

**CONSOLIDATED HOUSING AND COMMUNITY DEVELOPMENT PLAN
FOR ALASKA 2011-2015:
SFY 2013 (FFY2012) Consolidated Annual Performance and Evaluation Report**

Attached is a copy of the SFY 2013 (FFY 2012) Consolidated Annual Performance and Evaluation Report (CAPER). The SFY 2013 CAPER was made available for public comment on September 3rd-September 18, 2013. The CAPER has three parts:

- Part 1 outlines the resources made available in the State during the past fiscal year as compared with the annual funding plan summary contained in the SFY 2013 Annual Action Plan, and describes the number and characteristics of Alaskans benefiting from the investment of those resources. This part also contains program-specific information on how the State has utilized its annual entitlements of Community Development Block Grants (CDBG), HOME Investment Partnership (HOME) funds and Emergency Shelter/Solutions Grant (ESG) funds.
- Part 2 recaps other actions taken by the State of Alaska to further the goals and principles of the Housing and Community Development (HCD) Plan, again compared to the specific actions outlined in the SFY 2013 Annual Action Plan.
- Part 3 assesses the progress the State has made in meeting its overall five-year HCD Plan priorities, and discusses any changes anticipated as a result of the findings of the one-year progress assessment.

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

**Consolidated Annual Performance and Evaluation Report (CAPER) for State of Alaska Fiscal Year
2013 (July 1, 2012 through June 30, 2013)**

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PROCESS SUMMARY

In September 2009, the State of Alaska began the development of a new five-year Consolidated Housing and Community Development (HCD) Plan for the State of Alaska, covering state fiscal years 2011 through 2015 (July 1, 2010 through June 30, 2015) and addressing the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME) and Emergency Solutions Grant (ESG) programs. This HCD planning process was completed in April 2010, with the Alaska Housing Finance Corporation's (AHFC's) Board of Directors approval of the FY 2011-2015 HCD Plan. This Plan identified Alaska's overall housing and community development needs and outlined a strategy to address those needs. A series of one-year action plans implements the five-year strategy of general principles and priorities. The State Fiscal Year 2013 (July 1, 2012 through June 30, 2013) Consolidated Annual Performance and Evaluation Report is the third implementation plan of the five-year (FY 2011 through 2015) HCD Plan. In SFY2013 (FFY2012) the HUD mandated Outcome Performance Measurement System was utilized. In addition to measuring what was actually achieved against what was projected, the performance measurement system included the determination of an objective and selection of an outcome for each activity, based on the type of activity and its purpose. The three objective categories are:

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.

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 focused upon 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

The State of Alaska's HCD Plan applies to the “balance of state:” all areas of Alaska outside of the Municipality of Anchorage (MOA). As an entitlement jurisdiction, the MOA receives its own direct allocation of federal housing and community development funds, and must prepare and maintain its own Consolidated Plans. The State of Alaska and the MOA cooperate and share information concerning their respective planning processes.

An Interagency Steering Committee directs the State of Alaska's Consolidated Plan. By designation of the Governor, AHFC is the lead agency in this process, with responsibility for project coordination, staffing and product distribution. The Interagency Steering Committee also includes the Alaska Department of Commerce, Community and Economic Development (DCCED), the Alaska Department of Health and Social Services (DHSS), and the Workforce Investment Board. Members of this Steering Committee provide input from their respective program and policy areas, and work to encourage public input into the HCD planning process.

Within 90 days of the close of the state fiscal year, the State is required to report to the public and to the federal government about the program undertaken according to the one-year Annual Action Plan. The Consolidated Annual Performance and Evaluation Report (CAPER) identifies the actual housing and community development resources available in the state during the program year, and assesses the use of these resources in comparison to activities outlined in the Annual Action Plan. It also recaps the number and characteristics of low income Alaskans benefiting from these resources. The CAPER contains program-specific reports covering the CDBG, HOME Investment Partnerships and Emergency Solutions Grant (ESG) Programs as well as tables that illustrate accomplishments which are found in Appendix B-9.

Many different entities provide input into the development of the CAPER. Participating in this effort are the State of Alaska, regional housing authorities, non-profit organizations, private housing

developers, lenders, local governments, and federal agencies. With the close of state fiscal year 2013 on June 30, 2013, AHFC initiated a process to gather information from these many organizations detailing the number and characteristics of persons served, and actual funding levels realized during the year.

The public was provided an opportunity to comment on the draft FFY2012 CAPER, beginning on September 3, 2013 and ending on September 18, 2013. Notice of availability of the draft was advertised in the most important newspaper publications around the State of Alaska including the Anchorage Daily News, and in newspaper publications in Juneau, and Fairbanks. Notification was also sent to several of AHFC's e-mail group lists and the draft CAPER was available for download from AHFC's web-site, www.ahfc.us/caper.

Part I: RESOURCES AND BENEFICIARIES

Consistent with the U.S. Housing Act of 1937, the overall goal of the *Housing and Community Development (HCD) Plan for the State of Alaska* is to:

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

The 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 primary focus of State of Alaska Consolidated Housing and Community Development Plan is upon the federal formula programs (CDBG, HOME, and ESG) funded through the U.S. Department of Housing and Urban Development. A description of other housing and community development programs is also contained in the HCD Plan. Significant HCD resources are provided by U.S. Department of Agriculture programs. The State of Alaska also makes substantial contributions towards housing and community development. Much of this funding comes from the corporate earnings of the Alaska Housing Finance Corporation (AHFC), and funds appropriated by the Alaska Legislature. AHFC is also an important source of mortgage financing for housing, including a variety of below market rate lending products designed to expand affordable housing opportunities. AHFC has also funded improvements and addressed deferred maintenance for public facilities throughout Alaska by issuing bonds.

Other housing and community development projects are funded from the state general fund, foundations, and private sector sources. It is important to note that not all of the resources that are available within the state are administered through the State government. Many competitive programs result in grants or loans directly to private applicants, including non-profit organizations.

The Annual Funding Plan for Housing details projected resources for areas outside the Municipality of Anchorage (Balance of State) by program area for housing related activities. The table below provides a breakdown by program area, in three categories; mortgages, grants and rental assistance.

HCD Consolidated Annual Performance Evaluation Report

Annual Funding Plan for Housing

Balance of State (Outside Anchorage)

Fiscal Year 2013 (July 1, 2012 - June 30, 2013)

Program Name	Program Type	Anticipated Funding			Actual Funding			Total Units	Sec. 215 Units
		Federal	State	Total	Federal	State	Total		
AHFC Energy Interest Rate Reduction	Interest rate reduction for energy efficiency	0	3,500,000	3,500,000	0	2,179,125	2,179,125	177	4
AHFC IRRUB Program	Interest rate reduction for low-income borrowers	0	1,000,000	1,000,000	0	1,195,889	1,195,889	53	12
AHFC Multifamily Loan Program	Multifamily, special needs, congregate & senior progs.	0	17,690,000	17,690,000	0	10,957,750	10,957,750	1531	N/A
AHFC Rural Housing Program	Mortgages for rural areas	0	90,564,617	90,564,617	0	34,716,740	34,716,740	148	3
AHFC Streamline Refinance Program	FHA Refinancing	0	40,785,560	40,785,560	0	58,230,784	58,230,784	327	4
AHFC Taxable First-Time Buyer Program	Conventional single-family mortgages for first-time buyers	0	72,481,000	72,481,000	0	17,269,339	17,269,339	71	1
AHFC Taxable Program	Conventional single-family mortgages	0	40,000,000	40,000,000	0	22,117,192	22,117,192	84	3
AHFC Tax-Exempt First-Time Homebuyers Prg.	First-time homebuyer mortgages	0	74,599,000	74,599,000	0	37,967,466	37,967,466	211	14
AHFC Veterans Mortgage Program	Tax-exempt veterans loan program	0	38,756,000	38,756,000	0	5,297,136	5,297,136	19	0
Other AHFC Loan Programs	Mobile Homes, Non-conforming, Seconds	0	1,000,000	1,000,000	0	1,651,813	1,651,813	8	1
Total Mortgages:		0	380,376,177	380,376,177	0	191,583,235	191,583,235	1,251	42
Beneficiary and Special Needs Housing	Housing for people with disabilities	0	1,750,000	1,750,000	0	416,952	416,952	N/A	N/A
Building System Replacement Program	Upgrades to AHFC Public Housing Building Systems	0	855,000	855,000	0	855,000	855,000	N/A	N/A
Capital Fund Program	Public Housing Improvements	1,817,600	0	1,817,600	1,817,600	0	1,817,600	N/A	N/A
CDBG	HUD - Community Development Block Grant Program	2,131,122	42,622	2,173,744	2,440,509	0	2,440,509	N/A	N/A
Competitive Grants for Public Housing	Matching Funds Public Housing Resident Programs	426,000	198,800	624,800	426,000	198,800	624,800	N/A	N/A
Domestic Violence Housing Assistance Prg	Rental Assistance for Domestic Violence Victims	0	783,756	783,756	0	783,756	783,756	N/A	N/A
Energy Efficiency Monitoring	Energy Rating, Marketing, Tech. Asst., Special Projects	0	590,000	590,000	0	590,000	590,000	N/A	N/A
Energy Programs	Weatherization Assistance and Home Energy Rebates	885,000	29,500,000	30,385,000	885,000	29,500,000	30,385,000	N/A	N/A
ESG	HUD - Emergency Shelter Grant Program	228,007	128,007	356,014	228,007	0	228,007	N/A	N/A
Federal and Other Competitive Grants	Matching Funds for Federal Grant Programs	1,680,000	840,000	2,520,000	1,680,000	840,000	2,520,000	N/A	N/A
Fire Protection Systems	Replacement of Fire Systems AHFC Public Housing	0	1,249,600	1,249,600	0	1,249,600	1,249,600	N/A	N/A
HOME	Rehab, new const, rental and homebuyer assistance	3,000,000	750,000	3,750,000	3,000,000	750,000	3,750,000	64	4
HOME Program Income & Recapture	Program income/recapture from HOME activity	1,468,721	0	1,468,721	1,574,361	0	1,574,361	10	5
Homeless Assistance Program	Funding For Homeless Programs and Prevention	0	3,520,000	3,520,000	0	2,774,108	2,774,108	N/A	N/A
Housing Opportunities for Persons with AIDS	Rental Assistance - HOPWA	915,440	265,000	1,180,440	689,688	0	689,688	N/A	N/A
Security Systems Replacement/Upgrades	Upgrades to AHFC Public Housing Security Systems	0	284,000	284,000	0	284,000	284,000	N/A	N/A
Senior Citizen Housing Development Fund	Senior Housing Rehabilitation and Construction	0	4,000,000	4,000,000	0	3,946,926	3,946,926	153	N/A
Statewide ADA Improvements	Accessibility Modifications - Public Housing	0	284,000	284,000	0	284,000	284,000	N/A	N/A
Statewide Project Improvements	Improvements to AHFC Public Housing	0	1,136,000	1,136,000	0	1,136,000	1,136,000	N/A	N/A
Supplemental Housing Development Program	Rural Housing Infrastructure Improvements and Rehab.	0	5,600,000	5,600,000	0	3,603,072	3,603,072	N/A	N/A
Teacher, Health, and Public Safety Housing	Homeownership and Rental Housing for Teachers	0	6,000,000	6,000,000	0	6,000,000	6,000,000	48	N/A
Total Grants:		\$12,645,163	\$57,776,785	\$70,421,948	\$12,741,165	\$53,212,214	\$65,953,379	275	9
Public Housing Operating Subsidy	Operating costs	6,074,357	0	6,074,357	5,819,713	0	5,819,713	754	754
Housing Choice Vouchers (Section 8)	Rental assistance	13,275,582	0	13,275,582	10,730,843	0	10,730,843	1,232	1,232
Total Rental Assistance:		\$19,349,939	\$0	\$19,349,939	\$16,550,556	\$0	\$16,550,556	1,986	1,986

The HCD Plan does not establish goals for the distribution of housing resources among the State's various regions and communities, nor does it favor one type of housing over another. It has been the policy of the State of Alaska, in the use of its housing resources, to emphasize local determination and responsiveness to demonstrated market demand. The table below illustrates the distribution of households assisted across racial and ethnic categories, and a comparison to the general population. The table titled "Households and Persons Assisted with Housing" on page eight (8) includes renters, homeowners, homeless, and non-homeless special needs households, broken down by income levels and household size.

State of Alaska - Non-Metropolitan Areas				
Demographic Characteristics of Households Assisted vs. Population Composition				
Racial Group	Households Assisted SFY2013		2010 U.S. Census	
	Number	Percentage	Number	Percentage
White	1473	58%	306,551	69%
Black	130	5%	10,656	2%
Native AK./American Indian	486	19%	102,250	23%
Asian/Pac. Islander	120	5%	23,456	5%
Other/Unidentified	342	13%	6,082	1%
Total	2,551	100%	448,995	100%
Hispanic/Any Race	71	3%	17,188	4%
Total	2,551	85%	466,183	100%
CDBG projects are not included as they are not housing, but rather community development projects.				

The data for the Demographic Characteristics of Households Assisted table and the Households and Persons Assisted with Housing table, below, were compiled from AHFC data sources for Public Housing, Housing Choice Vouchers, Low Income Weatherization, AHFC Mortgages, and HOME funded programs.

Alaska Housing Finance Corporation
Consolidated Housing and Community Development Plan
Households & Persons Assisted with Housing*

State of Alaska - Non Metropolitan Areas

July 1, 2012 - June 30, 2013

Name of State: STATE OF ALASKA - Nonmetropolitan Areas											Fiscal Year: 2013			
ASSISTANCE PROVIDED (by Income Group)	RENTERS					OWNERS				HOMELESS		on-Homeless Special Needs***	Total Goals	Total Section 215 Goals
	Elderly 1&2 Member Household (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Other Houshds. (D)	Total Renters (E)	Existing Home-Owners (F)	First Time Buyers ¹ With Children (G)	All Others (H)	Total Home-Owners (I)	Individuals (J)	Families (K)			

1	Ext. Low-Income (0 to 30% MFI)	2	2	0	1,404	1,408	19	3	2	24	0	0	607	1,432	1,432
2	Very Low-Income (31 to 50% MFI)	7	1	3	626	637	24	11	29	64	0	0	242	701	701
3	Other Low-Income (51 to 80% MFI)	22	1	2	217	242	7	12	157	176	0	0	69	418	
4	Total Low-Income (Lines 1+2+3)	31	4	5	2,247	2,287	50	26	188	264	0	0	918	2,551	2,133

5	Racial/Ethnic Composition**			
	Total Low-Income			
	Hispanic			
	1	Hispanic or Latino		71
	2	Not Hispanic or Latino		2,162
	All Races			
	3	White		1,473
	4	Black		130
	5	Alaska Native or American Indian		486
	6	Asian		82
7	Pacific Islander		38	
8	Other/Unidentified		342	
	Total			2,551

Programs Included Are Highlighted:

Housing Choice Voucher
AHFC Public Housing (Exc. Section 8 New, Alpine Terrace)
AHFC Tax Exempt Program
AHFC Multifamily, Special Needs Housing
AHFC Senior Citizens Housing Development
Low-Income Housing Weatherization Program
Other AHFC Mortgage Assistance (IRRLB/EEIRR)
HOME Owner-Occupied Rehabilitation/Home Ownership
HOME Rental Development
HOME TBRA

*Data for period 07/01/12 - 06/30/13. Source: AHFC, Planning and Program Development.

**Primary Racial/Ethnic composition of households. Data not available for all households.

NOTE: This table reflects all areas outside Anchorage.

COMMUNITY DEVELOPMENT BLOCK GRANT

FFY 2005, 2007, 2008, 2009, 2010, 2011, and 2012 Grants

Administered by Department of Commerce, Community and Economic Development (DCCED)

A. Statutory Requirements of Section 104(e):

The overall mission of the State of Alaska Community Development Block Grant Program is to enhance the quality of life for low and moderate income residents, particularly in rural Alaska. The CDBG Program fulfills this mission by acting upon its defined goals and objectives. The goals of the program are to ensure that the State's CDBG funds will be used to principally benefit low and moderate income persons; to provide financial resources to communities for public facilities, planning and special economic development activities which encourage community self-sufficiency; to reduce or eliminate conditions detrimental to the health and safety of local residents; to reduce the costs of essential community services; and to 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.

As is indicated in the attached Part I of the Performance Evaluation Report, all of the CDBG grants funded have supported at least one of the above objectives. All have met the objective of serving low and moderate income residents.

The State of Alaska has not and does not anticipate significantly modifying the objectives of the CDBG program for the years included in this report. Through our Consolidated Planning process, our constituents have confirmed that our efforts to maintain and improve the quality of life for low and moderate income residents by focusing on infrastructure development, is a priority for use of CDBG funds.

The Department reserved 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. The Selection Process and Rating Criteria in the Annual Action Plans were amended to clarify that the application-selection process for the CDBG Competitive Grant Program consists of two stages—threshold review and project rating and selection. It further amended the process to read that applicants which applied for and received CDBG funding for project design, engineering, feasibility, and/or planning within two years prior to the application for implementation, will receive priority consideration for funding.

Also amended was the wording related to reallocated, recaptured, and unobligated funds to clarify what the funds are and when they can be used. These changes have allowed flexibility to use funds in ways to better serve community needs. The City of Akutan received additional funds for their electrical transformer replacement project. The City of Kobuk received additional funds for their Back-up Generator project. The two projects are instances when CDBG funding was able to help complete projects by using the more flexible funding options and to provide much needed community improvements. These projects were provided funds in part from communities who were able to complete their projects under budget.

In March 2013, in response to the FFY12 application cycle, we were able to award \$2,304,137 in funding to seven municipalities for a variety of infrastructure and planning projects. This figure includes some of the recaptured funds referenced above. Once these projects are complete we will provide a summary of the race and ethnicity of beneficiaries. The total maximum grant amount for which an applicant may apply is \$850,000.

Table 1: FFY 12 CDBG Program Funding Committed			
UGLG	Activity	LMI %	Funding
City of False Pass	Generator Replacement	75.4	\$142,500
Kenai Peninsula	Fox River, Kachemak-Selo Educational Specification Feasibility Plan	62.9	\$154,000
City and Borough of Wrangell	Sewer Pumps Replacement Project	53.7	\$470,884
City of Chignik	Design & Engineering for Expansion of Public Boat Harbor	52.8	\$303,000
City of Nondalton	Water Treatment Plan & Storage Tank Project	85.3	\$763,963

Lake and Peninsula Borough	Replacement of two generators that provide power to the Village of Chignik Lake	56.4	\$212,191
City of Port Lions	Water Reservoir Improvements Project	61.9	\$257,626

TABLE 2: CDBG PROGRAM PROJECTS CLOSED DURING 2012 PROGRAM YEAR ECONOMIC CHARACTERISTICS OF PERSONS ASSISTED

Grant# IDIS	Locality	Project Description	Amount Awarded	Award Year	Year(s) Funded From	Activity	# People	HUD Objective	% LMI
8913061851	Nome	Site Investigation/D&E for Utility Maintenance/ Response Equipment Storage & Personnel Work Facility	\$533,527.99	2008	2008	Public Facility	3500	LMI	52.3%
8007421825	Nulato	Design & Engineering Community Hall	\$258,559.05	2009	2007, 2008, 2009	Public Facility	336	LMI	72.0%
8007411853	Chignik	Design & Engineering for Public Dock	\$90,000.00	2009	2008, 2009	Public Facility	79	LMI	52.8%
10-CDBG-0011917	Akutan	Replacement of the Secondary Electrical Distribution System	\$285,602.00	2010	2007, 2009, 2010	Public Facility	713	LMI	63.4%
10-CDBG-0071908	White Mountain	Public Safety Building	\$850,000.00	2010	2010	Public Facility	203	LMI	79.5%
10-CDBG-0021907	Aleutians East Borough	False Pass Harbor Utility Project	\$400,000.00	2010	2009	Public Facility	2697	LMI	75.4%
8007431880	Saint Mary's	Water, Sewer, and Roads to New Homes	\$845,054.00	2009	2005, 2009	Public Facility	500	LMI	58.8%
11-CDBG-0041936	North Pole	Senior Center Kitchen U_pgr_ade	\$103,013.00	2011	2010	Public Facility	1800	LMI	100%

Table 3: CDBG Projects Summary of Race/Ethnicity of Beneficiaries 2012 Program Year

	Beneficiaries	
	Direct	Indirect
White, Non-Hispanic	2,390	3,241
Black, Non-Hispanic	159	189
Hispanic	1058	1,391
Asian or Pacific Islander	816	1,125
American Indian/Alaskan Native	2432	3,882
Total	6,855	9,828

B. Civil Rights Compliance

Recipients of CDBG funds are required to undertake the activities to demonstrate their compliance with applicable anti-discrimination laws and regulations. Because of the various activities eligible under these programs some or all of the following may apply:

- Utilize newspapers and community resources targeted to members of minority groups to advertise the availability of housing, employment and contracting opportunities;
- Include the Affirmative Action/Equal Opportunity Employer Statement and/or Fair Housing Statement and disability logo in all advertisements/notices;
- Provide employment and training opportunities to Section 3 residents and businesses and if required, have in place and implement a Section 3 Plan.
- Solicit bids from Small, Minority- and Women-Owned Businesses and firms.
- Develop and implement a Fair Housing Action Plan and certification to affirmatively further Fair Housing;
- Develop and post a Fair Housing Policy Statement;
- Develop post and implement an Affirmative Action Plan or Affirmative Action Policy Statement;
- Recipients are required to include in any sub-contracts the necessary affirmative action and equal employment opportunity provisions to demonstrate the subcontractor's compliance with applicable state and federal laws and regulations;
- Develop and post an American with Disabilities Act (ADA) Notice and Grievance Procedure;
- Post at their offices fair housing and anti-discrimination posters and equal opportunity in employment posters.
- Applicants are strongly encouraged to develop and implement or update a Section 504 Self- Evaluation and Transition Plan.

CDBG grant recipients are supplied with a Civil Rights Handbook developed by DCCED. The handbook includes materials developed to assist them in compliance and provides a summary of the key laws and requirements which are applicable to the program including:

- A. Public Law 88-352, Title VI of the Civil Rights Act of 1964
- B. Public Law 90-284, Title VIII of the Civil Rights Act of 1968 (Fair Housing Act);
- C. Executive Order 11063, as amended by Executive Order 12259 (24 CFR Part 107)
- D. Section 109 of the Housing and Community Development Act of 1974, as amended through 1981;
- E. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794).
- F. Section 3 of the Housing and Urban Development Act of 1968;
- G. Section 104 (d) of the Housing and Urban Development Act of 1974, as Amended

C. Summary of Activities and Results from Technical Assistance Funding

The State has set aside, used or intends to use 1% of its FFY 2007-FFY 2012 allocations to provide Technical Assistance to its grantees.

Workshop curriculum is now established and is updated as needed. All grants administrators have worked as a team in the development and updating of training materials and the coordination and scheduling of workshops around the state.

Workshops on grant writing, planning, and implementation were presented in Bethel, Nome, Anchorage, and Fairbanks to over 100 community representatives in the fall of 2006. In 2007 workshops were provided in the communities of Bethel, Nome, Fairbanks and Juneau. In 2008 these workshops were held in Nome, Kotzebue and Anchorage. In 2009 workshops were held in Nome, Bethel, Anchorage, and Kotzebue. In 2010 a total of 40 community representatives attended workshops held in Nome, Anchorage and Fairbanks. The 2011 workshops were held in Anchorage, Bethel, Fairbanks, and Kotzebue with a total of 52 community representatives in attendance. The 2012 workshops were held in Anchorage and Fairbanks with a total of 18 community representatives in attendance. Workshops are tentatively planned for fall 2013 to be held in Bethel, Fairbanks, and Anchorage.

We consider these workshops one of our most successful activities. During the last day of the workshop participants are asked to complete an evaluation. This workshop routinely earns an "Excellent" overall rating. Comments by participants included the statement that this workshop not only helps you fill out an application but it helps you to understand your participation in on-going projects in your community. This statement is a good example of the value of the workshops to Alaskan communities.

A Grant Administration workshop was also developed for communities who are awarded CDBG funds. This workshop contains more focused materials on implementing CDBG projects. Grant administration workshops for all grantees were presented in Anchorage in years 2006 through 2010 and again in 2012. This workshop has proven to be successful ways to provide program information to grantees that carry out grant funded projects. The next grant administration workshop is tentatively scheduled for spring 2014, after award of the FY13 CDBG grants.

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

Administered by Alaska Housing Finance Corporation (AHFC)

A. Program Accomplishments/Commitments

During the year, Alaska Housing Finance Corporation (AHFC) continued the successes of earlier years through the HOME Investment Partnership (HOME) Program. In the SFY 2012 Action Plan, HOME program funds were allocated for the following purposes: (1) develop affordable rental housing (Greater Opportunities for Affordable Living Program), (2) develop affordable homeownership housing (Homeownership Development Program) (3) rehabilitate single-family homes owned and occupied by lower-income families (Owner-Occupied Rehabilitation Program), (4) provide financial assistance to lower-income homebuyers (HOME Opportunity Program), (5) provide tenant based rental assistance to special needs populations, and (6) fund a portion of the operating costs incurred by AHFC's Community Housing Development Organizations (CHDOs).

AHFC must first commit any program income received in SFY2013 by the HOME Program to current activities before federal funds are expended. As of June 30, 2013, AHFC had \$678,846 of unallocated and uncommitted program income and repaid funds received during SFY2013. Of these receipts, \$58,115 are considered repaid funds. AHFC received an additional \$620,731 in uncommitted program income receipts by the end of SFY2013; a total of \$678,846 in HOME program income and repaid funds is expected to be available in SFY2014. AHFC will allocate these funds based on the priorities set forth below. Program income and repaid funds that are not committed during SFY2014 will be carried forward to SFY2015. In addition, in SFY2014 AHFC may reallocate any uncommitted HOP, ORP, HDP funds to other eligible HOME program areas based on these priorities.

1) Rental Development -GOAL & SNHG Program

Under the Greater Opportunities for Affordable Living (GOAL) program and the Special Needs Housing Grant (SNHG), AHFC awards funding for affordable rental housing development utilizing four funding sources: federal and state HOME funds, Low-Income Housing Tax Credits (LIHTC), AHFC grant funds under the Senior Citizen's Housing Development Fund (SCHDF), and the stated funded SNHG program. By combining these four funding resources, the GOAL and SNHG programs have reduced the application and development burden for housing developers, increased the rate GOAL and SNHG funds are leveraged with other resources, and decreased development timeframes. During the period of notice of funding availability, AHFC staff answers application questions by phone, hosts all-day applicant trainings, and reviews pro-forma workbooks (submitted for review by the applicants) for financial feasibility.

AHFC committed funds through executed grant agreements to one new HOME rental development project in SFY2013.

Project Name	Project Location	TOTAL Units	HOME-Assisted Units	Additional HOME Set-Asides	504 Accessible Units
Harbor Ridge	Homer	24	3	0	3

All projects receiving HOME funds in SFY2013 were required to set-aside 20% of the units in the property for households at or below 50% of the area median gross income (AMGI). Additional set-aside units must be rented in accordance with the HOME or Low Income Housing Tax Credit (LIHTC) regulations.

Federal regulations require an average of 15% of all HOME funds, \$450,000 in SFY2013, be allocated to Community Housing Development Organizations (CHDOs) to develop, sponsor, or own HOME assisted housing. Alderbrook Phase II is sponsored and developed by Kenai Peninsula Housing Initiatives (KPHI), an AHFC Certified CHDO. AHFC committed a total of \$1,139,995 in total CHDO Reserve funds to this project however a grant agreement was not executive within SFY2013 for this development. The allocation to Alderbrook Phase II will appear on the next CAPER.

2) Homeownership Housing Development Program (HDP)

In SFY2013, AHFC committed \$601,560 towards three additional HDP projects; funds were awarded to Alaska Community Development Corporation (Alaska CDC) and Rural Alaska Community Action Program (RurAL CAP). The projects will produce nineteen (19) single family homes. All projects leverage USDA 523 loan funds and utilize self-help housing construction methods.

Housing is restricted to persons/families whose annual income does not exceed eighty percent (80%) of the area median income; this program meets the HUD objective of providing decent housing with improved affordability.

Project Name	Project Location	HOME Units	504 Accessible Units
Mat-Su Self Help Housing #8 (Alaska CDC)	Wasilla	7	0
Inlet Woods Self-Help Phase II (RurAL CAP)	Kenai	6	0
Soldotna Phase 1 RurAL CAP	Kenai	6	0

3) Owner-Occupied Rehabilitation Program (ORP)

In SFY2013, two sub-recipients administered ORP activity throughout the state of Alaska: Alaska Community Development Corporation (Alaska CDC), Fairbanks Neighborhood Housing Services (FNHS).

Through the ORP, non-profit program administrators, or “sub-recipients,” provide funding to lower-income homeowners to improve the homeowner’s property condition and energy efficiency, eliminate life-safety hazards, and make accessibility improvements. These projects often leverage other funding sources such as the AHFC Weatherization Program funds, USDA home loans, State of Alaska Home Modification Program, and AHFC Senior Accessibility Program.

Seven (7) ORP projects were completed during the program year. Appendix B-6 gives detailed information on the SFY 2013 ORP completions, and the ORP projects underway at the end of SFY 2013. All these projects meet the HUD objective of providing decent housing with improved sustainability.

4) HOME Opportunity Program (HOP)

The HOME Opportunity Program (HOP) meets the HUD objective of providing decent affordable housing with improved availability. Under HOP, qualifying families may receive down payment funding assistance equaling 2 percent of the purchase price (up to \$3,800), up to \$3,000 for loan closing costs, and, if necessary to achieve affordability, a soft second deed of trust of up to \$30,000. In accordance with the Department of Housing and Urban Development’s guidance, the allocation of HOP funds to individual homebuyers must also include the cost of inspection by the sub-recipient.

Fairbanks Neighborhood Housing Services and Alaska Community Development Corporation administered HOP throughout the state of Alaska in SFY2013. The service and target areas for the HOP program were expanded back in SFY2012 to include Kenai Peninsula Borough, Matanuska-Susitna Borough, Fairbanks North Star Borough, SE Fairbanks Census Area, Southeast Alaska, Valdez-Cordova and Kodiak Island Borough. HOP continues to reflect a demand for homeownership assistance in Alaska. Thirty-five (35) HOP loans closed in SFY 2013.

Program-wide, households served consisted of a mix of single-parent, two-parent, single, and non-elderly households. Appendix B-5 contains more detailed information on the geographic distribution, and the beneficiary income and demographic/ethnic information for the HOP loans closed during SFY 2013.

5) Tenant Based Rental Assistance (TBRA)

In SFY2013, AHFC administered a TBRA program in partnership with the State of Alaska’s Department of Corrections and Office of Children’s Services. TBRA serves eligible households that are at or below 60% of the area median income and targets individuals who are transitioning from State supervision into permanent housing. During SFY2013, TBRA served eighty-seven (87) individual households. More than eighty percent of households served were below thirty percent of the Area Median Income. Appendix B-7 contains more detailed information on the geographic distribution, household income and demographic/ethnic information for the TBRA households

served during SFY 2013. TBRA meets the HUD objective of creating decent housing with improved affordability.

**6) Community Housing Development Organization (CHDO)
Operating Expense Assistance (OEA)**

Over the past year, AHFC assisted three Community Housing Development Organizations (CHDOs) through its CHDO Operating Expense Assistance (OEA) Program. OEA assists active CHDOs to build capacity and meet operating expenses. In SFY2013, three contracts totaling \$135,000 were executed for CHDOs.

7) Rental and Homeownership Housing Pre-Development Program

A SFY2013 Pre-Development cycle was not held. AHFC is reviewing the Pre-Development Program to determine the best strategies to take to assist project sponsors in assessing the viability of potential projects. In SFY 2013, AHFC certified CHDOs and prospective CHDOs have continued to work with The Foraker Group on an as needed basis to assess their capacity and develop agency action plans.

8) Summary of SFY2013 Commitments

The table below identifies new HOME commitments made during the past fiscal year.

Program Component/ Sponsor	Commit Date	Commit. Amount**	Project Location	Total Units to be Completed	Project Status 6/30/13
Rental Development: Harbor Ridge – Homer Associates Limited Partnership	6/21/2013	\$287,000	Homer	24	Underway
Homeownership Development: RurAL CAP	2/08/13	\$223,080	Kenai	6	Underway
Owner Occupied Rehabilitation: No new ORP commitments in SFY2013; prior year commitments carry forward to SFY2013					
HOME Opportunity Program: Alaska Community Development Corporation	12/21/12	\$1,095,714	Kenai, Matsu, SE, Kodiak, Valdez- Cordova	100*	Underway
Fairbanks Neighborhood Housing Services	12/21/12	\$387,543	Fbks NSB, SE Fbks Census	43*	Completed
Operating Expense Assistance (OEA) for CHDOs:					

RuRAL CAP	08/09/12	\$45,000	N/A	N/A	Underway
Valley Residential Services, Inc.	08/09/12	\$45,000	N/A	N/A	Underway
Kenai Peninsula Housing Initiatives	08/09/12	\$45,000	N/A	N/A	Underway

* Projected number of units to be completed.

**Total AHFC Commitment; includes non-HOME funds and prior year commitments. Refer to Appendix B-4—Active HOME Projects, for information ongoing HOME projects from all fiscal years.

HOME Match

Matching requirements for all program components (except CHDO Operating Expense Assistance and Administration Expenses, both of which do not require match) are being met by AHFC's cash contribution of \$750,000.00, and contributions through other sources. The Senior Citizens Housing Development Fund and tax exempt bond proceeds from AHFC single family homebuyer loans and from multi-family mortgages are significant sources of match for AHFC. Matching contributions from tribal programs, State of Alaska programs, and nonprofit donations also commonly provide leverage for the HOME program. The match liability for this year was \$858,886.26. Match credit from bond financing for SFY2013 is \$2,977,377.00; AHFC is limited to crediting only \$214,721.56 of bond proceeds towards the match liability for this year. Match liability is incurred whenever program funds are drawn from the federal treasury. The HOME match report is included in Appendix B-1.

AHFC has a total of \$32,188,250.81 in match that will be carried over to the next State fiscal year; this total amount includes both restricted and unrestricted match.

B. Evaluating and Reducing Lead Based Paint Hazards

In September of 1999, HUD published lead-based paint regulations that described procedures for all HOME-funded projects assisting housing built before 1978. These regulations impacted the Owner-Occupied Rehabilitation Program (ORP), and to a lesser degree, the HOME Opportunity Program (HOP), Tenant-Based Rental Assistance Program (TBRA) and the Rental Development Program. Throughout SFY 2013, AHFC worked with its HOME grantees to ensure compliance with the lead based paint regulations.

Elevated Blood Lead Levels among Children — Alaska, July 1, 2012 through June 30, 2013

In Alaska, health care providers and laboratories are required to report any blood lead test result 5 micrograms per deciliter (µg/dL) or higher within 4 weeks of receiving the result. In the 12-month period between July 1, 2012 and June 30, 2013, 19 cases of an elevated blood lead level (EBLL) among children aged less than 18 years were reported to the Alaska Section of Epidemiology. Completed follow-up investigations identified the following lead exposures; father's occupational exposure, eating paint chips in a home built before 1978, and eating dirt and other items found on

the ground. There were several unknown exposure cases. Follow-up investigations for 12 cases are pending.

http://www.cdc.gov/mmwr/preview/mmwrhtml/mm6120a6.htm?s_cid=mm6120a6_w

In May 2012, the Centers for Disease Control and Prevention (CDC) issued an announcement lowering the blood lead level of concern in children from 10µg/dL to 5µg/dL. Additionally CDC changed the term “level of concern” to “reference value” to acknowledge that there is no safe amount of lead in a child. The Alaska Section of Epidemiology has aligned its program policies with these recommendations.

No Lead-based Paint statistics were reported by The Environmental Protection Agency or by the Center for Disease Control for Alaska in the SFY13. All Alaska Public Housing units have been abated or renovated. Also the majority of privately owned homes built prior to 1978 have been renovated or abated in the entire State, making recent statistics on LBS almost non-existent.

C. Displacement/Relocation

No households were displaced or relocated in a HOME-funded project during the report period.

D. HUD HOME Program Monitoring

HUD HOME program monitoring during the SFY 2013 year consisted of four types of compliance reviews. The first type of compliance review is 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 sub-recipients. The second type of compliance review consists of desk monitoring throughout the project development and grant period. The third type of compliance review involves site visits to housing rehabilitation and rental housing projects and to sub-recipients' offices during the project development and grant period. The fourth type of compliance review consists of post-project completion or “affordability compliance” review of rental housing development projects and HOP loans.

The first type of compliance review is accomplished by AHFC's Planning and Program Department staff reviewing the project developers and sub-recipients' pre-disbursement/initial reports required of sub-recipients 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 sub-recipients. 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 (MBE/WBE) compliance

These reports include a written Section 3 and Women's and Minority Business Enterprises (MBE/WBE) work plan. The Section 3 work plan identifies how sub-recipients 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 include the Section 3 Clause in all solicitations and contracts. The Women's and Minority Business Enterprises work plan includes a description of sub-recipients' planned outreach designed to inform women 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 sub-recipients' monthly or quarterly invoices that sometimes include supporting documents; quarterly and final financial and project status reports; and HOP/ORP/HDP Project Set-Up forms. Project status reports requirements 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 (MBE/WBE) 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
- HOP/ ORP/ HDP Project Set-Up and Project Close-Out forms

The third type of compliance review involves on-site visits to housing rehabilitation and rental housing projects and to sub-recipients' offices during the project development and grant period. AHFC staff from the Planning and Program Development Department and the Research and Rural Development Department share the responsibility of on-site monitoring reviews. AHFC staff reviews project developers' and sub-recipients' records for compliance with financial administration and management regulations, program policies and regulations, and property requirements. The project developers and sub-recipients receive a formal written monitoring review report and are required to respond and correct any findings and questioned costs. In SFY 2013, the Planning and Program Development Department staff completed the following number of monitoring compliance reviews:

Programmatic and financial monitoring compliance reviews:

- One of the two HOME HOP sub-recipient
- One of the two HOME ORP sub-recipient
- Two of the three HOME HDP sub-recipients
- Two of the three HOME OEA sub-recipients
- One HOME GOAL sub-recipient

In SFY 2013, HOME Project Management staff from AHFC Department of Research and Rural Development conducted two site inspections to households served by HOME ORP sub-recipient Fairbanks Neighborhood Housing Services.

The fourth type of review is conducted by AHFC's Internal Audit Department. AHFC Internal Audit Department staff monitors post-project completion, or "affordability compliance," and reviews agencies with HOME funded rental housing development projects. Audit reviews are conducted throughout the year based on a schedule that meets with federal audit requirements for the different types of rental housing development projects. As of January 1, 2013, AHFC Internal Audit Department (IAD) is responsible for monitoring a portfolio of 139 affordable housing developments throughout Alaska. Of this number, 21 are funded solely by the HOME program, with an additional 36 funded by a combination of HOME/Low Income Housing Tax Credits (LIHTC), and/or the State of Alaska Senior Citizens Housing Development Fund (SCHDF) programs. During calendar year 2013, the IAD is scheduled to conduct compliance audits of 56 of the 57 HOME and/or HOME/LIHTC/SCHDF developments. Of this number, 39 developments are scheduled for on-site physical inspections and administrative document/tenant file audits, with the balance of 17 developments scheduled for desk monitoring only of administrative documents. One (1) HOME Program development of the 57 HOME program developments is tentatively scheduled for a 1st year review in calendar year 2014 or later. 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 sub-recipients 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, recommend corrective actions the sub-recipients should take to meet compliance requirements. In almost all non-compliance situations, the project developers and sub-recipients 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 sub-recipients in order to preclude non-compliance findings and questioned costs during formal monitoring reviews.

E. Minority Business Enterprises / Women Business Enterprises

Section 281 of the National Housing Affordability Act requires HOME Participating Jurisdictions to establish and oversee procedures for program outreach to minority and women-owned businesses. AHFC requires that sub-recipients develop an initial plan for outreach to minority and women-owned businesses and report quarterly on executed contracts and subcontracts. During SFY13, HOME sub-recipients contracted a total of \$3,634,241 worth of services. There were no contracts

awarded to minority business enterprises; six contracts totaling \$1,964,312 were awarded to women business enterprises.

F. Fair Housing and Related Issues

The HOME Program requires AHFC to comply with the Fair Housing Act and related issues of affirmative marketing and equal opportunity. These requirements pass through to program sub-recipients and to housing developers and owners who have received HOME funds. It has been AHFC's practice to meet these requirements through a variety of actions including:

- Placement of an equal opportunity logo in all AHFC solicitations, including those of program administrators, for program activities as well as press releases;
- Display of fair housing and equal opportunity posters in prominent areas of AHFC and program administrators' offices;
- Inclusion of specific provisions within each grant, loan, or program administrator's contract addressing the responsibilities of the grantee, borrower or program administrator regarding fair housing and equal opportunity;
- Efforts to ensure that all HOME Program participants with disabilities are aware that reasonable accommodations are available upon request;
- Outreach efforts, including meetings and workshops sponsored, conducted or participated in by AHFC and/or sub-recipients, which are designed to educate segments of the population which might otherwise be less informed regarding the availability of program funds and the requirements under the Fair Housing Act. For example, during program funding cycles, AHFC conducts application workshops that address, in part, Fair Housing issues and requirements;
- Translation services paid through HOME administration costs for persons applying for the program with Limited English Proficiency;
- AHFC's Compliance and Planning Departments also regularly audit grantees and program administrators to ensure fair housing compliance and to further educate program participants regarding their fair housing responsibilities;
- Participation in advisory committees regarding special needs groups and their specific housing needs and assistance requirements;
- Focus program efforts toward areas and persons who might be considered least likely to apply for the assistance. For instance, the rating criteria utilized in the GOAL program targets projects in rural areas and those that will serve special needs groups. The ORP and TBRA program criteria also restricts program participation to families whose income does not exceed 60% of the area median income;

- ORP, HDP and GOAL program administrators, are required to seek and encourage participation of minority and/or women-owned businesses for contracts of \$25,000 or more;
- Flexibility offered by the Native American Housing and Self-Determination Act (NAHASDA), allows AHFC to invite participation in the HOME program by Indian Housing Authorities and tribes, and work with those entities to ensure that all HOME funds result in housing units that are open to both native and non-native eligible households. Guidance from the US Department of Housing and Urban Development's Office of General Council, dated June 4, 2001, clarified combining funds and implications for fair housing in preferences related to housing occupancy. In some cases, use of NAHASDA funds in combination with HOME funds is not allowable, due to incompatible program requirements regarding hiring preferences; and;
- Annually evaluate the success of Affirmative Marketing efforts, and propose changes for the coming years. This assessment has been completed and is included in Appendix B-2;
- Allocation plan changes to create choice

The actions identified here have resulted in greater awareness and compliance with fair housing and related requirements, wider geographic disbursement of HOME funds in Alaska, and effective delivery of housing to a greater number of minority and lower income populations. It is AHFC's intent to continue these actions in the future.

EMERGENCY SOLUTIONS GRANT PROGRAM

Grant # E-11-DC-02-0001

The second installment of the FFY-11ESG formula award of \$71,301 for Homeless Prevention/Rapid Re-Housing activities required a Substantial Amendment to the SFY12 Annual Action Plan. This amendment was not executed until after the start of SFY13.

Grant # E-11-DC-02-0001 \$71,301 (second FFY11 installment)			
Subrecipient Name	Location	Activities	Performance period: 8/1/12 to 12/31/13
Kodiak Brother Francis Shelter	Kodiak	Rapid Re-Housing	\$58,100
		Homeless Prevention	\$9,636
		Administration	\$3,565
		TOTAL	\$71,301

At the end of SFY13 (6/30/2013), the subrecipient reported they have been unable to assist otherwise eligible households due to HUD's FMR restrictions. Therefore, a decision has been made to redirect the FFY11 ESG funds to another agency, Valley Charities, Inc. in the Matanuska-Susitna Borough where rental rates are more likely to come within the FMR limitations.

Grant # E-12-DC-02-0001

The state ESG program received \$228,007 in federal fiscal year 2012 (SFY13). AHFC awarded ESG funds to the following agencies listed below through its annual competitive process.

Grant # E-12-DC-02-0001 \$228,007			
Subrecipient Name	Location	Activities	Performance period: 9/1/12 to 6/30/13
Fairbanks Rescue Mission	Fairbanks	Shelter	\$22,900
		Administration	\$1,600
		TOTAL	\$24,500
Gastineau Human Services	Juneau	Shelter	\$42,000
		Administration	\$3,150
		TOTAL	\$45,150
Interior Ctr f/NonViolent Lvg	Fairbanks	Shelter	\$30,000
		TOTAL	\$30,000
Kodiak Brother Francis Shelter	Kodiak	Shelter	\$26,545
		Homeless Prevention	\$2,200
		TOTAL	\$28,745
			Performance period: 9/1/12 to 12/31/13
Gastineau Human Services	Juneau	Rapid Re-housing	\$70,000
		Homeless Prevention	\$12,800
		Administration	\$6,203
		TOTAL	89,003

One of the intended subrecipient, Tundra Women's Coalition, declined after determining that their client data tracking system did not meet HUD's requirement to be "comparable" to HMIS. As a result, AHFC exercised its option to retain the intended award to use for Data Collection (\$4,462) and Administration (\$6,147).

As reported in IDIS, ESG funds matched by the SFY13/FFY12 recipients totaled \$839,104 in local funds, local non-cash resources, and other state and federal agency funds. Approximately 1,799 persons were served through this program.

ALASKA'S CONTINUUM OF CARE FOR THE HOMELESS

Administered by Alaska Housing Finance Corporation (AHFC)

- A. Guiding Principle #4: Allocation of homeless resources covered by this Consolidated Plan should be consistent with community based strategies addressing homelessness.

Federal and state resources were used during SFY 2013 to fund programs of homeless prevention and intervention for Alaskans living outside of the state's largest city, Anchorage. Local non-profit agencies are the critical link in this delivery system and were the primary recipients of funding addressed in this report. The allocation of homeless resources covered by this Consolidated Plan during SFY 2013 was consistent with community based strategies addressing homelessness (Guiding Principle # 4) and with the objective of creating a suitable living environment with improved availability and accessibility.

The Alaska Coalition on Housing and Homelessness and Alaska Housing Finance Corporation worked closely together throughout SFY 2013 to prepare for the HUD Continuum of Care competition which had not yet been announced at the close of this reporting year. The Alaska Council on the Homeless, appointed by the Governor, also met to better coordinate the use of state and federal resources to achieve objectives identified in the state's 10-Year Plan to End Long-Term Homelessness.

- B. Priority Activities under Alaska's Continuum of Care

Throughout SFY2013, AHFC supported the Alaska Coalition on Housing and Homelessness by providing staff assistance and teleconference services. Consistent with Guiding Principle #4, the Coalition changed their meeting schedule to "every other month" to provide more time for local planning and coordination. An average of 30 persons representing 11 communities throughout the state participated in Coalition meetings over the reporting period. In October 2012, with support from AHFC, the Alaska Coalition hosted its annual meeting and workshops. The event featured a keynote presentation by Beverly Ebersole from the U.S. Interagency Council on the Homeless.

SFY2013 marked the fourth implementation year for Alaska's 10-Year Plan to End Long Term Homelessness. The plan was developed by the Alaska Council for the Homeless, an interagency council appointed by the Governor. In SFY13, approximately \$8 million in state resources were dedicated to activities identified in the 10-Year Plan.

AHFC continued its collaboration with the Coalition to facilitate the preparation and submission of the FFY12 Alaska Balance-of-State Continuum of Care (CoC) application. All projects requesting renewal funding in the FFY12 competition were funded, along with a new reallocation project serving homeless persons with disabilities in Kenai and a planning grant to assist with HEARTH compliance.

In terms of program outcomes, the Balance-of-State CoC was lagging behind some of its loftier goals outlined their FFY2012 application for CoC funding. However, the Alaska CoC was still meeting or exceeding national objectives. Alaska's CoC pro rata share is so small, there is little opportunity to add permanent supportive housing (PSH) beds to the inventory. Some that were developed previously using state resources continue to change their designation to licensed assisted living beds to qualify for a more stable means of operating support.

Objective	Prior Level	Projected in 13	As of 6/30/13
1. Create new PSH beds for chronic homeless	31 Beds	40 Beds	31 Beds
2. Exceed national 7-month retention goal of 77%	84%	82%	78%
3. Increase placement rate for TH to PH to 65%	77%	80%	68%

Sources: January 2013 Homeless Inventory Chart (1); Quarterly & Annual Performance Reports (2&3).

C. Supportive Housing Program (SHP) Grant Match Assistance

With authority from the Alaska Legislature, AHFC provides matching grants for several federal competitive grant programs. During SFY13 AHFC awarded approximately \$1,156,000 in current and recaptured corporate funds to match 14 projects totaling \$3.8 million from HUD under the FFY2012 Continuum of Care, Supportive Housing Program (CoC-SHP). Eight of those grants were awarded to projects in the Balance-of-State Continuum. CoC-SHP grantees report that these AHFC funds are critical to the continuity of these projects due to the stagnation of HUD amounts for renewals.

ASSISTING ALASKANS WITH SPECIAL NEEDS

A. Senior Housing

AHFC provided \$1,000,000 in Senior Citizen Housing Development Fund (SCHDF) money to four (4) non-profit agencies to administer the Senior Housing Accessibility Modification Program in SFY 2013; forty-eight (48) households were assisted.

The Senior Housing Accessibility Modification Program serves the following areas: Mat-Su Borough, Kenai Peninsula, Kodiak Island, Valdez-Cordova, Denali, Fairbanks North Star Borough, Southeast Fairbanks Census Area, Southeast, Nome, Northwest Arctic, Bethel, Wade Hampton, Yukon Koyukuk Census Area and the Municipality of Anchorage.

Approximately \$4.0 million in funding from AHFC's SCHDF was awarded to develop ninety-four (94) units of new senior housing in Eagle River, Kodiak and Soldotna. Funding from the SCHDF made possible the following projects:

Grantee	Project Type	Community	Grant Amount	Total Units	Activity Type
Kodiak Island Housing Authority	Independent Senior Living	Kodiak	\$2,000,000	32	New Construction
Cook Inlet Housing Development Corporation	Mixed-Income Senior Independent Living	Eagle River	\$865,000	56	New Construction
Kenai Peninsula Housing Initiatives	Silverwood Phase II	Soldotna	\$1,146,500	6	New Construction

B. Housing Opportunities for Persons with AIDS (HOPWA)

HOPWA grants to AHFC since 1994 have made it possible to support and assist more than 200 people annually and to work with two organizations: the Alaskan AIDS Assistance Association in Anchorage (4As) that serves the South-central and Southeast Regions and the Interior AIDS Association in Fairbanks.

In early calendar year 2012 AHFC received a three-year award of \$915,000 to support its statewide housing programs for very low-income residents living with 4HIV/AIDS. "Very low-income" is defined as those who earn 50 percent or less of the median income in Alaska.

Approximately \$305,000 annually will allow Project Sponsors in the state to provide assistance with rental or short-term utility costs, as well as a wide array of supportive services for persons living with HIV/AIDS.

Made available through the Housing Opportunities for Persons with AIDS Program (HOPWA), this federal award helps provide permanent housing, comprehensive case management, and short-term housing assistance to those living with HIV/AIDS and their families in Alaska.

AHFC received a second federal award of approximately \$781,269 in 2013 to support the South-central part of the program. Project Sponsor 4AS in Anchorage champions all efforts to support those affected by HIV/AIDS in the Juneau area. This award includes provisions for Operating housing facilities, leasing, Tenant-based Rental Assistance (TBRA), Short-term Rent, mortgage and Utility payments to prevent homelessness as well as supportive services and housing information and placement. The south-central award is intended to provide HOPWA assistance for three years.

C. Beneficiary and Special Needs Housing Grant Program

Capital development applications were solicited through a single-purpose SNHG competition during SFY2013. A single project providing housing and supportive services for 35 persons recently released from Corrections was funded during SFY 2013 through an executed grant agreement.

Other Special Needs Housing Programs

a Technical Assistance and Scholarships

Throughout SFY 2013, Alaska Housing Finance Corporation offered training and technical assistance activities to improve the capacity of project sponsors.

Scholarship opportunities were provided for Alaskan provider staff to attend HOME Trainings on income and rental compliance and CHDO staff to attend NeighborWorks® Training Institutes to increase CHDO capacity. AHFC sponsored an HMIS training event which was held in conjunction with the Alaska Homeless Coalition's Annual Conference.

Scholarship opportunities were made available for Department of Corrections staff in order to access the on-line "Ready to Rent" Curriculum. In this training, Corrections staff were taught how to teach TBRA participants to become better tenants. Tenants who take the class receive a certificate that may be used in lieu of a rental reference with some landlords. Providing this curriculum for TBRA participants, who are exiting or have recently exited the correctional system, will provide participants with the tools to successfully integrate back into the community and into decent, safe and sanitary rental housing which we anticipate will reduce recidivism rates.

AHFC continues to fund a technical assistance contract to afford unlicensed mortgage originators access to a licensed mortgage originator to assist with their soft second loan origination tasks.

Although HUD clarified that the SAFE Act is not applicable to zero interest, soft second loans, the State of Alaska has not initiated a state statute to exempt small non-profits from the SAFE Act. AHFC has also provided technical assistance to one small CHDO and a HOME grantee in Juneau to determine whether a merger of resources is feasible to afford the community increased development and housing management capacity. Although initial discussions last year were unsuccessful, a second round of merger discussions was held this year with an alternate HOME grantee which culminated in a successful merger of two small housing development and management agencies.

AHFC also provided funds for technical assistance to one HOME project in Fairbanks to assist the project sponsor in developing an updated project proforma and long-term plan for project sustainability.

b Bridge Home Program (supportive, independent living)

The Bridge Home is a supportive housing program for people with Mental Health disabilities funded by the AMHTA. The program is designed to provide affordable housing, on-site supportive services and skills training to participants, while they are waiting on the AHFC Housing Choice Voucher Waiting List. Since many of the participants have poor rental and credit histories, many with criminal records, they are often not immediately eligible for the Housing Choice Voucher Program.

This program gives them time in their own apartment while they learn the skills needed to maintain residency and demonstrate their capacity by the time they rise to the top of the AHFC Waiting List. The participants each have long histories of stays in the State mental hospital and corrections and often homelessness.

During the SFY2013, the Bridge Home Program largely operated in a similar way as it did in previous years. The main differences were that the level of severity of client mental illness increased and there has been a change in the way housing vouchers are released by AHFC. Still, the program was able to provide 52 service slots during the year. This was an increase of 2 over the previous year with no increase in over-all costs. There was a turn-over rate of approximately 20% for the existing treatment slots allowing the addition of 10 new individuals. This was an improvement over the previous year but there continues to be a lack of funding and availability of housing units for tenants to move into. For this reason clients continue to remain in the program longer than the ideal timespan.

In the year preceding their involvement in Bridge Home, consumers admitted since July 1, 2012 spent 638 combined days in jail and 190 days in API. Through the 4th quarter of FY13 these same consumers have spent 53 days in API and 193 days in Jail. This was a 72% reduction of utilization of API inpatient days and a 70% reduction of DOC Jail days. This was calculated on the 10 persons admitted during this time.

OTHER AFFORDABLE HOUSING

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 for the rehabilitation and development of teacher, health professional, and public safety housing in rural Alaska.

In SFY 2013, a total of ten projects and 48 units received \$8.28 million in THHP funding, including three VPSO housing projects. As part of Governor Parnell's Choose Respect Initiative, AHFC committed \$1.0 million for priority-funding of VPSO housing units. See the table below for a detailed summary of SFY 2013 awards:

AHFC began the SFY 2014 THHP application round in the Spring of 2013. A total of 53 applicants registered to participate in the SFY 2014 THHP Process. Twenty-seven applicants have completed the SFY 2014 THHP Pre-Registration Process and will submit their final applications to AHFC by August 30, 2014. AHFC will announce the SFY 2014 THHP Awards in the Fall of 2012.

Since program inception in SFY 2004, the Teacher, Health Professional, and Public Safety Grant Program has funded the new construction or rehabilitation of 375 units of housing totaling \$116 million in total project cost. Seventy-eight percent (293) of these units are completed and in service.

EFFORTS TO PROMOTE ACCESSIBLE HOUSING

Throughout SFY2013, Alaska Housing Finance Corporation worked with the Alaska Mental Health Trust Authority and the Governor's Council on Disabilities and Special Education to identify and access resources, and develop strategies to help persons with disabilities secure adequate housing. Specific actions during the fiscal year included:

1. The Senior Accessibility Modification program continued during SFY2013. AHFC provided \$1,000,000 to four (4) non-profit agencies to administer the Senior Housing Accessibility Modification Program (SCHDF monies) throughout the state. Approximately 48 households were assisted.
2. In SFY 2013, SNHG and GOAL awards were made to projects that will provide 83 units that are equipped for both sensory and mobility impairments (24 units outside of Anchorage). Of the eight projects awarded funds under the GOAL program, three projects are designated for seniors (2 located outside of Anchorage) and one additional project is designated for Elderly and Disabled (located outside of Anchorage); HOME funds were awarded to three projects (all located outside of Anchorage; however, only two of these projects had grant agreements executed in SFY2013).

ALASKA'S FAIR HOUSING PLAN

AHFC conducted and participated in a series of statewide Fair Housing events regarding "Analysis of Impediments to Fair Housing Choice". The following impediments were identified, and incorporated into the SFY 2013 Annual Action Plan:

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 as compared to the previous Fair Housing Survey completed in August of 2003. Respondents continue to identify groups that are not covered under the Fair Housing Act and not all respondents could identify all protected groups. During 2013, AHFC continued to have specifically designated staff persons work with organizations serving members of protected classes, to assist them to better understand how to access available housing resources. The AHFC Public Housing Division has a designated Section 504/Fair Housing Coordinator to ensure full compliance with the law.
 - In SFY2013, AHFC conducted 104 HOME CHOICE classes in 28 communities throughout Alaska. HOME CHOICE staff issued 1942 Certificates of completion. HOME CHOICE is an eight-hour class covering all aspects of homeownership and the home-buying process. AHFC also conducted HOME CHOICE Home Study classes in 32 communities and 102 Certificates were issued. Additionally seven "More Than a Mortgage Loan" classes in four communities

and 58 certificates were issued. These classes are well publicized throughout the state, and organizations representing members of protected classes are informed about the availability of these classes.

- HUD provided ongoing access to Fair Housing/Section 504 trainings via HUD-sponsored webinars throughout 2013.

2. Low awareness of available fair housing enforcement mechanisms, and the lack of fair housing advocacy organizations; are identified as impediments.

- HUD has provided ongoing access to Fair Housing/Section 504 trainings via HUD-sponsored webinars throughout 2013; therefore AHFC did not host a Fair Housing Training.
- AHFC continues to provide information regarding fair housing and encourages potential fair housing program sponsors to apply for HUD Fair Housing Funding.

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

- AHFC continued to explore mechanisms for project-basing Housing Choice Vouchers to assist severely disabled individuals through the Special Needs Housing Program. "Medicaid" waiver vouchers, "VASH" vouchers and Chronically Mentally Ill "CMI" vouchers continue to be used by special needs populations. AHFC recycles the set-aside vouchers to qualified persons with disabilities as vouchers are returned through attrition.
- During the FFY2012 96 CMI vouchers were allocated for disabled persons throughout the state, plus 45 vouchers to the non-elderly disable (NED) population Also 10 project-based vouchers for developmentally-disable persons and 20 Vouchers for the Chronically Mentally Ill CMI, 70 set-aside SRO Section 8 moderate rehabilitation vouchers, 210 VASH vouchers, 214 ESHP Domestic violence set-aside as direct referrals from the Alaska Network on Domestic Violence and Sexual Assault (ANDVSA) plus TBRA vouchers for youth aging out of foster care other were issued statewide
- AHFC's GOAL Program Rating and Award Criteria Plan established the criteria for the award of Low Income Housing Tax Credits, HOME Rental Development funds and Senior Citizens Housing Development Funds. This Plan 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 primarily serve special needs populations.
- As part of the Moving to Work Program, the Public Housing Department might exempt participants with disabilities from the requirement to maintain employment.
- The AHFC Housing Choice Voucher Homeownership program continued to serve disabled individuals through the use of a housing choice voucher for homeownership. Using a

housing voucher to offset a portion of the monthly mortgage payment allows individuals who experience permanent disability access to housing that is both affordable and meets the family's need for special housing features for accessibility. Historically, over 80% of the individuals served through this program experienced permanent disabilities.

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

- AHFC previously developed a Limited English Proficiency Plan (LEP), including a contract for 24/7 telephonic translation services. The LEP Plan is described in greater detail in the next section.
- AHFC worked with the State of Alaska's Department of Law to revise portions of the Landlord Tenant Act. This publication includes a summary of landlord and tenant rights and obligations under Alaska law, provided by the Alaska Department of Law. Their publication was last updated in 2009. Go to www.law.state.ak.us/departments/civil/consumer/landlord-tenant.html to update this printed information. In accordance with Alaska Statute (AS) 44.23.020 (b)(9), information in their publication has been approved by the Alaska Department of Law. It is the user's responsibility to check for any amendments to the Alaska Statutes by visiting the Alaska Legislature website at <http://www.legis.state.ak.us/basis/folio.asp>

5. Members of protected classes are disproportionately represented in Alaska's homeless population.

During SFY2013, AHFC conducted the Annual Point-in-Time homeless survey on January 24, 2013. The survey indicated that members of protected classes continue to be disproportionately represented in Alaska's homeless population. Alaska Natives are represented in far greater number in the state's homeless population than their representation in the overall population. Homeless households with children were also counted in higher numbers this year. The activities described throughout this Annual Performance Report describe mainstream housing and service resources for the homeless that help address this problem.

6. The general lack of affordable and appropriate housing is an impediment to fair housing choice for members of protected classes.

Throughout the SFY 2013 Annual Performance Report, activities are described that expand the supply and availability of affordable housing in Alaska. AHFC continues to work to expand affordable housing opportunities throughout Alaska, both for homeownership and for rentals, leveraging and targeting a wide range of resources.

LIMITED ENGLISH PROFICIENCY

As part of the process to develop the State of Alaska's five-year Consolidated Housing and Community Development 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. The Americans with Disabilities Act of July 26, 1990 in its Title II prohibits discrimination against qualified individuals with disability in all programs, activities, and services of public entities. It applies to all state and local governments, their departments and agencies.

A public entity must ensure that individuals with disabilities are not excluded from services, programs, and activities because buildings are inaccessible. AHFC's programs, when viewed in their entirety, must be readily accessible to and usable by individuals with disabilities. This standard, known as "program accessibility," applies to facilities of a public entity that existed on January 26, 1992. 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, in SFY2012, AHFC established accessibility to language interpretation through a third party. Interpretation service into over 240 different languages is now possible. Appropriate links are now included on the AHFC website <http://www.ahfc.us> front page that will link all ADA users to the third party contractor providing the interpretation. This will assure that AHFC beneficiaries will have access to information and other services thus complying with ADA stipulations.

This same web portal offers a Google button that will translate the entire content of the page into a desired language.

Part II: OTHER HOUSING AND COMMUNITY DEVELOPMENT ACTIONS

MOVING TO WORK (MTW) PROGRAM DESIGNATION

Alaska Housing Finance Corporation, Public Housing Division (AHFC)

Moving to Work (MTW) is a demonstration program authorized under the Omnibus Consolidated Rescissions and Appropriations Act of 1996. An MTW designation provides a public housing authority the opportunity to adopt exemptions from the 1937 Housing Act, subsequent amendments and regulations. 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.

In June 2008, AHFC signed an MTW Agreement with HUD after public hearing and approval by the AHFC Board of Directors. AHFC is now one of 38 existing MTW sites across the country. For AHFC, a key component of the designation is the opportunity to combine operating assistance, capital funds, and tenant-based voucher funds into a single funding source. The pooling of funds allows for more flexible spending – one consequence being a greater opportunity to repair or expand AHFC's affordable housing stock through mixed-finance options or other locally determined means.

Each year, AHFC must submit its MTW Plan to the Board of Directors for approval. It is then forwarded to HUD for their review. Reports summarizing previous year's activities are due to HUD by September 30. Annual plans and reports are available on AHFC's web pages at: <http://www.ahfc.us/rent/rental-programs/plans/>.

A. SFY 2013 Issues

1. Nonpayment of Rent – AHFC changed its notice time on Nonpayment of Rent to conform with the Alaska Landlord and Tenant Act. This new guideline began implementation with the issuance of a new Residential Lease Agreement for Public Housing tenants. Residents were notified in July 2013 with a start date of September 1, 2013.
2. Late Rent Fee– Along with the start of a shortened time period to remit late rent, AHFC will also begin assessing a late rent fee of \$25 for each resident that fails to tender their rent payment within the grace period. The late rent fee will begin September 1, 2013.
3. Youth Aging Out of Foster Care – AHFC executed a Memorandum of Agreement with the State of Alaska Department of Health and Social Services, Office of Children's Services to begin offering transitional housing assistance to youth aging out of foster care. The State of Alaska is providing individual case management services to youth, and AHFC is providing up to 3 years of rental assistance using HOME Investment Partnership Program funds. Administrative costs are paid with Moving to Work funds and Housing Choice Voucher Program staff administer the rental assistance. Clients are screened and referred directly to AHFC by the Office of Children's Services.
4. Empowering Choice Housing Program – In partnership with the State of Alaska Council on Domestic Violence and Sexual Assault and the Alaska Network on Domestic Violence and Sexual Assault, AHFC began a voucher program serving families displaced by domestic violence and sexual assault. Families are referred to AHFC by an ANDVSA member agency for the three-year vouchers, and this program is available in every AHFC Housing Choice Voucher Program location.

For those locations without a voucher program (Bethel, Cordova, and Nome), AHFC offers ANDVSA member agency referrals a preference on its public housing program waiting lists. Funding for the ECHP program is provided through a set-aside of AHFC Moving to Work monies as well as a State of Alaska legislative appropriation.

5. Local Payment Standards – Modeling other MTW agency plans, AHFC created an activity to establish local payment standards in each of its housing choice voucher jurisdictions. AHFC plans to “decouple” its payment standards from the HUD Fair Market Rent. AHFC plans to instead base its payment standards on local rental conditions as well as independent data gathered by the State of Alaska Department of Labor and AHFC’s Planning and Program Development Department under a housing market survey of landlords.

AHFC feels that this activity will allow it to be more responsive to local market conditions and establish payment standards that reflect not lead, local rental markets.

6. Project-Based Vouchers – During SFY2012, AHFC committed 70 vouchers for two developments: Main Tree in Homer (10 vouchers) and Loussac Place in Anchorage (60 vouchers).
 - a. Main Tree is a housing complex that serves developmentally disabled persons. These units were fully leased as of June 30, 2013.
 - b. Loussac Place is a mixed finance housing development that offers 120 units of affordable housing. AHFC offers project-based voucher assistance in bedroom sizes from one to four. These units were fully leased as of June 30, 2013.

7. Reasonable Rent & Family Self-Sufficiency Initiative – During SFY2013, AHFC began initial development of its rent reform activity, a requirement under the Moving to Work Agreement with HUD. AHFC formed a team to research other rent reform activities conducted by other MTW agencies and began outreach activities to community stakeholders.

AHFC’s initial proposal went to its Board of Directors in February 2013. AHFC is proposing two tracks of housing assistance for its public housing and housing choice voucher programs: 1) a track that serves elderly and disabled families, and 2) a track that serves work-able families. AHFC is proposing minimal changes for its elderly and disabled families; the main change being an elimination of current deductions and allowances. AHFC will replace the complicated rent calculation formula with a simplified formula that asks participants to contribute 28.5 percent of gross monthly income towards their rent.

For work-able families, AHFC is planning to limit rental assistance to a maximum term of five years. AHFC is also planning to “step down” subsidy each year to move these families toward the private rental market.

Along with revisions to its subsidy program, AHFC also plans to increase the availability and scope of its Family Self-Sufficiency Program to provide increased resources and opportunities for self-sufficiency to participants.

B. Public Housing Financial Resources

Rental subsidy for both public housing and the Housing Choice Voucher is derived entirely from Congressional appropriations made through the U.S. Department of Housing & Urban Development (HUD). Tenants pay for part of the operation costs of public housing through rent; this is generally 30 percent of adjusted family income.

C. Public Housing Division Grant Program SFY 2013 Achievements

Resident initiatives are administered by AHFC and funded through corporate receipts. Funding for these programs is based entirely on corporate dividends appropriated by the legislature through the Capital Budget.

1. 2013 AHFC Youth Summer Camp – Statewide. AHFC awarded \$38,000 in scholarships on a statewide basis for youth to attend summer camps or other organized activities. To be eligible, a family must be residing in or participating in a public housing rental assistance program. The program was a great success with AHFC funding attendance for 139 children (102 families) in 10 communities.
2. Scholarship Funds – Statewide. This scholarship provides financial assistance of up to \$2,500 to both public housing tenants and Housing Choice Voucher participants and is available in any of the 16 communities AHFC serves. In SFY2013, AHFC awarded four scholarships statewide.
3. After School Program – Fairbanks. This program is designed for after school youth activities including literacy, homework, family nights, and informational field trips. Literacy Council of Alaska received \$66,217 per year for 3 years for this program. It is currently in its second year of operation. The program is located at the Birch Park public housing development.
4. After School Youth Development Program – Juneau. Juneau Arts and Humanities received \$66,502 per year for 3 years. This program is in its second year. The program is designed for afterschool youth development for elementary-age children. It focuses on support, empowerment, boundaries and expectations, constructive use of time, commitment to learning, positive values, social competencies, and positive identity for children ages 6 to 11. The program is located at both the Cedar Park and Geneva Wood public housing developments.
5. Elderly/Disabled Service Coordination. AHFC continues to support the service coordination programs in Anchorage, Fairbanks, and Juneau. Service Coordination targets elderly and disabled individuals who reside in either an AHFC public housing unit or a Multifamily Project-Based development, enabling them to remain independent. The Public Housing Division's federally-funded operating budget is the primary source of funding for these

programs. Resident contacts remain approximately the same as in the previous reporting period. The program serves 240 elder/disabled units in Anchorage, 156 units in Fairbanks, and 62 units in Juneau.

Tracking At-A-Glance case-management software went live in September 2012. The first year was spent bringing all client data up to date and learning the new software. This software offers the ability to maintain caseload data and track needs assessments, case management notes, and referrals. The system also includes staff daily planners, appointment calendars, and an optional "clock-in/out" system to track staff and/or caseload member attendance. All funding source and service provider information is also tracked and fully searchable. This reduces paperwork and enables our staff to provide more actual services to clients. The grant modules allow staff to create and manage up to 300 separate grants with distinct, user-defined goals, measures and resident populations, and reporting needed for E-Logic Models. It also tracks in kind services and savings to our clients. We are in the process of verifying our numbers for accuracy.

6. Family Self-Sufficiency Program. Family Self-Sufficiency (FSS) is a voluntary program designed to promote economic self-sufficiency. Families living in public housing or those receiving assistance from a Housing Choice Voucher are eligible to apply. In FSS, rent increases resulting from increases in earned income are diverted by AHFC into an interest bearing savings account. Upon successful completion of an FSS contract, the family is entitled to receive the escrow savings as lump sum payment.

AHFC has worked closely with the Alaska Division of Public Assistance to continue a program that targets families receiving both voucher assistance and Alaska Temporary Assistance Program benefits. Named YES for 'Your Earnings Saved,' the partnership has enabled AHFC to expand its program beyond the original Anchorage and Juneau sites and now includes participants in other communities where Housing Choice Voucher assistance is provided.

From July 2012 to June 2013, 108 families attended FSS program orientations to learn about the program. During that same time period, 118 families enrolled in FSS or YES. Graduations have been up this fiscal year; 19 families have completed the FSS program and received an escrow disbursement.

DEVELOPING ECONOMIC INITIATIVES FOR LOW INCOME FAMILIES

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 veterans, 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 2005 plan, The Alaska Governor's administration released a new Two-Year plan which, with a series

of one-year extensions, spans July 1, 2007 through June 30, 2011. The Department of Labor and AWIB are now operating under the new approved plan for SFY2012, posted on the AWIB website. The entire plan can be accessed at <http://www.labor.gov/awib> . As of June 30, 2012 the AWIB was working on the development of their new Plan, which was effective September 16, 2012.

In addition to maintaining the one-stop Job Centers and the role of the Workforce Investment Board, the plan identifies the following four priorities:

- 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 AWIB and staff have been working on several initiatives during the past year. These activities include revising the Oil and Gas Training Strategic Plan, Implementing the Alaska Career and Technical Education (CTE) Plan, meeting with Regional Training Centers, implementing activities of the Disability Employment Initiative and implementation of a Renewable Energy/Energy Efficiency (RE/EE) Workforce Development Plan. AWIB activities include:

In 2012, the legislature appropriated \$486,000 to the AWIB in partnership with the Department of Commerce, Community, and Economic Development (DCCED). Grants were awarded in May to six entities funding seven programs for a total of \$257,350. This is a one-time funding measure to be used through June 30, 2015, for training Alaskans and establishing Alaska workforce development programs in the film and television industry. The remaining amount of \$228,650 is budgeted for Individual Training Accounts (ITAs) for Alaskan residents to receive tuition reimbursement and help with travel funding.

The DOLWD Employment Security Division (ESD) is managing the ITAs. As of July 15, 2012, two grantees have started measurable work: International Alliance of Theatrical Stage Employees (I.A.T.S.E.) Local 918 has held four classes with 250 participants; Talking Circle Media has almost completed their website, Alaska Film Crew, and curriculum development. All the other grantees are beginning work after the start of PY 2012. In total, AWIB reimbursed \$23,700 to the grantees, and ESD reimbursed \$5,000 for 26 participants in the ITA program.

EVALUATING AND REDUCING LEAD-BASED PAINT HAZARDS

In 2008, the federal Administration for Children & Families issued a memorandum to their Head Start grantees, which stated that in order to meet the Head Start Program Performance Standards, Head Start programs must ensure that all enrolled children receive a lead toxicity screening as per the federal EPSDT requirements. If a child's medical provider will not perform a lead screening test, then the Head Start program is required to assist the family in obtaining the test from other community resources.

Common renovation activities like sanding, cutting, and demolition can create hazardous lead dust and chips by disturbing lead-based paint, which can be harmful to adults and children. To protect against this risk, on April 22, 2008, the Environmental Protection Agency - EPA issued a rule requiring the use of lead-safe practices and other actions aimed at preventing lead poisoning. Under the rule, beginning April 22, 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.

The EPA requires that firms performing renovation, repair, and painting projects that disturb lead-based paint in pre-1978 homes, child care facilities and schools be certified by EPA and that they use certified renovators who are trained by EPA-approved training providers to follow lead-safe work practices. Individuals can become certified renovators by taking an eight-hour training course from an EPA-approved training provider. Learn about the EPA-Lead-safe Certification Program: <http://www.epa.gov/opptintr/lead/pubs/toolkits.htm>

In Alaska, health care providers and laboratories are required to report any blood lead test result 5 micrograms per deciliter ($\mu\text{g}/\text{dL}$) or higher within 4 weeks of receiving the result. In the 12-month period between July 1, 2012 and June 30, 2013, 19 cases of an elevated blood lead level (EBLL) among children aged less than 18 years were reported to the Alaska Section of Epidemiology. This is a great increase compared to the previous year, in which less than five cases were reported. Completed follow-up investigations identified the following lead exposures; father's occupational exposure, eating paint chips in a home built before 1978, and eating dirt and other items found on the ground. There were several unknown exposure cases. Follow-up investigations for 12 cases are pending. An increase in LBP cases for the reporting year might be attributed more to better and timely reporting than to a jump in the incidence of contaminations for the year.

http://www.cdc.gov/mmwr/preview/mmwrhtml/mm6120a6.htm?s_cid=mm6120a6_w

In May 2012, the Centers for Disease Control and Prevention (CDC) issued an announcement¹ lowering the blood lead level of concern in children from $10\mu\text{g}/\text{dL}$ to $5\mu\text{g}/\text{dL}$. Additionally CDC changed the term "level of concern" to "reference value" to acknowledge that there is no safe amount of lead in a child. The Alaska Section of Epidemiology has aligned its program policies with these recommendations.

No cases of residential units contaminated with Lead-based Paint statistics were reported by The Environmental Protection Agency or by the Center for Disease Control for Alaska in the SFY13. All Alaska Public Housing units have been abated for LBP or renovated. Also the majority of privately owned homes built prior to 1978 have been renovated or abated in Alaska, making recent statistics on LBS almost non-existent for the State.

ADDRESSING HOUSING AND COMMUNITY DEVELOPMENT BARRIERS

In addition to the actual task of building housing or matching available housing to clients in need, there are many other issues that surround the topics of housing and community development. For example, clients must meet criteria for particular housing programs in order to qualify. Structures must be properly maintained and inspected; long term sustainability for organizations providing

housing and attendant services is an important issue. There are other areas that merit consideration as well. Discussion on these items follows.

A. Improving Organizational Capacity

Throughout SFY 2013, Alaska Housing Finance Corporation (AHFC) assisted in the delivery of a variety of workshops and direct technical assistance activities that focused upon improving agency organizational capacity. Although the HOME Regulations Specialist training was twice scheduled, this training was twice cancelled due to the pending HOME regulations. No One CPD trainings were provided in-state during this performance period which somewhat limited the number of training events provided to-date. AHFC provided a Housing Quality Standards and Uniform Physical Conditions Standards inspector training during this performance period with training delivery dates of July 23-27, 2012.

HUD eliminated the local CD-TA awards program in 2010 and issued a broader NOFA for training and technical assistance activities entitled, "OneCPD." In response to the OneCPD NOFA, AHFC partnered with a national partner for a OneCPD award. The national provider was a successful awardee last year and in this year's opportunity and AHFC will work jointly with HUD and the national provider to continue to provide travel scholarships and training and technical assistance opportunities to Alaska's affordable housing providers. Partnering with a national entity on training and technical assistance activities will allow AHFC to continue to use existing corporate CD-TA match resources to augment the Federal funds to continue to provide training scholarships and events. AHFC continues to plan additional training and technical assistance opportunities for providers using AHFC-corporate training resources since all Federal resources are fully expended. To-date, no OneCPD events have been provided in-state. Utilizing AHFC resources, the Corporation is planning to host a "How to Work with a Developer" training in mid-October. Planning tasks for this event began during SFY2013 and AHFC staff anticipate that this event will increase the capacity of small or new project sponsors who are interested in developing affordable housing.

B. Infrastructure for Housing and Community Development

Appropriations through EPA and USDA coupled with state funding have resulted in substantial improvements in the health, safety, and well-being of thousands of Alaskans. In 1994 only 37% of rural Alaska households had adequate sanitation facilities. Today, more than 77% of rural Alaskan homes have running water and flush toilets. With federal and state support, the percentage of rural households with basic sanitation services has increased by more than 30% over the past decade. Similarly, there has been a significant increase in the number of trained rural utility operators, clerks, and managers.

The Village Safe Water Program's SFY12 CIP request includes \$1,073,500 for 11 planning projects and \$33,993,164 to partially fund 56 multi-year list projects. The SFY2012 VSW request for multi-year projects is approximately 11.6% of the total estimated cost of multi-year projects. This percentage was applied to multi-year projects across the board. Multi-year projects will receive funding on a first come first serve basis (up to the total amount appropriated). Note, \$500,000 in

statutory designated Program receipts and \$16,000.000 in federal funding from Denali Commission/Alaska Native tribal Health Consortium is not included.

C. Supplemental Housing Development Grant program

- This program helps alleviate the shortage of decent, safe and sanitary housing for rural Alaskans. A rural housing needs assessment showed an immediate need for approximately 12,980 new houses and 23,475 homes in need of major repairs throughout Alaska¹. HUD and AHFC Supplemental Housing Program funding are not adequate to cover the high cost of construction materials and shipping to rural Alaska.
- In 1981, the Alaska State Legislature established the Supplemental Housing Development Grant (SHDG) Program to supplement HUD Indian Housing Development funds for projects constructed by regional housing authorities. Each state dollar contributed to this program leverages approximately five dollars in federal funds.
- By State Statute, AHFC is limited to contributing 20% of HUD's total development cost of a project. The funds can be used for on-site water and sewer facilities, roads to project sites, electrical distribution systems, and energy efficient design features.
- In State Fiscal Year 2013, the SHDG Program received \$7.0 million from the legislature; 13 grants were awarded to 11 regional housing authorities.
- The grants were awarded for new construction of 157 units (110 single-family homes, 47 multifamily units) and rehab work on 32 units (26 SF and 6 MF) to provide safer, decent, and affordable housing for residents in rural and urban Alaska.
- \$6,536,961 total grant funds were distributed for development in the following categories:
 - \$5,106,833 Energy Efficiency Design features
 - \$ 566,422 Onsite Water and Sewer systems
 - \$ 481,628 Access Roads to development project sites
 - \$ 382,078 Electrical Distribution to houses in project sites

Supplemental Housing Program funds have a five-year life. Housing authorities have the option to defer their funds for housing development for a year and in SFY-2013 three housing authorities deferred their funds to the following year.

- Housing authorities have increased local hire on rural housing construction projects to nearly 95% through on-going training and apprenticeship programs in skilled crafts.
- These funds leveraged \$32,684,805 in federal funds (Native American Housing Assistance and Self-Determination Act and related HUD funds).

¹ 2009 Alaska Housing Assessment, Information Insights, Inc.

ROLE OF LOCAL GOVERNMENTS

Local Governments in Alaska can be categorized in two ways: those that are well established and have large enough population bases to enjoy their own revenue sources and viable market structures and those that are so small that they do not have revenue streams or viable markets. For the most part, the latter situation exists among the small local governments subject to this “balance of state” CAPER.

Since the Alaska Municipal League Survey of Municipal Fiscal Conditions was published in 2004 (based on 76 responses from municipalities) it has been well documented that most of the rural municipalities do not have the financial resources necessary to provide minimum public services. Other concerns identified by this survey included:

- Accelerating state budget cuts are overburdening both urban and rural local tax structures.
- State cuts on top of serious local economic downturns in 75% of the municipalities surveyed have a severe dampening effect on local economic recovery.
- Rural problems hurt urban economics, with up to one third of Alaska’s urban economies being fueled by commerce with rural Alaska.

These conditions identified in SFY 2004, continued to be aggravated during SFY 2008 by increasing energy, insurance and other costs. Demographic and economic trends are negatively impacting many rural areas of Alaska. During SFY 2009 there was a significant downturn in the economy that resulted in full blown recession and necessitated the passage of the Economic Recovery and Stimulus Programs, many of which have been referenced at other points in this CAPER.

The pressure on local government finances continued in 2011 making many local governments hesitant to assume additional responsibilities or promote initiatives to expand affordable housing opportunities. The challenges faced by local governments to provide affordable housing and administer related programs remain and, in some instances, have been exacerbated. The communities with the greatest housing and community development needs generally face financial pressure with their municipal budgets, and are stretched in terms of staffing capacity to administer HCD projects. This is a growing challenge for all involved in HCD programs. Governments recognize this and are making efforts to overcome the issues.

The role of local governments in providing for affordable housing is three fold. First, local governments can commit revenue, if they are among those large enough to have their own revenue streams. Most local governments that can commit funding are very willing to do it and are instrumental in the leveraging of all resources. Second, local governments can seek outside funding sources. This requires that they build capacity to the point where they have the staff with the expertise to remain abreast of the federal funding resources and who can responsibly administer federal funding once it is obtained. This can be a sizable job in itself. The third, and possibly the most realistic aspect of the role of local government, is to support the efforts of developers and not-for-profit organizations that are engaged in construction of affordable housing

and the provision of related services. This can be accomplished by constant review of the policies and processes of the local government to ensure they do not create unnecessary barriers to development and service provision. Review and amendment of zoning and permitting and other municipal ordinances and regulations as well as creating appropriate preferences and incentives for rental development are examples of this type of support. Constant analysis of fee structures can also be of assistance.

TARGETING AND LEVERAGING RESOURCES

The State of Alaska's Five Year Consolidated Housing and Community Development Plan (SFY 2011 through SFY 2015) identified unmet housing and community needs that far exceeded resources available to programs governed by the HCD Plan. An objective of the SFY2013 Annual Action Plan was to effectively target and leverage available HCD resources with all other available resources. Both private and public 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 2013, Alaska Housing Finance Corporation (AHFC) continued to encourage the effective and coordinated use of available resources through the Greater Opportunities for Affordable Living (GOAL) program. The GOAL program incorporated funding from the HOME Rental Development Program, Low Income Housing Tax Credit Program, and the Senior Citizen Housing Development Program.

The funding provided to Tribally Designated Housing Entities (TDHEs) through the federally funded Indian Housing Block Grant (IHBG) Program provided significant affordable housing resources in Alaska. This funding has been used in conjunction with HOME funding, Low Income Housing Tax Credits, and AHFC mortgage financing to expand affordable housing opportunities. In 1996, the Native American Housing Assistance and Self-Determination Act (NAHASDA) gave the TDHEs greater flexibility and allowed for leveraging of private investment dollars.

Although the movement to national or regional competitions has made Alaska less competitive for Section 202/811, the state continues to encourage individuals and organizations to apply.

PROTECTING AND IMPROVING HOUSING

During SFY 2013, the preservation and improvement of existing housing stock continued to be an important component of the state's overall housing strategy. A previous section of this report details the rehabilitation activities undertaken by Alaska Housing Finance Corporation's Public Housing Division to improve its housing stock. AHFC also used its HOME Investment Partnership Program and its Weatherization Program to provide assistance to low-income households in improving the energy efficiency and safety of their homes. In SFY 2013, the HOME funded Owner-Occupied Rehabilitation Program (ORP) continued to serve communities throughout the state with prior year funding allocations. Seven (7) homes were rehabilitated through ORP during SFY 2013.

In SFY 2009, the Alaska State Legislature approved the allocation of \$200 million dollars for the Weatherization program and \$160 million for the Home Energy Rebate program.

- The Weatherization Program is available to Alaskan owners and renters with moderate household income. Under the program, qualified participants receive weatherization upgrades at no cost. Under this program, income-based, home energy efficiency improvements provided for homeowners and renters expended a total of \$220 million on 10,995 completed units as of 5/31/2013
- .
For the State Fiscal Year 2014 approximately \$30 million were appropriated to continue the weatherization program. Priority is given to the elderly, Alaskans with disabilities and families with children.
- The Home Energy Rebate Program is open to owner occupied, year-round residents. Participating homeowners, regardless of income, may be eligible for up to a \$10,000 rebate for energy-efficiency improvements and offering a \$7,000 incentive for new construction to build 5 star plus and \$10,000 to build 6 Star plus. The Home Energy Rebate Program has made use of \$160 million by the end of July 2013. The program has paid 19,087 rebates averaging \$6,383 each and it has awarded 2,000 Five-star plus rebates. An additional legislative appropriation of \$20 million was made to the program for the SFY 2014.

A sample of 17,233 homeowners was taken on December 6, 2012 and the average homeowner spent \$11,681. A \$6,889 average rebate results in a \$4,792 out-of-pocket investment. The projected cost savings for homes receiving rebates is \$1,464 per year, with an average annual energy savings of 34 percent.

Weatherization and Home Energy Rebate Programs 2008 – 2014		
Year	Weatherization	Home Energy Rebate
2008	\$200 Million	\$100Million
2009		\$60Million
2012	\$62.5Million	\$37.5Million
2013	\$31.5 Million	\$20Million
2014	30 Million	\$20 Million

INPUT FROM OTHER PLANNING EFFORTS

During SFY2012, AHFC continued to seek input from a variety of local, regional, and statewide resources in the area of housing and community development. Some of this input included:

- Alaska Association of Housing Authorities – Quarterly
- Alaska Continuum of Care for the Homeless—*Homeless Strategy for All Areas Outside of Anchorage*.
- Alaska Mental Health Board/Advisory Board on Alcoholism & Drug Abuse — *Making It Work*
- Matanuska-Susitna Borough—*The Matanuska-Susitna Borough Community Survey, 2010*
- Alaska Council on the Homeless — 10-Year Plan to End Long-Term Homelessness in Alaska
- Juneau Homeless Coalition — A Roof Over Every Head in Juneau
- Alaska Department of Corrections — Five Year Prisoner Re-Entry Strategic Plan
- Alaska Housing Finance Corporation—Public Housing Agency Plan & Moving to Work Plan
- Alaska Department of Commerce, Community and Economic Development Division of Community and Regional Affairs—Community Profiles
- Alaska Department of Health and Social Services—Comprehensive Integrated Mental Health Plan.
- Alaska Department of Environmental Conservation—Village Safe Water Program
- Alaska Department of Transportation—Statewide Transportation Improvement Program
- Alaska Prisoner Reentry Task Force Meeting
- Denali Commission—Annual Work Plan
- Fairbanks North Star Borough Community Research Center—Community Research Quarterly
- Governor’s Council on Disabilities and Special Education – Annual Meeting and Development Disabilities Council
- Kenai Peninsula Borough—Quarterly Report of Key Economic Indicators
- State Independent Living Council – Housing Subcommittee
- Tribally Designated Housing Entities—Indian Housing Plans and input from Alaska State HUD Field Office—Office of Native American Programs (ONAP).
- Alaska Strategic Two-Year State Plan for Title 1 of the Workforce Investment Act of 1998 and the Wagner-Peyser Act, July 1, 2007 to June 30, 2010

Most of these resources were also used in the development of the SFY 2012 Annual Action Plan covering the period July 1, 2012 through June 30, 2013.

PART III: ASSESSMENT OF PROGRESS IN MEETING FIVE-YEAR HCD PLAN PRIORITIES

The State of Alaska has been successful in addressing the Five-Year HCD Plan priorities. This section is organized numerically according to the Seven Guiding Principles upon which the 2011-2015 HCD Plan is based. The bulleted items under each guiding principle demonstrate the success of the programs.

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.

- In SFY 2013, AHFC committed (through grant agreements) rental development funds to one new HOME project, which will renovate twenty-four (24) units of affordable housing, of those units three (3) will be HOME rental units. The project was funded with \$ 287,000 in Federal HOME dollars.
- At the end of SFY2013, there were three active Homeownership Development Program (HDP) grants. These grants, totaling \$601,560 in HOME funds will produce nineteen (19) single-family homes for low-income families.
- During SFY 2013, the HOME Opportunity Program (HOP) offered down-payment and closing cost assistance to thirty-five (35) families in the amount of \$601,560. Twenty-two (22) of these households were at or below 50% of area median income with another thirteen (13) at 50-60% and nine (9) at 60% to 80% of the median income. Another HOME funded program, the Owner-Occupied Rehabilitation Program (ORP) rehabilitated seven (7) owner-occupied homes. All of these ORP assisted households were at or below 50% of area median income; no households were at 50-60% of median income (ORP data based on projects completed during the reporting period).
- In SFY2013, the HOME Tenant Based Rental Assistance program served seventy-seven (77) households throughout Alaska. Nine (9) of the clients served youth aging out of foster care.
- In SFY2013, AHFC made available:
 - ✓ 4,205 Housing Choice Vouchers for rental assistance.
 - ✓ 462 voucher equivalent units for rental assistance [Nonelderly disabled vouchers (NED), Veterans Affairs Supportive Housing (VASH), HOME Tenant-Based Rental Assistance (TBRA), and Moderate Rehabilitation SRO (Adelaide)].
 - ✓ 35 voucher equivalent units for rental assistance (Karluk Manor)
 - ✓ 1,258 units of Public Housing
 - ✓ 285 units of Section 8 New Multifamily Housing.

- Benefited households include chronically homeless individuals, seniors, and persons with disabilities. AHFC pays approximately \$33.3 million a year to private landlords for rental assistance for Alaskans who earn less than 50 percent of the median income.
 - HOME-funded program targeted toward youth aging out of foster care.
 - AHFC has completed weatherization upgrades benefiting 10,995 households.
 - In SFY 2013, AHFC financed mortgages for 665 new first-time homebuyers for a total of \$134.2 million. In addition, AHFC provided Interest Rate Reductions to 124 low-income households totaling \$17.4 million among 14 other loan programs implemented by AHFC.
- 2. Use of community development funds should emphasize the creation of economic opportunity through development of infrastructure.**
- Approximately \$2,431,137 in funding was awarded to seven municipalities throughout Alaska for a variety of infrastructure and planning projects by the Department of Commerce, Community and Economic Development.
 - The city of Akutan received additional funds for their electrical transformer replacement project
 - The city of Kobuk received additional funds for their Back-up Generator Project
- 3. Preserve and upgrade existing housing supply through weatherization and rehabilitation.**
- The Owner-Occupied Rehabilitation Program (ORP) rehabilitated seven (7) owner-occupied homes. All of these ORP assisted households were at or below 50% of area median income; no households were at 50-60% of median income (ORP data based on projects completed during the reporting period).
 - By the end of June 2013, AHFC completed weatherization upgrades to approximately 10,995 households consisting of elderly, disable, native households and households with young children.
 - The \$510 million appropriated by the State Legislature in prior years to develop and administer a statewide Weatherization and a Home Energy Rebate program continued to be utilized through SFY2013. In SFY2014 plus an additional appropriation of \$30 million for Weatherization and \$20 million for Home Energy Rebates were made to AHFC.
- 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.**
- The state Emergency Solutions Grant (ESG) program received \$228,007 in federal fiscal year 2012 (SFY13). ESG grants are now broken down into two categories of assistance: shelter support and homeless prevention/rapid re-housing. (Within those two categories are allowances

for administration and HMIS data collection.) For FFY12/SFY13, the state of Alaska awarded the maximum proportion allowable for shelter support activities. This allocation was in response to both formal and informal comment received regarding the critical need for operating support to keep the shelter doors open to prevent an increase in the number of unsheltered counted.

- Alaska Housing Finance Corporation continued to support the Alaska Coalition on Housing and Homelessness in its efforts to develop a framework and a plan to significantly and measurably reduce homelessness in Alaska. AHFC contributed \$25,000 to fund the Annual Coalition Meeting, attended by approximately 150 participants. Approximately 30 representatives from 9 communities throughout Alaska consistently participated in the semimonthly Coalition meetings over the reporting period.
- Alaska Housing Finance Corporation continued to support the Alaska Coalition on Housing and Homelessness in its efforts to develop a framework and a plan to significantly and measurably reduce homelessness in Alaska. AHFC contributed \$25,000 to fund the Annual Coalition Meeting, attended by approximately 150 participants. Approximately 30 representatives from 13 communities throughout Alaska consistently participated in the semimonthly Coalition meetings over the SFY13 reporting period.

5. Maximize the use of federal housing and community development funds by supporting projects that include significant leveraging resources.

In State Fiscal Year 2013, the Supplemental Housing Development Grant Program (SNHG) received \$7.0 million from the legislature; 13 grants were awarded to 11 regional housing authorities.

The grants were awarded for new construction of 157 units (110 single-family homes, 47 multifamily units) and rehab work on 32 units (26 SF and 6 MF) to provide safer, decent, and affordable housing for residents in rural and urban Alaska

These funds leveraged \$32,684,805 in federal funds (Native American Housing Assistance and Self-Determination Act and related HUD funds).

6. Expand the supply of affordable housing for Alaskans with special needs, incorporating universal design and appropriate supportive services.

- All AHFC rental development projects must meet the minimum requirements of the Americans with Disabilities Act, the Fair Housing Amendments Act of 1988, Alaska Statute AS 18.80.240, and other local government ordinances as applicable.
- In SFY 2013, AHFC's GOAL and SNHG rental development programs provided HOME funding for the development of accessible housing in senior or special needs housing projects; 83 accessible units were developed among 8 projects; in these projects, 28 units were set-aside for persons with disabilities.

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

- In 2013 there were 54 Read Your Energy Rating classes offered to 374 participants.
- Usage of the Research Information Center (RIC) totaled 131 webinars and other web-based meetings that benefitted 655 participants.
- The RIC online library was searched 495 times.
- AHFC offered energy and weatherization workshops, classes and seminars for homeowners, home buyers, renters, builders, energy raters, lenders, real estate professionals and others through our training partners and for agencies such as:
 - The Anchorage Museum
 - KTUU (Energy Interview)

GOAL applicants must use Energy Star Appliances in their projects as a threshold requirement. They must also comply with the State of Alaska Building and Energy Efficiency Standards (BEES). These applicants can achieve additional points in the competitive grant process by committing to augment the project's energy supply by at least 5% through the use of alternative energy sources like solar-thermal, geothermal, photo-voltaic or energy performance in contracting. AHFC has adopted the International Energy Conservation Code (IECC) of 2012 with Alaska Specific Amendments as standard, with additional incentives offered to increase to IECC 2012 compliance without the Alaska Specific Amendments.

LOOKING TO THE FUTURE

Progress was made during SFY2013 (July 1, 2012 through June 30, 2013) under each of the seven guiding principles of the State of Alaska's Consolidated Housing and Community Development Plan. This was the third Annual Action Plan and CAPER under the previous five-year HCD Plan (FY 2011–FY 2015).

As the process of developing the next Annual Action Plan begins in November of 2013, the Interagency Steering Committee will evaluate the findings of this CAPER for potential input. The Committee will continue to consider input from a wide range of organizations, agencies, units of local/state/federal government, and individuals. When relevant and appropriate, information from other planning processes will be utilized.