

**Consolidated Housing and Community
Development Plan for the State of Alaska,
2011-2015**

**State Fiscal Year 2011
(Federal Fiscal Year 2010)
Annual Action Plan**

May 14, 2010

**Consolidated Housing and Community Development Plan
For the State of Alaska**

SFY 2011 (July 1, 2010 through June 30, 2011) Annual Action Plan

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SFY 2011 (July 1, 2010 through June 30, 2011) Annual Action Plan

I. EXECUTIVE SUMMARY

Overview

Alaska receives approximately \$7.5 million annually (not including potential funding from pending federal stimulus bills) in the following three federal formula programs:

- Community Development Block Grant Program (CDBG)
- Emergency Shelter Grants (ESG)
- Home Investment Partnerships Program (HOME)

The funding Alaska receives for the CDBG, ESG, and HOME programs is administered by recognized Participating Jurisdictions (PJs). The Municipality of Anchorage (MOA) is the PJ for all three programs within the boundaries of the MOA. Regarding all other areas of the state, outside the MOA, the “balance of state,” the State of Alaska Department of Commerce, Community and Economic Development (DCCED) is the recognized PJ for CDBG and Alaska Housing Finance Corporation (AHFC) is the recognized the PJ for the HOME and ESG programs.

In order to maintain eligibility for these formula housing and community development programs, PJs must develop and maintain a Consolidated Planning process. Several other federal programs in addition to CDBG, ESG and HOME rely on this planning process in that they are required to be certified consistent with the Consolidated Plan of the PJ within which they intend to operate. The overall goal of these community planning and development programs is to support the development of viable communities by providing decent housing and a suitable living environment, and expanding economic opportunities principally for low and moderate income persons. To achieve this, it is important to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

The State of Alaska’s Consolidated Housing and Community Development (HCD) Plan addresses CDGB, ESG and HOME in all areas of Alaska, except the MOA. Questions regarding the Anchorage HCD Plan should be directed to the Municipality of Anchorage, Planning Department, Community Planning Division, P.O. Box 196550, Anchorage, Alaska 99519, or by calling 907-343-4881.

Key elements of the State of Alaska's Consolidated Planning process are the:

- Citizen Participation Plan
- Five Year Plan (July 1, 2010 through June 30, 2015)
- Annual Action Plans based on the State of Alaska fiscal year (SFY);
- Consolidated Annual Performance and Evaluation Reports (CAPER) which must be completed within 90 days of the close of the state fiscal year

This SFY 2011 Annual Action Plan is the first Annual Action Plan under the new Five Year strategic plan for SFY 2011-2015.

II. Citizen Participation

Alaska's Consolidated Housing and Community Development Plan was created and maintained through a joint effort of several state agencies. An Interagency Steering Committee was created for this process. It includes representatives from 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 State Department of Labor (DOL), and the Alaska Mental Health Trust Authority (AMHTA). As the lead agency in HCD planning, AHFC facilitates the process and provides a single point of contact for the public on matters relating to the HCD Plan.

The HCD Plan is not the plan of any one agency, but reflects the collective priorities of many agencies, organizations and private citizenry within the State of Alaska. These groups and individuals represent a variety of housing and community development programs and concerns. Other entities giving input include state and local governments, non-profit organizations, regional housing authorities and representatives of the private sector. Private citizens (particularly those with low incomes or residing in areas in which community development activities are likely to take place) are encouraged to participate in the development and review of the Consolidated Plan.

Pursuant to federal regulations (24 CFR 91.115), the State of Alaska has developed and adopted a Citizen Participation Plan encouraging public participation in the HCD planning process. Alaska's size and wide range of social, economic and physical environments present many challenges to any planning process. A variety of approaches were used to ensure the public had opportunities to participate in the SFY 2011 Annual Action Plan. The Interagency Steering Committee met on December 1, 2009 and provided ongoing input and review of the draft Plan. Three statewide teleconferenced public hearings were held to seek comments regarding the draft SFY 2011 Action Plan; one on December 16, 2009 and one on January 14, 2010 (both, before the draft was posted for comment) and a third was held on March 31, 2010 (after posting of the draft).

During the year leading up to, and in preparation for, the drafting of the SFY 2011 Action Plan, AHFC representatives have gathered information on housing needs with such groups and in such forums as:

- Online Housing and Community Development Survey for Individuals
- Online Housing and Community Development Survey for Organizations
- Denali Commission Quarterly Meetings and Work Sessions
- Denali Commission Health Steering Committee Work Sessions
- Alaska Funders Group/ Philanthropy Northwest
- Bureau of Indian Affairs Providers Conference
- HUD Office of Native American Programs (ONAP)
- Alaska Coalition on Housing and Homelessness
- Alaska Mental Health Board
- Alaska Council on the Homeless (The Governor's Council)
- Homebuilders
- Older Alaskans Commission
- Senior Independent Living Council
- Alaska Prisoner Reentry Advisory Council
- Affordable Housing Partnership
- Juneau Homeless Coalition
- Kenai Homeless Coalition
- Mat-Su Homeless Coalition
- Fairbanks Homeless Coalition
- Alaska Association of Housing Authorities
- Alaska Municipal League
- Alaska Department of Transportation and Public Facilities
- Alaska Mental Health Trust Rural Outreach Trip
- Mat-Su Affordable Housing Funding Forum
- Juneau Affordable Housing Funding Forum
- University of Alaska Anchorage Job Fair
- HUD Homelessness Roundtable with Secretary Shaun Donovan
- Alaska State Fair
- Housing and Community Development Workshop and Presentation for HUD Deputy Secretary Ron Sims
- Housing Grand Opening Ceremonies in Haines and Cooper Landing
- State of Alaska Economic Development Legacy Plan Housing Work Group

Notification of the availability of the draft plan, and the public hearings were advertised in the Anchorage Daily News, a newspaper of statewide circulation, and in a number of regional and community newspapers. Announcements of the availability of the draft plan were sent to many individuals, organizations and local governmental entities via electronic list serve. The draft plan was made available on AHFC's website or in hard copy by contacting the HCD Plan Coordinator between March 12, 2010 and April 12, 2010, inclusive. Public comments on the draft SFY 2011 Annual Action Plan were received through April 12, 2010. The Alaska Housing Finance Corporation's Board of Directors reviewed the plan at their May 4, 2010 meeting prior to the plan being submitted to HUD in May, 2010.

III. Summary of Objectives

Seven Guiding Principles

Consistent with statutory requirements, the overall goal for the Consolidated Housing and Community Development Plan (HCD) for the State of Alaska is to:

Provide decent housing, create suitable living environments, and expand economic opportunities for Alaskans with incomes at or below eighty percent (80%) of median income.

The State of Alaska's Five Year HCD Plan (July 1, 2010 through June 30, 2015) identified seven general principles to guide the State's efforts to implement the above statutory goal. These 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.

The Consolidated Annual Performance and Evaluation Report (CAPER) based on this SFY 2011 Annual Action Plan will quantify, as practicable, and evaluate progress under each of the guiding principles.

Evaluation of Past Performance

The SFY 2009 CAPER was the fourth yearly report of the current five year Consolidated Housing and Community Development Plan (SFY 2006 through 2010). The SFY 2009 CAPER was submitted to HUD in September 2009. CAPERs for SFY 2007 through 2009 may be found at www.ahfc.us. These CAPERs assess the progress in meeting the Five Year HCD Plan Priorities. Information from these documents was used in developing the SFY 2011 Annual Action Plan (AAP) and the new Five Year HCD Plan (SFY 2011 through SFY 2015). Portions of those reports are included as Appendix C to this Plan. Both the SFY 2011 Annual Action Plan and the new Five Year HCD Plan can be found at www.ahfc.us.

The process to develop the SFY 2010 CAPER will begin in early July 2010 with a fifteen day public comment period on the draft CAPER anticipated in late August or early September of 2010. The SFY 2010 CAPER will be submitted to HUD by September 28, 2009.

Priorities and Specific Objectives

In order to comply with the performance measurement system, this plan identifies relevant goals and objectives and applicable outcome statements for each funded activity based on type of project. These activities will also be reported in the IDIS system and the SFY 2011 CAPER.

Addressing the range of needs and allocating resources in an equitable manner is a complicated task, but the state of Alaska is committed to moving forward with a set of objectives that will measure our performance while addressing the needs of low to moderate income families. Because funds are distributed through a competitive process, we cannot predict who will apply or how funds will be distributed geographically. Therefore, we have not included a geographic distribution formula.

There are obstacles that complicate the process of addressing needs in the State of Alaska. For example, most applicants find it very challenging to identify funding sources to fill the gap between CDBG or HOME funds and the actual cost of their projects. The cost of construction in rural Alaska is much higher than in urban areas and the cost of construction even in the urban areas of Alaska is much higher than in other states. The building season in Alaska is shorter than in most states and it shortens more dramatically the farther north the project. Costs are driven higher where materials must be flown or barged to the project site. In order to obtain experience and develop the qualifications necessary to create the efficiencies that keep project costs within budget, workers and organizations in rural areas face challenges not always evident in urban Alaska. Training, modern technologies and other resources may not be readily available in small communities. Local and regional Housing Authorities continue to work diligently, and successfully, to identify and bridge these gaps.

The current Five Year HCD Plan states that annual priorities are to be shaped by the Guiding Principles listed above. Specific objectives will be defined within the Annual Action Plans according to these Principles. Projects and activities are funded if they support the annual objectives. During SFY 2011 the objectives will be:

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.

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 and not programs where housing is an element of a larger effort, since such programs would be more appropriately reported under Suitable Living Environment.

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

Once the objective for each activity is selected, the State of Alaska PJ will select one of three outcome categories which best reflects what it is seeking to achieve by funding that activity.

IV. Summary of Outcomes

As indicated in the preceding section, the Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs was utilized during SFY 2010 (FFY 2009). During SFY 2010, the State of Alaska PJ has incorporated, to the extent possible, the outcome performance measurement system for the State's HOME, CDBG and ESG Programs. The State determined that performance measure additions did not constitute an amendment under its citizen participation plan. For the SFY 2011 Annual Action Plan, the state has incorporated performance measures for (Federal) Fiscal Year 2010 CDBG, HOME and ESG funding. This includes the determination of an objective and selection of an outcome for each activity, based on the type of activity and its purpose.

The three outcome categories are:

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.

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.

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

V. Summary of SFY 2011 Changes

a. Alaska Ten-Year Plan to End Long-Term Homelessness

In May 2009, the Governor's Interagency Council on Homeless formally adopted a strategy to end long-term homelessness in Alaska by 2019. The Plan calls for a number of actions that include coordinated funding for supportive housing, homeless prevention services and program protocols designed to reduce the number of persons entering emergency shelters after discharging from state institutions. The Alaska Ten-Year Plan includes baseline data that will be used to gauge the effectiveness of these actions. Application to AHFC for SFY11 funding will be predicated on relevance to the Plan and prospects achieving the desired outcomes.

b. Neighborhood Stabilization Program (NSP)

The State of Alaska is the only designated Alaskan recipient of NSP funds under the Housing and Economic Recovery Act of 2008 (HERA). The State of Alaska received the minimum NSP allocation of \$19.6 million. The Neighborhood Stabilization Program is designed to return foreclosed property to the market in order to stabilize neighborhoods. The program also provides funding for the redevelopment of vacant and abandoned properties and provides funding for the demolition of blighted properties. The activities included in the NSP Substantial Amendment to the HCD Plan provides for allocation of NSP funds in areas of greatest need. The NSP Substantial Amendment to the HCD Plan was approved by HUD on December 29, 2008 and a Grant Agreement was executed by HUD on March 6, 2009. All NSP funds must be obligated by September 30, 2010 and expended by March 6, 2013. The NSP Substantial Amendment to the HCD Plan is posted on the AHFC website at www.ahfc.us.

Activities funded through the NSP program in Alaska are consistent with the priority activities established in the *Municipal Housing and Community Development CY09 or CY10 Annual Action Plans* and the SFY09 or SFY10 AHFC HCD Plans for the balance of state. AHFC utilized a competitive, *Request for Qualifications (RFQ)* process to

award NSP funds for viable community projects. All NSP recipients have a demonstrated capacity to deliver the activities proposed in their NSP RFQ applications. Eight agencies were awarded funding for nine projects. Funding areas included: the Municipality of Anchorage, City and Borough of Juneau, Kenai Peninsula Borough, Fairbanks North Star Borough, and Matanuska-Susitna Borough.

c. American Recovery and Reinvestment Act of 2009

The American Recovery and Reinvestment Act of 2009 provided approximately \$789 billion in appropriations nationwide to fund a number of programs to strengthen the economy and invest in America's future. An additional \$5,490,631 in HOME Program funds were awarded to AHFC under the Tax Credit Assistance (TCAP) Program, to be used for the Low Income Housing Tax Credit (LIHTC) program. These TCAP funds will fill financing gaps caused by the adverse equity market conditions and will be continue to be drawn down through SFY 2011; additional funding of \$547,932.12 was awarded for the Low Income Housing Grants in Lieu of Tax Credits program; additional funding was awarded for the Community Development Block Grant program for one new community and economic development project in rural Alaska; an additional \$3,306,953 was awarded for the Capital Fund Program (CFP); an additional \$2,270,986 was awarded for Project-Based Rental Assistance (primarily pass through dollars); an additional award of \$9,593,500 was received for Energy Efficiency and Conservation Block Grants program; and an award of \$658,000 was received for the Energy Efficient Appliance Rebate Program. Funds have also been allocated for energy retrofitting and green investments in HUD-assisted housing projects.

Homeless Prevention & Rapid Re-Housing Program (HPRP) funds were awarded to AHFC in SFY10 in the amount of \$1,143,986. Non-profit agencies in 9 Alaskan communities have been assisting homeless and near-homeless households to stabilize. Unless Congress approves an additional HPRP appropriation, only a small number of agencies are expected to be expending remaining HPRP funds in SFY11. AHFC will continue to work closely with designated federal, state, and/or local entities to ensure compliance with all applicable regulations and reporting requirements.

d. HOME Investment Partnerships Program

AHFC remains committed to the continuation of the Owner-Occupied Rehabilitation Program (ORP). However, ORP expenditures have significantly decreased and AHFC will not allocate any HOME funds to ORP for SFY2011. Currently, \$729,382.22 in previous year ORP funding allocations is available to commit to ORP subrecipients. AHFC has already issued a Notice of Funding Availability (NOFA) for these funds and anticipates being able to commit these funds prior to SFY2011. In addition, \$460,000 has already been committed to an ORP subrecipient.

Competitive LIHTCs will not be a part of the SFY2011 GOAL round. The number of affordable housing units produced through the SFY2011 GOAL round will be significantly lower as compared to previous years due to the fact that no Low Income Housing Tax Credits will be available for use in the "Balance of State." AHFC has

dedicated all of the Low Income Housing Tax Credits for SFY2011 to the redevelopment / reconstruction of a public housing complex located in Anchorage known as the Loussac Manor.

e. Federal Emergency Shelter Grant (ESG)

Responsibility for administration of the ESG program was transferred to AHFC July 1, 2009 (SFY10). Applications for ESG funding are now a part of the annual AHFC Homeless Assistance Program competition that is conducted in early fall.

f. Weatherization

In 2008, the Alaska State Legislature passed legislation expanding the state weatherization program by \$200 million and allowing for the development of a \$160 million Home Energy Rebate Program. In addition, AHFC added a new loan program; Second Mortgage Program for Energy Conservation. The State of Alaska also received an allocation of \$18,142,580 in Federal ARRA funds for weatherization. Together these programs will reduce energy bills and increase energy efficiency in homes throughout Alaska. The popularity of these programs has increased dramatically over the course of the past year. They are discussed further below.

g. “Moving To Work (MTW)”

In June of 2008 AHFC signed a MTW contract with a renewable term of ten years. MTW is a demonstration program originally authorized under the Omnibus Consolidated Rescissions and Appropriations Act of 1996. A MTW designation exempts a public housing authority from most of the 1937 Housing Act and its subsequent amendments. Free of ‘one size fits all’ regulatory constraints, MTW sites have implemented innovative housing and self-sufficiency strategies that address housing needs in locally-determined ways. The impact on AHFC programs is discussed below under Other Housing and Community Development Actions.

h. Annual Funding Plan for Housing

The Annual Funding Plan for Housing Table, which follows (page 13), reflects only programs administered by Alaska Housing Finance Corporation. Anticipated funding levels are for SFY 2011 (July 1, 2010 through June 30, 2011), and cover all areas of Alaska outside of Anchorage. The state funding indicated in the funding tables reflects the amounts in the Governor’s SFY 2011 Capital Budget request to the Alaska Legislature. AHFC updated the Federal figures in the table based on the latest information available at the time of the release of the final SFY 2011 Annual Action Plan.

HCD Plan Annual Action Plan

Annual Funding Plan For Housing
Balance of State (Outside Anchorage)
Fiscal Year 2011 (July 1, 2010 - June 30, 2011)

Program Name	Program Type	Anticipated Funding			Total Units	Sec. 215 Units
		Federal	State	Total		
AHFC Energy Interest Rate Reduction	Interest rate reduction for energy efficiency	0	2,009,968	2,009,968	256	3
AHFC IRRLIB Program	Interest rate reduction for low-income borrowers	0	254,327	254,327	26	2
AHFC Multifamily Loan Program	Multifamily, special needs, congregate & senior progs.	0	5,200,650	5,200,650	141	N/A
AHFC Rural Housing Program	Mortgages for rural areas	0	49,027,643	49,027,643	232	3
AHFC Streamline Refinance Program	FHA Refinancing	0	37,692,504	37,692,504	218	0
AHFC Taxable First-Time Buyer Program	Conventional single-family mortgages for first-time buyer	0	18,854,318	18,854,318	85	3
AHFC Taxable Program	Conventional single-family mortgages	0	31,558,227	31,558,227	122	9
AHFC Tax-Exempt First-Time Homebuyers Prg.	First-time homebuyer mortgages	0	37,692,504	37,692,504	218	0
AHFC Veterans Mortgage Program	Tax-exempt veterans loan program	0	42,023,834	42,023,834	165	1
Other AHFC Loan Programs	Mobile Homes, Non-conforming, Seconds	0	1,261,086	1,261,086	10	0
Total Mortgages:		0	225,575,061	225,575,061	1,473	21

Beneficiary and Special Needs Housing	Housing for people with disabilities	0	1,750,000	1,750,000	14	14
CDBG	HUD - Community Development Block Grant Program	3,128,421	0	3,128,421	N/A	N/A
Denali Commission Projects	Matching funds for AHFC Teacher & Senior Hsg Prgms.	4,000,000	0	4,000,000	11	N/A
Energy Efficiency Monitoring/State Energy Prg.	Energy Rating, Marketing, Tech. Asst., Special Projects	1,100,000	577,500	1,677,500	N/A	N/A
ESG	HUD - Emergency Shelter Grant Program	125,846	0	125,846	N/A	N/A
Federal and Other Competitive Grants	Matching Funds	1,650,000	825,000	2,475,000	N/A	N/A
HOME	Rehab, new const, rental and homebuyer assistance	3,000,000	750,000	3,750,000	60	N/A
HOME Program Income	Program income received from HOME activity	241,848	0	241,848	2	N/A
Homeless Assistance Program	One-time aid for emergency needs	1,100,000	4,400,000	5,500,000	N/A	N/A
Housing Op. for Persons w/AIDS (HOPWA)	Housing & supportive services	757,790	0	757,790	N/A	N/A
Low-Income Housing Weatherization	Weatherization & retrofit of housing	2,250,000	750,000	3,000,000	N/A	N/A
Public Housing Building Systems Replacement	Statewide repair and replacement activities	0	750,000	750,000	N/A	N/A
Public Housing Capital Fund Program	Rehab., management improvements of public housing	1,760,000	0	1,760,000	N/A	N/A
Public Housing Competitive Grants	Matching funds for public housing grants	412,500	192,500	605,000	N/A	N/A
Public Housing Fire Protection Systems - Phase II	Evaluation and Repair of Fire Systems.	0	1,210,000	1,210,000	N/A	N/A
Public Housing Project Improvements	General Improvements in Public Housing	0	275,000	275,000	N/A	N/A
Public Housing Security System Upgrades	Upgrade of existing security and door access systems	0	500,000	500,000	N/A	N/A
Public Housing Statewide ADA Improvements	Accessibility in Public Housing Units	0	275,000	275,000	N/A	N/A
Senior Citizens Housing Development Fund	Housing for elderly	0	4,500,000	4,500,000	10	6
Supplemental Housing Development Prg.	Augments Indian housing development	0	5,201,000	5,201,000	37	N/A
Teacher, Health Professional and Public Safety Ho	Homeownership and Rental Housing for Teachers	0	6,000,000	6,000,000	16	N/A
Total Grants:		\$19,526,405	\$27,956,000	\$47,482,405	150	20

Public Housing Operating Subsidy	Operating costs	8,105,046	0	8,105,046	766	766
Section 8 Housing Choice Vouchers	Rental assistance	14,710,739	0	14,710,739	2,332	2,192
Total Rental Assistance:		\$22,815,785	\$0	\$22,815,785	3,098	2,958

VI. Summary of Proposed Activities

The following section describes activities that will be undertaken by the State to address the priority needs and specific objectives identified in the Five Year HCD Plan (SFY 2011 through 2015). A detailed description will be given of the three federally funded allocation programs that serve non-metropolitan Alaska (all areas outside of Anchorage). These three formula programs are the **Community Development Block Grant Program (CDBG)**, the **Home Investment Partnership Program (HOME)**, and the **Emergency Shelter Grant Program (ESG)**. In these three program descriptions, the methods of allocating funds and criteria used to target program resources towards Consolidated Plan objectives will be outlined.

The proposed activities of the State will be outlined in three areas:

- a. **Alaska's Continuum of Care for the Homeless.** This portion of the Annual Action Plan describes the actions addressing the emergency shelter (including ESG) and transitional housing needs of homeless families and individuals. Activities to assist homeless households will be discussed. The goal of Alaska's Continuum of Care is to help homeless persons make the transition to permanent, affordable housing. For some individuals, appropriate supportive services will be a critical component of this strategy.
- b. **Assisting Alaskans with Special Needs.** In this section, proposed actions will be described that address the needs of older Alaskans, persons with disabilities, persons with alcohol or other drug addictions, persons with HIV/AIDS, and other "at risk" Alaskans. Also included in this section is an updated description of Alaska's Fair Housing Plan, including the updated Analysis of Impediments to Fair Housing Choice. Activities addressing these impediments in SFY 2011 are described.
- c. **Other Housing and Community Development Actions.** The State will outline its plans during SFY 2011 to address underserved housing and community development needs. This section will cover actions promoting the development and maintenance of affordable housing, including the use of public housing resources and the development of public housing resident initiatives. The coordination of Low-Income Housing Tax Credits with other affordable housing resources will also be discussed. Actions will be outlined that help remove barriers to affordable housing, evaluate and reduce lead based paint hazards, develop economic opportunities for low-income families, improve organizational capacity, and improve the coordination between public housing and social service agencies.

VII. Community Development Block Grant: Competitive Grant Program

The CDBG Competitive Grant Program is a flexible source of competitive funding for a broad range of community development activities. Following is information on the method the State will use to distribute CDBG funds, the criteria used to select projects for funding, how funding is to be allocated among eligible activities and other information that will enable local governments and the public to comment on the State's planned CDBG program activities for the coming year. The Department of Commerce, Community, and Economic Development (DCCED) is truly committed to making the program responsive to local community needs, especially as they relate to the low- and moderate-income population.

Grant funding from State Fiscal Year 2011, which utilizes Federal Fiscal Year 2010 funds, is available for three categories of projects: Community Development, Planning, and Special Economic Development. An eligible applicant may apply for up to \$850,000 during a single annual competition. It is anticipated that the competition for federal fiscal year 2010 funds will be held in the fall of 2010. The Department provides an application kit to potential grantees with additional details about the program, specific eligibility thresholds and other important information which will assist an applicant in the process of seeking CDBG program funds. The Department may elect to hold more than one competition annually if it is in the best interest of the CDBG program to do so.

National Objectives

Title I of the Housing and Community Development Act of 1974, as amended in 1992, identifies three National Objectives for the CDBG program:

- Principally benefit persons of low and moderate income;
- Prevent or eliminate slums or blight; or
- Meet urgent community development needs which pose a serious and immediate threat to public health or safety.

State Goals and Objectives

The State of Alaska has elected to consider funding only those projects meeting the first national objective as the overall mission of the State's CDBG program which is to enhance the quality of life for low- and moderate-income persons, particularly in rural Alaska. The CDBG program fulfills this mission by acting upon the following defined goals and objectives.

- Ensure that the State's CDBG funds will be used to principally benefit low- and moderate-income persons;

- Provide financial resources to communities for public facilities, planning and special economic development activities which encourage community self-sufficiency, reduce or eliminate conditions detrimental to the health and safety of local residents, and reduce the costs of essential community services; and
- Provide capital to assist in the creation or retention of jobs that primarily benefit low and moderate income persons.

The following objectives guide distribution and use of 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.

The following objectives guide DCCED staff in program administration and in providing technical assistance to applicants and CDBG grantees:

- To provide staff support and encouragement, as well as information and referral, to communities engaged in developing local projects and activities which offer innovative and transferable solutions to community development problems;

- To develop a simplified grant management system incorporating training, technical assistance, and other related services to ensure that projects are completed in a timely and efficient manner, within budget, and in conformance with applicable program requirements and sound management principles; and
- To evaluate the program's design and implementation on an ongoing basis and make revisions where appropriate.

Amount of Funds Available and Distribution

It is estimated that the State of Alaska will receive \$3,128,421 in federal State Community Development Block Grant funding for the SFY 2011 program year. Of this amount, it is anticipated that, following the administrative and technical assistance set-asides, all of the funding will be utilized to support the CDBG Competitive Grant Program or CDBG Funded Projects---Other Prioritization Processes as described herein. As provided for in federal regulations, the State will exercise its option to reserve one percent (1%) of its CDBG funds to provide training and technical assistance to CDBG applicants and grantees. The State of Alaska, Department of Commerce, Community, and Economic Development reserves the right to revise funding amounts, when relatively minor, without a formal amendment to this Plan.

Of the funds available under the CDBG Competitive Grant Program, the majority of project funds will be targeted toward community development activities and planning activities which address health and safety needs, or which support future economic development and community self-sufficiency. Special emphasis will be placed on coordinating with other funding sources such as US Department of Agriculture Rural Development, the Economic Development Administration, the Denali Commission, the state of Alaska Designated Legislative Grant Program; the Administration for Native Americans; and other appropriate federal, state, and private funding sources. The Department will encourage applicants to include or have previously secured funds for design, engineering, and feasibility planning for projects, as appropriate, prior to making an application for CDBG funding for construction or project implementation.

CDBG Competitive Grant Program

At a time determined appropriate by the Alaska Department of Commerce, Community, and Economic Development (DCCED), a competition for Federal Fiscal Year 2010 (SFY 2011) CDBG funds will be held. Eligible applicants for the CDBG Competitive Grant Program are:

Any municipal government entity as defined by Title 29 of the Alaska Statutes; i.e. home rule, first, second, and third-class boroughs, unified municipalities, and first and second-class cities, which exercise powers consistent with the proposed project, except the Municipality of Anchorage.

An eligible applicant, as defined above, may submit a CDBG Competitive Grant application in cooperation with a non-municipal entity, such as a nonprofit corporation organized under AS 10.20 which is in good standing with the state of Alaska, or a Native Village Council, if the proposed project will principally benefit low- and moderate-income residents of the municipal government entity. A Cooperative Agreement will be encouraged among parties to the application.

Eligible Activities

CDBG Competitive Grant Program funds may be used for projects in three categories: Community Development; Planning; and Special Economic Development. The following summary, identifying the most common types of eligible activities within each category, is excerpted from Title I of the Housing and Community Development Act of 1974, as amended in 1987. These examples are for general information only and are not intended to be all inclusive. Communities are encouraged to consult with CDBG program staff about project eligibility and structure.

1. Community Development

CDBG Competitive Grant funds may be used for acquisition, construction, rehabilitation or installation of public facilities, and improvements such as health clinics, day care centers, community centers, waste and sewer systems, solid waste disposal facilities, flood and drainage facilities, docks and harbors, and electrical distribution lines, and fuel and gas distribution systems; transportation improvements including local service roads, trails, airports, barge facilities or subsistence access areas; removal of architectural barriers which bar handicapped and elderly persons from accessing public facilities and structures; and acquisition or disposition of real property, clearance, demolition, or removal of buildings and improvements. This category also includes acquisition, design, construction, or rehabilitation of fire-protection facilities, and purchase of fire-protection equipment.

2. Planning

CDBG Competitive Grant funds may be used for conducting studies, collecting data, preparing analyses, preparing plans and identifying actions which will implement plans, conducting marketing and feasibility studies, preparing community economic development plans, preparing community land use plans, preparing capital improvement plans, or conducting updates of any of the above. *Note:* There is a limit, imposed by federal statute, on the percentage of funds which may be used for planning purposes.

3. Special Economic Development

Under Section 105(a)(14), CDBG Competitive Grant funds may be used for commercial or industrial improvements carried out by the grantee or a non-profit sub-recipient, including acquisition, construction, reconstruction, rehabilitation, or installation of commercial or industrial buildings, structure, and other real-property equipment and improvements. Under Section 105(a)(17), CDBG Competitive Grant funds may be used for assistance (through the eligible applicant) to an identified

private, for-profit entity for an economic development activity when there is a public benefit provided to the community as a whole.

Ineligible Activities

The following activities are *not eligible* for CDBG Competitive Grant funding. This listing of ineligible activities is not intended to be all-inclusive. Applicants are encouraged to consult with CDBG program staff to determine project eligibility.

Regular Government Operations

CDBG Competitive Grant funds may not be used to pay for the ongoing responsibilities of general local government.

Maintenance and Operation

CDBG Competitive Grant funds may not be used for operation and maintenance expenses of public or community facilities.

Equipment

The purchase of motor vehicles, equipment or furnishings not permanently attached to a building is ineligible except when such vehicles or equipment are used for fire protection.

Government Buildings

Government buildings such as courthouses, city halls, borough administrative buildings, tribal government offices, and other buildings used for the general conduct of government are not eligible for CDBG assistance except for the removal of architectural barriers preventing handicapped access.

Political Activities

CDBG Competitive Grant funds may not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities.

Special Requirements and Funding Limitations for the CDBG Competitive Grant Program

The following is a summary of special requirements and funding limitations pertinent to the CDBG Competitive Grant program. Detailed information on these requirements will be made available to applicants and potential applicants by DCCED, as part of a comprehensive application kit.

Maximum Benefit

Each CDBG Competitive Grant activity must meet the National Objective of benefiting populations or targeting areas which consist of at least fifty-one percent (51%) low- and moderate-income persons. Community-wide activities are restricted to communities with a total population of at least fifty-one percent (51%) low- and moderate-income residents. The Department will provide applicants with a list of communities meeting the fifty-one percent (51%) low-and-moderate population threshold for community-wide activities.

Single-Purpose Projects

CDBG Competitive Grant funds will address *single-purpose projects only*. If more than one activity is proposed by an applicant, each must directly relate to and address a single-identified need.

Adequate-Funding Requirement

CDBG Competitive Grant funds will be targeted and priority for funding will be directed toward projects demonstrating, at the time of application, that adequate funding to complete the project is secured. The CDBG program can not fund projects which are unable to be completed with the funds available or which fail to demonstrate that a benefit will be provided to the low and moderate income residents after expenditure of CDBG funds.

Phased Projects

CDBG Competitive Grant funds will be used for phased projects only one time. The phase of the project for which funding is sought must demonstrate, at the time of application, that upon completion there will be a direct benefit to low and moderate income residents as a result of CDBG participation. Design, planning, or feasibility study requests which may later identify a need for construction or implementation funds are not considered phased projects.

Design/Engineering/Planning Costs

An application for CDBG Competitive Grant funds will be considered for construction projects which include funding for design and construction. However, it should be noted that applicants which applied for and received CDBG funding for project engineering, feasibility, and/or planning within two years prior to the application for implementation, may receive priority consideration of funding.

Past Recipients

A past recipient of CDBG Competitive Grant funds may not be considered for award of additional CDBG Competitive Grant funds until (a) a minimum of seventy-five percent (75%) of the non-administrative funds have been expended, and reported to DCCED and, in the judgment of the Department, the previously-funded project is substantially complete; or (b) the project is complete and all reporting requirements are met. Applicants with prior year grants are encouraged to verify expenditure levels with CDBG program staff. Review of applications by the ASC from past recipients who fail to meet the above requirements is at the discretion of CDBG Program Staff.

Maximum Number of Applications

An eligible applicant may submit only one CDBG Competitive Grant application in response to any one solicitation.

Maximum Grant Amount

An eligible applicant may apply for and receive a maximum of \$850,000 in CDBG Competitive Grant funds in response to any one solicitation.

Administrative Cost Limit

An applicant may apply for and receive not more than five percent (5%) of its total CDBG request for administrative costs. The Department may require successful applicants to attend a grant implementation workshop prior to release of awarded funds. If the applicant is required to attend the Department reserves the right to increase the administrative funds above five percent (5%) at its discretion. This will be negotiated after awards are announced.

Leverage

Each applicant for CDBG Competitive Grant Funds will be required to provide some matching funds if the application is to receive the maximum points in project review. Although there is no specific cash match requirement, those applicants offering some cash and in-kind match will likely score higher in project evaluation than those who fail to do so. Ideally, a minimum of twenty-five percent (25%) match will be provided and documented in the application. The source of all matching funds, whether cash or in-kind, must be identified in the application and must be documented.

Building Code and Standards Enforcement

Each CDBG activity which includes construction, renovation, rehabilitation, expansion or modification of buildings and facilities for public or commercial purposes must be designed to comply with pertinent state and federal building standards and codes. Applicants are encouraged to comply with provisions of the Department's *Grant Recipient Construction Manual*. The Department reserves the right to review and require modification of construction plans for compliance with these standards. Applicants will be required to submit evidence of State Fire Marshal approval of plans.

Davis-Bacon Wage Requirements

Each CDBG activity which includes construction, renovation, rehabilitation, expansion or modification of buildings and facilities for public or commercial purposes; site development; major equipment installation; or similar activity which involves the use of *contracted labor and services*, must comply with Davis-Bacon and other federal labor-standard requirements.

Environmental Review

Each CDBG activity must obtain appropriate environmental clearances as required by 24 CFR 570.495.

Site Control

Each CDBG activity involving the use of real property requires that the applicant document that it has the enforceable right to use the property. This document may be in the form of a deed, lease (usually for not less than 20 years), easement or similar formally executed document. Site Control must be adequately documented at the time of application for CDBG funding. The Department may elect to make contingent awards for funding if it determines that site control can be secured and documented within a specified period of time after award, usually not more than six months.

HUD Reform Act, Section 102

Each applicant for CDBG funds must make certain disclosures if the applicant receives in excess of \$200,000 in federal funds from any source during the fiscal year in which the CDBG application is made. Applicants must disclose assistance from other government sources in connection with the project, financial interests of persons involved in the project, and expected sources and uses of funds that are to be made available for the project or activity. Applicants must update the disclosures required within 30 days of any substantial change during the period when an application is pending or assistance is being provided.

Selection Process and Rating Criteria

The application-selection process for the *CDBG Competitive Grant Program* consists of two stages; threshold review and project rating and selection. During the threshold review, CDBG staff screen all applications for eligibility and completeness, without awarding points. An application must meet all of the threshold-review requirements to progress to the second stage of the selection process. The project rating and selection process, stage two, will be conducted by an Application Selection Committee, using the criteria outlined below. The Committee reserves the right to exercise flexibility in making specific recommendations, if those recommendations, in the opinion of the majority of Committee members, best serves the interest of the CDBG program and the program recipients. It should also be noted that applicants who applied for and received CDBG funding for project design, engineering, feasibility, and/or planning within two years prior to the application for implementation, may receive priority consideration for funding. Applications will be evaluated and assigned points by the Application Selection Committee based on the following criteria:

Rating Factor	Maximum Points
1. Project Description and Selection	15
2. Project Plan/Readiness	25
3. Project Impact	25
4. Budget/Match/In-Kind	25
5. Administrative Capability	10
Total Maximum Score	100

Following completion of the rating process, applications will be placed in rank order. The Application Selection Committee will forward funding recommendations to DCCED management staff for review to insure the ASC scored project applications in accordance with the rating criteria and procedure outlined herein. Applicants will receive written notification of the rating process results.

Appeals

Applicants may appeal the notification of rating results to the Director of the Division of Community and Regional Affairs. The only basis for an appeal is non-adherence by

DCCED to the grant selection and award procedures as identified above. Appeals must be received by the Department in writing within 30 days of the date of the notification of rating results and must clearly state the basis for the appeal. The appeal will be reviewed by the Director and a final determination made within 30 days of the Director's receipt of the written appeal. The decision of the Director, provided to the applicant in writing, is final and conclusive.

VIII. Community Development Block Grant: Other Prioritization Processes

CDBG - Owner-Occupied Rehabilitation Program

At the discretion of the Department, a portion of the above referenced CDBG Competitive Grant Program funds may be set-aside and designated for use by Alaska Housing Finance Corporation's Owner-Occupied Rehabilitation Program (ORP) contractors for housing rehabilitation/accessibility activities. Grants may be awarded for up to a maximum of \$500,000 in CDBG funding. The focus will be on funding emergency rehabilitation activities which compliment HOME Program activities and fill a gap that addresses critical health, safety and accessibility rehabilitation improvements not currently being met through HOME or other programs. The guidelines for assistance will follow AHFC's HOME Owner-Occupied Rehabilitation Policies and Procedures Manual where applicable.

Cooperative Agreement

The Department will subcontract through the eligible CDBG municipal government, with AHFC's ORP contractors who are selected through a competitive process by AHFC to administer the owner occupied rehabilitation component of the State's HOME Investment Partnership Program. The ORP contractors are responsible for securing a Cooperative Agreement with the CDBG eligible municipal government entity in which the rehabilitation/retrofit activity is to take place.

Income Guidelines and Verification

The ORP contractors are responsible for insuring verification that this program solely benefits low to moderate income households. Income guidelines and verification will follow AHFC's HOME ORP Policy and Procedures Manual.

Project Approval, Project Set-up, and Environmental Review Forms

The guidelines for project approval, project set-up submission, and environmental review will follow AHFC's HOME ORP Policy and Procedures Manual using forms modified and updated for the CDBG – ORP program.

Standards

Project specific work on a home that is utilizing CDBG funds must meet Housing Quality Standards (HQS) but the entire home will not be required to meet overall HQS.

Compliance with all applicable program requirements

The ORP contractors and the CDBG eligible municipal government entity are responsible for compliance with all other applicable CDBG program requirements.

Allowable activities

Allowable activities under this program would include, but not be limited to, roof replacement, foundation repair or replacement, correction of structural deficiencies, accessibility modifications, sanitation repairs (well, septic, bathrooms, etc.), lead reduction, moisture control and mold mitigation, heating system repairs and replacement, and energy efficiency improvements. CDBG funds may not be used for equipment or furnishings unless an integral part of the building.

Maximum Amount per Home

The maximum amount of CDBG funds per owner-occupied home will be limited by CDBG regulations and by the grant agreement between the municipal government entity and DCCED.

Expected Timeframe

Funds awarded under this housing rehabilitation program component are expected to be expended within 18 to 24 months of obligation unless otherwise approved by the Department.

Past Recipient

The seventy-five percent (75%) expenditure requirement under the Past Recipient provision of the Action Plan shall not apply to this ORP CDBG Program.

Administrative Costs

Administrative cost limits will be negotiated on a case by case basis but will not exceed ten percent (10%) of the grant amount.

Homeless Assistance Program - CDBG

At the discretion of DCCED, a portion of the above referenced CDBG competitive grant funds may be set-aside for CDBG eligible applicants for construction ready homeless shelters and transitional housing projects. Through AHFC's competitive Homeless Assistance Program (HAP), notification will be given that certain projects may be eligible, subject to the criteria outlined below, for up to \$500,000 in CDBG funding. After the close of competition for AHFC's Homeless Assistance Program, applicants will be reviewed for possible inclusion and receipt of CDBG funds.

Cooperative Agreement

Applicants notified of eligibility for the HAP CDBG program will be responsible for securing a Cooperative Agreement with the eligible municipal government entity in which the rehabilitation or construction project is to take place. If a Cooperative Agreement is not reached in a timely manner, as determined by DCCED, the Department reserves the right to use these identified HAP CDBG funds in the CDBG Competitive Grant Program, or other activities outlined in the Annual Action Plan.

Construction Ready

All HAP CDBG projects must be construction ready, which is defined as providing a completed business plan for facility operation; providing a detailed construction budget, with a sources and uses statement; verification of commitment of all other required funding sources for the project; evidence of site control; and completion of all planning, design, engineering and architectural plans for the project.

Other Program Requirements

Communities/applicants awarded funds under HAP CDBG program must meet all of the requirements for participation in the CDBG program including but not limited to Eligible Applicants; Eligible Activities; Public Hearing Requirements; National Objectives; Resolutions with Certifications of Compliance; HUD Reform Act; Civil Rights; Environmental Review; and Federal Labor Standards and agree to execute a CDBG Grant Agreement with DCCED within the timeframe outlined by the Department at the time of the award. CDBG funds may not be used for equipment or furnishings unless an integral part of the building.

Expected Timeframe

Funds awarded under the HAP CDBG program component are expected to be expended within 18 to 24 months of obligation unless otherwise approved by the Department.

Planning Applications

The Department reserves the right to issue, under the CDBG Competitive Grant Program, an application exclusively for Planning Activities if it is determined to be in the best interest of the program to do so. The purpose of exercising this option would be to assist communities in preparing for potential future construction projects as well as meeting other community planning needs.

Other CDBG Applications

The Department reserves the right to accept applications for CDBG funding outside the annual CDBG Competitive Grant cycle if extenuating circumstances, as determined by the Department, warrant such action.

Monitoring by DCCED

CDBG Competitive Grants and activities will be monitored on an ongoing basis by DCCED staff. It is the goal of the Department to monitor each CDBG funded activity at least once during the life of the grant. The primary objectives of the monitoring process are:

- To determine whether grantees are in compliance with required procedures for project management, financial management and recordkeeping, and audit requirements;
- To determine whether the environmental review and related actions of grantees are technically adequate in determining the project's impact on the environment and the impact of the environment upon the project;
- To provide technical assistance to grantees in remedying problems and resolving program deficiencies;
- To determine whether the obligations and costs incurred against the project are authorized by the Grant Agreement and adequately documented;
- To determine whether labor standards and civil-rights requirements are being adequately met;
- To determine whether acquisition/relocation provisions apply and are being adequately met; and
- To determine whether project objectives, timelines, and goals are being met in a timely and efficient manner.

The monitoring process consists of two levels: (1) on-site and (2) in-house or desk monitoring. Because of extremely high transportation costs in Alaska, and the remote location of the majority of communities participating in the CDBG program, not all projects will receive on-site monitoring by DCCED staff. The Department will determine how each project will be monitored, based on such factors as the complexity of project activities, administrative capacity of the grantee as evidenced by past grant activity, previous audit findings of the grantee, financial management capacity of the grantee, and cost-effectiveness of sending a Department staff member to the site. The Department employs a number of staff who often travel to remote areas of the state for various reasons.

CDBG staff will solicit the assistance of other Department staff to conduct on-site project reviews whenever possible. This may include requesting that photographs be taken of project facilities or activities. Some projects may be monitored in-house by CDBG staff for certain compliance areas and on-site by CDBG or other Department staff for other compliance areas. Other projects may be monitored only in-house by CDBG program staff.

The Department will continue procedures whereby all grant agreements and project activities are monitored in-house on an ongoing basis by CDBG staff. Grant files reflect that ongoing technical assistance and review of grant status is occurring. Monthly status reports are submitted by grantees, reviewed by CDBG staff, and form the basis for constructive feedback to grantees. Financial-reimbursement requests are carefully reviewed and, on a selective basis, grantees asked to provide source documentation with

billings before payment is made. CDBG staff maintains regular contact, both in person and by telephone, with all grantees.

If problems are identified through either in-house or on-site monitoring, grantees are notified in writing, and corrective action is required within a specific time frame. Department staff follows up on corrective actions taken and verifies completion.

The Department is committed to providing on-site monitoring to as many grantees as funding allows. In-house monitoring is a valuable alternative to on-site visits, but does not totally replace on-site visits by staff. Program records indicate which form of monitoring is used for each project and contain appropriate source documentation from grantees to support any findings made.

Specific procedures outlining minimum monitoring standards and timelines have been developed by the Department and are provided to successful applicants for funding through the CDBG Competitive Grant program.

Reallocated, Recaptured and Unobligated Funds

Reallocated funds are those funds which HUD has recaptured from a grantee and reallocated to the State in accordance with the Community Development Act of 1974, as amended through 1992. Reallocated funds received by the State with its annual grant will be made available to eligible applicants in accordance with the application process described above.

Recaptured funds are unspent funds which the Department recovers from grantees *when it is clear that an approved activity is no longer viable* or that the recapture will not preclude local ability to complete the approved activities or when the activities have been completed and funds remain in the grant agreement.

Recaptured funds will either be reallocated to existing grantees who demonstrate a need for additional funds (not exceeding a grant cap of \$850,000) or be reallocated to applicants between award cycles when it is demonstrated to the satisfaction of the Department that an immediate and pressing need exists and it is in the best interests of the program and applicant to award funds immediately. Recaptured funds may also be reallocated to other activities outlined in the Annual Action Plan outside of the competitive grant process (ORP and HAP).

Unobligated funds are funds which have not been, or are no longer intended to be, distributed according to the method of distribution described herein. Unobligated funds will either be reallocated to existing grantees who demonstrate a need for additional funds (not exceeding a grant cap of \$850,000) or be reallocated to applicants between grant-award cycles when it is demonstrated to the satisfaction of the Department that an immediate and pressing need exists and that it is in the best interests of the program and the applicant to award funds immediately. Unobligated funds may also be reallocated to other CDBG activities outlined in the Annual Action Plan outside of the competitive grant process (ORP and HAP).

Program Income

Program income includes income generated by the use of CDBG funds awarded to an eligible applicant or sub-recipient. Program income includes, but is not limited to, payments of principal and interest on loans made with CDBG funds, proceeds from the lease or disposal of real property and equipment acquired with CDBG funds, and interest earned on CDBG funds held in interest-bearing accounts.

Program income generated by CDBG Competitive Grant recipients prior to close out of the grant from which the income was generated will be authorized by the Department to be retained by the recipient for the purpose of continuing the activity from which the program income was derived, in accordance with applicable regulations. Program income is subject to all applicable CDBG requirements.

A CDBG recipient proposing to retain program income must maintain the following records:

- Sources of program income
- Date and amounts of program income deposits
- Interest earned
- Dates and amounts of program income disbursements
- Documentation that activities funded with program income constitute a continuation of activities from which income was originally generated

Assessment of Relationship of CDBG funds to Goals and Objectives

The overall mission of the Community Development Block Grant Program is to enhance the quality of life for low and moderate income persons, particularly in rural Alaska. Goals include ensuring that the majority of funds will be used to benefit low and moderate income persons and to provide the financial resources for public facilities, planning, and economic development activities which reduce or eliminate conditions detrimental to the health and safety of local residents and reduce the costs of essential community services. In FY 2005 through 2008 a total of 19 health facilities; 14 other public facilities; 6 homeless centers; 3 fire stations; 2 water/sewer improvements; 1 solid waste disposal improvement; 1 boardwalk; 1 harbor; 1 acquisition of real property project and 1 senior center were completed, benefiting 16,263 persons. All of these projects addressed local health and safety issues. The majority of funds helped provide facilities to address one of the most critical needs in rural Alaskan communities—adequate health care. Of the 16,263 persons served with these funds 2,415 were extremely low income; 2,114 were low income; 5,465 were moderate income; and 6,269 were non-low-moderate income. A total of 61% of those served were low to moderate income people.

In addition to providing funding for much needed public facilities in rural Alaska, the CDBG program also provides funding for owner-occupied housing rehabilitation/accessibility activities to complement HOME program activities. The current grant is ongoing and completed projects will be reported in 2010.

Statement of Specific Annual Outcomes

During the 2011 program year (FFY 2010) the CDBG program anticipates:

1. .Providing for approximately three new public facilities/infrastructure improvements with approximately 350 low to moderate income (LMI) persons benefiting and thus meeting the objective of creating a benefiting LMI persons and achieving the outcome of availability/accessibility.
2. Providing funds for approximately 15 LMI households and serving approximately 25 LMI persons thus meeting the objective of creating a suitable living environment by providing funding for owner-occupied rehabilitation services which address emergency needs and health and safety issues for LMI households and achieving the outcome of availability/accessibility.

Additional information about the CDBG program may be obtained from:

Jill Davis, Grants Manager
Department of Commerce, Community, and Economic Development
Phone: 907-451-2717
FAX: 907-451-2742
211 Cushman Street
Fairbanks, AK 99701-4639
E-Mail: jill.davis@alaska.gov

IX. HOME Investment Partnerships Program

The Home Investment Partnerships Program (HOME) was created by the National Housing Affordability Act of 1990. The statutory purposes of this Act are:

1. Expanding the supply of safe, decent, energy-efficient housing for low income families;
2. Strengthening the abilities of state, local and non-profit agencies to design and implement strategies for affordable housing; and
3. Creating and strengthening partnerships to produce and manage affordable housing.

The State of Alaska's HOME allocation for SFY2011 is anticipated to be [\\$3,000,000](#). Additionally, AHFC will provide \$750,000 in state matching funds to contribute to the federal matching requirements under the HOME program.

Alaska Housing Finance Corporation (AHFC) is responsible for the administration of the State's formula HOME allocation. As a separate Participating Jurisdiction, the Municipality of Anchorage receives its own formula allocation of HOME funds. Anchorage is the only Alaska community receiving separate HOME funds. **No State HOME funds will be used within the Municipality of Anchorage.**

Priorities for the use of HOME funds are established in the Consolidated Housing and Community Development Plan (HCD). The following program description outlines HOME funded activities for State Fiscal Year 2011 (July 1, 2010 through June 30, 2011) funded from Federal Fiscal Year 2010 (FFY 2010) appropriations.

- Rehabilitation of Owner-Occupied Housing;
- Rental Development Activities;
- Homeownership Development Activities;
- Community Housing Development Organization (CHDO) Development Activities;
- Rental and Homeownership Housing Development Pre-development Activities;
- Tenant Based Rental Assistance;
- Operating Expense Assistance for CHDOs; and
- Homebuyer Assistance Programs.

All HOME Program activities work towards the statutory goal of the 2011-2015 HCD Plan to provide decent housing, create suitable living environments, and expand economic opportunities for Alaskans with incomes at or below eighty percent (80%) of the median income. The seven general principles from this five-year HCD Plan guide the direction and implementation of HOME Program activities. Priorities and Objectives for the coming program year are summarized in the Appendix C table and are detailed in the program descriptions that follow. Additionally, program achievements from FY2009 are included in Appendix C as a measure of how the State is meeting its stated goals as outlined under the Five Year Consolidated Plan (2006-2010).

The following table outlines the use of HOME Program funds for the FFY2010 funding allocation:

Allocation of FFY 2010 HOME Program Funds

State Fiscal Year 2011---July 1, 2010 through June 30, 2011

Activity	HUD FUNDS	AHFC Cash Match	Total
Rental Housing Development (RHD) Program			
Program Funds	750,000	237,000	987,000
CHDO Program Funds *	450,000	0	450,000
Subtotal	1,200,000	237,000	1,437,000
Homeownership Development Program (HDP)			
Program Funds	400,000		400,000
Subtotal	400,000	0	400,000
Owner-Occupied Rehabilitation Program (ORP)			
Program Funds	0	0	0
Subrecipient Expense	0	0	0
Subtotal	0	0	0
Home Opportunity Program (HOP)			
Program Funds	800,000	300,000	1,100,000
Subrecipient Expense	95,000	33,000	128,000
Subtotal	895,000	333,000	1,228,000
Tenant Based Rental Assistance (TBRA)			
Program Funds	150,000	150,000	300,000
Subrecipient Expense	5,000	30,000	35,000
Subtotal	155,000	180,000	335,000
CHDO Operating Expense Assistance (OEA)			
Subtotal	150,000	0	150,000
Rental and Homeownership Housing Pre-Development Program			
Subtotal	0	0	0
AHFC HOME Program Administration			
Subtotal	200,000	0	200,000
TOTAL HOME \$	3,000,000	750,000	\$ 3,750,000.00

Reprogrammed prior funding and program income

241,848 \$ 241,848.00

*CHDO Program Funds are set aside for Community Housing Development Organizations to own, develop or sponsor HOME assisted units through the RHD or HDP program, subject to the limitations of 24 CFR 92.300

APPENDIX A to the SFY 2011 Annual Action Plan includes additional tables on the Status of Active HOME funds, allocated under prior Annual Action Plans and uncommitted and unexpended funds allocated under prior Annual Action Plans.

Rehabilitation of Owner-Occupied Housing

The HCD plan places priority on preserving and upgrading existing housing supply through rehabilitation, weatherization, and accessibility modifications to low-income homeowners. Although AHFC remains committed to the continuation of the Owner-Occupied Rehabilitation Program (ORP), the expenditure of ORP funds has significantly decreased. There are several factors that have contributed to the reduction in ORP expenditures. First, the State of Alaska has allocated \$360 million dollars to AHFC to administer weatherization and energy programs. One of the two SFY2010 AHFC ORP subrecipients administers the weatherization program for AHFC in addition to ORP. The State legislature has imposed aggressive implementation and expenditure requirements on the weatherization and energy programs; this has necessitated the full attention of AHFC's weatherization program grantees. Consequently, ORP production has been adversely impacted. ORP subrecipients anticipate being able to refocus their attention and efforts to ORP for the upcoming building season. Second, as of October 2008, AHFC has contracted with a new ORP subrecipient. It has taken more time than anticipated to develop the capacity necessary for a new subrecipient to implement ORP. AHFC will continue to provide the necessary technical assistance to the latest ORP subrecipient in order to begin serving clients soon.

For these reasons, AHFC will not allocate any HOME funds to ORP for SFY2011. Currently, \$729,382.22 in previous year ORP funding allocations is available to commit to ORP subrecipients. AHFC has already issued a Notice of Funding Availability (NOFA) for these funds and anticipates being able to commit these funds prior to SFY2011. In addition, \$460,000 has already been committed to an ORP subrecipient. However, ORP funding may be re-allocated to the rental development program if AHFC determines that funds cannot be spent within a reasonable timeframe or awarded through the NOFA process.

During SFY2011, AHFC will be critically evaluating the ORP program in an effort to increase the future viability of the program. AHFC will explore options such as: providing more substantial rehabilitation work to households; reconstruction of homes that cannot reasonably be brought to code and meet ORP property standards.

HOME and CDBG funding, where appropriate, will continue to be used in conjunction with other federal and state funds to achieve the goal of upgrading existing housing stock. Such funding sources include, but are not limited to AHFC/DOE Weatherization funds, Senior Citizen Housing Development Funds, DHSS Accessibility Brokerage Program funds, and USDA Housing Preservation funds. All homes considered for assistance under the ORP program must be occupied by owners with annual incomes at or below 60 percent of the area median income as determined by HUD adjusted for household size. Eligible households with one or more of the following characteristics receive preference under this program:

- Persons over the age of 55;
- Families with children who are six (6) years old or younger; and
- Families in which at least one of the occupants has a disability, as defined in 24 CFR Part 92.2;

The objective of housing rehabilitated under the ORP program with HOME program funding is to create additional decent and sustainable housing stock in Alaska and provide an increase in home equity for the homeowner. All units will be brought up to code and will meet the AHFC HOME Program Written Rehabilitation Standards. The after-rehabilitation value of the property may not exceed the allowable HOME 203(b) limits or 95% of the area median sales price, whichever is greater. Furthermore, if a homeowner has been previously assisted with HOME funds and is currently still within the period of his or her outstanding HOME note or deed restrictions, he or she is not eligible for additional HOME funded assistance under this program. HOME funds provided through the ORP program will be in the form of a conditionally-forgivable, zero interest loan to the homeowner. Maximum loan and grant limitations, and criteria for when each apply, will be established by AHFC in the ORP Policy and Procedure Manual. The eligible homeowner will execute a note and deed of trust to secure some or all of the assistance provided.

Loan provisions will have a forgiveness (recapture) period of four years. Equal portion of the amount subject to forgiveness will be deducted from the loan balance for each full year of ownership. In the event the homeowner fails to own the home after the rehabilitation activities are complete for the required recapture period, any amount of the loan not forgiven will be due and payable upon the sale or transfer of title of the property. In addition, in the case of a sale (voluntary or otherwise) the maximum amount of funds subject to recapture is limited to whatever net proceeds (if any) are available. The homeowner must show that the appraised value of the home is not sufficient to pay off the HOME loan(s) in addition to any other lien in superior position, and standard and customary seller's closing costs. Net proceeds are calculated by the sales price less any non-HOME loans or repayments less closing costs.

In the event that the cost to rehabilitate a property exceeds 75 percent of the replacement cost, the property may be reconstructed with ORP funds; the owner may be required to make principal payments on the portion of the loan that exceeds the forgivable amount.

The objective of housing rehabilitated under the ORP program with CDBG funds is to provide repairs for homeowners that have an immediate need to correct an emergency condition that has been determined to present an imminent danger to the health and safety of occupants or to protect a property from further structural damage. CDBG funding will be provided in the form of a grant through the eligible local government.

AHFC, through a competitive process, selects agencies to provide rehabilitation services. A Notice of Funding Availability (NOFA) will be announced. Interested organizations are invited to respond by the published deadline and proposals are evaluated by AHFC.

This program meets the HOME HUD objective of providing decent housing with improved or new sustainability and the CDBG objective of creating a suitable living environment by providing funding for owner-occupied housing rehabilitation services which address emergency needs and health and safety issues for low to moderate income households while improving availability and accessibility. The following outcomes are estimations that will be used to measure the progress of this program:

1. It is estimated that fourteen units will be rehabilitated.
2. It is estimated that three units will be owned by seniors, families with children or persons with disabilities.
3. It is estimated that one unit will meet the Alaska equivalent of the Energy Star standard.
4. It is estimated that one unit will be made lead safe.
5. It is estimated that three units will be made accessible.

There are several factors that will influence these outcomes. First, outcomes will be driven by the applicant pool. The number of units that may be completed for seniors, families with children or persons with disabilities will be dependent on the number of applications to the program. The number of Energy Star (Alaska equivalent) units will be dependent on the amount of reconstruction that is completed under the program. The number of units made lead safe will be dependent on the amount of units rehabilitated in Southeast Alaska or in the Fairbanks North Star Borough, because lead safe work is primarily done in these areas. Second, the availability of EPA certified firms and the subrecipients ability to contract with these firms will impact the number of pre-1978 homes assisted with ORP. Third, the number of homes reconstructed with ORP may impact the overall number of homes rehabilitated. The reason for this is that reconstructed homes may require additional funds. Finally, where rehabilitation work is concerned, accessibility modifications are secondary so when any other rehabilitation work is completed, if there are funds remaining, accessibility issues can be addressed.

Rental Housing Development Activities

Over the last several years, AHFC has increased the emphasis on rehabilitation and preservation of existing affordable housing resources in the rating criteria for the LIHTC, HOME and SCHDF programs. As a result, more affordable housing rental units have been renovated and several federally subsidized rental projects have remained in the affordable housing stock. Yet, throughout the state, there are still serious shortages of affordable, decent housing for low-income Alaskans. Constraints of financial feasibility impede the development of affordable housing, in both rural and urban communities. Critical to the implementation of the strategies contained in this Plan is a dedicated source of funds to leverage other funding sources for the development of new affordable housing opportunities, as well as the acquisition and rehabilitation of existing structures.

On an annual basis through the Greater Opportunities for Affordable Living (GOAL) program, AHFC announces the availability of HOME funds for rental development. Proposals for rental housing development will be evaluated based on AHFC's Rating and Award Criteria Plan, as approved by AHFC's Board of Directors. AHFC encourages

applicants to submit proposals that meet the housing needs identified through the HCD Plan. Such characteristics include providing extended benefit to low income Alaskans (for at least 30 years); serving lower income Alaskans (at or below 50 percent of the median income); increasing and/ or preserving housing opportunities in rural area; promoting housing for people with special needs and very low-income households (at or below 30 percent of the median income); incorporating energy efficient, sustainable housing design, and accessibility features into housing; rehabilitation of housing.

AHFC is aware of one or two rental development projects currently in the pre-development phase that are interested in using HOME rental development funds in conjunction with Special Needs Housing Grant (SNHG) funds. The SNHG program allocates capital development funds to develop rental housing projects that will serve special needs, and often low-income, households. In SFY2011, HOME rental development funds may also be awarded through the SNHG award process, in addition to the GOAL process, if AHFC deems that it is in the best interest of the HOME program to do so.

Potential project sponsors must submit an application package to AHFC by the published deadline. Applications are reviewed, evaluated, and competitively ranked in relationship to other applications. An allocation of \$987,000 in SFY 2011 (FFY 2010) HOME funds will be used to assist project sponsors in acquiring, rehabilitating, or constructing rental housing. In addition, \$450,000 will be earmarked as CHDO assistance for rental housing developments and \$241,848 of reprogrammed prior funding and program income will be allocated for rental development. The total rental housing development allocation will be \$1,678,848.

For the purposes of this program, sponsors may include local governments, regional housing authorities, non-profit organizations and for-profit developers. The funds may be applied to the new construction, acquisition and acquisition/rehabilitation of rental housing. Projects may be located in either rural or urban areas (with the exception of Anchorage). Various housing types are eligible, including (but not limited to) apartments, single room occupancy units, congregate housing, single family homes, and group residences.

HOME assistance will be used to help fill the funding gap between a project's development costs and other sources of funds that may reasonably be expected to contribute to the project. These funding sources will include any debt that the project's cash flow may support, plus any match or leverage funds dedicated to the project at the time of application. The goal is to bring the debt and/or cost of debt service down to a level where the project becomes financially feasible, at rent levels affordable to low-income households, as specified in HOME regulations. Funds will be provided in the form of grants or zero interest loans. For-profit project sponsors may not receive a HOME grant. Such sponsors are eligible for a HOME loan, subject to underwriting assumptions acceptable to AHFC. The maximum HOME program loan or grant for any one rental development may not exceed the per-unit subsidy amount(s) for the federally HOME-Assisted unit(s).

For rental housing developments, project compliance monitoring for HOME requirements during the period of affordability will be performed by AHFC's Audit (Compliance) Department. Mechanisms to monitor continued affordability will be similar to those employed under the Low-Income Housing Tax Credit Program.

This program meets the HUD objective of providing decent housing with improved or new affordability. The following outcomes are estimations that will be used to measure the progress of this program:

1. It is estimated that a total of twelve (12) affordable units (both HOME and non-HOME) will be developed.
2. It is estimated that six (6) of those units will be HOME assisted.
3. It is estimated that four (4) of those units will be made available to the elderly.
4. It is estimated that six (6) of those units will be made accessible.
5. It is estimated that six (6) of those units may be subsidized with rental assistance.

There are a number of factors that will influence these outcomes such as: the types of projects and size of the projects that apply for funding; the point priorities AHFC places on various features in the GOAL round; and the availability of rental subsidy. In addition, it is difficult for the HOME program to serve populations such as the homeless, persons with HIV/AIDS or other special needs populations because of programmatic restrictions regarding the combination of housing and social services that is necessary for such populations.

The number of affordable housing units produced through the SFY2011 GOAL round will be significantly lower as compared to previous years due to the fact that no Low Income Housing Tax Credits will be available. AHFC has dedicated all of the Low Income Housing Tax Credits for SFY2011 to the redevelopment / reconstruction of a public housing complex located in Anchorage known as the Loussac Manor. Historically speaking, Low Income Housing Tax Credits have provided the majority of the financing used to produce affordable housing via the GOAL program. AHFC will reallocate any unused and/or uncommitted HOME program funds from HOP, ORP, OEA, HDP from previous years, as well as program income, towards the rental development program. Refer to the each of the specific HOME program narrative for a description as to how AHFC will make a determination to reallocate program funds to the rental development program.

The State of Alaska currently uses the Building Energy Efficiency Standard (BEES), a State specific standard. As of April 1, 2007 the BEES changed to conform to the 2006 International Energy Conservation Code with Alaska-specific amendments. These amendments were modified again February 9, 2010. See the following website: (http://www.ahfc.state.ak.us/reference/bees_standard.cfm). With this change, the BEES is much more stringent. However, HUD only accepts the Federally Certified Energy Star standards. Therefore, while the AHFC program is producing energy efficient structures, they are not certified or recognized by HUD as Energy Star units. In the 2010 GOAL Application process under which HOME funds are awarded to sub-recipients, applicants

can achieve points for energy efficiency by committing to exclusively use Energy Star products and also by acquiring either a Five Star Plus BEES rating or an Energy Star Certification for the project. Applicants are encouraged to visit www.energystar.gov for complete product specifications and updated lists of qualifying products.

Homeownership Housing Development Activities: The Homeownership Development Program (HDP)

Homeownership Development Program (HDP) projects are reviewed separately from rental development projects and the annual GOAL cycle. HDP awards are limited to participants in the USDA's 523 self-help homeownership program, Community Land Trusts, CHDOs and Habitat for Humanity organizations. There will be a set-aside of \$400,000 for HDP. Any funds remaining after HDP awards are determined will be allocated to rental development projects.

The maximum per-unit HOME subsidy for HDP is the lesser of \$40,000 per unit, or the appraised value of the land and the onsite water and sewer utilities. In addition, the total development costs per unit of the resulting unit may not exceed the allowable HOME 203(b) limits or 95% of the area median sales price, whichever is greater. HDP funds may be used for land acquisition, site / infrastructure costs, minimal soft costs and if necessary, down payment and closing cost assistance. The NOFA and corresponding application will require that the need be clearly demonstrated for proposed HDP project in their respective local housing marketplaces.

The project sponsor is responsible for identifying homebuyer assistance resources that may be necessary for low-income homebuyers to purchase the home for the proposed sales price. Units assisted with homeownership development funds under this program are not eligible for buy down assistance under the Home Opportunity Program (HOP) but are eligible to receive down payment and closing cost assistance.

All HDP subrecipients will use the recapture model unless an applicant explicitly requests to employ the resale method at the time of application for funding. AHFC will authorize the use of the resale method if the subrecipient is able to demonstrate to AHFC the following: home prices in the community are rapidly increasing or the community is considered a "high cost area" (for this purpose, "high cost area" is defined as an area in which 95% of the area median sales price exceeds \$300,000); the subrecipient has the necessary experience, capacity and qualifications needed to service resale agreements for the term of the agreements; the subrecipient is familiar with land leases and covenants; the subrecipient has the experience and capability to income qualify future homeowners.

HDP awards made to participants in the USDA 523 self-help homeownership program, CHDOs and Habitat for Humanity affiliates can use either the resale or recapture model.

For HOME funded HDP projects, AHFC will secure the HOME subsidy through an assistance agreement and covenant under the resale provisions or a note, deed of trust, and assistance agreement under the recapture provisions consistent with the terms described in the HOME Program description. AHFC will evaluate project proposals to

determine the financial feasibility of the project, probability of long-term project stability, and other predetermined selection criteria. Funding awards will be made to applicants based on the availability of funds, relative ranking among the other applicants, and other criteria determined to be appropriate.

This program meets the HUD objective of providing decent housing with improved affordability. The following outcomes are estimations that will be used to measure the progress of this program:

1. It is estimated that ten units will be developed.
2. It is estimated that ten units will meet the Alaska equivalent of the Energy Star standard.
3. It is estimated that one unit will be made accessible.

There are a number of factors that will influence these outcomes such as the applicants and criteria under the NOFA. It is anticipated that a developer will choose to make one homeownership unit accessible, despite the fact that it is not a federal requirement. This would be in response to point incentives in the NOFA.

AHFC will be evaluating the continued need for this program as well as the possible impacts of the Secure and Fair Enforcement Mortgage Licensing (SAFE) Act on the implementation of HDP. If AHFC determines to discontinue this program for SFY2011, the funds will be reallocated to the rental development program or the tenant based rental assistance program.

HDP Resale Model

The resale model requires that when a homeowner sells their home, he or she sells it for a restricted price to a low income household (80% below the median income). HDP funds up to \$40,000 may be provided in assistance. HOP funds can only be used for down payment and closing cost assistance in a project assisted with HDP funds. Interest buy downs are not an eligible cost. For purposes of the HOME program, acceptable HDP projects using the resale option must include the following features:

- HDP restrictions must remain in place for the minimum period affordability. The resale affordability period will be determined by amount of direct development assistance provided under the HDP in addition to any HOP assistance provided to the original homebuyer. The affordability period is based on the amount of assistance and is as follows:

Less than \$15,000	5 years
\$15,000 to \$40,000	10 years
More than \$40,000	15 years

For example, a unit may receive \$40,000 in HDP development subsidy and \$10,000 in down payment assistance from the HOP program. The total HOME assistance is \$50,000 and the affordability period is 15 years. All subsequent

homebuyers for 15 years will need to be eighty percent (80%) below the median income.

- An assistance agreement with the original homebuyer and all subsequent homebuyers must be established based on the affordability period.
- In the event that the original homebuyer sells the home and the subsequent homebuyer receives HOP assistance the resale period restarts, based on the amount of new HOP assistance received. For example, the original homebuyer received \$50,000 in HOME assistance (development subsidy + down payment assistance) and the affordability period was 15 years. The homebuyer sold the home after owning it for 5 years and the new homebuyer received \$10,000 in HOP assistance. The affordability period would restart at time of sale and would now be 5 years.
- A sample ground lease for the property must be approved by AHFC before any assistance will be approved. The lease must specify the grantees first right of refusal, the homeowner's maximum share of appreciation, resale formula, and other restrictions required by 24 CFR Part 92.
- The resale formula may allow the homeowner to realize a maximum of 50 percent of the home's (market) appreciation. Increased home value due to the homeowner's capital investment in the home may be retained in full by the homeowner.
- The remaining (market) appreciation (at least 50 percent) must be factored into the resale formula to reduce the home's subsequent sales price, making the home increasingly more affordable over the lease period.
- The grantee must agree to exercise a first right of refusal in any subsequent sales of the home.
- The grantee must agree to verify incomes of the original homebuyer and any subsequent homebuyers, and provide documentation of income verification to AHFC during the affordability period.

HDP Recapture Model

Under the recapture model the first \$10,000 in direct assistance is provided as a forgivable loan. Direct assistance is defined as the difference between the market value and sales price of the home in addition to any HOME assistance. For every year the homeowner continues to own the home and make it his or her primary residence, the loan will be forgiven by a maximum of \$2,000, or twenty percent (20%) of the loan, whichever is less. Any remaining HDP assistance provided will be secured against the home as a loan with zero percent (0%) interest, repayable at the time the homebuyer no longer owns the property. If the homeowner fails to meet the primary residency

requirement during the affordability period, the full amount of assistance is due and owing. The recapture provisions will be triggered by a sale prior to the completion of the affordability period. The amount subject to recapture is the total amount of direct assistance less the prorated amount of the first \$10,000 forgiven per the terms described above plus any amounts that are unforgiven.

In the case of a sale (voluntary or otherwise) the maximum amount of funds subject to recapture is limited to whatever net proceeds (if any) are available. The homeowner must show that the appraised value of the home is not sufficient to pay off the HOME loan(s) in addition to any other lien in superior position, and standard and customary seller's closing costs. Net proceeds are calculated by the sales price less any non-HOME loans or repayments less closing costs.

Rental and Homeownership Housing Predevelopment Program

The purpose of the Rental and Homeownership Housing Predevelopment Program is to assist local governments, regional housing authorities and non-profit organizations in preparing to develop housing under the GOAL/ HDP with the intent to apply for the GOAL/ HDP Program. The Program grants funds to pay for preparation of plans and preliminary feasibility analyses, appraisals, site preparation and other predevelopment activities. For SFY2011, no additional funds will be allocated to the Predevelopment Program due to the fact that \$151,644.65 in previous years' funding allocations remains available. It is anticipated that a notice of funding availability for this program will be announced in the Winter of 2010/ 2011.

AHFC is currently evaluating the effectiveness and delivery method of the Rental and Homeownership Housing Predevelopment Program. If prior funding allocations are not awarded to grantees, AHFC may either reallocate funds to the rental development program or utilize all or a portion of the funds for technical assistance to guide grantees through the predevelopment process.

Community Housing Development Organizations (CHDOs) Development Activities

The National Housing Affordability Act placed a high priority on using community-based non-profit organizations to develop affordable housing. A set-aside of 15 percent of each Participating Jurisdiction's HOME funds was mandated for the exclusive use of CHDOs. The standards for certification as a CHDO were established by federal regulation. Only certified CHDOs will be eligible to access the set-aside of CHDO funds for the development of affordable housing. *This program meets the HUD objective of providing decent housing with improved affordability.*

CHDO set-aside funds are a sub-set of HOME funds reserved for the development of affordable housing. In the State of Alaska HOME Program, these funds may be used for allowable HOME activities outlined in the Rental Development Activities, through the GOAL program described above, subject to the limitations of 24 CFR 92.300. If an eligible CHDO is awarded HDP funding, those funds may be designated as CHDO set-

aside or CHDO reserve funds. To participate in the CHDO set-aside, an organization must complete the following steps:

1. Complete and submit an annual application to AHFC for certification as a CHDO with the appropriate supporting documentation;
2. Receive certification from AHFC, after compliance with CHDO criteria about legal status, board structure and composition and demonstrated capacity;
3. Submit a Greater Opportunities for Affordable Living (GOAL) or HDP program proposal for evaluation. Proposals will be solicited through a NOFA process.

The CHDO set-aside proposals for the GOAL program will be evaluated based on AHFC's Rating and Award Criteria Plan as approved by AHFC's Board of Directors.

Tenant Based Rental Assistance (TBRA)

HOME funds in the amount of \$335,000 will be committed to support Tenant Based Rental Assistance (TBRA). AHFC has identified the need to provide TBRA to eligible households that are at or below 60% of the median area income. Preference will be given to special needs and at-risk populations as articulated in the Five Year (SFY 2011 through 2015) Consolidated Housing and Community Development Plan.

AHFC may partner with State of Alaska agencies or departments to target special needs and at-risk populations who will be transitioning from State supervision or programs into permanent housing. In addition, AHFC may select subrecipients through a NOFA or RFQ process to assist with the administration of TBRA.

TBRA is essential to meeting the unmet needs of special needs and at-risk populations by providing opportunities for those seeking individual living options in normal residential settings or in need of subsidized rental housing; TBRA will help narrow the gap in benefits and services received.

TBRA is an essential part of AHFC's housing strategy and market conditions make TBRA a viable option; housing sales have slowed and rental unit availability data indicates that there is an ample supply of units to make TBRA a viable housing strategy. This program meets the HUD objective of providing decent housing with improved affordability.

TBRA Vouchers may not be used within the Municipality of Anchorage. The TBRA service area will include communities that are served by the AHFC Public Housing Division, outside of Anchorage.

This program meets the HUD objective of providing decent housing with improved or new availability. It is estimated that ten households will be assisted.

There are a number of factors that will influence this outcome such as the length of the assistance provided to each household and the time it takes to perfect the TBRA delivery system. If households are renewed or require additional months of assistance than initially planned for, the number of households served may be reduced. In addition, outcomes may not be realized until future plan years as AHFC perfects the TBRA delivery system and forges partnerships necessary to implement TBRA.

Operating Expense Assistance Program for Community Housing Development Organizations (CHDOs)

Designated CHDOs may be eligible to receive additional HUD-funded technical assistance from organizations contracted by HUD to serve Alaskan CHDOs. AHFC will cooperate with HUD and its contractors to ensure that such assistance is coordinated with the activities of this Plan and other technical assistance resources that may be available. Federal law gives the option to states of providing a limited amount of operating support funds to CHDOs actively expanding affordable housing opportunities with HOME funds. A maximum of five percent (5%) of the state's annual HOME allocation may be used for this purpose.

A total of \$150,000 in SFY 2011 (FFY 2010) HOME funds may be used for the Operating Expense Assistance Program for Community Housing Development Organizations (CHDOs). If these funds are not used for CHDO operating support they will be used for rental housing development.

The State is committed to developing a network of CHDOs throughout Alaska, not only for potential participation in the HOME program, but also to aid in the development and management of housing financed through other mechanisms. In addition to providing OEA through a grant agreement, AHFC will also be providing technical assistance to any organization seeking CHDO status in SFY 2011. Funding will be available at the beginning of every State Fiscal Year. AHFC will also conduct or facilitate training opportunities targeted towards CHDO organizations and facilitate contracts with consultant firms or individuals who have housing experience to train key CHDO staff.

Homeownership Program: The Home Opportunity Program (HOP)

Expansion of housing choice is an important component of the State's housing strategy. Significant numbers of steadily employed lower-income Alaskans have been unable to reach their homeownership goal.

In the State of Alaska the greatest obstacles to achieving homeownership is generally an inability to:

- Qualify for conventional financing at the loan amount necessary to purchase homes; and

- Accumulate savings sufficient to satisfy down-payment and closing cost requirements.

A total of \$1,228,000 in SFY 2011 (FFY 2010) HOME funds is reserved to provide down-payment, closing costs and buy down assistance to lower income homebuyers.

The Home Opportunity Program (HOP) will be administered by non-profit corporations, public agencies and/or private lenders that have been competitively awarded funds by AHFC. A Notice of Funding Availability (NOFA) or a Request for Qualification (RFQ) will be announced. Interested agencies are invited to respond by the published deadline and proposals are evaluated by AHFC. Prospective borrowers will be required to complete an orientation to homeownership through AHFC's innovative HOME CHOICE workshop offerings, or an equivalent program offered by private lenders and other qualified entities.

Eligible borrowers must have annual incomes at or below 80 percent of the area median, as determined by HUD, adjusted for household size. Additionally, they must exhibit the ability to meet the on-going responsibilities of homeownership, including the repayment of the primary mortgage loan. It is anticipated that assistance will be provided through a recapture model. The HOP will continue to assist eligible applicants participating in the Housing Choice Voucher Homeownership Voucher program, as applicable.

The HOP program will primarily utilize the recapture model. The resale model is only allowable when HOP funds are being used in conjunction with other HOME projects that have received prior approval from AHFC to utilize the resale model. For example, an HDP grantee who received approval from AHFC to implement the resale model provided a homebuyer with HOP down payment assistance in conjunction with HDP. In this instance, the resale method must be used.

HOP Recapture Model

Under the recapture model, assistance will be provided in the following manner:

- The maximum HOP assistance per assisted household will be \$30,000. Of this total, closing cost assistance may not exceed actual costs or \$3,000, whichever is less.
- Of the maximum \$30,000 in assistance, up to the first \$10,000 will be provided to the homebuyer as a forgivable loan. For every year the homeowner continues to own the home and make it his or her primary residence, the loan will be forgiven by a maximum of \$2,000, or twenty percent (20%) of the loan, whichever is less.
- If the homeowner fails to meet the primary residency requirement during the affordability period, the full amount of assistance is due and owing.

- Any remaining HOP assistance (the amount in excess of \$10,000) will be provided to the homebuyer as a loan with zero percent (0%) interest, repayable at time of sale. In the case of a sale (voluntary or otherwise) the maximum amount of funds subject to recapture is limited to whatever net proceeds are available (if any).
- Participants will be required to obtain primary mortgage financing from private lenders and will be expected to meet standard underwriting requirements.
- All HOP loans must be done in compliance with HOME Program regulations, and the HOP Policies and Procedure Manual.

By making only the first \$10,000 of the HOP loan forgivable, and having a forgiveness period of five years for all loans, the program will reach its goal of making homeownership affordable to lower income households. In addition, it will also be able to recycle the funds, making this scarce resource available to more households over time.

For homeowner agreements used under HOP, the amount of funds required to be repaid in the event of foreclosure is the amount that would be subject to recapture. The recapture agreement is based on “net proceeds” (if any) from a foreclosure sale. Net proceeds are calculated by the sales price less any non-HOME loans or repayments less closing costs. The homeowner must show that the appraised value of the home is not sufficient to pay off the HOME loan(s) in addition to any other lien in superior position, and standard and customary seller closing costs. The amount subject to recapture is the total HOP assistance provided the homeowner, less the prorated amount of the first \$10,000 forgiven per the terms described above plus any amounts unforgiven.

This program meets the HUD objective of providing decent affordable housing with improved availability. The following outcomes are estimations that will be used to measure the progress of this program:

1. It is estimated that twenty-two homebuyers will receive assistance.
2. It is estimated that fifteen will be first-time homebuyers.
3. It is estimated that twenty homebuyers will receive down payment or closing cost assistance.
4. It is estimated that fifteen homebuyers will receive buy downs.

There are a number of factors that will influence these outcomes such as: market conditions, interest rates, changes in lending criteria and the income of households who apply. If HOP activity is significantly impacted by market conditions, or grantees are not able to fully expend committed monies by the end of the performance period, AHFC may reallocate a portion of HOP funds to the rental development program.

AHFC is currently evaluating the applicability and the possible impacts of the SAFE Act on the implementation of the HOP program. The SAFE Act will require that housing counselors that serve as mortgage brokers or are involved in loan origination be licensed. If it is determined that HOP staff will be required to be licensed, this could have significant impacts on the number of households we are able to assist with HOP,

particularly as HOP staff take steps to become licensed. If HOP expenditures are impacted by the SAFE Act, AHFC may reallocate funds to the rental development program or the tenant based rental assistance program.

HOME Program Development

AHFC must first commit any program income received by the HOME Program to current activities before federal funds are expended. As of March 1, 2009 AHFC has \$241,848 of uncommitted program income. AHFC evaluated current HOME programs and determined that program income should be made available to the rental development program. AHFC anticipates an additional \$67,051 in program income receipts by the end of SFY2010; any SFY2010 program income receipts will be allocated the rental development program.

Administration

Federal law allows PJs to use up to ten percent (10%) of their federal HOME grant and any program income received for the administration of the program. It is the intent of AHFC to use these funds to support eligible administration expenses related to the program, including subrecipient expenses subject to specified funding limitations, and if necessary, staff salaries. Any unused administrative funds will be allocated to program funding.

Matching Requirements

The SFY 2011 (FFY 2010) allocation of HOME funds carries a twenty-five percent (25%) matching requirement. The PJ anticipates meeting the match through a contribution of AHFC corporate receipts. This contribution effectively increases the total amount of HOME funds available during SFY 2011 (FFY 2010) to \$3,753,199. Whenever feasible, recipients of HOME funds will be encouraged to make additional contributions to HOME projects that will qualify as “match” under the federal regulations. This will allow the PJ to further stretch HOME funds to assist low-income Alaskans. If for some reason these strategies do not meet the twenty-five percent (25%) matching requirement, AHFC will utilize banked HOME match.

Monitoring

HUD HOME monitoring consists of four types of compliance reviews. The first type of compliance review consists of a desk review of pre-disbursement/initial documents and reports prior to any HUD HOME and AHFC funds being paid to the project developers and subrecipients. The second type of compliance review consists of desk monitoring of

financial and project status reports throughout the project development and grant period. The third type of compliance review involves once a year on-site visit or desk review of projects being developed and subrecipients' financial administration of the project development and grant funding. The fourth type of compliance review consists of post-project completion or "affordability compliance" review of rental housing development projects, HOP and ORP.

The first type of compliance review is accomplished by AHFC's Planning and Program Department staff reviewing the project developers and subrecipients' pre-disbursement/initial reports required of subrecipients and project developers of rental housing projects. AHFC staff verifies that all pre-disbursement/initial documents and reports are complete and accurate before any HUD HOME and AHFC funds are released to the project developers and subrecipients. The required pre-disbursement/initial documents and reports will depend on the type of project being funded. A complete list of all the different pre-disbursement/initial documents and reports follows:

- Evidence of business license and insurance requirements
- Evidence of Debarment and Suspension (24 CFR Part 92.357)
- Cost allocation plan
- Evidence of funding commitments
- Authorized signatories
- Project work plan
- Certification of Section 3 and Women's and Minority Business Enterprises (WBE/MBE) compliance

The reports include a written Section 3 and Women's and Minority Business Enterprises (WBE/MBE) work plans. The Section 3 work plan identifies how subrecipients will notify Section 3 residents and contractors of training and job opportunities, facilitate the training and employment of Section 3 residents, and the award of contracts to Section 3 businesses that includes the Section 3 Clause in all solicitations and contracts. The Women's and Minority Business Enterprises work plan includes a description of subrecipients' planned outreach designed to inform Women's and Minority Business Enterprises of contract opportunities.

The second type of compliance review is desk monitoring conducted by AHFC's Planning and Program Development Department staff throughout the project development and grant period. This type is accomplished by AHFC staff reviewing project developers and subrecipients monthly or quarterly invoices that sometimes includes supporting documents; and, quarterly and final financial and project status reports. Project status reports requirement vary depending on the type of projects funded. The following is a partial list of the different project status reports:

- Description of Section 3 and Women's and Minority Business Enterprises (WBE/MBE) compliance
- Description of job training activities
- Description of Affirmative Fair Housing Marketing compliance activities
- Certification of Title VI of the Civil Rights Act of 1964

- Certification of Conflict of Interest Provisions at 24 CFR Part 92.356
- Certification of Drug Free Work Place Act of 1988
- Certification of Debarment and Suspension (24 CFR Part 92.357)
- Certification of Flood Disaster Protection Act of 1973
- Certification of Lead-Based Paint Poisoning Prevention Act
- Project cost certification
- Copy of recorded federal, state and local building inspection reports (i.e. BEES, HQS, UPCS)
- Certification of Davis-Bacon Wage Act and Safety Standards Act if applicable
- Copy of proposed rental charges and low-income unit lease agreement
- Copy of executed deed restriction on the title to the land benefited by the project funding
- Project status narrative report

The third type of compliance review involves once a year on-site visits or desk review of projects being developed and subrecipients' financial administration of project development and grant funding. AHFC staff from the Planning and Program Development Department and the Research and Rural Development Department (ORP only) share the responsibility of on-site or desk monitoring reviews. AHFC staff reviews project developers' and subrecipients' records for compliance with financial administration and management regulations, program policies and regulations, procurement policies and procedures, and property requirements. The project developers and subrecipients receive a formal written monitoring review report and are required to respond and correct any findings and observations.

In SFY 2011, the Planning and Program Development Department staff will complete the following number of on-site monitoring compliance reviews:

- Three of the three HOME HOP subrecipients
- Two of the two HOME ORP subrecipients
- Three of the four HOME OEA subrecipients

In SFY 2011, the Planning and Program Development Department staff will complete the following number of monitoring compliance reviews:

- Two HOME GOAL subrecipients
- One HOME HDP subrecipient

Additionally in SFY 2011, five percent (5%) of HOME ORP rehabilitation housing projects will be visited and inspected by Research and Rural Development Department staff for completion and HUD HOME rehabilitation requirements.

The fourth type of review is conducted by AHFC's Internal Audit Department (IAD) which is responsible for monitoring post-development completion or an "affordability compliance" review of agencies with HOME funded single and multi-family rental housing developments. The IAD reviews are conducted throughout the year and based on a schedule that meets with federal audit requirements for the different types of rental

housing developments. As of January 1, 2010, the IAD was responsible for monitoring a portfolio of 133 affordable housing developments throughout Alaska. Of this number, 21 are funded by the HOME program only with an additional 35 funded by a combination of HOME/Low Income Housing Tax Credits (LIHTC), and/or the State of Alaska Senior Citizens Housing Development Fund (SCHDF) program. During SFY 2011, the IAD is scheduled to conduct compliance audits for all 56 HOME and/or HOME/LIHTC/SCHDF developments. Of this number, 21 are scheduled for on-site physical inspections and administrative document/tenant file audits, with the balance (35) scheduled for desk monitoring only of administrative documents. Development owners and managers receive a formal written audit review report and are required to respond and correct any findings and questioned costs.

In all of the four types of program monitoring, AHFC staff works with the project developers and subrecipients to ensure compliance with HUD HOME policies and regulations. The formal written monitoring review reports clearly identify non-compliance findings and questioned costs, cite HUD HOME, OMB Circulars and AHFC regulations that support the findings; and, recommends corrective actions the subrecipients' should take to meet compliance requirements. In almost all non-compliance situations, the project developers and subrecipients show a willingness and ability to comply with program policies and regulations. Throughout the project development and grant period, AHFC staff provides technical assistance to project developers and subrecipients in order to preclude non-compliance findings and questioned costs during formal monitoring reviews.

Minority and Women-Owned Business Outreach Plan

Section 281 of the National Housing Affordability Act requires HOME participating jurisdictions to describe procedures establishing and overseeing an outreach program for minority and women-owned businesses. In administering the HOME program, the PJ of Alaska will actively encourage the participation of and use of minority and women-owned businesses in HOME supported efforts. Towards this end, where applicable the following policy provisions shall apply to subrecipients and recipients of HOME funds:

- Use of the Small Business Administration's internet-based minority and women-owned business contractor list to ensure that bids are received from such enterprises to perform the needed work.
- Monitor of grantees to ensure compliance with procurement procedures.
- Subrecipient training at the initiation of a new grant agreement.
- Development of an affirmative marketing plan.
- Publishing minority and women-owned business utilization goals covering contracts for services/supplies that have an estimated value above \$25,000 and contain items that can be subcontracted.

- Assisting contractors and potential contractors to identify qualified minority and women-owned enterprises to participate as subcontractors.

AHFC will require the recipients of HOME funds to submit a “Minority and Women-Owned Business Outreach Plan” prior to the disbursement of any HOME funds. In addition, all subrecipients will be required to submit reports that disclose the total number and dollar amount of contracts executed, and specifically list contracts awarded to MBE/WBE or Section 3 contractors or subcontractors, where applicable. Grant agreements will require that this information be submitted on a schedule so that it conforms to the federal fiscal year (ending September 30), in order to assist in accurately reporting such information to HUD.

The CEO/Executive Director of Alaska Housing Finance Corporation or his/her designee will be responsible for the oversight of this program and this policy.

Affirmative Marketing Procedures

HOME program regulations at 24 CFR 92.351 require jurisdictions participating in HOME to adopt affirmative marketing procedures and requirements for all HOME-assisted housing containing five or more units. The PJ will extend this requirement to all rental units assisted, not just five or more units. These procedures apply to the group of activities the PJ identifies as “development” activities, which involve the acquisition, rehabilitation or new construction of housing.

Pursuant to 24 CFR 92.351, the State of Alaska will undertake an affirmative marketing program providing information necessary to attract eligible persons from all racial, ethnic, and gender groups to the availability of housing assisted with HOME program resources. AHFC will also complete an affirmative marketing plan by the close of SFY 2009. The PJ will annually assess the affirmative marketing program to determine its success and what corrective actions might be necessary.

The following are the components of the State’s HOME affirmative marketing effort and will serve as the minimum requirements for all applicants for HOME funds:

- The Equal Housing Opportunity log or slogan will be used with correspondence, notices and advertising related to affected HOME-funded housing development.
- Owners will be required to use affirmative fair housing marketing practices in soliciting renters or buyers, determining their eligibility, and concluding all transactions.
- Owners will be required to demonstrate a good-faith effort to solicit those eligible persons who are not likely to apply for housing assistance. These good faith efforts may include, but are not limited to, special outreach to community organizations, places of worship, employment centers, fair housing groups,

counseling and social service agencies, medical service centers, homeless shelters and the use of minority specific media.

- Owners of HOME-assisted housing must maintain a file containing all marketing efforts and records of all applicants and tenants selected during the period of affordability. Records to assess the results of these actions must be available for inspection by the PJ.

The PJ will assess the affirmative marketing efforts of the owner during regular project audits, based on the guidance that has been provided as part of the policies and procedures manuals developed for every component of the HOME program and federal regulations. Good-faith outreach efforts will also be considered in evaluating the marketing efforts and results. Corrective action will be required when project audits indicate marketing efforts are insufficient.

X. Alaska's Continuum of Care for the Homeless

The Continuum of Care (CoC) is a planning framework to meet the needs of people who are homeless, or near homeless, as they move to stable housing and maximum self-sufficiency. This continuum contains several critical components including homeless prevention services, emergency shelter, transitional housing and permanent affordable housing, some of which comes with supportive services.

Recognizing the small role federal funding plays in the overall Continuum, one of the guiding principles of the Five Year (SFY 2011 through 2015) Consolidated Housing and Community Development Plan is:

Use of federal homeless funds should emphasize activities that maintain and strengthen the service delivery system for Alaska's homeless, consistent with local strategies.

This guiding principle is consistent with the first of four principles listed in the Ten-Year Plan to End Long Term Homelessness in Alaska developed by the Alaska Council on the Homeless in 2009.

Emergency Shelter Grant (ESG) Program

The objectives of the Emergency Shelter Grants (ESG) program are to increase the number and quality of emergency shelters and transitional housing facilities for homeless individuals and families, to operate these facilities and provide essential social services, and to help prevent homelessness. For SFY2011, the ESG program is expected to operate as it has in prior years under the McKinney-Vento Act. Upon adoption of regulations under the new HEARTH Act, ESG will become the "Emergency Solutions Grant."

HUD regulations state that ESG funds may be used for one or more of the following activities relating to emergency shelter and transitional housing for the homeless:

- building renovation
- major rehabilitation of a building
- conversion of a building for use as emergency shelter
- payment of maintenance and other operating costs
- essential services (e.g. child care, transportation, service navigation, etc.)

Up to 30% of the State's annual allocation may also be used for homeless prevention activities.

Persons served with ESG funds must meet federal definitions of "homeless":

1. An individual or family who lacks a fixed, regular, and adequate nighttime residence; or
2. An individual or family who has a primary nighttime residence that is:
 - a. A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for persons with mental illness);
 - b. An institution that provides a temporary residence for individuals intended to be institutionalized; or
 - c. A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

The term "homeless" does not include any individual imprisoned or otherwise detained pursuant to an Act of Congress or a State law.

Not more than five percent (5%) of any project's budget may be used for administration. Any building for which ESG funds are used for renovation must be maintained as a homeless shelter for not less than three years following completion of the work. If ESG funds are used for major rehabilitation or conversion, the building must be used as a shelter for not less than ten years. Any other building for which ESG funds are used for provision of essential services, payment of maintenance, operation, rent, security, fuels, and equipment must be maintained as a homeless shelter for the period during which assistance is provided. No period-of-use requirement applies to the use of funds for homeless prevention.

Proposed SFY 2011 ESG Activities

Federal Emergency Shelter Grant (ESG) funds are now managed by AHFC. It is estimated that the State will receive approximately \$122,640 in Federal Fiscal Year 2011 ESG funds. The ESG program requires that all federal amounts received over \$100,000 be matched. This means the required match would be \$22,640 for SFY2011. The required match will be met through a combination of matching funds identified by ESG grantees

in their applications and AHFC resources. Each applicant for funds identifies what their match will be in their application and the source of funds. Once a grant is approved, those specifics are written into the grant agreement and reported against monthly or quarterly.

Funds will be awarded on a competitive basis to units of local government and non-profit organizations. Applications are received annually, in response to a Notice of Funding Availability (NOFA). Due to the small size of Alaska's ESG allocation, AHFC may limit the number ESG activities available to applicants. Decisions on which ESG activities to fund will be based on the availability of funds from other resources, including the state's Homeless Assistance Program. A maximum grant amount may also be established and identified in the NOFA.

Applications for ESG funding will be reviewed and ranked using a combination of objective and subjective criteria. A Project Evaluation Committee (PEC) will assign points to any subjective sections of the application. Ranking factors may include, but are not limited to, project description/need, community coordination, consistency with established homeless plans, leveraging and administrative capability.

By federal regulation, projects awarded ESG funds must meet strict time frames for obligating and expending funds. Because of time-frame restrictions imposed by federal law, applicants for these funds must have projects which are "ready to proceed" at the time awards are made.

Monitoring for ESG grant recipients closely follows established processes for federal grant programs and may involve on-site or in-house monitoring as appropriate, within limitations on funding for oversight activities.

Statement of Specific Annual Outcomes

During the SFY 2011 program year the ESG program anticipates:

1. Two to three homeless facilities will be preserved with ESG-funded renovation/rehabilitation funds, contributing to the goal of providing a suitable living environment and addressing the objective of improved accessibility.
2. Approximately 25,000 "bed-nights" will be provided to homeless persons in facilities receiving ESG funds for operating costs. This also supports the goal of providing a suitable living environment and addressing the objective of improved accessibility.
3. Approximately 3,000 unduplicated homeless persons will benefit from shelter and services provided by agencies receiving ESG funding.

In addition to the fore mentioned ESG outcomes, a combination of all Federal and/or State homeless resources will be utilized to meet the following national homeless objectives and those identified in Alaska's Ten-Year Plan to End Long-Term Homelessness.

Objective	Current Level	SFY 2011	AK 2015
1. Create new PSH beds for chronic homeless	36 Beds	15 Beds	75 Beds
2. Exceed national 6-month retention goal of at least 77%	78%	80%	85%
3. Increase placement rate f/TH to PH to 65%	86%	75%	80%
4. Decrease the number of homeless households with children	104	125	75
5. Increase number of households receiving prevention assistance	425 Households	600 Households	650 Households
6. Achieve 75% rate of post prevention stability	95%	70%	75%

XI. Assisting Alaskans with Special Needs

Alaskans with special needs face a variety of challenges in accessing and retaining affordable housing with appropriate supportive services. In many areas of the state, the lack of affordable housing options in general presents a significant barrier. Even after securing housing, persons with disabilities and the frail elderly remain vulnerable to homelessness because of their tenuous economic situation, the high cost burden imposed by their housing, and in some cases, discriminatory housing practices. Changes in their economic picture, such as loss of employment, health problems, or domestic violence can result in homelessness. Once people with chronic illnesses are homeless, they often cannot access treatment easily, and as a result, are at risk for institutionalization. Many chronically mentally ill homeless persons end up incarcerated Alaskans, then become homeless upon release and cycle back into correctional institutions at a high rate of recidivism. Several programs address the above populations with special needs.

Because the HOME program is federally funded every project that utilizes HOME funds must guarantee that five percent (5%) of the units are accessible to those who are physically disabled and that at least two percent (2%) of the units are equipped for those who are hearing or visually impaired.

The Greater Opportunities for Affordable Living (GOAL) program is a competitive funding process. Applicants receive additional points for providing equipped units beyond the minimum number required by law. Points are also awarded in the GOAL process for targeting units to persons with physically or mental disabilities, and units set-aside for the homeless.

AHFC uses corporate funds to provide (among other possibilities) accessibility modifications for seniors using the Senior Citizens Housing Development Fund. Funds for accessibility modifications are also available through AHFC's Weatherization program as well as through programs under the Alaska Department of Health and Social Services, US Department of Agriculture, Veterans' Administration and other state and federal agencies.

Additional information on all these programs is included in this plan. Further, the 2006-2011 Comprehensive Integrated Mental Health Plan guides the state's policies and programs for Alaska Mental Health Trust beneficiaries. Beneficiaries include people with mental illness, developmental disabilities, chronic alcoholism and Alzheimer's disease or related disorders. State and national prevalence rates indicate that there are more than 80,000 Alaskans who may be Trust beneficiaries. Additionally, the Alaska Mental Health Trust Authority has identified safe, affordable housing as a funding priority in SFY2006-SFY2010. A key goal in the plan is "to enable Trust beneficiaries to live in appropriate, accessible and affordable housing in communities of their choice." The plan and focus area strategies also recognize the importance of developing "a range of housing options" for beneficiaries, whatever their level of need.

The Alaska Mental Health Trust Authority's housing initiative has adopted the following strategies for improving access to affordable, appropriate housing for vulnerable beneficiaries.

1. Build partnerships between the State Department of Health and Social Services (DHSS), Alaska Mental Health Trust Authority (the Trust), Alaska Housing Finance Corporation (AHFC), Tribally Designated Housing Entities (TDHEs), U.S. Department of Housing and Urban Development (HUD), U.S. Department of Agriculture (USDA), and other private and public entities to improve beneficiary access to housing.
2. Support the statewide development of a continuum of housing options with supportive services to serve all beneficiaries, no matter what their level of need.
3. Pilot innovative service delivery models to increase housing retention.
4. Increase capital resources to fund housing development.
5. Develop strategies to prevent homelessness for beneficiaries who are at risk of losing their housing or who have substandard housing.
6. Provide technical assistance through the state's Office of Integrated Housing housed in the Division of Behavioral Health and the Rural Long Term Care Development housed in the Division of Senior and Disability Services to increase public awareness of housing needs and increase capacity for housing development.

These strategies are consistent with the guiding principles of this Consolidated Plan and will be addressed in collaboration with AHFC's partner agencies. Though this program is not federally funded and is not required to report to HUD, the Alaska Mental Health Trust Authority is an important partner in the overall strategy of providing services to Alaskans.

Housing Opportunities for Persons With AIDS (HOPWA)

Alaska does not receive formula funding under the HOPWA program. Instead, funding for HOPWA activities has been awarded under the “Competitive” program. As the result of a recent renewal grant from HUD, AHFC will continue to administer a HOPWA project serving the Interior and Southeast regions of the state. The amount awarded during the FFY2009 cycle was \$757,790. This amount will be expended over a three-year period to provide approximately 10 households with rental assistance, 20 households with short-term assistance to prevent homelessness and 38 households with case management and linkages to health care and other supportive services.

To meet a growing housing need for HOPWA clients with clouded rental histories, AHFC expects to submit a new application to expand the HOPWA Southeast program. At the time of this writing, plans are underway for the Southeast HOPWA project sponsor to acquire two units of rental housing for the benefit of those with HIV/AIDS who cannot qualify for other forms of assistance such as the Housing Choice Voucher due to prior convictions or substance abuse.

AHFC will contribute \$100,000 in matching funds over the life of the HUD grant additional to the commitment of over \$1,000,000 worth of services from other state and local agencies. This HOPWA funding will address what would otherwise be a serious gap in housing services available to this fragile population.

Senior Citizens Housing Development Fund

The Senior Citizens Housing Development Fund (SCHDF) provides funding for the development of senior citizen housing. Funds provided under this program expand housing opportunities for the fastest growing segment of the Alaska population, persons meeting the federal definition of “senior” as selected by grant recipients. Through the Greater Opportunities for Affordable Living (GOAL) competition (which also includes the HOME, Denali Commission Elder Housing Program and Low Income Housing Tax Credits), SCHDF grants are awarded for the purchase of building sites, site preparation, materials, construction, and rehabilitation of existing housing. Eligible applicants for this program include municipalities and nonprofit corporations with IRS 501(c)(3) status.

The Senior Access Program, a component of the SCHDF, provides funds through grants that are awarded to qualifying senior homeowners and renters. AHFC provides Senior Access funding to non-profit organizations (“Grantees”) using a Notice of Funding Availability (NOFA) process. The Grantee administers the Senior Access Program in specified service areas, in accordance with AHFC guidelines.

Up to \$1,000,000 in Senior Citizens Housing Development Funds are planned for allocation to the Senior Housing Accessibility Modifications: Senior Access Program within SFY 2011. Up to \$12,000 can be made available to homeowners for accessibility modifications. The Senior Access Program also provides funds for up to \$8,000 in

modifications for rental housing in which a senior lives, and up to \$5,000 for seniors living in small state-licensed assisted living facilities having 5 or fewer beds.

The Pre-Development component of the SCHDF program provides smaller grants (up to \$14,000) for nonprofit senior organizations to pay for preparation of plans and project feasibility studies, appraisals, site preparation, and other predevelopment activities as they prepare projects and seek funding. This component of SCHDF will be under review during SFY 2011 to determine whether, given changes to the GOAL and HOME programs, it is meeting the pre-development needs of Alaska.

It is anticipated that the GOAL Notice of Funding Availability will be announced in August of 2011. The SFY 2011 capital budget request for the Senior Citizens Housing Development Fund is \$4,500,000.

Denali Commission Elder Housing Program

The Denali Commission Elder Housing Program (DCEH) is administered by AHFC and is anticipated to provide approximately \$800,000 in SFY 2011. This is a significant reduction in funding from previous years. The program is a complement to the SCHDF program and can be used for a variety of elder housing options, from accessibility modifications to assisted living. The funding cycle for capital development projects is anticipated to be held in conjunction with the August 2010 GOAL program NOFA.

Beneficiary and Special Needs Housing Grant Program

The Beneficiary and Special Needs Housing Grant (SNHG) Program provides funds for Alaskan non-profit service providers and housing developers to increase supportive housing opportunities to the homeless, Alaska Mental Health Trust Beneficiaries and other special needs populations throughout Alaska. Alaska Housing Finance Corporation (AHFC), the Alaska Mental Health Trust Authority, and the Alaska Department of Health and Social Services (DHSS) coordinate this program. To maximize the leveraging of these funds with other grant, tax credit programs, and available loan funds AHFC will administer these housing development funds. Types of projects that may be funded through this program include:

- Congregate housing for people with mental illness or developmental disabilities;
- Supportive housing, including assisted living, for people with mental illness, developmental disabilities, or multiple disorders;
- Transitional housing with support services for newly recovering alcoholics and addicts.

The SFY 2010 capital budget request for the Beneficiary and Special Needs Housing Program is \$1,750,000.

In SFY 2010, these SNHG funds were leveraged with Housing Assistance Program (HAP) funds to produce a SNHG funding cycle that included construction, operating and supportive services funding. The AMHTA and AHFC jointly funded this effort in the amount of \$5 million.

Expanding the Capacity of Sponsors to Access Special Needs Housing Programs

The Alaska Department of Health and Social Services, Division of Behavioral Health (DBH) provides housing development expertise to non-profit agencies throughout the state serving individuals with mental illness and alcoholism and substance abuse problems. DBH will continue to help agencies throughout Alaska become aware of funding sources and provides grant writing expertise to assist them plan/develop and apply for capital and operating funds throughout SFY 2011.

The Governor's Interagency Council on the Homeless identified institutional discharge as one of the critical areas contributing to homelessness in Alaska. A core group of persons with severe mental illness do not have the skills or supports to remain stable in housing. As a consequence, they cycle between API, jail and the shelters, increasingly less able to stabilize after each institutionalization. For related activities planned for SFY 2011, please refer to the Tenant Based Rental Assistance (TBRA) portion of the HOME Investment Partnerships Program Description, above.

Alaska Housing Finance Corporation, during SFY 2011, will continue to offer HUD funded technical assistance (TA) activities to improve the capacity of sponsors to access special needs housing programs. Subject to the restrictions and limitations of HUD TA funding, a flexible menu of both direct TA (directed towards the specific needs of designated HUD grantees) and workshop training will be offered.

Efforts to Promote Accessible Housing

Accessible, available, and affordable housing is the key to independence for Alaskans with disabilities. Throughout SFY 2011, Alaska Housing Finance Corporation will continue to expand opportunities in this area with the Governor's Council on Disabilities and Special Education, the State Independent Living Council, the Alaska Commission on Aging, the Alaska Mental Health Trust Board, the Advisory Board on Alcoholism and Drug Abuse and the Alaska Mental Health Trust Authority. Resources will be identified and accessed, and strategies developed to help persons with disabilities secure adequate, appropriate and affordable housing. Potential demonstration projects and educational outreach initiatives will be developed to the extent that available funding permits.

AHFC administers the Low Income Housing Tax Credit (LIHTC), HOME Investment Partnerships (HOME), Neighborhood Stabilization Program, and the Senior Citizen's Housing Development Funds (SCHDF) programs, each of which requires compliance with the following standards:

- Americans with Disabilities Act
- U.S. Fair Housing Amendments Act of 1988
- Alaska Statute AS 18.80.240
- Local government ordinances
- Section 504 of the Rehabilitation Act of 1973 (HOME Program only).

AHFC's LIHTC, HOME and SCHDF promote accessible housing through the rating criteria used to select applications to be funded during each competitive award cycle. In addition, special underwriting considerations are given to multi-family projects targeting special needs groups, through AHFC's Multifamily, Special Needs and Congregate Housing Loan Programs.

To assist Alaskans in their search for affordable housing, AHFC maintains an on-line housing data base linked to its web site. The "*Alaska Housing Locator*" enables persons with disabilities to locate units with accessibility features and help those who are "shopping" with a Section 8 Housing Choice voucher to identify properties that participate in the program. The service is free of charge to landlords and postings will be mandatory for agencies receiving development funding from AHFC.

XII. Alaska's Fair Housing Plan

AHFC conducted a statewide Fair Housing Survey in February-March of 2010 to formally update the "Analysis of Impediments to Fair Housing Choice" (AI). This SFY 2011 Annual Action Plan, formally identifies 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.

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.

XIII. 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.

XIV. Other Housing and Community Development Actions

Other activities to be undertaken during SFY 2011 (FFY 2010) include actions to promote the development and maintenance of affordable housing, including the use of public housing resources and the development of public housing resident initiatives. A number of actions during SFY 2011 will address housing and community development barriers. These actions include the improvement of organizational capacity; the development of infrastructure for housing and community development; the role of local governments in this area; targeting and leveraging resources; and protecting and improving housing and community development assets.

A. Public Housing Division – Overview and Planning Process

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 is in twelve communities, and administers 1,900 vouchers.

“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 they serve.
- 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 at:

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

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.

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

AHFC Public Housing Construction Activities for Areas Outside Anchorage

Total Outlying Areas:	\$3,977,500
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Bethel

Bethel Heights	Replace furnaces & HRVs	\$450,000
Bethel Heights	Construct community room, shop & office	\$1,480,000

Cordova

Eyak Manor	Energy audit	\$10,000
Sunset View	Fire protection repairs	\$110,000

Fairbanks

Birch Park I	Replace back doors	\$40,000
Birch Park I	-	\$0
Golden Ages	Fire protection repairs	\$110,000
Golden Towers	Fire protection repairs	\$110,000
Southall Manor	Fire protection repairs	\$110,000
Spruce Park	-	\$0

Juneau

Cedar Park	Site Improvements	\$330,000
	Fire protection repairs	\$110,000
	Energy audit	\$7,500
Geneva Woods	-	\$0
Mt. View/Annex	Fire protection system repairs	\$110,000
Riverbend	Site drainage and rain gutters	\$500,000

Kodiak

Pacific Terrace	-	\$0
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Ketchikan

Sea View Terrace	Fire protection system repairs	\$110,000
Schoenbar Park	-	\$0

Nome

Beringvue	Repair arctic entryways	\$80,000
	Energy audit	\$10,000

Seward

Glacier View	Fire protection system repairs	\$110,000
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Sitka

Paxton Manor	-	\$0
Swan Lake	Fire protection system repairs	\$110,000

Wasilla		
Williwa Manor	Accessibility upgrades	\$80,000
Wrangell		
Etolin Heights	-	\$0
Valdez		
Valdez Arms	-	\$0

A total of \$2,500,000 was received for in FY09 Statewide Improvements to address a backlog of items identified by the annual Physical Needs Assessment (PNA) using Corporate Receipts. Under the HUD mandated Asset Management Program a portion of the Statewide Improvements funds were distributed to each Asset Management Project (AMP) to address extraordinary maintenance projects.

B. Teacher, Health Professional, and Public Safety Housing Grant Program

Attracting and maintaining a pool of qualified teachers, health professionals, and public safety officials in rural Alaska is a goal of the State of Alaska. In order to achieve this, housing for these professionals must be available, affordable and of a quality that encourages these professionals to locate in rural settings. Under the Teacher, Health Professional and Public Safety Housing Grant Program, funding is available from the Denali Commission and the Alaska Housing Finance Corporation for the rehabilitation and development of teacher, health professional, and public safety housing in rural Alaska.

In the Fall of 2009, AHFC awarded \$8.46 million in AHFC Corporate Funding and \$1.48 million in Denali Commission Teacher Housing Funding for seven rural teacher, health professional, and public safety housing grants:

Project	Units	Denali Commission Funding	AHFC Funding
Tanana Teacher Housing Rehabilitation	2	\$0	\$201,762
Mountain Village Teacher Housing New Construction	8	\$0	\$1,443,627
Noatak Teacher Housing Rehabilitation	4	\$0	\$709,731
Unalaska Professional Housing New Construction	6	\$0	\$3,764,678
Koyuk Teacher Housing New Construction	2	\$0	\$601,052
Teller Teacher Housing New Construction	4	\$0	\$776,128
Napaskiak Teacher Housing New Construction	8	\$1,480,000	\$969,770
Total	32	\$1,480,000	\$8,466,748

AHFC also funded two applications under the Teacher, Health Professional, and Public Safety Housing Predevelopment program. The program provides grant funding for costs associated with application preparation such as architectural fees, environmental review costs and engineering reports. AHFC has up to \$100,000 available under this program and awards are expected to be announced in the spring of 2010.

AHFC will release a Teacher, Health Professional, and Public Safety Housing Grant NOFA for the SFY 2011 round in the spring of 2010. AHFC anticipates approximately \$6.5 million in available AHFC Corporate funding (subject to legislative appropriation) for rental development rehabilitation, new construction, and predevelopment. For SFY 2011 AHFC will implement a new evaluation and rating criteria which will prioritize applications based on market conditions and community support.

Since program inception in SFY 2004, the Teacher, Health Professional, and Public Safety Grant Program has funded the new construction or rehabilitation of 309 units of housing totaling \$87 million in total project cost. One hundred ninety of these units are completed and in service.

C. Weatherization Programs

The Alaska State Legislature passed legislation in 2008 to enable the development of a comprehensive energy saving strategy in Alaska. AHFC was designated as the lead agency in the development of three programs to provide Alaskans with the tools to reduce energy bills and increase energy efficiency in homes throughout Alaska. Three hundred sixty million dollars were provided to AHFC to develop the following three programs and administer them over a period of five years:

- The *Home Energy Rebate Program* is available to Alaskan homeowners who wish to make energy efficiency improvements on their homes. First, an authorized energy rater evaluates the energy efficiency of a home before and after improvements. The energy rebate is then calculated on the amount of energy saved as a result of the improvements. Rebates are limited to a maximum amount. The rebate program is available to all Alaskans, regardless of income level. As of January 1, 2010 the funds for the program have been fully encumbered.
- The existing *AHFC Weatherization Program* is substantially expanded as a result of this legislation. The *Weatherization Program* is available to Alaskans who meet certain income and eligibility guidelines and is a grant program. This program provides low to moderate income Alaskans with the tools to improve the energy efficiency of their homes. This program is administered in local areas through a regional housing authority or weatherization provider.
- The *Second Mortgage Program for Energy Conservation* is available to homeowners in the form of a loan to make energy efficiency improvements. Borrowers apply to AHFC for financing to make cost-effective energy

improvements on owner-occupied properties. Borrowers select from a list of energy upgrades determined by a certified energy rater. All improvements must be completed within 365 days of loan closing.

Each of these programs has become popular over the course of the past year. Over 20,000 units have been energy rated and are in process within the Home Energy Rebate Program. One thousand, eight hundred homes have been upgraded as a result of the Weatherization Program. Thirty-five individuals have applied for the Second Mortgage Program. These programs will continue through SFY 2011. Additional information and program applications are located at www.ahfc.us.

D. Developing Economic Opportunities for Low Income Families

Alaska modified its workforce investment system in 2003, transforming the state and two local workforce investment boards into one overarching entity, the Alaska Workforce Investment Board (AWIB). This system provides a clear, streamlined and efficient governance structure. This includes a strong linkage to local employers, development projects and regional workforce issues.

Regional councils define regional priorities for workforce development, and show how they are linked to employer demand, economic development, and education or training strategies. The Department of Labor & Workforce Development engages with the councils to make better investment decisions at both the local and statewide levels.

The state and providers implement training programs according to the policies resulting in a streamlined and simple system that business and industry are able to more easily access. Services are delivered through grantees and the Alaska Department of Labor and Workforce Development One-Stop Job Centers. They are categorized as core, intensive and training levels of service. The programs serve adults, dislocated workers, and youth both in and out of school.

On May 31, 2005, the Alaska Two Year State Plan for Title I of the Workforce Investment Act of 1998 was released. Improved service delivery to hard to serve populations was identified as a priority. Transportation and housing were identified as barriers to full inclusion for the disabled and welfare to work clients. A need was seen for transitional housing opportunities to support the expansion of employment opportunities. Building upon the accomplishments of the 2007-2009 Plan, Governor Palin's administration extended the 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) emphasis on work experience ensures that 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](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.

E. Evaluating and Reducing 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.

Although the testing done so far does not point to a great lead-based paint hazard in Alaska, an estimated 15% to 20% 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.

XV. Addressing Housing and Community Development Barriers

In the State of Alaska's Five Year (FY 2011 through 2015) HCD Plan, barriers to affordable housing and sustainable community development projects were identified. The five year plan identified general approaches and strategies, with specific activities to be outlined in the Annual Action Plans. The barriers covered fall into three categories---organizational capacity; infrastructure for housing and community development; and the role of local governments.

A. Improving Organizational Capacity

Across Alaska, organizational capacity for the effective delivery of housing and community development programs is very unevenly distributed. Many communities, particularly in rural areas, lack the organizational capacity to effectively implement projects using the multitude of housing and community development programs available. The involvement of several agencies and a variety of funding programs in a single project usually complicates the development process, and places additional demands on the project sponsor.

During SFY 2011, Alaska Housing Finance Corporation (AHFC) will continue to deliver technical assistance activities designed to improve organizational capacity. Through HUD funding and AHFC corporate matching funds, technical assistance will be given to existing Community Housing Development Organizations (CHDOs), new CHDOs, and to other organizations seeking CHDO certification. This technical assistance will emphasize activities that will improve the ability of CHDOs to plan, implement, and operate affordable housing programs. Technical assistance will also be offered to HOME grantees and other non-profit housing providers, including those serving Alaska's homeless and special needs populations. A menu of opportunities will be offered, which will include direct technical assistance, quarterly topic-based Alaska Training Events, as well as scholarship opportunities to attend local, regional or national training events. AHFC plans to host no less than three Alaska Training Events each year and offers scholarships to approved trainings and conferences for eligible attendees. Participants are required to document the objectives that will be achieved through attendance at a specific training activity. A limited number of these activities will be available to other providers and/or the general public on a space-available basis on topics such as Fair Housing/Section 504 that affect a broad spectrum of Alaskan providers. AHFC will also plan training events in coordination with training activities hosted by other groups, such as HUD or the homeless coalition, to maximize training resources and training availability.

B. Infrastructure for Housing and Community Development

The availability of appropriate infrastructure will continue to be a critical factor impacting housing affordability and sustainable community development projects during SFY 2011. The nature of Alaska presents special challenges in this area. Approximately two hundred thirty-seven (237) Alaskan communities are only accessible by air or by small boats. Many rural communities have inadequate sanitation facilities or suffer from a lack of safe drinking water. Extremely high electric costs are an impediment to sustainable housing and community development projects. Even with State subsidies, the average power cost in rural Alaska is approximately 50 cents per kilowatt hour.

The concern for energy efficiency continues to receive attention. In February 2005, then Governor Frank Murkowski created a Rural Energy Action Council which would report

to him on short-term proposals to reduce the cost of energy in Bush Alaska. The Rural Energy Action Council issued a report to the Governor in the spring of 2005, with specific recommendations in several areas. In June, 2008 the Alaska Energy Authority, Alaska Housing Finance Corporation and Cold Climate Research Center jointly produced a report of “Alaska Energy Efficiency Program and Policy Recommendations.” At the direction of Governor Sarah Palin in 2008, the Alaska Energy Authority developed a statewide energy plan entitled “Alaska Energy: A First Step toward Independence” that was published in January, 2009 and outlined all possible energy options for the communities in Alaska. The Second Phase of this Energy Plan is expected to be available for use in SFY2011.

The issues addressed in these efforts included: incentives to lower energy delivery costs; regional supply and distribution centers; cooperative fuel purchases; power plant operational efficiencies; consolidation of energy providers; a review of Alaska Energy Authority programs; acceleration of alternative energy methods; and energy conservation measures.

Since 1995, Alaska Housing Finance Corporation’s financial strength and stable credit rating has allowed it to assist the State in funding improvements and deferred maintenance for public facilities throughout Alaska. Since the mid-1990’s, more than \$225 million in water, sewer, and other state capital projects has been funded through AHFC’s capital budget. Approximately \$500 million in bonds (including state capital project bonds and tobacco settlement bonds) have supported repairs, renovations and new construction around the state. Even with the numerous construction projects of the past five years, a significant part of Alaska’s infrastructure currently in place was developed in the 1970’s and 1980’s and is now showing signs of deferred maintenance. Existing infrastructure requires a substantial investment of rehabilitation funding. With population growth and increasing demand, new infrastructure development is also needed.

The State of Alaska’s Community Development Block Grant (CDBG) program is one key funding resource in addressing the State’s infrastructure needs in qualifying communities. One of the seven guiding principles of this HCD Plan is that use of community development funds should emphasize the creation of economic opportunity through development of infrastructure. The State of Alaska’s Community Development Block Grant (CDBG) program description outlines the State’s priorities and strategies on allocating CDBG funds during SFY 2011.

The Indian Community Development Block Grant Program (ICDG) program assists eligible recipients to develop viable communities, including decent housing, as suitable living environment, and economic opportunities for persons of low and moderate income. Eligible applicants include any Indian tribe, band, group or nation (including Alaskan Indians, Aleuts or Eskimos) or Alaska native Village which had established a relationship to the Federal government as defined in the program regulations. CDBG funding can be used for housing, community facilities, and economic development.

AHFC’s Supplemental Housing Development Program provides capital funding to Regional Housing Authorities, which use the funds to supplement housing projects

approved for development under the U.S. Department of Housing and Urban Development (HUD) Housing Development Programs. The funds in AHFC's program are limited to twenty percent (20%) of HUD's total development costs per project, and can only be used for the cost of on-site sewer and water facilities, road construction to project sites, electrical distribution facilities, and energy efficiency design features in the homes. A total of \$8 million has been requested in AHFC's SFY 2011 capital budget for the Supplemental Housing Development Program.

The Denali Commission Act of 1998 states the purpose of the Denali Commission 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.

In FY2008, the Denali Commission modified existing policies governing investment strategies, procurement regulations and cost containment. Highlights of specific changes include:

- *Priority to be placed on needs of existing communities* - The Commission will give priority to the critical infrastructure needs of existing communities before considering proposals to create new communities unless there is relocation of an existing community.
- *Proximity/access to existing services and/or facilities* - In general, the Commission will not fund projects for like facilities in communities within a twenty mile distance of one another, and accessible by year-round road service.
- *Population trends* - The Commission will require additional documentation of community and project sustainability in communities that have any of the following characteristics: populations less than 100 year round residents, significant (20% or greater) population fluctuations (either decrease or increase), and projected or actual closure of State of Alaska school facilities.
- *Competitive Bid Policy* - Any infrastructure project funded by the Denali Commission with a total project cost (to include the planning, design and construction phases) of \$3 million or greater shall be competitively bid.
- *Cost Containment Policy* - The Commission shall evaluate all infrastructure facilities (excluding transportation) against the benchmarks which are produced under contract on an annual basis. Commission program partners shall be required to produce cost estimate detail and project budgets in accordance with the annual benchmarks, and shall be required to justify any budget requests that are not in keeping with the benchmark figures.

Annual funding for the Denali Commission continues to decline. In FY2006, the Denali Commission received \$141 million in federal funding. In FY2010, the Denali Commission anticipates receipt of \$62 million. Based on the Denali Commissions FY2010 work plan, approximately \$12.0 million is expected to be appropriated for energy and water projects; \$8.0 million for the Rural Utility Service; \$7.0 million for the Trans Alaska Pipeline Liability Trust; \$10.0 million for health resources and service administration, and \$25.0 million for transportation programs. More information on the Denali Commission can be found at www.denali.gov

C. Role of Local Governments

Local governments can play a significant role in promoting or impeding housing and community development (HCD) projects. A positive example of this role in HCD development is seen when local government acts as the applicant under the State's Community Development Block Grant (CDBG) Program. The goals of the Alaska CDBG program are to provide resources to Alaskan communities for public facilities and planning activities which address issues detrimental to the health and safety of local residents and to reduce the cost of essential community services. The CDBG program may also fund Special Economic Development activities that result in the creation of jobs for low and moderate income persons. Any Alaskan municipal government (except Anchorage) is eligible to apply for State CDBG funds. Non-profits may apply as co-applicants with the local government for these pass-through funds. During SFY 2011, the State will offer technical assistance workshops on the CDBG program that will assist local governments and non-profits better access and implement CDBG projects.

Many activities of local government impact affordable housing projects. Platting and zoning decisions, and the development and maintenance of infrastructure are examples of such activities. Property tax assessment policies are another example of local government actions that can greatly impact the viability of affordable housing developments. During SFY 2011, education and outreach will continue to be targeted towards local governments to help them better understand the impact of their actions upon affordable housing projects.

D. Accessing, Targeting and Leveraging Resources

An increasing emphasis has been placed upon using multiple funding sources to finance housing and community development projects. This emphasis has been seen upon the federal, state, and local levels. In the State of Alaska's Five Year HCD Plan, Alaska's unmet needs far exceed the resources available to programs governed by the HCD Plan. To address these unmet needs, available HCD resources must be effectively targeted and leveraged with other available resources. Both public and private funding is necessary to meet these needs, and in many cases a combination of funding sources is necessary to

make a project viable. During SFY 2011, Alaska AHFC will continue to encourage the effective and coordinated use of available funding resources.

AHFC's GOAL Program (Greater Opportunities for Affordable Living) uses a single application and review process for several of the affordable housing programs it administers: HOME Rental Development Program, the Low Income Housing Tax Credit Program, and the Senior Citizen Housing Development Program and the Denali Commission Elder Housing Program. The GOAL Program awards points in two categories based on the projects leveraged resources: the ability of the applicant to provide written commitments from other funding sources and based on the amount of leveraged funds in relation to the total development costs.

Predevelopment resources are an area that can present barriers to developing affordable housing and other facilities. Recognizing the need to layer and manage resources, in SFY 2011 AHFC will continue coordination with the Predevelopment program sponsored by the Alaska Mental Health Trust Authority, the Denali Commission and the Rasmuson Foundation. These funds are aimed at providing resources for development projects enabling them to thoroughly prepare for a capital project. By coordinating planning processes and sharing resources, the state believes that projects submitted will be better prepared and will bring about a greater level of confidence in the plans presented. AHFC will also make predevelopment funds available in SFY2011 via a competitive NOFA process.

Accessing, targeting and leveraging resources requires information about the wide range of HCD funding programs be easily accessible to individuals and organizations. In the area of homeownership programs, AHFC's HOME CHOICE workshops will continue to provide an opportunity in SFY 2011 for Alaskans to better understand available homeownership programs, the home-buying process, and the responsibilities of homeownership. Since 1995, nearly 45,000 individuals have completed HOME CHOICE training.

Multi-family and special needs housing projects have a number of special concerns that project sponsors must address. Multiple funding sources carry with them multiple (and potentially incompatible and / or inconsistent) administrative and compliance issues. Subject to the limitations and restrictions of HUD technical assistance (TA) funding, AHFC will offer direct TA and training opportunities to assist project sponsors better access HCD resources, implement their projects, and stay in compliance with the various program requirements.

The largest single source of funding for housing in rural Alaska is the Indian Housing Block Grant Program funded through the U.S. Department of Housing and Urban Development. The Native American Housing Assistance and Self-Determination Act (NAHASDA) of 1996 is designed to provide Federal Assistance for Indian tribes in a manner that recognizes the right of tribal self- governance. NAHASDA provides a single block grant to Tribally Designated Housing Entities (TDHEs). TDHEs develop and maintain Indian Housing Plans that describe priority needs and proposed activities for the use of NAHASDA funds.

Additional funding sources include programs under the Indian Health Service (IHS), Alaska Native Tribal Health Consortium (ANTHC), Alaska State Village Safe Water Program (VSW), and the Denali Commission.

E. Protecting and Improving Housing and Community Development Assets

An important component of the State's housing strategy will continue to be the preservation and improvement of existing housing stock.

High energy costs over the past several years are putting increased strain on Alaskan budgets and elevating the number of inquiries AHFC has been receiving for energy programs to assist new & existing homeowners, homebuyers and renters.

The continued impacts of global climate change issues in Alaska, along with concerns for healthier, high performance buildings which use natural & recycled materials, promote less impact on the building site and minimize transportation costs has increased interest in the green building movement as well.

The basis of green building is sustainable design. Sustainable design seeks to optimize the quality of the built environment while minimizing or eliminating the negative impacts on the natural environment. Green building programs are attempts at incorporating those goals into a practical framework.

As described above in this SFY 2011 Annual Action Plan, the State will commit \$729,382.22 in previous year HOME funding allocations to support the Owner-Occupied Rehabilitation Program (ORP). AHFC has also requested, in its SFY2011 capital budget, \$3 million in Federal funding for weatherization activities for low- and moderate-income families throughout Alaska. The program funds health and safety upgrades such as furnace maintenance, electrical repairs, and installation of egress windows.

The weatherization programs provide cost effective energy improvements to the homes of low-income families, and are sometimes used in conjunction with the HOME ORP Program. Weatherization also provides for some health and safety repairs needed to complete the energy efficiency work. AHFC Weatherization Programs are discussed in detail, above.

Alaska Housing Finance Corporation's Public Housing Division has a number of renovation and repair activities scheduled on its properties throughout the state. A list of these activities with costs can be found above in the table entitled AHFC Public Housing Construction Activities ---SFY 2011 --- Areas Outside of Anchorage.

As previously mentioned, over the last several years, AHFC has increased the emphasis on rehabilitation and preservation of existing affordable housing resources in the rating criteria for the LIHTC, HOME and SCHDF programs. As a result, more affordable

housing rental units have been renovated and several federally subsidized rental projects have remained in the affordable housing stock.

Another important resource for the protection and improvement of housing during SFY 2011 will come from the Indian Housing Block Grant allocation for Alaska. The Formula for Current Assisted Stock (FCAS) provides funding for Tribally Designated Housing Entities to maintain and repair their existing housing stock.

XVI. Input from Other Planning Efforts

A number of other sources of data and planning input in the area of housing and community development have been used in the preparation of this SFY 2011 Annual Action Plan. The Consolidated Planning process is designed to incorporate a broad scope of input and perspectives, and a wide range of resources targeted towards housing and community development. Examples of input from other planning and research efforts include:

- Alaska Continuum of Care for the Homeless---*Homeless Strategy for All Areas Outside of Anchorage*.
- Alaska Housing Finance Corporation---*Moving to Work Plan*
- Alaska Housing Finance Corporation's Homeless Point in Time Charts.
- Alaska Interagency Council on the Homeless, *Ten-Year Plan to Reduce Homelessness*
- Alaska Energy Authority, *Alaska Energy: A first step toward independence; A guide for Alaskan Communities to utilize local energy resources*; January, 2009
- Cold Climate Housing Research Center --- *Alaska Energy Efficiency Program and Policy Recommendations*; June, 2008
- Alaska Low Income Weatherization Plan
- Alaska Department of Community and Economic Development---*Alaska Economic Performance Report*
- Alaska Department of Environmental Conservation---*Village Safe Water*
- Alaska Department of Health and Social Services---*Comprehensive Integrated Mental Health Plan*.
- Alaska Department of Labor and Workforce Development--- *Alaska Two Year State Plan for Title I of the Workforce Investment Act of 1998, July 1, 2007 through June 30, 2010*.

- Alaska Department of Transportation ---*Statewide Transportation Improvement Program*
- Denali Commission---*Annual Work Plans; Policy and Procedure*
- Fairbanks North Star Borough---*Community Research Quarterly*
- Kenai Peninsula Borough---*Quarterly Report of Key Economic Indicators*
- Tribally Designated Housing Entities---*Indian Housing Plans*
- Alaska Housing Market Indicators --- *Quarterly Survey of Alaska Lenders, the Quarterly Survey of Alaska Permitting Activity, the Annual State of Alaska Rental Market Survey and the Construction Cost Survey*
- Institute for Social And Economic Research (ISER) 2010 Report --- *Components of Alaska Fuel Costs: An Analysis of the Market Factors and Characteristics that Influence Rural Fuel Prices Report prepared for the Alaska State Legislature.*
- Institute for Social And Economic Research (ISER) 2008 Report --- *Fuel Cost, Migration, and Community Viability Final Report prepared for the Denali Commission*
- Institute for Social And Economic Research (ISER) 2009 Report --- *The Cost of Crime: Could The State Reduce Future Crime and Save Money By Expanding Education and Treatment Programs?*
- Alaska Department of Corrections 2007 and 2008 *Homeless Offender Survey*

During SFY 2011, the Interagency Steering Committee will review other sources of planning and research for potential input into the Plan.

XVII. Annual Performance Report

This SFY 2011 Annual Action Plan is the first implementation plan of the Five Year Consolidated Housing and Community Development Plan for the State of Alaska (State Fiscal Years 2011 through 2015). An important component of the Consolidated Planning process is the Consolidated Annual Performance and Evaluation Report (CAPER) that must be submitted to the U.S. Department of Housing and Urban Development within 90 days of the close of the state fiscal year. In early SFY 2011, the process to develop the SFY 2010 CAPER will begin, with the completed report to be submitted to HUD by September 28, 2010. The Interagency Steering Committee will direct this process to collect and analyze program data and assess progress made towards HCD Plan goals. The Interagency Steering Committee will also evaluate the on-going citizen participation

activities, and input from other planning and research activities. New and emerging trends, conditions and opportunities will be identified that may influence the State's response to its housing and community development needs. Input from the SFY 2009 CAPER was utilized in the development of the new Five Year HCD Plan (SFY 2011 through SFY 2015). The CAPER on this SFY 2011 Annual Action Plan will be developed during July through September of 2011.

Any questions concerning the State of Alaska's Consolidated Housing and Community Development planning process should be directed to:

**Oscar Cedano
HCD Coordinator
Planning and Program Development
Alaska Housing Finance Corporation
P.O. Box 101020
Anchorage, Alaska 99510-1020**

**Phone: 1-907-330-8277 or
1-800-478-2432, Ext. 8277**

**FAX: 1-907-338-2585
Web Site: www.ahfc.state.ak.us**

APPENDIX A

Unexpended Funds by Fiscal Year

Project Status Report

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HOME Unexpended Funds by Fiscal Year

As of March 2, 2010

* All other funding categories not shown are fully expended. This report includes program income revenue but does not include AHFC administrative costs.

Source	Year	Category	Allocated	Awarded	Uncommitted	Expended	Unexpended
HOME - Corp	SFY 2002	HOME - ORP	\$195,733.00	\$191,358.64	\$4,374.36	\$191,358.64	\$4,374.36
HOME - Corp	SFY 2002	HOME - ORP Admin	\$ 3,000.30	\$ 0.00	\$3,000.30	\$ 0.00	\$3,000.30
HOME - Corp	SFY 2004	HOME - ORP Admin	\$48,653.00	\$37,118.00	\$22,153.26	\$26,499.74	\$17,407.26
HOME - Corp	SFY 2005	HOME - ORP	\$150,000.00	\$150,000.00	\$0.00	\$57,532.00	\$92,468.00
HOME - Corp	SFY 2006	HOME - HOP	\$115,000.00	\$115,000.00	\$0.00	\$104,107.96	\$10,892.04
HOME - Corp	SFY 2006	HOME - ORP	\$225,000.00	\$225,000.00	\$0.00	\$0.00	\$225,000.00
HOME - Corp	SFY 2006	HOME - ORP Admin	\$60,000.00	\$60,000.00	\$ 0.00	\$400.44	\$59,599.56
HOME - Corp	SFY 2007	GOAL Hsg Prod Pre-Devel	\$100,000.00	\$48,355.35	\$51,644.65	\$48,355.35	\$51,644.65
HOME - Corp	SFY 2008	GOAL Housing Production	\$500,000.00	\$500,000.00	\$0.00	\$150,000.00	\$350,000.00
HOME - Corp	SFY 2008	GOAL Hsg Prod Pre-Devel	\$50,000.00	\$0.00	\$50,000.00	\$0.00	\$50,000.00
HOME - Corp	SFY 2008	HOME - ORP	\$100,000.00	\$14,374.36	\$ 85,625.64	\$0.00	\$100,000.00
HOME - Corp	SFY 2008	HOME - ORP Admin	\$45,000.00	\$44,535.00	\$465.00	\$0.00	\$45,000.00
HOME - Corp	SFY 2009	GOAL Housing Production	\$500,000.00	\$500,000.00	\$0.00	\$0.00	\$500,000.00
HOME - Corp	SFY 2009	HOME - HOP	\$100,000.00	\$100,000.00	\$0.00	\$72,350.00	\$27,650.00
HOME - Corp	SFY 2009	HOME - HOP Admin	\$42,000.00	\$42,000.00	\$0.00	\$0.00	\$42,000.00
HOME - Corp	SFY 2009	HOME - ORP	\$90,000.00	\$0.00	\$90,000.00	\$0.00	\$90,000.00
HOME - Corp	SFY 2009	HOME - ORP Admin	\$18,000.00	\$18,000.00	\$ 0.00	\$0.00	\$18,000.00
HOME - Corp	SFY 2010	GOAL Housing Production	\$200,000.00	\$0.00	\$200,000.00	\$0.00	\$200,000.00
HOME - Corp	SFY 2010	GOAL Hsg Prod Pre-Devel	\$50,000.00	\$0.00	\$50,000.00	\$0.00	\$50,000.00
HOME - Corp	SFY 2010	HOME - HOP	\$141,400.00	\$141,400.00	\$0.00	\$3,000.00	\$138,400.00
HOME - Corp	SFY 2010	HOME - HOP Admin	\$23,600.00	\$23,600.00	\$0.00	\$0.00	\$23,600.00
HOME - Corp	SFY 2010	HOME - ORP	\$115,000.00	\$0.00	\$115,000.00	\$0.00	\$115,000.00
HOME - Corp	SFY 2010	HOME - ORP Admin	\$40,000.00	\$12,000.00	\$28,000.00	\$0.00	\$40,000.00
HOME - Corp	SFY 2010	HOME - TBRA	\$150,000.00	\$0.00	\$150,000.00	\$0.00	\$150,000.00
HOME - Corp	SFY 2010	HOME - TBRA Admin	\$30,000.00	\$30,000.00	\$ 0.00	\$0.00	\$30,000.00
Sub-Total	-	-	\$3,092,386.30	\$2,252,741.35	\$850,263.21	\$653,604.13	\$2,434,036.17

Source	Year	Category	Allocated	Awarded	Uncommitted	Expended	Unexpended
HOME - HUD	FFY 2002	GOAL Housing Production	\$82,999.91	\$82,991.91	\$8.00	\$0.00	\$82,999.91
HOME - HUD	FFY 2003	GOAL Housing Production	\$29,000.00	\$29,000.00	\$0.00	\$0.00	\$29,000.00
HOME - HUD	FFY 2004	HOME - ORP	\$795,000.00	\$795,000.00	\$0.00	\$781,007.91	\$13,992.09
HOME - HUD	FFY 2005	GOAL Housing Production	\$442,045.00	\$442,045.00	\$0.00	\$54,036.91	\$388,008.09
HOME - HUD	FFY 2005	HOME - ORP	\$930,000.00	\$930,000.00	\$ 0.00	\$438,256.00	\$491,744.00
HOME - HUD	FFY 2005	HOME - ORP Admin	\$120,000.00	\$120,000.00	\$ 0.00	\$83,735.42	\$36,264.58
HOME - HUD	FFY 2006	GOAL Housing Production	\$1,551,111.00	\$1,551,111.00	\$0.00	\$1,082,363.60	\$468,747.40
HOME - HUD	FFY 2006	HOME - OEA	\$150,000.00	\$150,000.00	\$0.00	\$142,034.47	\$7,965.53
HOME - HUD	FFY 2007	GOAL Housing Production	\$1,208,610.00	\$1,208,610.00	\$0.00	\$1,123,610.00	\$85,000.00
HOME - HUD	FFY 2007	HOME - HOP	\$701,390.00	\$701,390.00	\$0.00	\$694,054.58	\$7,335.42
HOME - HUD	FFY 2007	HOME - OEA	\$150,000.00	\$150,000.00	\$ 0.00	\$40,212.44	\$109,787.56
HOME - HUD	FFY 2007	HOME - ORP	\$400,000.00	\$400,000.00	\$0.00	\$0.00	\$400,000.00
HOME - HUD	FFY 2007	HOME - ORP	\$205,537.91	\$205,537.91	\$0.00	\$0.00	\$205,537.91
HOME - HUD	FFY 2007	HOME - ORP Admin	\$30,000.00	\$30,000.00	\$0.00	\$0.00	\$30,000.00
HOME - HUD	FFY 2008	GOAL Housing Production	\$1,018,320.00	\$777,319.85	\$241,000.15	\$646,708.85	\$371,611.15
HOME - HUD	FFY 2008	GOAL Housing Production	\$227,823.18	\$0.00	\$227,823.18	\$0.00	\$227,823.18
HOME - HUD	FFY 2008	HOME - CHDO	\$450,210.00	\$450,210.00	\$ 0.00	\$375,974.00	\$74,236.00
HOME - HUD	FFY 2008	HOME - HOP	\$671,081.00	\$671,081.00	\$0.00	\$162,031.00	\$509,050.00
HOME - HUD	FFY 2008	HOME - HOP Admin	\$70,000.00	\$70,000.00	\$0.00	\$13,007.00	\$56,993.00
HOME - HUD	FFY 2008	HOME - OEA	\$150,000.00	\$39,379.00	\$110,621.00	\$0.00	\$150,000.00
HOME - HUD	FFY 2008	HOME - ORP	\$201,389.00	\$201,389.00	\$ 0.00	\$0.00	\$201,389.00
HOME - HUD	FFY 2008	HOME - ORP Admin	\$30,000.00	\$30,000.00	\$ 0.00	\$0.00	\$30,000.00
HOME - HUD	FFY 2008	HOME-HDP	\$209,000.00	\$0.00	\$209,000.00	\$0.00	\$209,000.00
HOME - HUD	FFY 2009	GOAL Housing Production	\$607,780.00	\$0.00	\$607,780.00	\$0.00	\$607,780.00
HOME - HUD	FFY 2009	HOME - CHDO	\$450,500.00	\$0.00	\$450,500.00	\$0.00	\$450,500.00
HOME - HUD	FFY 2009	HOME - HOP	\$394,600.00	\$394,600.00	\$0.00	\$149,313.00	\$245,287.00
HOME - HUD	FFY 2009	HOME - HOP Admin	\$30,319.00	\$30,319.00	\$0.00	\$0.00	\$30,319.00
HOME - HUD	FFY 2009	HOME - OEA	\$150,000.00	\$0.00	\$150,000.00	\$0.00	\$150,000.00
HOME - HUD	FFY 2009	HOME - ORP	\$500,000.00	\$184,236.34	\$315,763.66	\$0.00	\$500,000.00

HOME - HUD	FFY 2009	HOME - ORP Admin	\$65,000.00	\$0.00	\$65,000.00	\$0.00	\$65,000.00
HOME - HUD	FFY 2009	HOME - TBRA	\$130,000.00	\$4,307.00	\$125,693.00	\$1,306.50	\$128,693.50
HOME - HUD	FFY 2009	HOME - TBRA Admin	\$5,000.00	\$5,000.00	\$ 0.00	\$0.00	\$5,000.00
HOME - HUD	FFY 2009	HOME - TBRA Security Deposit	\$20,000.00	\$20,000.00	\$ 0.00	\$0.00	\$20,000.00
HOME - HUD	FFY 2009	HOME-HDP	\$450,000.00	\$0.00	\$450,000.00	\$0.00	\$450,000.00
Sub-Total	-	-	\$12,626,716.00	\$9,673,527.01	\$2,953,188.99	\$5,787,651.68	\$6,839,064.32

Source	Year	Category	Allocated	Awarded	Uncommitted	Expended	Unexpended
HOME-ADDI-HUD	FFY 2008	HOME-ADDI	\$11,684.00	\$11,684.00	\$0.00	\$9,241.00	\$2,443.00
Sub-Total	-	-	\$11,684.00	\$11,684.00	\$0.00	\$9,241.00	\$2,443.00

APPENDIX B

OBJECTIVES TO END CHRONIC HOMELESSNESS AND MOVE FAMILIES AND INDIVIDUALS TO PERMANENT HOUSING

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Alaska Council on the Homeless

Ten-Year Plan to Reduce Long Term Homelessness

F-1. Housing for Chronic & Special Needs Homeless		Baseline: 627 chronic homeless out of 3,305 total homeless (PIT) 161 Chronic Hsg units out of 428 Perm Sup. Hsg. inventory		
Strategy	Action Steps	12-Month Outcome	By the Year 2014	By the Year 2019
1. Expand housing options (construction/rehab/rental asstnc)	1.a Build capacity to maximize use of resources (811/202; HOME) 1b Develop prototype model for supportive housing 1.c Develop a coordinated funding source (HTF) to house more high need homeless persons 1.d Develop intensive service-enriched housing for persons w/high needs exiting API & DOC	1.a List of 202/811 applicants developed for next 10 yrs 1.b Prototypes/ models identified 1.c Fund established 1.d Four agencies identified through RFQ process to develop prototype	1.a 25 new 202 units and 25 new 811 units 1.b, 10 new programs developed from model 1.c&d 300 addt'l HH assisted	1.b 50 new 202 units and 50 new 811 units 1.b,c,d 800 addt'l HH assisted
2. Increase supplemental support for services not covered by Medicaid	2. a Identify unmet service needs and costs 2.b Utilize housing finance resources to cover cost of room & board for persons served by Adult Protective Services (APS)	2.a Funding sources identified for unmet service needs 2.b Housing & service costs delineated	2. a 30% of service needs addressed 2.b 50% of APS clients recv'g hsg asstnc	2. 70% of service needs addressed 2.b 100% of APS clients recv'g hsg asstnc
3. Increase pool of operating support to preserve existing housing stock	3.a Inventory existing projects for operating assistance needs 3.b Issue NOFA to award project-based assistance	3. 20 project-based rent asstnc	3. 100 project-based rent asstnc	3. 200 project-based rent asstnc

Alaska Council on the Homeless Ten-Year Plan to Reduce Long Term Homelessness

F-2. Housing for Persons Discharged from State Custody		Baseline: 8,000/yr discharged from DOC w/no identified housing 33 existing beds for transitioning youth (ANC & JNU)		
Strategy	Action Steps	12-Month Outcome	By the Year 2014	By the Year 2019
1. Revise discharge policies to explicitly discourage discharge to homeless shelters.	1.a Review policies and identify text revisions 1.b Establish baseline on discharges to homelessness	1. a. Policy revisions completed	1.b 50% reduction of discharge to shelter or streets	1.b 75% reduction of discharge to shelter or streets
2. Increase # of units available to transitioning youth	2.a Identify exact # of transitional beds needed (300 est.) 2b. Apply for Family Unification Program vouchers from HUD	2.a Needs baseline established 2.b Vouchers awarded by HUD	2.a 50% of needed beds added to inventory 2.b 100% FUP voucher utilization	2.a 50% of needed needed added to inventory 2.b 100% FUP voucher utilization
3. Develop landlord incentives to rent to “hard to house” persons.	3.a. Identify incentives (e.g. damage fund, rent-up bonus, etc) 3.b Develop a coordinated funding source (HTF) to house more high need homeless persons	3.a Incentive program developed 3.b 1.c Fund established	3.a&b 50% placement success	3.a&b 75% placement success
4. Increase employment/vocational opportunities for persons in transition.	4.a Identify models	4. a Model selected for implementation	Programs in every DOC & DJJ facility	100% job referral upon discharge

Alaska Council on the Homeless

Ten-Year Plan to Reduce Long Term Homelessness

F-3. Permanent Housing for Households w/Children Transitioning from Homelessness		Baseline: 1,507 People (494 Families) out of 3,305 total homeless in PIT		
Strategy	Action Steps	12-Month Outcome	By the Year 2014	By the Year 2019
1. Expand housing options (construction/rehab/rental asstnc)	1.a Build capacity to maximize use of resources (HOME/TBRA) 1.b Create incentives to utilize existing hsg programs to address needs of low-income families 1.c Develop coordinated funding source (HTF) to assist more homeless families	1.a Agencies identified for intensive TA 1.b GOAL policies/priorities revised to target homeless families 1.c Fund established	1.b&c 150 Units w/20% f/large families	1.b&c 300 Units w/20% f/large families
2. Increase pool of operating support to preserve existing housing stock	2. Inventory existing projects for operating assistance needs	2. Inventory completed and needs identified	100 assisted units	200 assisted units
3. Provide rapid re-housing services for HH w/children	3.a Create incentives for central intake & assessment of family homeless needs 3.b Develop coordinated funding source for move-in costs.	3.a Central clearinghouse identified in each AK community 3.b Fund established	3.a &b. 50% HH re-housed within 90 days	3.a&b. 85% HH re-housed within 90 days
4. Improve outreach & linkages to housing resources & services	4.a Build capacity among homeless school liaisons & rural school districts 4.b Expand outreach on use of AK Housing Locator 4.c Improve 211 to accurately reflect all local homeless services	4.a 25% increase in homeless school liaison participation in state hsg coalition 4.b 50% increase in Locator listings 4.c 65% coverage	4.a 50% increase in homeless school liaison participation in state hsg coalition 4.b 100% increase in Locator listings 4.c 80% coverage	4.a 100% increase in homeless school liaison participation in state hsg coalition 4.b 200% increase in Locator listings 4.c 95% coverage

Alaska Council on the Homeless

Ten-Year Plan to Reduce Long Term Homelessness

F-4. Short-Term Homeless Prevention / Crisis Intervention		2008 Baseline: 324 households served by HAP-funded prevention component in SFY08/ 67% housing retention rate		
Strategy	Action Steps	12-Month Outcome	By the Year 2014	By the Year 2019
1. Create local centralized pool of prevention resources to provide assistance with rent, mortgage & utility arrearages OR to cover housing costs for persons temporarily absent due to hospitalization, SA treatment or short-term incarceration (less than 60 days).	1.a Coordinate existing resources (ESG, LIHEAP, EFSP, ATAP Diversion) 1.b Develop framework for central prevention pools 1.b Set aside min 30% HAP/ASHP authorization for prevention activities 1.c Develop coordinated funding source (HTF) to assist more households at-risk of homelessness	1.a 1.b Framework developed 1.b Award HAP/ASHP funds w/priority to central pools 1.c Fund established	100% increase in # of households served 75% retention rate	200% increase in # of households served 85% retention rate
2. Apply a uniform assessment tool to identify barriers to housing stability	2.a Integrate assessment tool into HMIS	2.a Updated version installed	60% assessments completed on prevention cases	100% assessments completed on prevention cases

Alaska Council on the Homeless Ten-Year Plan to Reduce Long Term Homelessness

F-5. Data Collection				
Strategy	Action Steps	12-Month Outcome	By the Year 2014	By the Year 2019
1. Expand HMIS coverage to all federal and state-funded homeless programs.	1.a Continue ongoing training and access project to connect all providers of shelter & transitional housing in AK (except DV)	1.a 50% bed coverage in HMIS	75% bed coverage in HMIS	85% bed coverage in HMIS
2. Coordinate prevention report from all sources (ESG, HAP, LIHEAP, ATAP Diversion, STRAP)	2. Develop MOU w/funders to coordinate report	2. Fund administrators meet & forge agreement	2. Report reflects 50% coverage	2. Report reflects 90% coverage

F-6. Community Infrastructure				
Strategy	Action Steps	12-Month Outcome	By the Year 2014	By the Year 2019
1. Ensure housing policy is addressed at the local level	1.a Educate AML & CoC's re: housing component in comp plans	1.a Comp plan enabling legislation introduced	1.a Comp plan enabling legislation enacted & 30% comp plans inc. housing element	1.a Comp plan enabling legislation enacted & 70% comp plans inc. housing element
2. Provide operational support to local housing planning organizations to coordinate services and reporting	2.a Develop long-range organizational plan	2.a. Statewide organization fully staffed	2.a Local organizations established in 5 communities	2.a Local organizations established. in 9 communities

APPENDIX C

TABLE 3A, Summary of Specific Annual Objectives

TABLE 3B, Annual Housing Completion Goals

TABLE 3C, Consolidated Plan Listing of Projects

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Optional Table 3A Summary of Specific Annual 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 3A Summary of Specific Annual 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 3A Summary of Specific Annual 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. Create a suitable living environment by providing funding to operate and maintain emergency shelters or transitional housing for homeless households. Create a suitable living environment where homeless households can benefit from shelter and services to overcome a housing crisis.	ESG	Number of homeless facilities upgraded with ESG funds.	2010	2-3 25,000 3,000		
SL-1.4		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		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				

Annual Housing Completion Goals (Table 3B)

Grantee Name: AHFC/ DCCED Program Year: FFY2010/ SFY2011	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
<i>BENEFICIARY GOALS</i> <i>(Sec. 215 Only)</i>						
Homeless households			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	52- HOME 6- CDBG		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households	10-HOME		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Sec. 215 Beneficiaries*	68		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>RENTAL GOALS</i> <i>(Sec. 215 Only)</i>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	6		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	10		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Rental	16		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>HOME OWNER GOALS</i> <i>(Sec. 215 Only)</i>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		
Production of new units	10		<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitation of existing units	14-HOME 6- CDBG		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Homebuyer Assistance	22		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Owner	52		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>COMBINED RENTAL AND OWNER GOALS</i> <i>(Sec. 215 Only)</i>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	16		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	14-HOME 6- CDBG		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	10		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Homebuyer Assistance	22-HOME		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Combined Total Sec. 215 Goals*	68		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>OVERALL HOUSING GOALS</i> <i>(Sec. 215 + Other Affordable Housing)</i>						
Annual Rental Housing Goal	16		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal	52		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Overall Housing Goal	68		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* The total amounts for "Combined Total Sec. 215 Goals" and "Total Sec. 215 Beneficiary Goals" should be the same number.

Table 3C (Optional)			
Annual Action Plan Planned Project Results			
Outcomes and Objectives	Performance Indicators	Expected Number	Activity Description
DH 1.1	Number of homebuyers receiving assistance.	22	HOME Opportunity Program
DH 1.2	Number of tenant households receiving assistance.	10	Tenant Based Rental Assistance
DH 2.1	Number of HOME units developed.	6	Rental Development Program
DH 2.2	Number of affordable units developed.	10	Homeownership Development Program
DH 3.1	Number of homeowners receiving assistance.	14	Owner-Occupied Rehabilitation Program
SL 1.1	CDBG- Number of persons with new access to a public facility or infrastructure benefit.	320	CDBG- Community Development
SL 1.2	CDBG- Number of LMI households receiving funding to address health and safety issues and number of persons in those households benefiting.	6	CDBG Owner-Occupied Rehabilitation Program
SL-1.3	ESG- Number of homeless facilities upgraded	2-3	Rehabilitation/ Renovation
SL-1.4	ESG- Number of bednights provided in homeless facilities	25,000	Maintenance & Operating Costs
SL-1.5	ESG- Number of homeless persons who benefited from shelter or services	3,000	Essential Services
*Use one of 9 outcome/objective categories			
	Availability/Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

APPENDIX D

SF424 and Certifications

DOCUMENTS TO BE INCLUDED AFTER BOARD APPROVAL OF PLAN

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APPENDIX E

PUBLIC COMMENTS AND STATE’S RESPONSES

According to the State’s Citizen Participation Plan, and as part of the outreach effort to promote citizen participation in the 5-Year HCD Plan and Annual Action Plan (AAP) planning process, AHFC held a series of public hearings, participated in several community development events, conducted two online surveys, and received individual comments from citizens throughout the state. Below are summaries of public comments and the State’s responses. The public hearings are presented first, by date; the results of the online surveys follow and random comments are addressed last.

AHFC conducted two public hearings at the AHFC main offices in Anchorage, Alaska prior to the release of the HCD and AAP drafts to gain public input into the development of these plans. The first hearing was held on *December 16, 2009*; it was attended in person by a representative from DHSS Division of Behavioral Health, and, telephonically, by representation from Fairbanks Community Behavioral Health Center, the Juneau Assembly, the City of Delta Junction, Tanana Chiefs, Fairbanks Resource Agency, the Juneau Economic Development Council, the Gulkana Community Service Partnership Project, St. Vincent de Paul in Juneau, and a private citizen from the Mat-Su Valley. The second hearing was held on January 14, 2010; it was attended telephonically by representation from Chickaloon Village, Fairbanks Rescue Mission, and the United Way. At each, AHFC provided an overview of the consolidated planning process, the programs it covers, a description of the performance of the current programs, and the timeline for the development of the new 5-Year HCD Plan and AAP. Public comment was encouraged and heard. The hearings were teleconferenced statewide and the records were transcribed.

A third public hearing was held on March 31, 2010 after the draft HCD Plan and AAP were published for public comment. This hearing followed the same format as the first two described above. In addition, AHFC provided a summary of the contents of both the draft plans and comment was directed to their contents.

AHFC coordinated two online internet surveys to solicit public input regarding housing and community development issues in Alaska. They were available for participation from December 23, 2009 through February 6, 2010. One survey was directed toward organizations, the other toward individuals. Each collected demographic information that enabled geographic and socio-economic analysis. Each allowed for direct commentary to three questions. Seventy-nine people responded to the individual survey and forty-two responses were made to the organization survey. Comments are summarized below with similar comments grouped together and unique comments reproduced *verbatim*.

**Public Hearing and Statewide Teleconference
December 16, 2009
SFY 2011 AAP
Held during Development of the Plans**

Comment 1: Dana L. Olson, a private citizen from the Matanuska Susitna Borough, stated she was speaking for herself and several other concerned citizens whom she had consulted. Ms. Olson described a number of problems in her region, including limited assistance for low-income persons needing home repairs, the lack of shelters for single individuals displaced by natural disaster or economic hardship and an insufficient supply of affordable housing alternatives such as mobile home parks. In terms of community development, Ms. Olson noted that the Mat-Su area is one of the fastest growing areas of the state and is unable to keep pace with growing infrastructure needs such as transportation.

State Response to Comment 1: AHFC concurs with Ms. Olson that the Matanuska Susitna Borough is facing many challenges connected to rapid population growth that will likely continue through the years addressed in this Plan. Through another state funding source, AHFC recently awarded funds to the Mat-Su Homeless Coalition to support a Community Homeless Coordinator position. The Mat-Su Coalition is in the process of developing a 10-year plan that incorporates many of the same concerns raised by Ms. Olson. As noted in Guiding Principal #4, AHFC will take particular note of those local plans when considering applications for funding in the near future.

Comment 2: Deborah Hayes, Director of the Gulkana Community Service Partnership Project (GCSPP), described this entity as a 501(c) (4) non-profit organization started in 2007 when a group of concerned citizens met to discuss the needs of the community. The GCSPP includes representation from the school district, state agencies, the military and many concerned citizens and has a volunteer seven-member Board of Directors. Hayes asked that the needs identified by the GCSPP be included in the AHFC's Five-Year Plan. The GCSPP has conducted a series of community assessments including general questioning of citizenry as to needs of the community and a more focused telephone survey of 448 individuals with 301 responding (71 were veterans, 16 of which were disabled). They have received a 3-year planning grant from the Department of Behavioral Health which will be used to continue to define needs through market analysis and

strategic planning tools.

Hayes indicated the results of the surveys revealed the needs as follows:

- Services so residents with special needs do not have to relocate to Anchorage or Fairbanks for assisted housing
- housing services
- assisted living services
- a senior/disabled housing complex based on income and available for low income individuals that would include:
 - a congregate nutrition program (identified as a need by 294 survey participants)
 - dining/activity center
 - medical facility

State Response to Comment 2: Public input into the 5-Year HCD and AAP is encouraged and welcomed. Several methods for giving input have been established including teleconferences, public hearings, online surveys and email access to AHFC staff. Additional information about the HCD process can be found at the AHFC website (www.ahfc.us) and more information regarding uses of the CDBG funds can be found on the DCCED website. The state recognizes the importance of having services available in communities across the state. HOME funds will be available under these Plans, through competitive grant processes, for development of senior housing, affordable housing, and housing for disabled. State funds are planned for provision of services as described by Hayes. These Plans will be structured so that HOME funds can assist the elderly to remain in their home communities as long as possible.

Comment 3: Mike Tvenge, Delta Junction City Administrator, offered testimony supporting the Gulkana Community Services Partnership and their efforts to help establish a senior housing project. The City is holding a parcel of approximately 14 acres for the senior housing project. The City of Delta Junction wishes to be included in the Strategic Plan. The City is planning to include the senior housing project in their 5-Year Comprehensive Community Development Plan.

State Response to Comment 3: See State Response to Comment 2, above. Additionally, the City of Delta Junction is located in the area of the State that is covered by both Plans being developed.

Comment 4: Ruth Danner from the Juneau Economic Development Council and Juneau Assembly liaison to the Affordable Housing Commission wanted clarification regarding the HCD process and whether these Plans were being developed for competitive grants. Danner also

wanted to know when the online survey was available, when the Strategic Plan Draft would be available for review, the timing of release of the annual and the Five-Year Strategic Plan, and steps the State would take to meet the needs addressed in the Action Plan.

State Response to Comment 4: Neither of the Plans being developed will identify specific projects for funding; the 5-Year HCD Plan contains an analysis of need and market as well as the strategy to meet the identified needs within market conditions. The AAP provides the annual detail regarding activities and fund expenditure based on the strategy provided in the 5-Year HCD Plan. HUD funding based on these Plans would come to the State through entitlement, not competitive, grants. Then, eligible organizations within the “balance of the State” would compete to obtain HOME CDBG and ESG funded grants in order to carry out the activities identified in the AAP.

Comment 5: Cyndi Nation from Tanana Chiefs requested a copy of the online Survey Monkey to distribute it among the villages of her area.

State Response to Comment 5: The surveys will require online participation in order to ensure that all responses are capable of being included in analysis that is offered by the software running the survey. The State indicated it would email a “link” for the survey to Nation.

Comment 6: Dan Austin, General Manager of the Saint Vincent DePaul Society in Juneau, asked several questions regarding the content of the Plans: whether they would be related to the Ten-Year Plan to Address Homelessness in the State, whether they will address needs and activities community by community or region by region.

Austin commented that vouchers for very-low and low-income housing are the critical element that turns the need for low-income housing into market demand. In order to stimulate construction of low-income housing, the number of vouchers (or rental assistance) needs to be increased. As a developer, Austin is in favor of Project Based Vouchers because they would guarantee a market for the project, but as the General Manager of a non-profit charity with the mission to support the interests of the poor, the Tenant Based Voucher Program that exists at AHFC now is preferable. Additionally, the Tenant Based Voucher system puts developers into competition to provide better quality housing to compete for the vouchers.

Austin commented that the AHFC annual competition for Low Income Housing Tax Credits includes a point bonus if the developer has entered into an agreement with homeless service providers to refer homeless households to the new development for possible housing. This sounds good on the surface, but in reality, if a client is truly homeless, he/she will lack the resources to be able to rent a unit. On the other hand, if he/she has the resources, he/she will

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likely already have housing and not need to be referred to the new development. He suggested an alternative: require that a certain number of units (or a percentage of the total) include a rental assistance voucher that is provided by the cash flow of the project, not by the Section 8 Voucher Program, not by the public sector, not by the Shelter Plus Care Program and not by the not-profit community, but by the developers themselves. Unit rent would not have to be at the Tax Credit maximum, but could be anything lower.

State Response to Comment 6: The State concurs with Mr. Austin that low income households are in need of rental subsidies. The SFY2011 Annual Action Plan allocates HOME Investment Partnerships Program funds towards tenant based rental assistance; project based rental assistance is not an eligible HOME activity.

The State also concurs with the comment that additional resources to assist the homeless are needed. In rental housing projects without project based subsidy, cash flow from the project operations must cover the operating expenses and debt service obligations. Additionally, a sufficient “cushion” is typically required by underwriters of the project for the cash flow to absorb any unforeseen cost increases and/or decreases in revenue that may occur over the period of restrictive use. Because of the high building costs in Alaska, and the rent restrictions applicable to units in affordable housing projects, there is rarely sufficient cash flow remaining to be used for the sort of vouchers suggested.

**Public Hearing and Statewide Teleconference
January 14, 2010
SFY 2011 AAP
Held during Development of the Plans**

Comment 1: Lisa Wade, Health and Social Services Director for Chickaloon Village Traditional Council, asked several questions about the HCD planning process, specifically the use of the online surveys. Wade commented that there is a great need in the Matanuska Susitna Borough area for tribal elder housing and for assisted living facilities in general. Wade also identified the need for emergency shelters and transitional housing for families and for housing for families trying to move out of transitional housing. She also noted the need for transportation services and any services that would assist people to “get back on their feet.”

State Response to Comment 1: HUD funding that will come to the State as a result of the development of the subject Plans, as well as certain related state funding, can be used to provide for community development, elder housing, emergency shelters, transitional housing, services to assist the homeless, and light assisted living facilities (those with the primary purpose of housing as opposed to treatment). However, none of this funding can be subject to native preferences. The Chickaloon Village Traditional Council can apply for Pre-Development grants, and/or Greater Opportunities for Affordable Living (GOAL) grants as well as grants for the provision of services to the homeless through AHFC. The State will take Wade's comments into consideration as development of the subject Plans proceeds.

Public Hearing and Statewide Teleconference

March 31, 2010

SFY 2011 AAP

Held after Publication of the Proposed Plans for Public Comment

COMMENTS AND RESPONSES WILL BE INCLUDED IN THIS DOCUMENT AFTER THE OCCURRENCE OF THE ABOVE CAPTIONED MEETING.

Individual Written Comment

Comment 1: On December 23, 2009, the State received a written comment from Susan Bomalaski, Executive Director of Catholic Social Services in Anchorage. Bomalaski requested that homeless veterans be included in the list of Alaskans with special housing concerns due to the following reasons:

- Veterans experience unique obstacles. Twenty-five unsheltered homeless veterans were identified in anchorage in 2009 by the Anchorage Homeless Count.
- Veterans make up twenty-eight percent of the national homeless population and thirty-

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- seven percent of those veterans need services to find housing.
- Homeless veterans stay homeless longer than non-veterans according to the Veterans Health Administration.
 - A larger number of veterans in Anchorage are forecast for the next few years as more return from conflict zones abroad and other military engagements.
 - Veterans face significant obstacles as they reintegrate to into community life including culture shock, prolonged separation, exposure to psychological stresses that affect their personalities, difficulty in adapting, and inability to communicate. They also face the inapplicability of military skills for the civilian work force.

State Response to Comment 1: The Plans under development by the State and subject to this Public Comment Process do not apply to the Municipality of Anchorage, which is the area addressed in Bomalaski's letter; the State encourages Ms. Bomalaski to make her concerns known to the Municipality for consideration when it develops its Strategic and Annual Action Plans. Nevertheless, the State accepts Bomalaski's comment as part of this planning process because pertinent supporting facts cited in her letter are applicable to veteran populations nationwide, including the "Balance of State" to which the subject Plans are applicable.

Online Survey for Individuals

Conducted December 23, 2009 through February 6, 2010

Summary of Individual responses by question:

Q 1: What do you consider to be the greatest need for community development in your area?

A total of 63 responses were received from the following locations: Fairbanks, Juneau, Kenai/Soldotna, Ketchikan, Kodiak, Nome, Palmer/Wasilla, Sitka, and other surrounding areas.

Comments Regarding Housing and Community Facilities:

- Fifteen responses identified low-income and affordable housing as the greatest need.
- Housing for seniors and the disable were the most important as stated by two survey participants.
- One comment indicated that the greatest need is to help people purchase their own home.

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- Two comments identified a mental facility and a lock down facility as the top needs. The most pressing community development needs, according to sixteen responses, are capital projects and project facilities such as community centers, senior centers, utilities, infrastructure, parks, clinics and the maintenance of existing structures.

State Response Regarding Housing Needs: The State agrees that housing is a pressing development need for a number of communities across our state. Rating and Award Criteria for the Greater Opportunities for Affordable Living (GOAL) program were recently updated to provide incentives for project sponsors to effectively match project proposals for rental developments to community need.

State Response Regarding Community Facility Needs: The State will continue to support eligible community development projects focusing on public facilities and a variety of local infrastructure needs. Alaska's senior population will be served through projects such as senior centers and assisted living centers. Home owner-occupied housing projects benefit low to moderate income residents as well as senior residents. CDBG funds may not be used for operation and maintenance expenses of public or community facilities.

The State of Alaska CDBG program does not target housing activities although they are eligible under the CDBG guidelines. Examples of potentially eligible housing activities include acquisition of property for permanent housing, rehabilitation of permanent housing, conversion of non-residential structures into permanent housing, and some eligible activities connected with new housing construction.

Comments Regarding Shelters:

- Homeless shelters were addressed as the top need by two survey respondents.
- Three responses indicated that transitional housing for teenagers and young adults are the most important community needs.

State Response Regarding Shelters & Transitional Housing: See response under Question Q3, below.

Comments Regarding Jobs:

- Jobs were indicated as the most pressing need by 19 respondents.

State Response Regarding Jobs: Over the last several years a total of 71 facility and infrastructure projects have been funded through the CDBG program. Communities and contractors are encouraged to hire local residents during construction of these public projects. Many Alaskans have benefited through employment opportunities made possible by this funding.

Comments Regarding Services and Energy:

- Three responses indicated that community activities, programs, education, and job skills for teenagers and young adults are the most important community needs.
- One respondent indicated that the development of alternative and renewable energy and the availability of services are the greatest needs.

State Response Regarding Services: The State believes that a community strategic planning process is essential to turn identified needs into projects that will fill those needs. To the extent allowable, AHFC will provide technical assistance to communities seeking to develop strategies to address housing and service gaps in their locales.

State Response Regarding Energy: The state agrees that the use of appropriate and energy efficient technology is essential for community development and has incorporated this concept in the guiding principles of this plan.

Q2: What do you consider to be the greatest needs for housing in your community?

A total of 58 responses were received from the following locations: Fairbanks, Juneau, Kenai/Soldotna, Ketchikan, Kodiak, Nome, Palmer/Wasilla, Sitka, and other surrounding areas.

Comments Regarding Housing Development:

- Twenty three responses identified low-income and affordable housing as the top need.
- More rental units and rental assistance are the greatest needs according to twelve comments.

State Response Regarding Housing Development: One of the primary purposes of the HOME Investment Partnerships Program, which is covered in the Plans, is to expand the supply of safe, decent, affordable housing for low income families. Specifically, the Plans will allocate HOME funding to rental development and rental assistance activities.

The State agrees that low-income and affordable housing is a priority. Rating and Award Criteria for allocating low-income and senior housing rental development program funds has been updated emphasize the preservation of project based rental assistance. Global emphasis

on efficient project design and cost controls has also been placed in the updated Rating and Award Criteria for low-income and senior housing rental development proposals to maximize the leveraging of program funds to generate the greatest number of sustainable projects possible across out state.

Comments Regarding Shelters and Transitional Housing:

- Shelters and transitional housing for young adults were identified as the top need by three survey respondents.
- Transitional housing for homeless families and seniors were indicated as the most pressing housing need by three respondents.

State Response Regarding Shelters and Transitional Housing: See response to same issue under Q3, below.

Comments Regarding Tenant/Homeowner Assistance:

- Ten comments indicated need for weatherization and refurbishing of existing housing stock as much as help to achieve homeownership in the form of loans.
- Three comments indicated that there is a great need for housing services, help with fuel costs, section 8 vouchers, and more trailer parks.

State Response Regarding Tenant/Homeowner Assistance: The AHFC state and federally funded Energy Rebate and Weatherization programs are currently the primary source of publicly funded weatherization activities in Alaska; these programs help consumers to reduce fuel costs and consumption. One of the Plans seven guiding principles is to “preserve and upgrade existing housing supply through weatherization and rehabilitation.” The objective of the HOME funded Owner-Occupied Rehabilitation Program (ORP) is to provide decent housing with improved or new sustainability. Homes assisted with ORP must meet property standards at project completion. A portion of CDBG Competitive Grant Program funds may be set-aside and designated for use by AHFC’s ORP contractors; the focus of this set-aside will be on funding emergency rehabilitation activities which compliment HOME Program activities and fill a gap that addresses critical health, safety and accessibility rehabilitation improvements not currently being met through other programs.

The HOME funded HOME Opportunity Program (HOP) provides down payment assistance and principal buy down in order to assist low income families achieve homeownership. Assistance is provided in the form of zero-interest loans. HOP participants must agree to participate in a homebuyer counseling program.

Comments Regarding Long Term Care Facilities:

- Two responses identified the need for long term care facilities for medically challenged or elderly and access to loans for commercial fishermen.

State Response Regarding Long Term Care Facilities: The state concurs that there is a growing need for specialized long-term care for elderly persons with special needs such as mental illness. AHFC will continue to work with its partners at DHSS and the Mental Health Trust to address this need. Commercial fishermen are eligible to apply for Owner-Occupied Rehabilitation Program and the Home Opportunity Program funded under HOME and may qualify if they meet income limits.

Q3: What do you consider to be the greatest need for emergency housing in your area?

A total of 55 responses were received from the following locations: Fairbanks, Juneau, Kenai/Soldotna, Ketchikan, Kodiak, Nome, Palmer/Wasilla, Sitka, and other surrounding areas.

Comments Regarding Shelters and Transitional Housing:

- Twenty responses identified a great need for shelters for homeless individuals, families, seasonal workers and single homeless men.
- Nine responses identified housing in the form of single room units for families, disabled persons, and individuals not accepted at shelters as the top need.
- Four responses identified the need for non-faith based youth shelters and housing-first projects.
- Senior housing was considered by one respondent as the greatest emergency housing need.
- One response emphasized the challenge that single men face when trying to find housing.

State Response Regarding Shelters and Transitional Housing: The State acknowledges that many communities in Alaska lack a complete continuum of care for homeless persons including shelters and transitional housing for certain subpopulations. Through its Technical Assistance and Community Homeless Coordinator Program, AHFC is assisting communities to develop their own housing & homeless plans to identify gaps and develop strategies that to fill those gaps.

Although the development of shelters and transitional housing is an eligible expense under the ESG and CDBG programs, the annual ESG entitlement from the Federal government is inadequate to cover those development costs. As noted in this Five-Year Plan, whenever practicable, the DCCED will set aside CDBG funds for the purpose of meeting those homeless facility gaps.

Comments Regarding Services:

- Services in the form of transportation, health care, education, information for the homeless and food were considered by ten survey participants as the most pressing need for emergency housing.

State Response Regarding Services: The State concurs that homelessness can be a complex problem that involves more than a roof over one's head. To the extent available, ESG funds will be used to fund essential services in homeless facilities.

Comments Regarding Operating Costs for Shelters, etc.:

- The need for operating costs for shelters, state buildings and programs were addressed by six comments having top priority.
- Two survey respondents indicated the need for shelter supplies and beds.

State Response to Operating Costs for Shelters, etc.: The state acknowledges the difficulty shelters contend with to keep their doors open when their guests are not in a position to pay what it costs to maintain the facility. To the extent available, ESG funds will be used to assist shelters with those operating costs, including supplies and furnishings.

Comments Regarding Assistance:

- Three responses stated that assistance with mortgage, rent, and utilities is the greatest need.

State Response Regarding Assistance: As noted in Alaska's Ten-Year Plan to End Long-Term Homelessness, homeless prevention is one of the most effective ways to avoid the traumatic experience of displacement and need for shelter. Due to the small degree of Federal funding for this purpose, state and private resources are expected to play a greater role in the funding of homeless prevention services in the five years covered in this plan.

The following comments by three different survey participants address multiple issues, hence are reproduced verbatim:

Q3 Verbatim Comment 1: Need something similar to Safe Harbor in Anchorage. Temporary housing with service provider partner agencies to do case management helping people get jobs and permanent housing. Then continued case management services once they are in stable housing to help them stay on track. The biggest problem facing people that are homeless is the lack of a continued support system. Housing alone

does not fill the need for 80% or more that are homeless.

State Response to Q3 Verbatim Comment 1: AHFC agrees that congregate shelters may not be appropriate for all homeless populations. Facilities that provide private rooms, such as the example cited above, offer a quiet retreat from the trauma and chaos of their homeless situation. AHFC further concurs that such a facility would not be welcome in the community were it not for the required connection of each guest to a case manager and other related services. AHFC will continue to assist communities to address their unmet shelter needs to the extent resources are available.

Q3 Verbatim Comment 2: Affordable housing for the low income. However, having said that, this needs to be tempered judiciously to assess if there is a real need or whether some folks are using the system. This happens. It's tragic, but it also detracts from assistance for those most in need. We need affordable temporary housing for those folks who have to be in Fairbanks for medical reasons but are really least able to pay the going rate for apartments. I had to pay over \$1700 per month while my son was undergoing treatment available only in Anchorage and there were additional costs besides. The stay was a little over three months. I can't imagine a person going through so much being stuck in one small room for the duration.

State Response to Q3 Verbatim Comment 2: AHFC acknowledges that persons displaced to other "hub communities" for medical reasons pose yet another unique housing challenge. Consistent with Guiding Principal #4, AHFC will encourage local housing coalitions in communities with larger hospitals to consider the need for affordable "extended stay" facilities as they update their Continuum of Care plans.

Q3 Verbatim Comment 3: Delta would love to have emergency housing. In fact many of us in the community have addressed this issue. Unfortunately, when your clinic is closing down and your town is somewhat void of essential services, emergency housing tends to be a little further down on the list.

State Response to Q3 Verbatim Comment 3: AHFC acknowledges the dilemma many small Alaska communities face when trying to prioritize so many unmet needs. AHFC will continue to provide technical assistance to local housing coalitions that wish to come together to form a strategic plan prior to seeking funding for a specific project or service.

Online Survey for Organizations –

Conducted December 23, 2009 through February 6, 2010

Institutions in the following categories provided responses to the following questions:

Funder Organizations	Homeless Shelters
Transitional Housing	Rental Housing Developers
Social Service Providers	Homeownership Developers
Senior Services Providers	Community Housing Development Organization (CHDO)
Division of Government	Municipalities (Excluding Anchorage)
Tribal Organizations	Regional Housing Authorities
Private Non-Profits	

Q1: What do you consider to be the greatest need for community development in your area?

A total of 40 responses were received from the following locations: Barrow, Bethel, Dillingham, Fairbanks, Juneau, Kenai/Soldotna, Ketchikan, Kodiak Island, Sitka, and Palmer/Wasilla.

Comments Regarding Affordable Housing and Rental Development:

- Affordable housing and more rental units were identified as top needs by twenty participants.

State Response Regarding Affordable Housing and Rental Development: The State agrees that the development and preservation of affordable housing remains a pressing need in many communities across our state. Rating and Award Criteria for allocating affordable housing program funds has been updated to emphasize efficiency, leveraging and sustainability in partial effort to maximize the number of sustainable developments that can be funded in each cycle.

Comments Regarding Jobs:

- Five responses indicated that jobs are the most pressing community need.

State Response Regarding Jobs: Over the last several years a total of 71 facility and infrastructure projects have been funded through the CDBG program. Communities and contractors are encouraged to hire local residents during construction of these public projects. Many Alaskans have benefited through employment opportunities made possible by this funding.

Comments Regarding Infrastructure and Energy:

- Improved infrastructure, utilities, building retrofitting and energy assistance were noted as top needs by five respondents.
- Three responses indicated as the greatest need, the rehabilitation of existing housing stock.

State Response Regarding Infrastructure and Energy: The State agrees that improved infrastructure and preservation / rehabilitation of the existing housing stock are top priorities. Rental development programs for low-income, senior and special needs households now contain additional point categories exclusively available for rehabilitation projects. Additionally, these programs all provide progressive point incentives for project sponsors to realize energy efficiency levels that exceed the minimum requirements under the Building and Energy Efficiency Standards (BEES).

The following comments by two different survey participants address multiple issues, hence are reproduced verbatim:

Q1 Verbatim Comment 1: Needs assessment so sound decisions on the delivery of services can be made. Need to identify the level of needs in the Northern Susitna Valley not just the core area near Palmer/Wasilla. As a second-class borough, there is no mandate for social services ability/responsibility. The most incessant, pressing need now is for persons with mental/behavioral health issues who've been evicted, thrown out by partners/roommates or 'choosing to live on the streets'. They are at grave risk in the winter. The next most needful group is individuals awaiting a treatment bed, which may take up to 6 months plus to achieve. Quite often they've burned their bridges with local housing and literally have no one willing to accept their housing requests. Often, their extended family, while housed, are precluded from taking in other household members or become at risk of putting their supported housing at risk. Either, are terrible situations, and if they happened to have committed a felony over the past 10 years, there is little hope they'll receive any type of voucher housing.

State Response to Q1 Verbatim Comment 1: These Plans recognize the unprecedented growth in the Mat-Su Borough; with that growth comes more intense and diverse human service needs. AHFC is currently using State resources to support the development of a Ten-Year Plan to address many of the housing gaps noted by the commenter. AHFC will also make its technical assistance resources available to organizations formulating specific projects to address those gaps. The State agrees the individuals who have committed a felony face particularly daunting challenges that must be overcome in order to obtain housing and/ or housing assistance. Currently, utilizing SFY2010 funds, AHFC

has partnered with Department of Corrections to provide rental assistance to individuals released from correctional facilities. In addition, the SFY2011 tenant based rental assistance program will give preference to special needs and at-risk populations; the State includes persons being released from correctional facilities in the Plan's definition of special needs and at-risk populations.

Q1 Verbatim Comment 2: Research, Feasibility studies, and Analysis senior housing by population demographics with specific needs forecasted for 5, 10, 20, 50 years out throughout southeast Alaska”

State Response to Q1 Verbatim Comment 2: The State agrees that sustainability of projects is paramount and that in order to determine whether a project is sustainable, needs must be assessed and markets must be understood *in the specific area affected by the project*. To this end, State competitive grant processes for the disbursement of HOME, ESG and CDBG funds have built in mechanisms that are designed to identify pertinent factors and draw sustainability conclusions.

Q2: What do you consider to be the greatest needs for housing in your community?

A total of 38 responses were received from the following locations: Barrow, Bethel, Dillingham, Fairbanks, Juneau, Kenai/Soldotna, Ketchikan, Kotzebue, Nome, Kodiak Island, Sitka, Valdez/Cordova, Palmer/Wasilla, and other surrounding areas.

Comments Regarding Affordable Housing:

- Affordable housing was identified as a top priority by twelve respondents.
- Seven responses indicated that the greatest housing need is low-income housing.

State Response to Affordable Housing: The State agrees that the continued development and preservation of affordable housing is a necessity for many communities across our state. The Rating and Award Criteria for allocating affordable housing program funds has been updated to emphasize efficiency, leveraging and sustainability in partial effort to maximize the number of sustainable developments that can be funded in each cycle.

Comments Regarding Rental Development:

- A bigger supply of rental units is considered was addressed by three comments as a top need.
- Transitional housing was identified as most important by three survey respondents.

State Response Regarding Rental Development: The State agrees that the continued development and preservation of affordable rental housing is a necessity for many communities across our state. The Rating and Award Criteria for allocating affordable housing program funds has been updated to emphasize efficiency, leveraging and sustainability in partial effort to maximize the number of sustainable developments that can be funded in each cycle. To address the future need for new affordable and / or senior rental housing units in a given community, points are now available for projects that are located in communities with low vacancy rates in their respective rental markets.

The following comment addresses multiple issues hence is reproduced verbatim:

Q2 Verbatim Comment 1: Persons or families with profound Behavioral Health issues and living on the street, i.e. schizophrenia, bipolar, etc. and no contact system for assessment or advocacy and no emergency housing, 2) Persons having felony histories, eliminated up to 10 years after conviction for voucher eligibility (although generally programs report as 3 years) and ill*equipped to appeal; and, if unemployed, families often forced to split up so mother & kids can get housing and father waits for 1 of 8 beds available at the Mission, 3) younger persons and families with injuries/illnesses pending receipt of disability insurance payments, unable to work and often denied general relief public assistance, and 4) injured/proudly ill individuals who are unable to work and may well be denied CAMA to pay medical bills.

State Response to Q2 Verbatim Comment 1:

The 5-Year HCD and Annual Action Plans include persons with disabilities within the definition of special needs populations. Federal regulations that govern the funds covered in the Plans allow HOME funds to be targeted to special needs 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%). In addition, the SFY2011 tenant based rental assistance program will give preference to special needs and at-risk populations. ESG funds will be used to support shelters that are often the starting point for many persons with complex special needs who have been displaced.

Q3: What do you consider to be the greatest need for emergency housing in your area?

A total of 42 responses were collected from the following locations: Barrow, Bethel, Dillingham, Fairbanks, Juneau, Kenai/Soldotna, Ketchikan, Kotzebue, Nome, Kodiak Island, Sitka, Valdez/Cordova, Palmer/Wasilla, and other surrounding areas.

Comments Regarding Transitional Housing:

- Transitional housing was identified by six respondents as the top need for emergency housing.

State Response to Transitional Housing: See response under Individual Q3.

Comments Regarding Shelter Development:

- Three responses addressed shelters for the homeless as the most pressing need.
- Homeless families were identified by three respondents as the most in need of shelters.
- Shelters for the mentally disabled were identified as the greatest need by two survey respondents.

State Response Regarding Shelter Development: See response under Individual Q3.

Comments Regarding Shelter Operations:

- Four comments stated the need for operating expenses for shelters.

State Response Regarding Shelter Operations: See prior response on same subject.

Comments Regarding Services:

- Ten survey participants addressed transportation to and from shelters plus essential services such as medical care and counseling as being a great need for the youth, older men, and abused persons.
- One respondent identified the need for rental or mortgage assistance to help homeowners and renters and the need for childcare to allow parents to leave their homes to find jobs.

State Response Regarding Services: See prior response on same subject.

Comments Regarding Homeless Prevention:

- Three respondents indicated as the greatest need, the prevention of homelessness.
- One respondent identified the need for rental or mortgage assistance to help homeowners and renters and the need for childcare to allow parents to leave their homes to find jobs.

State Response to Homeless Prevention: See prior response on same subject.

APPENDIX F

Public Hearing Transcripts

Provided with original document only.