210	52,789	0.8	1.0	59,828	-7,039
Anchorage Mat-Su Region	367,509	362,074	359,850	351,867	319,605	5,435	47,904	1.5	1.7	31,139	16,765
Anchorage, Municipality of	284,994	282,375	282,722	277,883	260,283	2,619	24,711	0.9	1.1	25,578	-867
Matanuska-Susitna Borough	82,515	79,699	77,128	73,984	59,322	2,816	23,193	3.5	4.0	5,561	17,632
Gulf Coast Region	75,876	75,189	74,531	74,845	73,799	687	2,077	0.9	0.3	4,656	-2,579
Kenai Peninsula Borough	52,990	52,121	51,352	51,172	49,691	869	3,299	1.7	0.8	2,717	582
Kodiak Island Borough	13,373	13,495	13,427	13,667	13,913	-122	-540	-0.9	-0.5	1,314	-1,854
Valdez-Cordova Census Area	9,513	9,573	9,752	10,006	10,195	-60	-682	-0.6	-0.8	625	-1,307
Interior Region	104,421	105,811	101,966	101,907	97,417	-1,390	7,004	-1.3	0.8	11,204	-4,200
Denali Borough	1,848	1,762	1,793	1,820	1,893	86	-45	4.8	-0.3	127	-172
Fairbanks North Star Borough	89,896	91,340	87,607	87,578	82,840	-1,444	7,056	-1.6	1.0	10,245	-3,189
Southeast Fairbanks Census Area	7,008	6,977	6,734	6,462	6,174	31	834	0.4	1.5	527	307
Yukon Koyukuk Census Area	5,669	5,732	5,832	6,047	6,510	-63	-841	-1.1	-1.7	305	-1,146
Northern Region	23,612	23,538	23,637	23,651	23,789	74	-177	0.3	-0.1	3,508	-3,685
Nome Census Area	9,499	9,465	9,523	9,450	9,196	34	303	0.4	0.4	1,285	-982
North Slope Borough	6,706	6,711	6,796	6,886	7,385	-5	-679	-0.1	-1.2	1,098	-1,777
Northwest Arctic Borough	7,407	7,362	7,318	7,315	7,208	45	199	0.6	0.3	1,125	-926
Southeast Region	69,202	68,971	70,271	70,786	73,082	231	-3,880	0.3	-0.7	4,099	-7,979
Haines Borough	2,310	2,246	2,234	2,205	2,392	64	-82	2.8	-0.4	34	-116
Juneau City and Borough	30,427	30,134	30,753	31,179	30,711	293	-284	1.0	-0.1	2,070	-2,354
Ketchikan Gateway Borough ¹	12,993	13,089	13,176	13,111	14,059	-96	-1,066	-0.7	-1.0	778	-1,844
Prince of Wales-Outer Ketchikan C.A. ^{1,2}	5,360	5,299	5,469	5,502	6,157	61	-797	1.1	-1.7	338	-1,135
Sitka City and Borough	8,615	8,602	8,972	8,931	8,835	13	-220	0.2	-0.3	556	-776
Skagway-Hoonah-Angoon C.A.	2,946	2,986	3,010	3,059	3,436	-40	-490	-1.3	-1.9	129	-619
Hoonah-Angoon Census Area	2100	2145	2,157	2,226	2,574	-45	-474	-2.1	-2.5	---	---
Skagway Municipality	846	841	853	833	862	5	-16	0.6	-0.2	---	---
Wrangell-Petersburg Census Area	---	5,997	6,022	6,157	6,684	-38	-725	-0.6	-1.4	166	-891
Petersburg Census Area	3,847	---	---	---	4,260	---	-413	---	-1.2	---	---
Wrangell City and Borough ³	2,112	---	---	---	2,448	---	-336	---	-1.8	---	---
Yakutat City and Borough	592	618	635	642	808	-26	-216	-4.3	-3.7	28	-244
Southwest Region	39,100	38,927	39,461	40,029	39,239	173	-139	0.4	0.0	5,222	-5,361
Aleutians East Borough	2,699	2,789	2,588	2,654	2,697	-90	2	-3.3	0.0	102	-100
Aleutians West Census Area	4,439	4,493	4,910	5,239	5,465	-54	-1,026	-1.2	-2.5	216	-1,242
Bethel Census Area	16,940	16,755	17,011	17,066	16,046	185	894	1.1	0.7	2,766	-1,872
Bristol Bay Borough	1,029	1,030	1,056	1,174	1,258	-1	-229	-0.1	-2.4	61	-290
Dillingham Census Area	4,771	4,769	4,795	4,784	4,922	2	-151	0.0	-0.4	522	-673
Lake and Peninsula Borough	1,552	1,531	1,555	1,618	1,823	21	-271	1.4	-1.9	93	-364
Wade Hampton Census Area	7,670	7,560	7,546	7,494	7,028	110	642	1.4	1.1	1,462	-820

Notes:

1. No adjustment has been made to 2000 population shown here for Wrangell City and Borough Incorporation (25 Persons) or Ketchikan Gateway Borough Annexations (8 Persons) from Outer Ketchikan.
2. Prince of Wales-Outer Ketchikan Census Area Renamed Prince of Wales-Hyder Census Area 2008.
3. 2000 population reflects the incorporated area, which is greater than the 2000 Census Area Population.

Source:

1. Alaska Department of Labor and Workforce Development, Research and Analysis and US Census 2000, 1990.

Table 2: Racial and Ethnic Composition of Alaska's Population

State of Alaska Excluding Anchorage
2000 vs. 2008

<u>Ethnic Group</u>	<u>2000 ¹</u>		<u>2008 ²</u>	
	<u>Total</u>	<u>%</u>	<u>Total</u>	<u>%</u>
White	251,934	68.7%	272,519	68.6%
Black	6,867	1.9%	6,137	1.5%
Native American/Alaska Native	79,473	21.7%	76,306	19.2%
Asian & Pacific Islander¹	11,801	3.2%	15,425	3.9%
Other Race	n/a		n/a	
Two or More Races	16,573	4.5%	26,872	6.8%
Total	366,648	100%	397,259	100%
Hispanic (All Races)	11,053	3.0%	17,422	4.4%
Non Hispanic (All Races)	355,596	97.0%	379,837	95.6%

Source:

1. U.S. Census Bureau, Decennial Census
2. U.S. Census Bureau, American Community Survey

Table 3: Age Composition of Alaska's Population

State of Alaska vs. Rest of State
1990, 2000, 2008

Age	State of Alaska				Rest of State			
	2000	2008	Change		2000	2008	Change	
			%	#			%	#
0-4	48,525	56,380	16%	7,855	28,492	33,037	16%	4,545
5-9	53,822	54,361	1%	539	31,955	31,694	-1%	-261
10-14	56,061	52,835	-6%	-3,226	34,560	30,768	-11%	-3,792
15-19	49,709	55,158	11%	5,449	30,047	32,548	8%	2,501
20-24	39,892	45,669	14%	5,777	22,198	25,281	14%	3,083
25-29	42,987	44,142	3%	1,155	23,239	24,293	5%	1,054
30-34	46,486	45,969	-1%	-517	26,121	25,754	-1%	-367
35-39	55,723	47,597	-15%	-8,126	31,751	26,215	-17%	-5,536
40-44	58,326	48,206	-17%	-10,120	34,088	26,993	-21%	-7,095
45-49	53,515	54,108	1%	593	31,830	31,200	-2%	-630
50-54	41,437	53,371	29%	11,934	24,319	31,613	30%	7,294
55-59	27,423	44,137	61%	16,714	16,183	26,700	65%	10,517
60-64	17,327	30,452	76%	13,125	10,409	18,385	77%	7,976
65-69	12,626	19,100	51%	6,474	7,644	11,987	57%	4,343
70-74	9,881	11,967	21%	2,086	5,968	7,280	22%	1,312
75-79	6,863	8,358	22%	1,495	4,058	4,944	22%	886
80-84	3,695	5,488	49%	1,793	2,216	3,254	47%	1,038
85-90	1,779	3,058	72%	1,279	1,060	1,824	72%	764
90+	855	1,621	90%	766	511	976	91%	465
16+	457,473	507,320	11%	49,847	264,831	294,765	11%	29,934
18+	436,215	484,506	11%	48,291	251,803	280,951	12%	29,148
65+	35,699	49,592	39%	13,893	21,457	30,265	41%	8,808
Median	32.4	33.5	3%	1.1	N/A	N/A	N/A	N/A
Total	626,932	681,977	9%	55,045	366,649	394,746	8%	28,097

Source:

1. Alaska Department of Labor and Workforce Development, 2008

Table 4: Population Projections By Age Group

State of Alaska vs. Rest of State

2010, 2015, 2020

Age Group	State of Alaska						Rest of State					
	2010		2020		2030		2010		2020		2030	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
0-4	55,002	7.9%	61,051	7.9%	64,425	7.7%	33,034	8.2%	36,826	8.2%	38,822	8.0%
5-9	55,710	8.0%	61,448	8.0%	65,535	7.8%	32,515	8.0%	37,431	8.3%	39,875	8.2%
10-14	53,422	7.6%	59,796	7.8%	66,203	7.9%	31,453	7.8%	35,963	8.0%	40,553	8.3%
15-19	53,656	7.7%	55,794	7.2%	61,530	7.3%	30,434	7.5%	30,888	6.9%	36,105	7.4%
20-24	51,541	7.4%	47,884	6.2%	53,698	6.4%	30,415	7.5%	26,136	5.8%	30,237	6.2%
25-29	46,890	6.7%	53,923	7.0%	56,124	6.7%	26,450	6.5%	30,565	6.8%	30,622	6.3%
30-34	45,936	6.6%	59,151	7.7%	56,400	6.7%	25,637	6.3%	35,538	7.9%	31,422	6.4%
35-39	47,399	6.8%	52,828	6.8%	60,484	7.2%	26,381	6.5%	30,702	6.8%	34,150	7.0%
40-44	47,254	6.8%	47,299	6.1%	60,614	7.2%	26,778	6.6%	27,160	6.0%	36,037	7.4%
45-49	51,919	7.4%	43,903	5.7%	49,094	5.9%	29,893	7.4%	25,223	5.6%	28,340	5.8%
50-54	52,234	7.5%	40,833	5.3%	40,493	4.8%	30,646	7.6%	23,314	5.2%	23,382	4.8%
55-59	46,927	6.7%	44,336	5.7%	36,251	4.3%	27,894	6.9%	25,558	5.7%	20,747	4.3%
60-64	35,359	5.1%	44,317	5.7%	33,434	4.0%	20,680	5.1%	25,993	5.8%	19,328	4.0%
65-69	21,872	3.1%	39,135	5.1%	36,954	4.4%	13,047	3.2%	23,106	5.1%	21,311	4.4%
70-74	13,251	1.9%	28,193	3.7%	36,363	4.3%	8,064	2.0%	16,365	3.6%	21,276	4.4%
75-79	8,854	1.3%	15,916	2.1%	29,953	3.6%	5,226	1.3%	9,395	2.1%	17,601	3.6%
80-84	6,026	0.9%	8,278	1.1%	18,645	2.2%	3,600	0.9%	4,931	1.1%	10,708	2.2%
85-89	3,435	0.5%	4,475	0.6%	8,414	1.0%	2,019	0.5%	2,599	0.6%	4,921	1.0%
90+	1,886	0.3%	2,905	0.4%	4,062	0.5%	1,084	0.3%	1,685	0.4%	2,368	0.5%
0-19	217,790	31.2%	238,089	30.9%	257,693	30.7%	127,436	31.4%	141,108	31.4%	155,355	31.8%
20-64	425,459	60.9%	434,474	56.3%	446,592	53.2%	244,774	60.4%	250,189	55.7%	254,265	52.1%
65+	55,324	8%	98,902	13%	134,391	16%	33,040	8%	58,081	13%	78,185	16%
Total	698,573	100.0%	771,465	100.0%	838,676	100.0%	405,250	100.0%	449,378	100.0%	487,805	100.0%

Source:

1. Alaska Department of Labor and Workforce Development, 2008

Table 5: Housing Assistance Needs of Low-To-Moderate Income Households

Rest of State

2009

Households (by Type, Income, & Housing Problem)	Renters					Owners			
	Elderly 1&2 Member Household	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1&2 Member Household	All Other Owners	Total Owners	Total Households
1 Very Low Income (0 to 50% MFI)	1,763	6,534	2,457	5,080	15,833	4,323	21,992	26,315	42,148
2 Very Low Income (0 to 30% MFI)	889	2,831	939	2,822	7,482	1,891	10,014	11,906	19,388
% with any Housing Problems	90%	91%	89%	97%	88%	86%	54%	59%	71%
% Cost Burden > 30%	98%	80%	64%	104%	85%	75%	29%	36%	56%
% Cost Burden > 50%	61%	67%	42%	86%	67%	47%	32%	34%	47%
3 Very Low Income (31 to 50% MFI)	874	3,702	1,517	2,258	8,351	2,432	11,978	14,410	22,761
% with any Housing Problems	65%	52%	48%	87%	89%	68%	36%	41%	55%
% Cost Burden > 30%	74%	86%	36%	46%	93%	52%	29%	33%	50%
% Cost Burden > 50%	22%	27%	10%	12%	28%	19%	15%	16%	19%
4 Other Low-Income (51 to 80% MFI)	490	5,009	1,879	2,964	10,342	2,432	7,825	10,257	20,599
% with any Housing Problems	42%	40%	49%	43%	57%	38%	73%	64%	61%
% Cost Burden > 30%	43%	25%	18%	41%	39%	27%	57%	50%	45%
% Cost Burden > 50%	1%	1%	0%	0%	1%	7%	10%	9%	5%
5 All Other Income (>80% MFI)	1,200	10,236	2,890	6,068	20,395	16,483	35,402	51,885	72,280
% with any Housing Problems	56%	16%	43%	14%	18%	14%	23%	20%	20%
% Cost Burden > 30%	3%	4%	2%	5%	3%	8%	39%	30%	21%
% Cost Burden > 50%	0%	0%	0%	0%	0%	0%	1%	1%	1%
6 Total Households	3,453	21,779	7,225	14,112	46,570	13,511	77,363	88,457	135,027
% with any Housing Problems	56%	16%	43%	14%	18%	14%	23%	20%	20%
% Cost Burden > 30%	58%	33%	21%	39%	35%	34%	24%	25%	29%
% Cost Burden > 50%	24%	13%	8%	19%	15%	12%	8%	9%	11%

Notes:

1. Total Households taken from American Communities Survey - US Census
2. Total Elderly Households Taken from ACS
3. Renter - All Other Households" = 1 person households from ACS, their distribution in Income group based on 2000 CHAS Data Ratio of Small Related to Large Related calculated from percentage of 4+ households in ACS
4. Distribution of household types by income based on 2000 CHAS Data
5. % Cost Burden >30%" for renters and owners extrapolated from ACS Census tables - "MONTHLY HOUSING COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS"
6. "% Cost Burden >50%" for renters and owners calculated using ratio of "% Cost Burden >30%" to "% Cost Burden>50%" ratio from 2000 CHAS Data.
7. Senior Owners and Renters taken from ACS Table S2502 (65+)
8. Housing Problem # taken from American Community Survey 2006-2008 Tbl B25123 - Tenure by Selected Physical and Financial Conditions.
9. Housing problem distribution by Income based on ratio of housing problem to Renter or Owner Group from 2000 CHAS Data.
10. Otherwise, percentage distributions by renter and owner based on 2005-2010 Housing Assistance Need Projections

Table 6: Estimated Age of Housing Stock

State of Alaska (Excluding Anchorage)

2000 vs. 2008

	2000 Census			2008 - American Community Survey ¹		
	Anchorage	Rest of State	Total	Anchorage	Rest of State	Total
Total Units	100,368	160,610	260,978	111,224	170,392	281,616
<u>Age of Units In Years²</u>						
1-9	2,019	4,774	6,793	12,346	15,427	27,773
10-19	10,662	29,584	40,246	13,190	28,755	41,945
20-39	63,135	90,050	153,185	63,109	91,227	154,336
40-59	21,810	26,472	48,282	20,480	25,515	45,995
60+	2,742	9,730	12,472	2,099	9,468	11,567
<u>Age of Units In Years</u>						
1-9	2.01%	2.97%	2.60%	11.10%	9.05%	9.86%
10-19	10.62%	18.42%	15.42%	11.86%	16.88%	14.89%
20-39	62.90%	56.07%	58.70%	56.74%	53.54%	54.80%
40-59	21.73%	16.48%	18.50%	18.41%	14.97%	16.33%
60+	2.73%	6.06%	4.78%	1.89%	5.56%	4.11%

Notes:

1. American Community Service samples a smaller pool of housing units, so numbers may include sampling error.
2. Age of Units starting with 2009 as base year of comparison.

Source:

1. Alaska Department of Labor and Workforce Development, 2008

Table 7: Population, Housing Units, Average Household Size By Borough and Census Area
1990, 2000, 2008

Area	Population			Housing Units			Household Size	
	1990	2000	2008	1990	2000	2008	1990	2000
Alaska	550,043	626,931	679,720	232,608	260,978	281,616	2.8	2.74
Anchorage	226,338	260,283	284,994	94,153	100,368	111,224	2.68	2.67
Balance of State	323,705	366,648	394,726	138,455	160,610	170,392	2.9	2.79
Aleutians East Borough	2,464	2,697	2,699	693	724	760	2.97	2.69
Aleutians West Census Area	9,478	5,465	4,439	2,051	2,234	2,341	3.02	2.52
Bethel Census Area	1,410	16,046	16,940	4,362	5,188	5,602	3.72	3.73
Bristol Bay Borough	1,764	1,258	1,029	596	979	982	2.81	2.57
Denali Borough	(x)	1,893	1,848	(X)	1,351	1,394	(X)	2.74
Dillingham Census Area	2,012	4,922	4,771	1,691	2,332	2,433	3.3	3.20
Fairbanks North Star Borough	77,720	82,840	89,896	31,823	33,291	37,999	2.76	2.68
Haines Borough	2,117	2,392	2,310	1,112	1,419	1,531	2.59	2.41
Juneau City and Borough	26,751	30,711	30,427	10,638	12,282	12,892	2.66	2.60
Kenai Peninsula Borough	40,802	49,691	52,990	19,364	24,871	25,575	2.79	2.62
Ketchikan Gateway Borough	13,828	14,059	12,993	5,463	6,218	6,586	2.7	2.56
Kodiak Island Borough	13,309	13,913	13,373	4,885	5,159	5,634	3.03	3.07
Lake and Peninsula Borough	1,668	1,823	1,552	991	1,557	1,588	3.22	3.10
Matanuska-Susitna Borough	39,683	59,322	82,515	20,953	27,329	28,689	2.92	2.84
Nome Census Area	8,288	9,196	9,499	3,684	3,649	3,697	3.41	3.33
North Slope Borough	5,979	7,385	6,706	2,153	2,538	2,715	3.44	3.45
Northwest Arctic Borough	6,113	7,208	7,407	1,998	2,540	2,583	3.96	3.87
Prince of Wales-Outer Ketchikan Census Area	6,278	6,157	5,360	2,543	3,055	3,299	2.92	2.68
Sitka City and Borough	8,588	8,835	8,615	3,222	3,650	3,957	2.81	2.61
Skagway Municipality	3,680	3,436	2,946	(X)	(X)	598	2.94	2.50
Southeast Fairbanks Census Area	5,913	6,174	7,008	2,102	3,225	3,325	2.96	2.80
Valdez-Cordova Census Area	9,952	10,195	9,513	3,149	5,148	5,273	2.73	2.58
Wade Hampton Census Area	5,791	7,028	7,670	5,196	2,063	2,084	4.23	4.38
Wrangell-Petersburg Census Area	7,042	6,684	(X)	1,882	3,284	3,473	2.73	2.56
Yakutat City and Borough	705	808	592	(X)	499	509	(X)	2.59
Yukon-Koyukuk Census Area	6,714	6,510	5,669	3,005	3,917	4,035	2.88	2.81

Notes:

1. 2008 Data Estimated from American Communities Survey. Estimates for Census Areas or Boroughs May Not Add Up to State Totals Due To Sampling Error.
2. 1990 and 2000 Data from Decennial Census.
3. Avg. Hhld Size, Homeownership, and Median Purchase Price Data only available with Decennial Census.
4. (x) = data not available.

Source:

1. State of Alaska Department of Labor and Workforce Development, 2009.
2. U.S. Census Bureau, Decennial Census, American Community Survey.

Table 8: Alaska Affordability Index - Homeownership

1st Qtr 2005 to 2nd Qtr 2009

Single-Family Residences

Census Area/Borough	Number of Average Wage Earners Required To Purchase A Home ¹																		
	2005				2006				2007				2008				2009		2005 vs. 2007
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	Avg. for Year
Municipality of Anchorage	1.49	1.50	1.65	1.53	1.65	1.68	1.82	1.82	1.65	1.76	1.80	1.72	1.59	1.75	1.82	1.72	1.51	1.53	0.19
Mat-Su Borough	1.71	1.58	1.73	1.77	1.89	1.91	1.86	1.90	1.83	1.91	1.83	1.76	1.79	1.85	1.89	1.85	1.58	1.59	0.13
Fairbanks North Star Borough	1.32	1.24	1.30	1.28	1.46	1.61	1.57	1.70	1.54	1.59	1.62	1.45	1.42	1.53	1.55	1.47	1.30	1.28	0.27
Kenai Peninsula Borough	1.32	1.22	1.39	1.44	1.32	1.63	1.50	1.43	1.53	1.57	1.53	1.61	1.36	1.45	1.55	1.58	1.23	1.30	0.22
City and Borough of Juneau	1.67	1.76	1.81	1.73	1.73	1.89	2.03	1.84	1.76	1.98	2.04	2.15	1.82	1.89	2.15	1.92	1.77	1.65	0.24
Ketchikan Gateway Borough	1.73	1.63	1.84	1.69	1.49	1.45	1.62	1.48	1.50	2.13	2.12	2.27	1.48	1.57	1.99	1.91	1.50	1.45	0.28
Kodiak Island Borough	1.82	1.77	1.69	1.53	1.67	1.75	2.00	2.04	1.60	2.09	1.95	1.73	1.69	1.97	2.10	1.80	1.62	1.80	0.14
Bethel Census Area	2.19	1.98	2.60	1.82	1.67	2.32	2.19	2.09	2.12	1.99	2.36	2.14	2.17	1.92	2.38	2.18	1.65	1.82	0.01
All Other Census Areas	1.25	1.16	1.29	1.25	1.37	1.36	1.25	1.40	1.21	1.24	1.24	1.33	1.18	1.33	1.68	1.22	1.10	1.16	0.02
Statewide	1.44	1.42	1.54	1.49	1.57	1.65	1.72	1.70	1.57	1.66	1.69	1.61	1.49	1.62	1.70	1.61	1.41	1.42	0.16
Matsu House W/ Anchorage Wage	1.22	1.20	1.32	1.28	1.41	1.40	1.44	1.44	1.33	1.37	1.36	1.29	1.30	1.34	1.39	1.35	1.16	1.17	0.08

Notes:

1. Assumes Purchase Of An Average Priced Home in the Borough or Census Area with an 80% Mortgage, paying no more than 28% of Wage Income Toward Principal, Interest, Taxes and Insurance (PITI).

Source:

1. Alaska Department of Labor and Workforce Development, Research and Analysis Section, Alaska Housing Finance Corporation, Alaska Housing Market Indicators, 2009.

Table 9: Alaska Rental Market

Includes Multifamily, Single Family and Mobile Home Units
2000-2008

<u>Vacancy Rate</u>	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2000 vs. 2009
Municipality of Anchorage	4.3%	4.7%	6.2%	5.2%	5.2%	7.2%	6.9%	8.0%	4.7%	4.5%	0.2%
Fairbanks North Star Borough	8.3%	8.7%	5.8%	6.0%	9.9%	12.0%	12.0%	5.4%	10.6%	12.7%	4.4%
Juneau Borough	5.0%	7.7%	3.8%	6.2%	4.2%	6.3%	4.9%	4.7%	5.5%	6.2%	1.2%
Kenai Peninsula Borough	12.3%	11.1%	5.1%	8.6%	13.0%	11.4%	9.4%	8.2%	8.0%	7.6%	-4.7%
Ketchikan Gateway Borough	13.4%	21.4%	17.8%	13.5%	7.5%	9.8%	8.4%	8.5%	7.1%	12.8%	-0.6%
Kodiak Island Borough	7.5%	10.4%	7.4%	10.4%	8.2%	7.0%	5.5%	4.5%	4.0%	3.2%	-4.3%
Matanuska-Susitna Borough	6.2%	6.1%	3.3%	4.8%	6.9%	10.4%	9.3%	4.7%	5.6%	6.6%	0.4%
Sitka Borough	8.1%	9.6%	2.9%	5.3%	4.4%	8.7%	6.2%	9.9%	11.9%	8.9%	0.8%
State of Alaska	4.8%	7.6%	6.8%	6.5%	7.4%	9.1%	8.2%	7.2%	6.7%	7.1%	2.3%
Valdez-Cordova CA	17.5%	9.9%	8.3%	20.7%	26.2%	18.9%	8.6%	14.0%	7.6%	10.8%	-6.7%
Wrangell-Petersburg CA	6.6%	17.5%	22.1%	18.7%	8.2%	14.5%	12.7%	15.0%	8.8%	8.9%	2.3%
<u>Average Contract Rent</u>	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2000 vs. 2009
Municipality of Anchorage	\$702	\$742	\$763	\$802	\$831	\$842	\$854	\$882	\$936	\$988	\$286
Fairbanks North Star Borough	\$643	\$662	\$692	\$710	\$738	\$760	\$801	\$865	\$891	\$960	\$317
Juneau Borough	\$838	\$856	\$890	\$893	\$921	\$929	\$976	\$973	\$1,001	\$1,011	\$173
Kenai Peninsula Borough	\$606	\$613	\$620	\$635	\$674	\$670	\$659	\$683	\$713	\$735	\$129
Ketchikan Gateway Borough	\$706	\$715	\$716	\$738	\$777	\$762	\$765	\$812	\$804	\$843	\$137
Kodiak Island Borough	\$849	\$848	\$758	\$857	\$847	\$889	\$932	\$945	\$950	\$1,039	\$190
Matanuska-Susitna Borough	\$684	\$695	\$694	\$737	\$759	\$758	\$770	\$788	\$811	\$786	\$102
Sitka Borough	\$689	\$739	\$717	\$722	\$730	\$757	\$838	\$844	\$880	\$909	\$220
State of Alaska	\$809	\$725	\$753	\$770	\$799	\$811	\$832	\$863	\$901	\$953	\$144
Valdez-Cordova CA	\$623	\$800	\$839	\$799	\$957	\$584	\$937	\$962	\$1,007	\$1,036	\$413
Wrangell-Petersburg CA	\$700	\$604	\$612	\$580	\$579	\$1,040	\$616	\$621	\$649	\$650	-\$50

Source:

1. Alaska Department of Labor and Workforce Development, Research and Analysis Section, Alaska Housing Finance Corporation, Alaska Housing Market Indicators, 2009.

Table 10: Waiting List for Public Housing and Housing Choice Voucher (HCV) Program
 State of Alaska (Excluding Anchorage)
 November 23rd, 2009

Public Housing Program

<u>Bedroom Size</u>	<u>Number of Households</u>	<u>Percentage</u>
0-1 Bedroom	760	72%
2 Bedroom	230	22%
3 Bedroom	49	5%
<u>4 or More Bedroom</u>	<u>11</u>	<u>1%</u>
	1,050	100%

Housing Choice Voucher Program

<u>Bedroom Size</u>	<u>Number of Households</u>	<u>Percentage</u>
0-1 Bedroom	1,749	68%
2 Bedroom	655	25%
3 Bedroom	144	6%
<u>4 or More Bedroom</u>	<u>29</u>	<u>1%</u>
	2,577	100%

Source:

1. Alaska Housing Finance Corporation, Public Housing Division, 2009.

Table 11: Public Housing Planned Physical Improvements

State of Alaska (Excluding Anchorage)

FY2011-2015

Project Name	Community	Comments	Total
Bethel Heights	Bethel	Interior and Exterior Renovation	\$1,290,000
Birch Park I	Fairbanks	Interior/Exterior Renovation/Energy Audits	\$1,012,500
Birch Park II	Fairbanks	Interior/Exterior Renovation/Energy Audits	\$657,500
Paxton Manor	Fairbanks	Energy Audits	\$7,500
Southall Manor	Fairbanks	Energy Audits	\$7,500
Spruce Park	Fairbanks	Energy Audits	\$7,500
Cedar Park	Juneau	Interior and Exterior Renovation	\$475,300
Mt. View	Juneau	Energy Audits	\$6,000
Mt. View Annex	Juneau	Energy Audits	\$6,000
Riverbend	Juneau	Interior and Exterior Renovation	\$370,246
Schoenbar Park	Ketchikan	Energy Audits	\$7,500
Seaview Terrace	Ketchikan	Energy Audits	\$15,000
Pacific Terrace	Kodiak	Energy Audits	\$7,500
Beringvue	Nome	Interior and Exterior Renovation	\$600,000
Valdez Arms	Valdez	Energy Audits	\$7,500
Etolin Heights	Wrangell	Energy Audits	\$7,500
Total			\$4,485,046

Source:

1. Alaska Housing Finance Corporation, Public Housing Construction Division, 2009.

Table 12: Inventory of Homeless Facilities

State of Alaska (Excludes Anchorage)

SFY2011

Provider	Program Name	Facility Type	Community	Family Beds ¹	Family Units	Individual Beds
Adocates f/Victims of Violnc	DV Shelter	Emergency	Valdez	5	2	2
AK Family Services	DV Shelter	Emergency	Palmer	26	8	6
AK Family Services	Saxton Shelter	Emergency	Palmer	0	0	12
Arctic Women in Crisis	DV Shelter	Emergency	Barrow	8	2	2
AWARE	DV Shelter	Emergency	Juneau	27	9	21
Bering Sea Women's Svcs	DV Shelter	Emergency	Nome	10	3	4
Brother Francis Shltr-Kodiak	Brother Francis Shltr	Emergency	Kodiak	0	0	30
Fairbanks Native Assn	Treatment/Shelter	Emergency	Fairbanks	0	0	10
Fairbanks Native Association	Longhouse	Transitional	Fairbanks	0	0	8
Fairbanks Rescue Mission	FAITH - Vets Trans	Transitional	Fairbanks	0	0	30
Fairbanks Rescue Mission	Recovery Program	Transitional	Fairbanks	3	1	9
Fairbanks Rescue Mission	Shelter	Emergency	Fairbanks	18	6	100
Family Promise	Church Shelter	Emergency	Palmer	15	5	0
Friendship Mission	Shelter	Emergency	Kenai/Soldotna	0	0	8
Gastineau Human Services	Juno House	Transitional	Juneau	0	0	24
Gastineau Human Services	Taku Manor	Transitional	Juneau	0	0	0
Interior Ctr for Non-Violent Lvg	Carmen House	Transitional	Fairbanks	0	0	1
Interior Ctr for Non-Violent Lvg	Carmen House-SHP	Transitional	Fairbanks	15	5	1
Interior Ctr for Non-Violent Lvg	DV Shelter	Emergency	Fairbanks	32	11	14
Interior Ctr for Non-Violent Lvg	Phase I Transitional	Transitional	Fairbanks	12	4	5
Jun. Coop. Christian Ministry	Glory Hole Shelter	Emergency	Juneau	0	0	40
Juneau Youth Services	Black Bear TLP	Transitional	Juneau	0	0	18
Juneau Youth Services	Cornerstone Shelter	Emergency	Juneau	0	0	10
Ketchikan Com. f/Homeless	Park Avenue T-Home	Transitional	Ketchikan	6	2	20
Kodiak Women's Rerc Ctr	DV Shelter	Emergency	Kodiak	8	3	2
Lee Shore Center	DV Shelter	Emergency	Kenai/Soldotna	27	9	5
Lee Shore Center	TLC Program	Transitional	Kenai/Soldotna	19	9	6
Manilaq Association	DV Shelter	Emergency	Kotzebue	5	2	2
Presbyterian Hospitality House	7th Street Home	Emergency	Fairbanks	0	0	5
Presbyterian Hospitality House	Independent Lvg Prog.	Transitional	Fairbanks	0	0	5
Presbyterian Hospitality House	Stabilization Ctr	Emergency	Fairbanks	0	0	5
S.A.F.E.	DV Shelter	Emergency	Dillingham	12	4	4
Salvation Army-Kodiak Corps	Beachcomber	Transitional	Kodiak	0	0	12
Seaview Community Services	Com. Support Program	Transitional	Seward	2	1	6
Sitka Prev & Counseling Svcs	Jericho Road	Transitional	Sitka	0	0	4
Sitka Prevention & Counseling Svcs	Shelter	Emergency	Sitka	0	0	2
Sitkans Agnst Family Violence	DV Shelter	Emergency	Sitka	15	5	10
So. Peninsula Women's Svcs	Haven House	Emergency	Homer	6	3	4
St. Vincent dePaul	Family TLC	Transitional	Juneau	40	10	0
St. Vincent dePaul	Paradis Shelter	Emergency	Juneau	4	1	1
St. Vincent dePaul	Paul's Place-Transitional	Transitional	Juneau	12	3	4
Tundra Women's Coalition	DV Shelter	Emergency	Bethel	15	5	7
Tundra Women's Coalition	Transitional Program	Transitional	Bethel	8	2	1
Unalaskans SAFV	DV Shelter	Emergency	Unalaska	3	1	1
Valley Residential Services	New Directions	Transitional	Wasilla	4	2	4
Women in Safe Homes	DV Shelter	Emergency	Ketchikan	18	6	6
Yukon-Kuskokwim Hlth Corp	Morgan House	Transitional	Bethel	0	0	5
Total				375	124	476

Table 13: Inventory of Special Needs Housing Resources

State of Alaska (Excluding Anchorage)

SFY 2011

	Section 202/811 Assisted Units ¹	Assisted Living & Group Home Facility Slots	Intermediate Drug Treatment Facilities	Crisis and Emergency Respite Slots	Permanent Housing	Public Housing and Housing Choice Vouchers for People with Disabilities	Transitional Housing Units
Anatuvak Pass	5	0	0	0	0	0	0
Anchor Point	0	3	0	0	0	0	0
Barrow	0	21	0	10	0	37	0
Bethel	23	70	1	29	14	16	14
Big Lake	0	4	0	0	0	0	0
Copper Center	0	0	0	0	0	12	0
Cordova	0	0	0	0	0	22	0
Craig	0	0	0	0	0	9	0
Dillingham	0	19	1	16	0	15	0
Fairbanks	46	286	2	66	7	156	89
Gakona	0	0	0	0	0	6	0
Galena	0	200	0	0	0	0	0
Gulkana	0	0	0	0	0	8	0
Haines	0	0	0	0	0	12	0
Hollis	0	3	0	0	0	0	0
Homer	0	76	0	10	8	0	0
Hoonah	0	0	0	0	0	12	0
Houston	10	18	0	0	0	0	0
Hydaburg	0	0	0	0	0	12	0
Juneau	45	144	1	48	57	62	98
Kake	0	0	0	0	0	12	0
Kaktovik	5	0	0	0	0	0	0
Kasilof	0	8	0	0	0	0	0
Kenai/Soldotna	0	59	1	32	6	0	25
Ketchikan	0	88	0	24	0	49	26
Klawock	0	0	0	0	0	10	0
Kodiak	0	19	0	10	0	15	12
Kotzebue	4	40	1	7	0	0	0
Metlakatla	0	0	0	0	0	25	0
Naknek	0	0	0	0	0	10	0
Nenana	0	88	0	0	0	15	0
New Stuyahok	5	0	0	0	0	0	0
Nome	0	14	1	14	0	19	0
North Pole	6	33	0	0	0	0	0
Nuiqsut	5	0	0	0	0	0	0
Palmer	4	181	0	44	0	0	0
Petersburg	0	15	1	0	0	0	0
Point Hope	5	0	0	0	0	0	0
Saxman	0	0	0	0	0	12	0
Seldovia	0	0	0	0	0	18	0
Seward	0	12	0	0	4	30	8
Sitka	5	502	3	27	0	20	4
Soldotna	5	53	0	0	0	44	0
St. Paul	0	0	0	0	0	14	0
Stebbins	4	0	0	0	0	0	0
Sterling	0	10	0	0	0	0	0
Sutton	8	0	0	0	0	0	0
Talkeetna	0	3	0	0	0	0	0
Tanana	0	14	0	0	0	0	0
Tazlina	0	0	0	0	0	3	0
Tok	0	0	1	0	0	0	0
Unalaska	0	0	0	4	0	15	0
Valdez	0	12	1	0	0	0	0
Wainwright	5	0	0	0	0	0	0

Notes:

1. From HUD Provided Database of Multifamily Assistance/Contracts dated 12/01/09

Table 14: 2009 AK Continuum of Care Housing Inventory for Permanent Supported Housing

1/27/2009

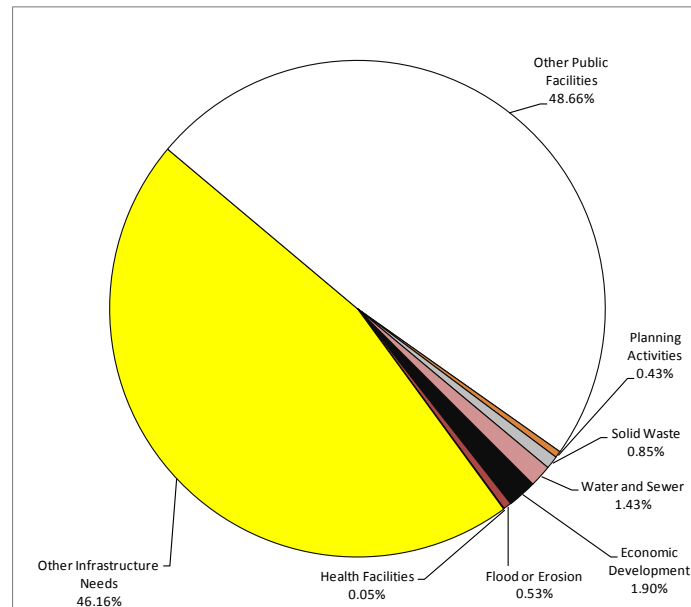
	Provider	Facility Name	Family Beds	Family Units	Individual Beds	CH Beds	Total Beds	Point-in-Time Homeless Count	Program Utilization Rate
1	Central Peninsula Counsel Svc	Aurora Commons	2	1	4	2	6	5	83%
2	Central Peninsula Counsel Svc	Watts Homestead	0	0	6	1	6	6	100%
3	Faribanks Com Behav. Hlth Ctr	Evergreen Place	0	0	7	2	7	0	0%
4	Jun Alliance f/Mental Hlth Inc	The Lodge	0	0	6	3	6	6	100%
7	Jun Alliance f/Mental Hlth Inc	Supported Hsg K-1	0	0	16	6	16	16	100%
8	Jun Alliance f/Mental Hlth Inc	Salmon Creek K-2	0	0	16	8	16	16	100%
9	Seaview Community Services	Supported Apts.	0	0	4	0	4	0	0%
10	S. Pen. Com. Mntl Hlth Svcs	Supported Apts.	0	0	8	0	8	0	0%
11	St. Vincent dePaul	Paul's Place Fam PSH	7	2	0	0	7	5	71%
12	St. Vincent dePaul	Paul's Place Chr PSH	0	0	3	3	3	3	100%
13	St. Vincent dePaul	Paul's Place S+C	0	0	3	2	3	3	100%
14	St. Vincent dePaul	Channel View S+C	2	1	3	2	5	5	100%
15	St. Vincent dePaul	Scattered Site S+C	0	0	1	0	1	1	100%
16	Valley Residential Services	Chugach View S+C	2	1	4	1	6	6	100%
17	Valley Residential Services	Delphi S+C	0	0	5	5	5	4	80%
18	Valley Residential Services	Forest Hills S+C	7	2	0	0	7	7	100%
19	Valley Residential Services	Scattered Site S+C	0	0	2	1	2	1	50%
20	Valley Residential Services	Vaunda/Heritage	6	2	10	0	16	10	63%
21	Valley Residential Services	Bevs Place	0	0	6	0	6	5	83%
22	Yukon-Kuskokwim Hlth Crp	Camai S+C	0	0	12	0	12	7	58%
23	Yukon-Kuskokwim Hlth Crp	Camai (non S+C)	0	0	2	0	2	2	100%
			26	9	118	36	144	108	75%

Table 15: Community Projects Database - Non-housing Community Development Needs

State of Alaska

Nov 2009

<u>Type of Project</u>	<u>Number of Projects</u>	<u>Total Cost</u>
Economic Development	67	94,739,311
Flood or Erosion	13	26,183,750
Health Facilities	7	2,326,900
Other Infrastructure Needs	266	2,301,943,452
Other Public Facilities	705	2,426,986,330
Planning Activities	42	21,448,250
Solid Waste	28	42,323,899
Water and Sewer	56	71,409,629
Total	1,184	4,987,361,521

**Source:**

State of Alaska, Department of Commerce, Community and Economic Development.

Table 16: HUD Median Family Income Estimates
By Census Area, Borough or Municipality
2005 - 2009

Place	2005	2006	2007	2008	2009	Change 2009 vs. 2005
Aleutians East Borough	\$56,400	\$61,100	\$58,900	\$60,700	\$65,800	\$9,400
Aleutians West Census Area	\$81,650	\$89,400	\$85,500	\$88,000	\$93,700	\$12,050
Anchorage, Municipality	\$78,700	\$76,900	\$74,800	\$77,700	\$80,800	\$2,100
Bethel Census Area	\$46,700	\$45,200	\$43,800	\$45,400	\$46,900	\$200
Bristol Bay Borough	\$67,900	\$73,300	\$71,300	\$73,200	\$77,300	\$9,400
Denali Borough	\$86,200	\$86,500	\$83,600	\$86,300	\$91,400	\$5,200
Dillingham Census Area	\$54,100	\$56,000	\$53,800	\$55,500	\$58,700	\$4,600
Fairbanks, City and Borough	\$69,700	\$70,100	\$69,700	\$71,300	\$74,700	\$5,000
Haines Borough	\$61,900	\$60,800	\$59,500	\$61,400	\$65,300	\$3,400
Juneau City and Borough	\$85,000	\$86,900	\$84,000	\$87,000	\$91,500	\$6,500
Kenai Peninsula Borough	\$67,300	\$66,500	\$64,600	\$66,700	\$70,200	\$2,900
Ketchikan Gateway Borough	\$70,600	\$72,600	\$70,600	\$72,900	\$77,000	\$6,400
Kodiak Island Borough	\$68,900	\$72,900	\$70,800	\$73,100	\$76,000	\$7,100
Lake and Peninsula Borough	\$52,300	\$52,100	\$50,600	\$53,100	\$54,800	\$2,500
Matanuska-Susitna Borough	\$69,100	\$70,400	\$66,500	\$68,600	\$72,900	\$3,800
Nome Census Area	\$50,500	\$54,200	\$52,700	\$54,500	\$57,000	\$6,500
North Slope Borough	\$83,300	\$78,400	\$75,800	\$79,000	\$82,600	-\$700
Northwest Arctic Borough	\$58,300	\$55,300	\$53,400	\$55,600	\$58,400	\$100
Prince of Wales-Outer Ketchikan Census Area	\$53,900	\$57,100	\$55,600	\$57,600	\$60,700	\$6,800
Sitka City and Borough	\$75,000	\$77,000	\$74,700	\$77,200	\$80,600	\$5,600
Skagway-Hoonah-Angoon Census Area	\$56,500	\$58,700	\$56,700	\$59,100	\$62,000	\$5,500
Southeast Fairbanks Census Area	\$61,900	\$61,600	\$61,500	\$64,500	\$62,200	\$300
Valdez-Cordova Census Area	\$73,400	\$74,500	\$72,300	\$74,600	\$78,200	\$4,800
Wade Hampton Census Area	\$33,800	\$36,600	\$35,100	\$36,300	\$38,600	\$4,800
Wrangell-Petersburg Census Area	\$63,400	\$65,800	\$63,500	\$65,400	\$69,800	\$6,400
Yakutat City and Borough	\$59,900	\$64,500	\$61,800	\$65,300	\$68,200	\$8,300
Yukon-Koyukuk Census Area	\$39,200	\$41,800	\$40,200	\$41,700	\$43,700	\$4,500

Source:

U.S. Department of Housing and Urban Development, 2005,2006,2007,2008,2009

Table 17: Average Sales Price

1st Qtr 2005 to 2nd Qtr 2009

Single-Family Residences

Census Area/Borough	2005				2006				2007				1st Qtr
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
Anchorage	\$266,586	\$285,264	\$294,400	\$292,803	\$297,599	\$306,041	\$312,334	\$311,674	\$317,576	\$319,881	\$314,708	\$304,569	\$297,208
Mat-Su	\$207,781	\$213,280	\$220,272	\$210,021	\$212,030	\$230,613	\$233,395	\$236,146	\$227,919	\$233,939	\$228,006	\$222,756	\$245,031
Fairbanks	\$201,136	\$194,859	\$198,267	\$201,555	\$227,234	\$231,877	\$245,298	\$220,878	\$237,198	\$230,654	\$229,289	\$231,419	\$224,642
Kenai	\$195,867	\$186,979	\$191,027	\$198,693	\$191,367	\$236,489	\$198,517	\$199,390	\$232,147	\$213,140	\$210,530	\$216,342	\$211,528
Juneau	\$255,139	\$298,552	\$287,207	\$274,630	\$282,891	\$321,276	\$306,666	\$310,412	\$302,079	\$316,367	\$322,590	\$326,117	\$295,202
Ketchikan	\$218,295	\$216,118	\$244,898	\$217,403	\$192,752	\$201,571	\$212,676	\$209,763	\$207,191	\$283,063	\$271,578	\$305,138	\$239,759
Kodiak	\$212,482	\$230,232	\$221,796	\$199,432	\$232,898	\$207,767	\$235,082	\$281,858	\$213,849	\$251,727	\$250,438	\$246,031	\$229,158
Bethel	\$259,815	\$245,206	\$280,828	\$192,778	\$206,571	\$247,580	\$222,750	\$225,000	\$230,889	\$230,167	\$263,833	\$249,195	\$253,091
Rest of State	\$212,328	\$220,662	\$202,494	\$201,675	\$241,618	\$226,473	\$198,493	\$216,853	\$219,186	\$252,096	\$216,841	\$220,297	\$240,100
Statewide Total	\$236,534	\$246,982	\$248,693	\$249,081	\$255,789	\$272,299	\$270,562	\$267,134	\$271,122	\$275,256	\$268,998	\$262,371	\$262,597

Source:

1. Alaska Department of Labor and Workforce Development, Research and Analysis Section, Alaska Housing Finance Corporation, Alaska Housing Market Indicators, 2009.