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

ANNUAL ACTION PLAN

**State Fiscal Year 2019
(Federal Fiscal Year 2018)**

June 14, 2018

Table of Contents

ES-05 Executive Summary - 91.300(c), 91.320(b)	4
THE PROCESS.....	9
PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)	9
PR-10 Consultation - 91.110, 91.300(b); 91.315(l)	11
PR-15 Citizen Participation - 91.115, 91.300(c)	14
AP-15 Expected Resources – 91.320(c)(1,2)	15
AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)	19
AP-25 Allocation Priorities – 91.320(d)	24
AP-30 Methods of Distribution – 91.320(d)&(k)	26
AP-35 Projects	33
AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)	40
AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)	40
AP-50 Geographic Distribution – 91.320(f)	41
AP-55 Affordable Housing – 24 CFR 91.320(g)	42
AP-60 Public Housing - 24 CFR 91.320(j)	45
AP-65 Homeless and Other Special Needs Activities – 91.320(h)	46
AP-75 Barriers to affordable housing – 91.320(i)	49
AP-85 Other Actions – 91.320(j)	49
AP-90 PROGRAM SPECIFIC REQUIREMENTS – 91.320(K)(1,2,3)	524
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)	54
HOME INVESTMENT PARTNERSHIP PROGRAM (HOME)	55
EMERGENCY SOLUTIONS GRANT (ESG)	556

Appendix A – HOME Unexpended Funds
Appendix B – Alaska’s Plan to End Long-term Homelessness
Appendix C – HUD Tables
Appendix D – Public Hearings Transcripts
Appendix E – Public Comments
Appendix F – HOME Resale Model
Appendix G – State Certifications and SF-424 Forms
Appendix H – ESG Written Standards and Sub-awards

ES-05 Executive Summary - 91.300(c), 91.320(b)

1. Introduction

The U.S. Department of Housing and Urban Development (HUD) provides funding for housing and community development through several formula grant programs. Alaska receives approximately \$9.2 million annually for four HUD programs: the HOME Investment Partnership Act (HOME), the Community Development Block Grant Program (CDBG), the National Housing Trust Fund (NHTF), and the Emergency Solutions Grant Program (ESG). In order to maintain eligibility for these, the State must engage in a consolidated planning process, which results in the development of this Annual Housing and Community Development Plan (HCD Plan) as well as several other documents.

In Alaska, two Participating Jurisdictions (PJs) receive formula funding for the CDBG, HOME, and ESG programs; the Municipality of Anchorage (MOA) and the State of Alaska. The Municipality of Anchorage is responsible for the preparation and maintenance of its own HCD Plan. The State of Alaska's HCD Plan covers all geographic areas of Alaska outside of the Municipality of Anchorage; often referred to as the "balance of state." Pursuant to 24 CFR 93.404(b), the state has executed a written agreement awarding fund to the MOA for NHTF Activities. AHFC will not directly award the NHTF for projects in the MOA.

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

This Annual Action Plan (AAP) identifies housing and community development resources expected to be available and it provides the details for the use of HOME, CDBG, ESG, and NHTF funds during the year. The AAP includes a description of how funds will be allocated, the program activities to be undertaken, and the amount of funds to be distributed for each program activity. Also included in the AAP is an overview of homelessness needs and actions to be undertaken to address homelessness, special needs housing, lead based paint hazards, collaboration with the public housing agency, and non-housing community development concerns. The AAP will provide a basis for assessing effectiveness through completion of the Consolidated Annual Performance Evaluation Reports (CAPER).

As the Plan was developed, the following points were recognized:

- The seven Guiding Principles developed during the drafting of the Plan are the same as those found in the current HCD Plan based on public comment and with recognition of the increasing necessity to consider transportation when determining cost and location of housing development.
- The population of Alaska has grown from 710,249 in 2010 to an estimated 739,795 in 2017, approximately 4.2%.ⁱ This is a decrease from the 2016 population estimate of 741,522. During the same period, the population in the “balance of state” (all areas, but Anchorage) grew 5.1%, from 418,423 to an estimated 439,597. This is a decrease from the 2016 balance of state estimate of 442,857ⁱⁱ.
- The two biggest housing related issues moving forward into the next five years are in-state migration from rural areas to urban areas and the growth in the senior population.
- Some people are aware of fair housing laws and who to call if they have a complaint, but more work is needed to continue to increase awareness of the protections these laws provide tenants.
- Homelessness remains an important concern, particularly as uncertainty exists with the national and State economy and recidivism in the corrections system remains high.
- The availability of housing accessible for persons with a disability remains a barrier for many households.
- Alaska’s economic recession continues in 2017 and 2018. This may increase the demand for affordable housing.
- Title 1 of the Housing and Economic Recovery Act of 2008 established the Housing Trust Fund. The HTF may be used for the production or preservation of affordable housing through the acquisition, new construction, and / or reconstruction of non-luxury housing with suitable amenities. Alaska has received \$6 million from the NHTF for funding years 2016 and 2017. The State will fund its first NHTF funded units in SFY2019.
- The Alaska Housing Finance Corporation (AHFC), on behalf of the State of Alaska, will administer the National Housing Trust Fund. Under NHTF regulations, the only jurisdiction, other than the state of Alaska, eligible to receive a sub-grant of NHTF is the Municipality of Anchorage (MOA). AHFC is providing the MOA with a NHTF sub-grant equivalent to the MOA’s FY2018 allocation of HOME funds to administer directly in Anchorage. Pursuant to 24 CFR 91.320(k)(5), the State’s HUD approved NHTF allocation plan addresses its intent to award NHTF funds to MOA.
- The remaining HTF will be administered for the area of Alaska outside of Anchorage consistent with the participating jurisdictional boundaries of the HOME program. The balance of state funds will be allocated through the Greater Opportunities for Affordable Living (GOAL) program. The Rating and Award Criteria Plan for the GOAL program will set the priorities for the allocation of HTF. In this way it can be coordinated with the Low Income Housing Tax Credit, HOME Investment Partnership and Senior Citizens Housing development

Fund programs, or any other funding that might become available during a special purpose GOAL round, within a single application process. Please visit the following URL for more information regarding the GOAL Program: <https://www.ahfc.us/pros/grants/development-grants/goal/>

- A sub-grant of NHTF to the MOA will be subject to a number of conditions regarding liability for non-compliance and repayment of funds that indemnifies AHFC. HUD has informed AHFC that AHFC will retain liability for non-compliance and repayment of any sub-granted funds to the MOA. Pursuant to 24 CFR 93.404(b), the State has executed a written agreement awarding funds to the MOA for HTF activities. The MOA HTF allocation plan must address all required elements of the written agreement with the State. If certain terms of sub-grantee written agreement are not followed, the funds will be recaptured by AHFC and allocated through the GOAL program.

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

i United States Census Bureau - [Census.gov/quickfacts](https://www.census.gov/quickfacts)

ii Alaska Department of Labor and Workforce Development - labor.alaska.gov

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment

The statutory goal of the HCD Plan is to:

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

Guiding Principles

A set of seven guiding principles direct the use of program resources covered by this Consolidated Plan. The wide range of housing and community development conditions across Alaska makes the use of guiding principles the most practical and effective means of targeting scarce HCD resources. The 2016-2020 guiding principles are:

- 1) **The use of federal housing and community development funds should emphasize benefit to low income Alaskans and increase sustainable housing and neighborhood options for Alaskans.** Rationale: The amount of federal funds is limited; greatest needs are among the

lowest-income households. Low to moderate income Alaskans should not have their housing options limited to only lower-income neighborhoods.

- 2) **Use of community development funds should emphasize the creation of economic opportunity through development of infrastructure.** Rationale: Basic infrastructure is lacking in many of Alaska's communities and is a major barrier to economic self-sufficiency. Location-efficient facility decisions can reduce the operating and capital expenses associated with transportation.
- 3) **Preserve and upgrade existing housing supply through weatherization and rehabilitation.** Rationale: Because it is so expensive to develop new housing, every effort must be made to prolong the useful life and to lower operating costs of Alaska's existing housing.
- 4) **Use of federal homeless funds should emphasize activities that maintain and strengthen the service delivery system for Alaska's homeless, consistent with local strategies.** Rationale: Very little formula funding is available for services to help the homeless and near-homeless.
- 5) **Maximize the use of federal housing and community development funds by supporting projects that include significant leveraging resources.** Rationale: The amount of federal funds is limited; more can be accomplished if federal funds are combined with state and local resources.
- 6) **Expand the supply of affordable housing for Alaskans with special needs, incorporating universal design and appropriate supportive services.** Rationale: Existing housing supply is inadequate to meet current and projected need for this population, which has historically been underserved.
- 7) **Housing and community development projects should incorporate climate specific design and engineering, energy efficient community design and construction techniques and innovative technologies.** Rationale: Use of appropriate technologies insures long term viability of housing and community development projects. Communities designed in consideration of the link between transportation and housing costs, can minimize the consumption of energy used for mobility.

Outcome Performance Measures

The State uses the Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs implemented in SFY 2007 (FFY 2006). For a more complete description of this program follow the following link. <https://www.gpo.gov/fdsys/pkg/FR-2006-03-07/pdf/06-2174.pdf> In addition to comparing quantifiable achievements (i.e. units built) with

projected goals to determine program success, performance evaluation includes a review of needs fulfillment. Each Goal is correlated with a Need or Priority, a measured outcome relevant to the activity type and purpose.

Outcome categories are:

- a. Reduction and Prevention of Homelessness — In general, this relates to activities that are designed to assist chronically homeless, families with children, veterans, unaccompanied youth and other homeless persons and those at-risk of homelessness.
- b. Decent Housing — Activities that typically would be found under this outcome are designed to cover the wide range of housing possible under the HOME, CDBG, NHTF or ESG programs. The objective is to focus on housing programs where the purpose of the program is to meet individual family or community needs; not programs where housing is an element of a larger effort, since such programs would be more appropriately reported under Suitable Living Environment.
- c. Creating Economic Opportunities — These are the types of activities related to economic development, commercial revitalization, or job creation.

3. Evaluation of past performance

The constant dilution of formula funds, due to inflation, that are allocated to Alaska makes the process of setting goals ever more challenging. Despite this increasing limitation, the State has managed to surpass the expected goals set by the previous Consolidated Plan.

During SFY16, the Alaska Housing Finance Corporation announced the suspension of the Home Energy Rebate Program waitlist with an effective date of March 25, 2016. The call center and online portal will no longer be accepting new applicants. The suspension is in response to the budgetary challenges faced by the State. The Home Energy Rebate program has set aside funds to honor all those that are already in the program.

Please visit https://akrebate.ahfc.us/rebate_home_energy.aspx for more information.

Alaska Housing Finance Corporation will continue 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. Although the movement to national or regional competitions has made Alaska less competitive for Section 202/811, the state was successful in receiving a five-year award of \$7.7 million in Section 811 rental assistance for persons with disabilities. Alaska Housing Finance Corporation intends to combine NHTF and Low Income Housing Tax Credits into a GOAL round to leverage Section 811 funding that has been awarded to our State.

The process to develop the SFY2018 CAPER will begin in early July 2018 with a fifteen-day public comment period on the draft CAPER anticipated in late August or early September of 2018. The SFY2018 CAPER will be submitted to HUD by September, 2018. The SFY2017 Annual Performance Report is available at: <https://www.ahfc.us/pros/references/plans/>

4. Summary of Citizen Participation Process and consultation process

Two statewide teleconferenced public hearings will be held on February 21, and March 21, 2018 to obtain public comment regarding housing and community development in preparation for drafting the SFY2019 Annual Action Plan. The draft AAP was made available for public review and comment on March 7, 2018 for a minimum of 30 days which ended on April 7, 2018.

5. Summary of public comments

No public comments were received.

6. Summary of comments or views not accepted and the reasons for not accepting them

No public comments were received.

THE PROCESS

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

Agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Alaska's Consolidated Housing and Community Development Plan was created and maintained through a joint effort of several state agencies. An Interagency Steering Committee was created for this process. It includes representatives from AHFC, the Alaska Department of Commerce, Community and Economic Development (DCCED), the Alaska Department of Health and Social Services (DHSS), and the Alaska Mental Health Trust Authority. As the lead agency in HCD planning, AHFC facilitates the process and provides a single point of contact for the public on matters relating to the HCD Plan. The Consolidated Plan reflects the collective priorities of many agencies, organizations and private citizenry within the State of Alaska. These groups and individuals represent a variety of housing and community development programs and concerns. Other entities giving input include state and local governments, non-profit organizations, regional housing authorities and representatives of the private sector.

Private Citizens (particularly those with low incomes or residing in areas in which community development activities are likely to take place) are encouraged to participate in the development and review of the AAP. Pursuant to federal regulation (24 CFR 91.115) the State of Alaska has developed and adopted a Citizen Participation Plan encouraging public participation in the HCD Planning process.

Alaska's size and wide range of social, economic and physical environments present many challenges to any planning process. A variety of approaches were used to ensure the public had opportunities to participate in the SFY2019 AAP. The Interagency Steering Committee met on January 17, 2018 and provided ongoing input and review of the AAP. Two statewide teleconferenced public hearings will be held on February 21, and March 21, 2018 to obtain public comment regarding housing and community development in preparation for drafting the SFY2019 Annual Action Plan.

The draft AAP was made available for public review and comment on March 7, 2018 for a minimum of 30 days which ended on April 7, 2018. Notification of the availability of the draft plan, and the public hearings were advertised in the Anchorage Daily News, a newspaper of statewide circulation, and in a number of regional and community newspapers.

Announcements of the availability of the draft plan were sent to many individuals, organizations and local governmental entities via electronic list serve. The draft plan was made available on AHFC's website or in hard copy by contacting the HCD Plan Coordinator. Public comments on the draft Plan were to be received from March 7 through April 7, 2018 and considered. The AHFC's Board of Directors reviewed the plan at their April 25, 2018 meeting prior to the plan being submitted to HUD in May, 2018.

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	State of ALASKA	Alaska Department of Commerce, Community and Economic Development
HOME Administrator	State of ALASKA	Alaska Housing Finance Corporation Planning and Program Development
NHTF Administrator	State of ALASKA	Alaska Housing Finance Corporation Planning and Program Development
ESG Administrator	State of ALASKA	Alaska Housing Finance Corporation Planning and Program Development

Table 1 – Responsible Agencies

Consolidated Plan Public Contact Information

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PR-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

Concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

As the Housing Authority for the State of Alaska and the recipient of Continuum of Care and HOPWA competitive funds, AHFC applies for planning funds whenever possible. The State distributes these funds in the form of grants to the two CoCs in the state for coordinated assessment of needs. AHFC is at the same time an active participant in the institutional delivery consortium statewide. AHFC chairs the Alaska Council on the Homeless which has representation from other State agencies, the Alaska Mental Health Trust Authority, and service providers on the Council. Council meetings serve as a coordinating opportunity for these groups and other interested housing providers. Council meetings are often held in conjunction with the Alaska Coalition on Housing and Homelessness, a statewide housing and supportive services coordinating body.

Coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

Alaska Housing Finance Corporation (AHFC) serves as both the designated homeless agency for the State of Alaska and a Collaborative Applicant for AK-501 Continuum of Care (CoC). Throughout the CoC application process, AHFC is intimately involved in assisting the CoC in establishing priorities and objectives to address the needs of Alaska's homeless. In addition, AHFC works closely with the CoC throughout the year to identify areas of unmet need and determine funding priorities. This relationship helps inform AHFC's funding priorities to address the needs of Alaska's homeless, especially the chronically homeless, families with children, veterans, and unaccompanied youth.

Consultation with the Continuum(s) of Care that serves the state in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

As the designated housing agency and collaborative applicant for the AK-501 Continuum of Care (CoC), Alaska Housing Finance Corporation (AHFC) consults with the Alaska CoC on an ongoing basis.

Annually, AHFC reports on the current and upcoming ESG and state-funded BHAP programs in conjunction with a meeting of the Alaska Coalition on Housing & Homelessness. The discussion includes how the relatively small amount of ESG funds awarded to Alaska will be allocated and performance standards. AHFC provides periodic reports to the CoC on the use of sponsor-based

rental assistance funds by recipients as well as other state and federal programs targeting homeless services.

AHFC helps fund the HMIS system for the Balance of State and is an integral part of all CoC meetings and the AKHMIS Advisory Board, which direct the operation and administration of the system.

Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

The State of Alaska's HCD Plan covers all geographic areas of Alaska *outside of the Municipality of Anchorage*; often referred to as the "balance of state."

The State of Alaska's HCD Plan is a cooperative effort among the Alaska Housing Finance Corporation (AHFC), the Alaska Department of Commerce, Community and Economic Development (DCCED), the Alaska Department of Health and Social Services (DHSS), the Alaska Mental Health Trust Authority (AMHTA), and the Alaska Governor's Council on Disabilities and Special Education among others. AHFC is the lead agency in the preparation and maintenance of the State's Consolidated Plan.

During the year leading up to, and in preparation for, the drafting of the SFY2019 Annual Action Plan, AHFC representatives have also gathered information on housing needs with such groups and in such forums as:

- Alaska Association of Housing Authorities
- Alaska Coalition on Housing and Homelessness
- Alaska Community Development Corporation
- Alaska Department of Corrections
- Alaska Department of Commerce, Community, and Economic Development
- Alaska Department of Health and Social Services
- Alaska Department of Public Safety
- Alaska Mental Health Trust Authority
- Aleutian Housing Authority
- Anchorage Coalition to End Homelessness
- Anchorage Community Mental Health Services
- Anchorage's Ad Hoc Committee on Alcohol and Drug Abuse
- Anchorage Economic Development Corporation
- City of Pilot Point
- Governor's Council on Disabilities and Special Needs
- Habitat for Humanity
- Juneau Housing Trust
- Municipality of Anchorage
- NeighborWorks Alaska
- Valley Charities, Inc. Wasilla, AK

-Fairbanks Housing and Homeless Coalition
 -Juneau Coalition on Housing and Homelessness
 -Mat-Su Coalition on Housing and Homelessness
 -Seward Peninsula Housing Coalition
 -Kodiak Homeless Coalition
 -Kenai Peninsula Continuum of Care Coalition
Agency Types not consulted and provide rationale for not consulting

N/A

Cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(l))

A number of other sources of data and planning input in the area of housing and community development have been used in the preparation of this SFY2019 Plan. The Consolidated Planning process is designed to incorporate a broad scope of input and perspectives, and a wide range of resources targeted towards housing and community development. Examples of input from other planning and research efforts are included below:

Other local/regional/state/federal planning efforts considered when preparing the Plan

-“Moving to Work” National Conference – February 2015
 -Alaska Continuum of Care for the Homeless—Homeless Strategy for All Areas Outside of Anchorage.
 -AHFC—Moving to Work Plan SFY18
 -AHFC — Housing Needs Assessment, 2018
 -AHFC’s Annual Homeless Point in Time Survey Results
 -Alaska Homeless Management Information System Data
 -Alaska Council on the Homeless, Alaska’s Plan to End Long-term Homelessness
 -Cold Climate Housing Research Center Publications
 -NCSHA Federal Liaisons Monthly Telephone Round Table
 -Alaska Department of Environmental Conservation—Village Safe Water
 -Alaska Department of Health and Social Services—Comprehensive Integrated Mental Health Plan.
 -Alaska Department of Transportation —Statewide Transportation Improvement Program
 -Kenai Peninsula Borough—Quarterly Report of Key Economic Indicators
 -2014 Mat-Su Borough Housing Assessment and 2015 Housing Forum Report
 -Alaska Tribally Designated Housing Entities— NAHASDA Indian Housing Plans
 -2017 Alaska Housing Market Indicators:

- Quarterly Survey of Alaska Lenders
- Quarterly Survey of Alaska Permitting Activity,
- Annual State of Alaska Rental Market Survey

 -Alaska Prisoner Reentry Task Force, Five Year Prisoner Reentry Strategic Plan 2011-2016; February, 2011

- State of Alaska – 2016 recidivism Reduction Plan: Cost-Effective Solutions to Slow Prison Population Growth and Reduce Recidivism
- State Interagency Working Group – 2015 National Resiliency Disaster Competition – Division of Emergency Services and Homeland Security, Department of Environmental Conservation, Department of Commerce, Community and Economic Development
- Alaska Long-term Disaster Recovery Housing Task Force – Galena Recovery Project
- Alaska Supportive Housing Plan
- IAP Medicaid Innovation Accelerator Program

AP-12 Citizen Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summary of citizen participation process and how it impacted goal-setting

The development of the HCD Plan is a result of input from a number of different sources. Those providing input include individuals, state agencies and local governments, non-profit organizations, regional housing authorities and tribally designated housing entities, and the private sector. The HCD Plan also encourages the involvement of private citizens, particularly those with low incomes or residents of areas in which community development activities are likely to take place. Federal regulations require the State adopt a Citizen Participation Plan, encouraging the public to participate in the development of the HCD Plan, and outlining the steps the State will take to solicit public input. Alaska's expansive geography and widely varying conditions offer challenges for the implementation of the State's Citizen Participation Plan. A number of different approaches may be used to maximize public input including:

Interactive workshops
Public hearings
Teleconferences
Working groups
Focus Groups
Linkages with other planning efforts
Internet surveys
Internet communications
Social Media

The State uses teleconferencing and the internet to overcome the barriers of distance. Citizens, in even the most remote areas of the State, are given the opportunity to participate in the HCD process. AHFC's web-site (www.ahfc.us) provides an overview of the HCD planning process, and offers an

electronic means of providing HCD input. Other state, federal and non-profit agency web-sites are linked to AHFC's web-site. Some of these links include the Alaska Mental Health Trust Authority; the Alaska Coalition on Housing and Homelessness; the Alaska Department of Commerce, Community and Economic Development; and the Alaska Department of Health and Social Services.

The public hearings held in conjunction with the development of the Plan were extensively advertised on the AHFC website, in statewide and local newspapers and via emails. An overview of the HCD planning process, anticipated timelines for completion and program performance were discussed at the events mentioned below; comments were encouraged. On February 21 and March 21, 2018 public hearing and statewide teleconference will be held to obtain public input prior to drafting the HCD Plan. Additionally, AHFC consulted with the following entities in drafting the HCD Plan:

Governor's Council on Disabilities and Special Education
Alaska Coalition on Housing and Homelessness
Alaska Interagency Steering Committee
Fairbanks Homeless Coalition
Kenai Homeless Coalition
Association of Alaska Housing Authorities
Juneau Homeless Coalition
Affordable Housing Partnership
Anchorage Coalition to End Homeless
Matanuska Susitna Homeless Coalition
Anchorage Coalition General Meeting

The draft plan was released on March 7, 2018 with public comments accepted through April 7, 2018. AHFC's Board of Directors approved the SFY 2019 - HCD Plan on April 25, 2018 and directed AHFC staff to submit it to HUD. All public comments and the State's responses to the comments are in Appendix E.

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

The State anticipates that there will be approximately \$17 million in federal funds and approximately \$24 million in State funds for a total of \$41 million available for programs that affect beneficiaries statewide. The Annual Funding Plan for Housing Table, reflects anticipated funding levels for SFY2019 (July 1, 2018 through June 30, 2019), and covers all areas of Alaska outside of Anchorage. The state funding indicated in the funding table reflects the amounts in the Governor's SFY2019

Capital Budget request to the Alaska Legislature. AHFC updated the Federal figures in the table based on the latest information available at the time of the release of the final SFY2019 Annual Action Plan. The recent developments in the state budget may affect the funding allocations for various state programs administered by AHFC. They will continue to be active programs pending higher funding in subsequent years.

Anticipated Resources for SFY 2019

Program Name	Program Type	Anticipated Funding		
		Federal	State	Total
Beneficiary and Special Needs Housing	Housing for people with disabilities		\$ 1,500,000	\$ 1,500,000
Capital Fund Program	Public Housing Improvements	\$ 2,500,000		\$ 2,500,000
CDBG	HUD - Community Development Block Grant Program	\$ 2,958,723	\$ 42,622	\$ 3,001,345
Competitive Grants for Public Housing	Matching Funds Public Housing Resident Programs	\$ 750,000	\$ 350,000	\$ 1,100,000
Energy Programs	Weatherization Assistance and Home Energy Rebates	\$ 1,500,000	\$ 4,950,000	\$ 6,450,000
ESG	HUD - Emergency Solutions Grant Program	\$ 235,176		\$ 235,176
Federal and Other Competitive Grants	Matching Funds for Federal Grant Programs	\$ 3,000,000	\$ 1,500,000	\$ 4,500,000
HOME	Rehab, new const, rental and homebuyer assistance	\$ 3,008,138	\$ 750,000	\$ 3,758,138
Homeless Assistance Program	Funding For Homeless Programs and Prevention		\$ 7,900,000	\$ 7,900,000
Housing Opportunities for Persons with AIDS	Rental Assistance - HOPWA	\$ 781,269	\$ 100,000	\$ 881,269
National Housing Trust Fund	Build affordable rental housing for Extremely low income	\$ 3,000,000		\$ 3,000,000
Senior Citizen Housing Development Fund	Senior Housing Rehabilitation and Construction		\$ 1,000,000	\$ 1,000,000
Supplemental Housing Development Program	Rural Housing Infrastructure Improvements and Rehab.		\$ 3,000,000	\$ 3,000,000
Teacher, Health, and Public Safety Housing	Rental Housing for Teachers, Health Prof, Public Safety		\$ 1,750,000	\$ 1,750,000
Cold Climate Housing Research Center			\$ 1,000,000	\$ 1,000,000
Total Grants:		\$17,733,306	\$23,842,622	\$41,575,928

Table 2 - Expected Resources – Priority Table

Federal funds will leverage additional resources (private, state and local funds), (A description of how matching requirements will be satisfied)

Affordable Housing is a prevalent issue in Alaska and as a result, the Participating Jurisdiction (PJ) works with the Department of Health and Social Services, the Alaska Mental Health Trust Authority, and among others, private foundations like the Rasmuson Foundation to get the most out of all the available resources, specifically the State has taken forward steps as follows: merged the HOME Rental Development funds with the Senior housing and Low-Income Housing Tax Credit programs; provided HOME assistance to the Rural CAP and the Alaska Community Development Corporation

for self-help programs under the USDA program so that a small amount of the HOME Ownership Development Program can help purchase the land and contribute to low-income clients becoming home owners. AHFC may combine state Special Needs Housing Grant funds with HOME funds to make it possible to fund projects for people with mental illness and supportive housing. AHFC has created a preference in the Low-Income Housing Tax Credit (LIHTC) allocation plan for the preservation of USDA projects. This way HOME and LIHTC are leveraged in with USDA financing to preserve affordable housing.

- a. On an annual basis through the Greater Opportunities for Affordable Living (GOAL) program and/or the Special Needs Housing Grant (SNHG) program, AHFC announces the availability of HOME funds for rental development. The SNHG program allocates capital development funds to develop rental housing projects that will serve special needs, and low-income households. In SFY2019, HOME rental development funds may also be awarded through the SNHG award process, in addition to the GOAL process. When awarded, the State of Alaska intends to make available the SFY2019 allocation of the National Housing Trust Fund to the GOAL program.
- b. The SFY2019 (FFY 2018) allocation of HOME funds carries a twenty-five percent (25%) matching requirement. The PJ anticipates meeting the match through a contribution of AHFC corporate dividend funds. This contribution effectively increases the total amount of HOME funds available during SFY2019 (FFY 2018) to \$3,750,000. Whenever feasible, recipients of HOME funds will be encouraged to make additional contributions to HOME projects that will qualify as match under the federal regulations. This will allow the PJ to further stretch HOME funds to assist low-income Alaskans. If for some reason these strategies do not meet the twenty-five percent (25%) matching requirement, AHFC will utilize banked HOME match.
- c. HOME funding, where appropriate, will continue to be used with other federal and state funds to achieve the goal of upgrading existing housing stock. Such funding sources include, but are not limited to AHFC/DOE Weatherization funds, Senior Citizen Housing Development Funds, DHSS Accessibility Brokerage Program funds, and USDA Housing Preservation funds.
- d. ESG: Recipients of ESG funds around the State vastly exceed the dollar per dollar match requirement by approximately 800%. This match is represented in the form of cash from other State or local grants or in-kind contributions from services provided by the sub recipients.

The State of Alaska Department of Commerce, Community, and Economic Development (DCCED) will encourage applicants to secure at least 25% matching funds in order to obtain the highest score possible during the competitive application cycle. All matching funds needed to complete the project must be in place prior to award. Applicants frequently coordinate with other funding sources such as the United States Department of Agriculture (USDA) Rural Development, the Economic Development Administration, the State of Alaska Designated Legislative Grant Program, the Administration for Native Americans, Native Corporations, tribes, and other appropriate federal, state, and private funding sources. CDBG also contributes 2% of the total award from the general fund for a total match contribution of \$60,000.

Publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

The State encourages the utilization and leverage of publicly-owned land that is available to be leased and to consider all opportunities to protect these public properties from being privately acquired. Potential publicly-owned property located in the Balance of State that could be available to help address the needs identified in the Plan includes land that AHFC owns, property owned by different cities across the State, properties owned by the Alaska Mental Health Trust Authority, and Alaska Native corporations and tribes.

Discussion:

Over the last several years, AHFC has increased the emphasis on rehabilitation and preservation of existing affordable housing resources in the rating criteria for the LIHTC, HOME and Senior Citizen Housing Development Fund (SCHDF) programs. As a result, more affordable housing rental units have been renovated and several federally subsidized rental projects have remained in the affordable housing stock. Yet, throughout the state, there are still serious shortages of affordable, decent housing for low-income Alaskans.

Constraints of financial feasibility impede the development of affordable housing, in both rural and urban communities. Critical to the implementation of the strategies contained in this Plan is a dedicated source of funds to leverage other funding sources for the development of new affordable housing opportunities, as well as the acquisition and rehabilitation of existing structures. Of the funds available under the CDBG program, the majority of project funds will be targeted toward community development and planning activities which address health and safety needs, or which support future economic development and community self-sufficiency.

Special emphasis will be placed on coordinating with other funding sources such as United States Department of Agriculture (USDA) Rural Development, the office of Native Americans Programs, HUD, private foundations and local governments; and other appropriate federal, state, and private funding sources. The State of Alaska Department of Commerce, Community, and Economic Development (DCCED) will encourage applicants to include or secure outside funding for design, engineering, and feasibility planning for projects as appropriate, prior to applying for CDBG funding for construction or project implementation.

AP-20 Annual Goals and Objectives – 91.320(c) (3)&(e)

GOAL	Category	Geographic Area	Addressed Need	Funding
Provide Decent Housing	Affordable Housing	Balance of State	-Rental Assistance -Production of rental housing units -Production of New Homeownership Units -Acquisition of existing Homeownership units	HOME Investment Partnership Program allocation \$3,008,138 National Housing Trust Fund allocation \$3,000,000
	Fiscal Year 2019 – July 1, 2018 to June 30, 2019			
	Description: Funds will be used to provide rental assistance and production or acquisition of decent and affordable housing for rental and homeownership.			
	Goal Outcome Indicator:	Unit or Measure	Quantity	
	Rental Assistance	Vouchers	80	
	Rental Housing	Units	8	
	Production of new homeownership units	Units	15	
Acquisition of existing homeownership units	Units	40		

	Category	Geographic Area	Addressed Need	Funding
Reduce and Prevent Homelessness	Homeless	Balance of State	Outreach, Emergency Shelter & Transitional Housing, Rapid Re-housing, Permanent supportive Housing, homeless Prevention	\$235,176/year
	Fiscal Year 2019 – July 1, 2018 to June 30, 2019		Objective: Reduce and Prevent Homelessness	Outcome: Reduce and Prevent Homelessness
	Description: Funds will be used to assist chronically homeless, families with children, veterans, unaccompanied youth and other homeless persons and those at-risk of homelessness. Planned activities include outreach, emergency shelter and transitional housing support, rapid re-housing assistance, and prevention assistance.			
	Goal Outcome Indicator Outreach Unit of Measure Alaska Housing Locator and Alaska 211 Quantification Increased Reporting Goal Outcome Indicator Emergency Shelter & Transitional Housing			

	Unit of Measure PIT/HIC Quantification Reduction in # of Unsheltered & No Net Loss of Beds Goal Outcome Indicator Permanent Supportive Housing Rapid Re-housing
	Unit of Measure HMIS & APR Reports Quantification ES Average Length of stay is 2 months or less & 80% exiting TH for permanent housing Goal Outcome Indicator Homeless Prevention
	Unit of Measure HMIS AHAR Reports Quantification Reduce % of persons discharged into homelessness from institutions. Increase # of persons assisted with prevention funds.

Develop Communit ity	Category	Geographic Area	Addressed Need	Funding
		Balance of State	Public Facilities & Improvements	\$2,958,723
	Fiscal Year 2019 – July 1, 2018 to June 30, 2019			
	Description: Funds will be used for a variety of public facility, public improvement, and special economic development projects primarily in rural communities with high proportions of low-and moderate-income persons. Specific projects will be determined by a competitive application process focusing on improving self-sufficiency, eliminating public health and safety hazards, and reducing the costs of essential community services.			
	Goal Outcome Indicator	Unit or Measure	Quantity	
	Create Suitable Living Environment	Communities	5-6	

Table 3 – Goals Summary

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b)

Specific Obj. #	Outcome/Objective	Sources of Funds	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
	Specific Annual Objectives						
DH-1	Availability/Accessibility of Decent Housing						
DH-1.1	Home Opportunity Program: Creating opportunities for home ownership through education and financial assistance. Tenant Based Rental Assistance: Improving the availability of affordable housing options through rental subsidies.	HOME	Number of homebuyers receiving assistance.	2015	22 80	44 127	200% 159%
DH-1.2				HOME	Number of tenant households receiving rental assistance.	2016	22 80
		2017	22 80			32 67	145% 84%
				2018	22 80		
				2019	22 80		
MULTI-YEAR GOAL				110 400	141 254	128% 63.5%	
DH-2	Affordability of Decent Housing						
DH-2.1	Rental Housing Dev - Creating affordable decent housing opportunities through the creation, rehabilitation and preservation of existing housing resources.	HOME/HTF	Number of affordable units developed. NOTE: Only the federal HOME units are reported.	2015	8	45	562%
		HOME		2016	8	14	125%
				2017	8	16	200%
				2018	8		
				2019	8		
MULTI-YEAR GOAL				32	75	234%	
DH-2.2	Homeowner Housing Added through Homeownership Development Program	HOME	Number of affordable units developed.	2015	18	35	194%
		HOME		2016	18	42	233%
				2017	18	7	39%
				2018	18		
				2019	18		
MULTI-YEAR GOAL				90	84	93.3%	
DH-3	Sustainability of Decent Housing						
DH-3.1	Owner Occupied Rehab- Create decent housing with improved or new sustainability. (This program was no longer funded in FFY2016) *This program was discontinued in SFY 2016	HOME	Number of homeowners receiving assistance.	2015	14	7	50%
				2016	0	0	
				2017	0	0	
				2018	0		
					2019	0	
			MULTI-YEAR GOAL			14	7

Table 3A

AP-25 Allocation Priorities – 91.320(d)

Introduction:

AHFC did not allocate any SFY2018 HOME funds to ORP.

Funding Allocation Priorities

Percentage of Federal Funds per Program					
	Rental Development	Reduce and Prevent Homeless	Home Ownership	Community Development	Total %
CDBG				100%	100%
HOME	50%	25%	25%		100%
HTF	100%				100%
HOPWA					
ESG		100%			100%

Table 51 – Funding Allocation Priorities

Reason for Allocation Priorities

National Housing Trust Fund (NHTF): The Alaska Housing Finance Corporation (AHFC), on behalf of the State of Alaska, will administer the National Housing Trust Fund. Under NHTF regulations, the only jurisdiction, other than the state of Alaska, eligible to receive a sub-grant of NHTF is the Municipality of Anchorage (MOA). The MOA is eligible to receive a sub-grant of NHTF to administer directly in Anchorage. Pursuant to 24 CFR 91.320(k)(5), the State must submit and HUD must approve an HTF allocation plan that includes its intent to award NHTF funds to the MOA.

AHFC may provide the MOA with a sub-grant in 2018 NHTF equal to the MOA's 2018 allocation of HOME funds. The remaining NHTF will be administered for the area of Alaska outside of Anchorage consistent with the participating jurisdictional boundaries of the HOME program. The balance of state funds will be allocated through the annual GOAL – Greater Opportunities for Affordable Living program. The Rating and Award Criteria Plan for the GOAL program will set the priorities for the allocation of NHTF. In this way it will be coordinated with the Low Income Housing Tax Credit, HOME Investment Partnership and Senior Citizens Housing development Fund programs.

A sub-grant of NHTF to the MOA has been made subject to a number of conditions regarding liability for non-compliance and repayment of funds that protects AHFC from damage. HUD has informed AHFC that AHFC will retain liability for non-compliance and repayment of any sub-granted funds to the MOA. Pursuant to 24 CFR 93.404(b), the State has executed a written agreement awarding funds to the MOA for HTF activities. The MOA HTF allocation plan must address all required elements of the written agreement with the State.

HOME: Based on an assessment of projected growth in the need for rental housing and rental assistance for low-income and more vulnerable households, funding was eliminated in the ORP program in SFY2016.

AHFC has identified the need to provide Tenant Based Rental Assistance (TBRA) to eligible households that are at or below 60% of the median area income. Preference is given to special needs and at-risk populations as articulated in the Five Year (SFY2016 through 2020) Consolidated Housing and Community Development Plan. In SFY2019 (FFY2018), HOME funding for TBRA will be allocated in the amount of up to \$660,000.

ESG: In addition to administrative activities, ESG funds may be used for five program components: street outreach, emergency shelter, homeless prevention, rapid re-housing assistance and Homeless Management Information Systems (HMIS). All of the previously mentioned components pertain to the goal of Reduce and Prevent Homelessness.

CDBG: The State's CDBG program allocates funding towards the acquisition, construction, reconstruction, installation, and improvements of public facilities and public improvements and occasionally special economic development.

Ways in which the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan

Alaska's Continuum of Care for the Homeless. This portion of the Annual Action Plan describes the actions addressing the emergency shelter (including ESG) and transitional housing needs of homeless families and individuals, as well as those who meet the definition of "at-risk" of homelessness. Activities to assist homeless households will be discussed. The goal of Alaska's Continuum of Care is to help homeless persons make a rapid transition to permanent, affordable housing. For some individuals, appropriate supportive services will be a critical component of this strategy.

HOME: Provide Decent Housing: The new emphasis on HOME funds for rental assistance and rental development reflect the findings from Fair Housing studies and market analysis as well as public

comments gathered throughout the Con Plan development process. HOME funds are dedicated in its totality to the enhancement and creation of rental assistance, the rehabilitation and creation of rental units and homeownership.

NHTF: The Housing Trust Fund allocation will be made part of the GOAL Program for the provision of Decent Housing by targeting the production of rental units.

CDBG: Economic Development: The goals of the Alaska Community Development Block Grant Program (CDBG) are to provide financial resources to Alaskan communities for public facilities and planning activities which address issues detrimental to the health and safety of local residents and to reduce the costs of essential community services. The program may also fund Special Economic Development activities which result in the creation of jobs for low and moderate income persons

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

HOME Investment Partnerships Program (HOME)

State program addressed by the Method of Distribution.

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

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

The State of Alaska's HOME allocation for SFY2019 is anticipated to be \$3,008,138. Additionally, AHFC will provide \$752,034 in state matching funds to contribute to the federal matching requirements under the HOME program; subject to legislative authorization.

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

Priorities for the use of HOME funds are established in the Consolidated Housing and Community Development Plan (HCD). The following program description outlines HOME funded activities for

State Fiscal Year 2019 (July 1, 2018 through June 30, 2019) funded from Federal Fiscal Year 2018 (FFY 2018) appropriations. These activities include: Rental Development Activities, Homeownership Development Activities, Community Housing Development Organization (CHDO) Development Activities, Rental and Homeownership Housing Development, Technical Assistance or Pre-development Activities, Tenant Based Rental Assistance, Operating Expense Assistance for CHDOs, and Homebuyer Assistance Programs.

All HOME Program activities work towards the statutory goal of the 2016-2020 HCD Plan to provide decent housing, create suitable living environments, and expand economic opportunities for Alaskans with incomes at or below eighty percent (80%) of the median income. The seven general principles from this five-year HCD Plan guide the direction and implementation of HOME Program activities. Priorities and Objectives for the coming program year are summarized in the Appendix C table and are detailed in the program descriptions that follow. Additionally, program achievements from SFY2017 are included in Appendix C as a measure of how the State is meeting its stated goals as outlined under the Five Year Consolidated Plan (2016-2020).

Criteria that will be used to select applications and the relative importance of these criteria.

Applicants for HOME funds now use an online application system that affords them an equal opportunity to submit within the same timeframe regardless of their remote location or transportation challenges. Most agencies applying for HOME funds are returning grantees seeking funding to continue their services into the next program year. Past performance in achieving service projections and unit construction constitutes a significant portion of the ranking factors each year.

If the applicant is not a returning grantee, they must provide a narrative explanation for 1) how they developed their service projections, 2) what they will do to monitor and report on housing creation, and 3) the applicant's experience and capability to construct or create affordable housing for low income families and meet all of the regulatory and administrative requirements. Up to 10 points may be deducted for a pattern of late reports or unresolved findings. In the next competition cycle, repeated findings for the same infraction in the 36 months prior to the application date will be added to the point deduction section. With the exception of the narrative answers, AHFC has converted to an objective scoring system.

How resources will be allocated among funding categories.

Resources are allocated competitively by need and by local area population among funding categories. The Home Opportunity Program is the only HOME component where a percentage of the total grant is allocated among census or large geographical areas.

Threshold Factors

- For all HOME activities: Applicants are required to possess, or partner with entities that have, experience with the HOME program for the activity being proposed (i.e. rental development).
- For Rental Development activities: Applicants are required to possess, or partner with entities that have, experience operating properties encumbered by HOME Program use restrictions.

Grant size limits and outcome measures expected as a result of the method of distribution

Grant Size Limits for HOME Program – outcome measures in sub-bullets

- Home Ownership Opportunity Program (HOP) – up to \$30,000 per homeowner
 - Outcomes are geographic areas served by program funds
- Homeownership Development Program (HDP) – up to \$40,000 per unit
 - Units funded within close proximity to public services and facilities
- Rental Development (RD) – none
 - Units funded and income targeting level

Emergency Solutions Grant

State program addressed by the Method of Distribution.

All Emergency Solutions Grants (ESG) program activities work towards providing safe, secure housing for Alaska’s homeless and those at risk of homelessness. This is accomplished by providing operating support to emergency shelters and funding programs designed to prevent homelessness and/or rapidly re-house homeless persons. The estimated amount the State will receive in SFY2019 is \$235,176. ESG funds will be awarded on a competitive basis to units of local government and non-profit organizations.

Criteria that will be used to select applications and the relative importance of these criteria

The ESG regulations now restrict the use of funds for emergency shelter or street outreach activities to “the greater of 60 percent of the recipient’s fiscal year grant; the amount of Fiscal Year 2010 grant funds committed” for emergency shelter or street outreach activities. The remaining 40 percent of the annual allocation must be used for homeless prevention, rapid re-housing, or HMIS activities. To qualify for ESG assistance, program participants must meet the expanded definitions of “homeless” or “at risk of homelessness” described in 24 CFR 2.

Program participants in the “at-risk of homelessness” category must also have incomes below 30% of area median income to qualify for ESG assistance. In addition to documenting client eligibility, agencies providing rental assistance are required to inspect all units to document compliance with HUD’s habitability standards and to execute a written rental assistance payment agreement with the landlord.

Process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)

ESG funds will be awarded on a competitive basis to units of local government and non-profit organizations. Funding for emergency shelter activities will not exceed the greater of 60% of the State’s annual award or the shelter baseline established in 2010 as required under the HEARTH Act. The remainder of available funds will be used for Homeless Prevention and Rapid Re-Housing activities. Applications are received annually, in response to a Notice of Funding Availability (NOFA). Each application must pass a threshold review to be considered for funding. Applications meeting the threshold criteria will be competitively scored using the rating criteria established in the NOFA.

How resources will be allocated among funding categories.

The ESG regulations restrict the use of funds for emergency shelter or street outreach activities to “the greater of 60 percent of the recipient’s fiscal year grant; the amount of Fiscal Year 2010 grant funds committed” for emergency shelter or street outreach activities. The remaining 40 percent of the annual allocation must be used for homeless prevention, rapid re-housing, or HMIS activities.

Threshold factors and grant size limits.

Applicants for ESG funding use an online application system that affords them an equal opportunity to submit within the same timeframe regardless of their remote location or transportation challenges. Most agencies applying for ESG funding are returning grantees seeking funding to continue their services into the next program year. Following the lead of the CoC process, past performance in achieving service projections and housing stability constitutes a significant portion of the ranking factors each year. If the applicant is not a returning grantee, they must provide a narrative explanation for 1) how they developed their service projections, 2) what they will do to monitor and report on housing retention, and 3) the applicant’s experience and capability to serve homeless persons and meet all of the regulatory and administrative requirements.

Another ranking factor is relationship of their proposed activities to achieving the goals of state & local homeless plans. Other ranking factors include local progress toward a centralized or

coordinated assessment process, the extent to which efforts are made to link program participants to mainstream resources, policies and procedures for prioritizing the delivery of homeless services and the degree to which each budget line item requested is thoroughly explained. Bonus points for small, rural communities is also part of the rating criteria.

Up to 10 points may be deducted for a pattern of late reports or unresolved findings. With the exception of the narrative answers, AHFC has converted to an objective scoring system. Applications are forwarded to a Project Evaluation Committee (PEC) to assign points to any subjective (narrative) sections of the application.

Outcome measures expected as a result of the method of distribution?

3,000 unduplicated persons through ES-operations

10HH/25PP: homeless households/persons moving to permanent housing through –Homeless Assistance

10HH/25PP: households/persons stabilized with rent/utility through Homeless Prevention

20HH/50pp: households/persons receiving case management through RRH/HP Case Management

Community Development Block Grant

Description of the state CDBG program.

The goals of the Alaska Community Development Block Grant Program (CDBG) are to provide financial resources to Alaskan communities for public facilities and planning activities which address issues detrimental to the health and safety of local residents and to reduce the costs of essential community services. The program may also fund Special Economic Development activities which result in the creation of jobs for low and moderate income persons.

CDBG competitive grants are single-purpose project grants; maximum of \$850,000 per community. There are three basic funding categories: community development, planning and Special Economic Development.

CDBG programs utilize the resources of the Community Development Block Grant program funded by the U.S. Department of Housing and Urban Development (HUD).

Any Alaskan municipal government (except Anchorage) is eligible to apply for the grants. Non-profits may apply as co-applicants for these pass-through funds. In a typical year, applications are distributed to municipalities in late fall, and awards are made the following spring. Federal regulations require 51 percent of the persons who benefit from a funded project must be low and moderate income persons as defined by HUD.

Criteria that will be used to select applications and the relative importance of these criteria

Project Description & Selection/Citizen Participation Plan (15%), Project Plan & Readiness (25%), Project Impact (25%), Budget/Match/In-Kind (25%), Administrative Capabilities (10%)

If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG Only)

Each application cycle DCCED sends a letter to every community in the state, including those over 51% low- to moderate-income informing them of the application deadline and how to access the application manual and application materials. This information is also available on the DCCED website. Hard copies may be requested from DCCED and electronic copies can be accessed online.

How resources will be allocated among funding categories N/A

Threshold factors and grant size limits.

Grants are limited to \$850,000 or less. Threshold factors include, but are not limited to: establishing a benefit to low- to moderate-income persons, meeting the federal requirements for public participation, application by eligible municipality, providing all requested application materials, and substantially completing prior CDBG-funded projects.

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

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

Reallocated funds will be reported by year of annual grant.

Outcome measures expected as a result of the method of distribution

The State of Alaska expects CDBG projects to benefit approximately 700 low- to moderate-income individuals.

National Housing Trust Fund

The GOAL Program includes the criteria for the distribution of funds from the National Housing Trust Fund available at:

<https://www.ahfc.us/index.php?cID=223>

State program addressed by the Method of Distribution.

The National Housing Trust Fund (NHTF) addresses the State's Greater Opportunities for Affordable Living (GOAL) program. The GOAL Program provides grants, federal tax credits and zero-interest federal loans to developers and project sponsors who build affordable rental housing for low to moderate income families and seniors.

Criteria that will be used to select applications and the relative importance of these criteria.

NHTF awards are given through a competitive allocation process. The State's latest Qualified Allocation Plan/ Rating and Award Criteria and the National Housing Trust Fund Allocation Plan explain this process in detail. These plans are available at www.ahfc.us

Special Purpose GOAL Rounds may occur throughout the year. In these cases, additional rating factors may apply. For a more complete description of the application rating and ranking criteria, please visit the GOAL Program section at www.ahfc.us

How resources will be allocated among funding categories.

AHFC's policy is to encourage the responsible development of housing for seniors, lower income persons and families through the allocation of GOAL program funds. **A separate policy and procedures manual for the GOAL program is available from AHFC.** (See www.ahfc.us). Additionally, AHFC's policy is to minimize any adverse impact on existing residents of buildings that will be acquired or rehabilitated with GOAL program funds. Where relocation of existing residents will occur as the result of GOAL program funding, a relocation assistance plan will be required from all applicants.

In determining the appropriate amount of GOAL program funds to be awarded, AHFC will consider the sources and availability of other funds, the reasonableness of development and operating costs, anticipated project operating revenue, and the expected proceeds from the sale of LIHTCs (if applicable).

Threshold Factors

Please see a complete description of Threshold Requirements to be considered for GOAL Program funding at: <https://www.ahfc.us/index.php?clD=223>

Grant size limits and outcome measures expected as a result of the method of distribution

Per Unit Limits - NHTF awards will be limited to the applicable project cost standards plus 20%. Funding limits will apply to the specific units funded through the NHTF award. Refinancing Limits – NHTF awards may not be used to refinancing existing debt. NHTF awards may be used to fund renovations in projects with a debt restructure, but the NHTF dollars may not be used to restructure and / or refinance the debt itself.

AP-35 Projects

Introduction:

1	Project Name	Rental Housing Development
	Target Area	Balance of State
	Goals Supported	Availability and Accessibility of Decent Housing
	Needs Addressed	Renter Small Related extremely low and low income Renter Small Related Medium Income Renter Large extremely low and low income Renter Large medium income Renter Elderly Extremely low and Low Income Renter All Other Types Elderly -Special Needs Homeless Special Needs
	Funding	HOME: \$1,500,000

	Description	Over the last several years, AHFC has increased the emphasis on rehabilitation and preservation of existing affordable housing resources in the rating criteria for the LIHTC, HOME and Senior Citizen Housing Development Fund (SCHDF) programs. As a result, more affordable housing rental units have been renovated and several federally subsidized rental projects have remained in the affordable housing stock. Yet, throughout the state, there are still serious shortages of affordable, decent housing for low-income Alaskans. Constraints of financial feasibility impede the development of affordable housing, in both rural and urban communities. Critical to the implementation of the strategies contained in this Plan is a dedicated source of funds to leverage other funding sources for the development of new affordable housing opportunities, as well as the acquisition and rehabilitation of existing structures.
	Target Date	SFY 2019
	Estimate the number and type of families that will benefit from the proposed activities	This program meets the HUD objective of providing decent housing with improved or new affordability. The following outcomes are estimations that will be used to measure the progress of this program: • It is estimated that five (5) units will be HOME assisted. • It is estimated that five (5) units will be AHFC HOME set asides. • It is estimated that none of those units will be made available to the elderly. It is estimated that two (2) of those units will be made accessible.
	Location Description	
	Planned Activities	

2	Project Name	Homeownership Development Program
	Target Area	
	Goals Supported	Affordability of Decent Housing
	Needs Addressed	Creating affordable housing for LMI families through assistance with the cost of development.
	Funding	HOME: \$500,000

	Description	The project sponsor is responsible for identifying homebuyer assistance resources that may be necessary for low-income homebuyers to purchase the home for the proposed sales price. Units assisted with homeownership development funds under this program are not eligible for buy down assistance under the Home Opportunity Program (HOP) but are eligible to receive down payment and closing cost assistance.
	Target Date	SFY 2019
	Estimate the number and type of families that will benefit from the proposed activities	This program meets the HUD objective of providing decent housing with improved affordability. The following outcomes are estimations that will be used to measure the progress of this program: It is estimated that twelve units will be developed. It is estimated that twelve units will meet the Alaska equivalent of the Energy Star standard.
	Location Description	Balance of State
	Planned Activities	Self-Help Homeownership Development

3	Project Name	Home Opportunity Program
	Target Area	Balance of State
	Goals Supported	Affordability of Decent Housing
	Needs Addressed	Creating affordable housing for LMI families through down payment assistance
	Funding	HOME: \$815,919

Description	In the State of Alaska the greatest obstacles to achieving homeownership is generally an inability to qualify for conventional financing at the loan amount necessary to purchase homes; accumulate savings sufficient to satisfy down-payment and closing cost requirements. A total of \$815,919 SFY2019 (FFY 2018) HOME funds is reserved to provide down-payment, closing costs and buy down assistance to lower income homebuyers. The Home Opportunity Program (HOP) will be administered by non-profit corporations and/or public agencies that have been competitively awarded funds by AHFC. A Notice of Funding Availability (NOFA) or a Request for Qualification (RFQ) will be announced. Interested agencies are invited to respond by the published deadline and proposals are evaluated by AHFC. Prospective borrowers will be required to complete an orientation to homeownership through AHFC's innovative HOME CHOICE workshop offerings, or an equivalent program offered by private lenders and other qualified entities. Eligible borrowers must have annual incomes at or below 80 percent of the area median, as determined by HUD, adjusted for household size. Additionally, they must exhibit the ability to meet the on-going responsibilities of homeownership, including the repayment of the primary mortgage loan. The HOP program will primarily utilize the recapture model. The resale model is only allowable when HOP funds are being used in conjunction with other HOME projects that have received prior approval from AHFC to utilize the resale model.
Target Date	SFY 2019
Estimate the number and type of families that will benefit from the proposed activities	This program meets the HUD objective of providing decent affordable housing with improved availability. The following outcomes are estimations that will be used to measure the progress of this program: - It is estimated that forty homebuyers will receive assistance. - It is estimated that twenty will be first-time homebuyers. - It is estimated that twenty homebuyers will receive down payment or closing cost assistance. - It is estimated that thirty homebuyers will receive buy downs. There are several factors that will influence these outcomes such as: market conditions, interest rates, changes in lending criteria and the income of households who apply.

4	Location Description	Statewide
	Planned Activities	Homebuyer Assistance
	Project Name	Tenant-Based Rental Assistance
	Target Area	Balance of State
	Goals Supported	Affordability of Decent Housing
	Needs Addressed	Renter extremely low and low income Renter Medium Income Renter All Other Types
	Funding	HOME: \$660,000
	Description	AHFC has identified the need to provide Tenant Based Rental Assistance (TBRA) to eligible households that are at or below 60% of the median area income. Preference is given to special needs and at-risk populations as articulated in the Five Year (SFY2015 through 2019) Consolidated Housing and Community Development Plan. In SFY2019 (FFY2018), HOME funding for TBRA will be allocated in the amount of \$660,000. AHFC has partnered with State of Alaska Department of Corrections and Office of Children's Services to target special needs and at-risk populations who will be transitioning from State supervision or programs into permanent housing. In addition, AHFC may select sub-recipients through a NOFA or RFQ process to assist with the administration of TBRA. TBRA is essential to meeting the unmet needs of special needs and at-risk populations by providing opportunities for those seeking individual living options in normal residential settings or in need of subsidized rental housing; TBRA will help narrow the gap in benefits and services received.
	Target Date	SFY 2019
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that roughly eighty households will be assisted during the reporting period.
	Location Description	Statewide

	Planned Activities	TBRA is an essential part of AHFC's housing strategy and market conditions make TBRA a viable option; rental unit availability data indicates that there is an ample supply of units to make TBRA a viable housing strategy. TBRA Vouchers may not be used within the Municipality of Anchorage. The TBRA service area will include communities that are served by the AHFC Public Housing Division, outside of Anchorage. There are a number of factors that will influence this outcome such as the length of the assistance provided to each household and the time it takes to perfect the TBRA delivery system. If households are renewed or require additional months of assistance than initially planned for, the number of households served may be reduced. In addition, outcomes may not be realized until future plan years as AHFC perfects the TBRA delivery system and forges partnerships necessary to implement TBRA.
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5	Project Name	CHDO Operating Expense Assistance (OEA)
	Target Area	Balance of State
	Goals Supported	Community Development
	Needs Addressed	
	Funding	HOME: \$150,000
	Description	CHDO Program Funds are set aside for Community Housing Development Organizations to own, develop or sponsor HOME assisted units through the RHD program, subject to the limitations of 24 CFR 92.300
	Target Date	SFY 2019
	Estimate the number and type of families that will benefit from the proposed activities	This program will assist up to three CHDOs
	Location Description	Statewide

Table 52 – Project Information

The reasons for allocation priorities and obstacles to addressing underserved needs

The main three obstacles that complicate the process of addressing needs in the State of Alaska are cost, the lack of capacity, and resources.

Most applicants find it very challenging to identify funding sources to fill the gap between HOME funds and other grants and the actual cost of projects. The cost of construction in rural Alaska is much higher than in urban areas and the cost of construction in the urban areas of Alaska is much higher than in other states.

The building season in Alaska is shorter than in most states and it shortens more dramatically the farther north the project. Costs are driven higher where materials must be flown or barged to the project site. In order to obtain experience and develop the qualifications necessary to create the efficiencies that keep project costs within budget, workers and organizations in rural areas face challenges not always evident in urban Alaska. Training, modern technologies and other resources may not be readily available in small communities. Local organizations or communities and regional Housing Authorities continue to work diligently, and successfully, to identify and bridge these gaps.

Another obstacle is the growing number of labor-intensive requirements to administer the ESG program, especially the Homeless Prevention and Rapid Re-Housing components. Many homeless service providers around the state are small, faith-based operations with only one or two paid staff and a corps of volunteers. The complexity of qualifying and assisting ESG program participants requires significant capacity building efforts.

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

The State has no plans to make available Section 108 Loan Guarantees through CDBG.

Available Grant Amounts

N/A

Acceptance process of applications

N/A

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No

State's Process and Criteria for approving local government revitalization strategies

N/A

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

The State does not target specific geographic areas in the Consolidated Plan. The allocation criteria of several competitive programs have a priority that awards points to projects located in small communities, as defined by AHFC. A small community is a community of 6,500 or less that is not connected by road or rail to Anchorage or Fairbanks. Or, a community of 1,600 or less that is connected by road or rail to Anchorage or Fairbanks and is located at least 50 statute miles outside of Anchorage or 25 statute miles outside of Fairbanks. In this definition, “connected by road” does not include a connection by the Alaska Marine Highway System or roads outside the boundary of the State of Alaska.

Rationale for the priorities for allocating investments geographically

Because funds are distributed through a competitive process, the State cannot predict who will apply or how funds will be distributed geographically. The State does, however, emphasize funding for rural community needs, especially as they relate to low- and moderate-income (LMI) population.

Alaska’s wide range of housing and community development conditions makes the use of guiding principles the most practical and effective approach of targeting scarce HCD resources. The State developed the seven guiding principles from HCD public hearings; consultation with federal, state and local entities; involvement with housing and community development in both the private and public sectors over the past five years; and an analysis of the Consolidated Annual Performance Evaluation Reports (CAPERs) for state fiscal years 2014, 2015, 2016, and 2017. Data gathered in the development of this five year plan support the seven guiding principles above.

AP-55 Affordable Housing – 24 CFR 91.320(g)

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

One Year Goals for the Number of Households to be Supported	
Homeless	10
Non-Homeless	40
Special-Needs	15
Total	65

Table 4 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	5
The Production of New Units	20
Rehab of Existing Units	20
Acquisition of Existing Units	20
Total	65

Table 5 - One Year Goals for Affordable Housing by Support Type

Discussion:

Our rental and homeownership development programs facilitate the new construction and / or rehabilitation of affordable units throughout the State. While our programs collectively achieve a significant geographic distribution of resources, the majority of these are units created through the Low-Income Housing Tax Credit program.

Using historical production date and assumptions for leverage funding, the numbers reported in tables 4 and 5 represent conservative performance targets for the Balance of State.

*the total household goal of 65 assumes that the 20 units paired with rental assistance will be connected to acquisition and rehabilitation activities.

On an annual basis through the Greater Opportunities for Affordable Living (GOAL) program and/or the Special Needs Housing Grant (SNHG) program, AHFC announces the availability of HOME funds for rental development. The SNHG program allocates capital development funds to develop rental housing projects that will serve special needs, and often low-income households. In SFY2019, HOME rental development funds may also be awarded through the SNHG award process, in addition to the GOAL process, if AHFC deems that it is in the best interest of the HOME program to do so. The State plans to include the \$3 million allocation from the National Housing Trust Fund to the GOAL program for further development of rental housing for the Extremely Low Income population of the State.

Community Housing Development Organizations (CHDOs) Development Activities

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

CHDO set-aside funds are a sub-set of HOME funds reserved for the development of affordable housing. In the State of Alaska HOME Program, these funds may be used for allowable HOME activities outlined in the Rental Development Activities, through the GOAL and SNHG programs described above, subject to the limitations of 24 CFR 92.300. If an eligible CHDO is awarded HDP funding, those funds may be designated as CHDO set-aside or CHDO reserve funds. To participate in the CHDO set-aside, an organization must complete the following steps:

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

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

HUD gives the option to states of providing a limited amount of operating support funds to CHDOs actively expanding affordable housing opportunities with HOME funds. A maximum of five percent (5%) of the state's annual HOME allocation may be used for this purpose.

A total of \$150,000 in SFY2019 (FFY2018) HOME funds may be used for the Operating Expense Assistance Program for Community Housing Development Organizations (CHDOs). If these funds are not used for CHDO operating support they will be used for rental housing development or other eligible HOME activities.

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

AHFC produces an annual Moving to Work Plan and an annual Moving to Work Report. These are available for review on AHFC's website: <https://www.ahfc.us/publichousing/resources/mtw-plans-and-reports/> as well as HUD's Moving to Work website:

https://www.hud.gov/program_offices/public_indian_housing/programs/ph/mtw

Actions planned during the next year to address the needs to public housing

See AHFC's Moving to Work Plan and an Annual Moving to Work Report at:

<https://www.ahfc.us/publichousing/resources/mtw-plans-and-reports/>

Actions to encourage public housing residents to become more involved in management and participate in homeownership

AHFC promotes resident involvement in Public Housing activities through both a Resident Advisory Board (RAB) and Resident Councils. The purpose of AHFC's Resident Advisory Board (RAB) is to provide advice and comment to AHFC on proposed operations, the annual Moving to Work Plan, proposed construction activities, and other items of interest to AHFC's public housing and housing choice voucher clients. The RAB is composed of at least seven members from AHFC's Public Housing (PH), Section 8 New Multifamily Housing (S8N), and Housing Choice Voucher (HCV) programs. AHFC conducted four quarterly meetings with RAB members in 2018. Minutes and comments received during meetings are reported to AHFC's Board of Directors.

AHFC maintains a staff person designated to assist in the formation, development, and educational needs of a Resident Council and offer technical assistance to volunteers. Members are encouraged to conduct regular meetings, discuss resident concerns, and provide feedback to AHFC management on any issues affecting residents in the apartment communities.

AHFC has a homeownership program for monthly payments of HAP toward homeownership. AHFC also has a current activity in its Moving to Work Plan to develop a down payment program for homeownership to replace the monthly HAP program.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

AHFC is a statewide Public Housing Authority and is designated a High Performing Agency by HUD.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

Alaska Housing Finance Corporation will administer federal and state resources throughout the Alaska Continuum as appropriate to meet the specific needs of each community as identified through community plans and data gathered from the annual Point-In-Time Count of homeless persons, Housing Inventory Chart, and Alaska Homeless Management Information System. Funding considerations include maintaining current homeless facilities, supporting homeless prevention services, providing homeless outreach, and activities to assist homeless persons' transition to permanent housing and independent living.

Allocations to the State of Alaska from the National Housing Trust Fund will indirectly help alleviate the latent shortage of rental units. These units will be available to project sponsors around the State that receive rental assistance funds to place vulnerable individuals in housing.

The jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Alaska Housing Finance Corporation will continue to assist local homeless coalitions and the Alaska Coalition on Housing and Homelessness to conduct outreach activities to homeless persons through the annual Point-In-Time Count and events such as Project Homeless Connect. In addition, the state will continue to coordinate with Alaska 2-1-1 to ensure that persons in need are connected to appropriate services. Goal: Increase in utilization of the Alaska Housing Locator and 2-1-1 system for housing resources. Indicators: Annual 2-1-1 report to AK Council on the Homeless & Annual Housing Locator Report.

Addressing the emergency shelter and transitional housing needs of homeless persons

The State will use a combination of federal and state resources to ensure that no homeless persons are forced to sleep in places not meant for human habitation. Alaska will use the maximum amount of ESG funds allowable to help shelters meet their operating costs. Funding to adequately staff and operate emergency shelters and transitional housing facilities will also remain a high priority for the State's Basic Homeless Assistance Program (BHAP). Goal: ES-Reduction in the number of unsheltered homeless count; ES/TH-no net loss of beds where utilization remains 75% or higher.

Indicators: ES-# of Unsheltered persons in Point-In-Time count; ES/TH-# of beds vs. utilization rate in Homeless Inventory Chart.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The State will use a combination of federal and state resources to rapidly re-house and stabilize homeless persons, especially chronically homeless individuals & families, families with children, veterans and their families and unaccompanied youth. ESG-funded medium-term rental assistance, VASH vouchers for homeless veterans, state-funded permanent housing placement programs and properties funded under the Special Needs Housing Grant (SNHG) Program are just some of the examples of resources that will be utilized to shorten the period of time that individuals and families experience homelessness. Goal: ES- maintain average length of stay at 2 months or less; TH-80% exiting TH for permanent housing. Indicators: ES-HMIS report; TH-Annual Performance Reports drawn from HMIS of TH providers.

AHFC has partnered with the State of Alaska Department of Corrections and Office of Children's Services to target special needs and at-risk populations who will be transitioning from State supervision or programs into permanent housing. TBRA is essential to meeting the unmet needs of special needs and at-risk populations by providing opportunities for those seeking individual living options in normal residential settings or in need of subsidized rental housing; TBRA will help narrow the gap in benefits and services received.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Alaska Housing Finance Corporation will continue to provide funding through the Basic Homeless Assistance Program (BHAP) that provides direct financial assistance with rent, mortgage, and utility arrearages for low-income individuals and families threatened by homelessness.

AHFC will continue to implement the TBRA program that assists persons discharged from publicly funded institutions and systems of care. AHFC will continue to support the Department of Correction's review of and strengthening policies that require housing plans prior to discharge. Resources targeting persons leaving state custody such as HOME TBRA vouchers and assisted living facilities will be utilized and new resources such as the HUD 811 PRA program will be developed for this purpose. Goal: Reduction in the percentage of persons entering homeless facilities from public institutions or systems of care. Indicator: AHAR reports drawn from HMIS.

The State will incentivize agencies that apply for funding by awarding significant points to those that endeavor to ensure that homeless persons are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs. The State will also coordinate through the Alaska Council on the Homeless and the Alaska Coalition on Housing & Homelessness activities and programs that more effectively connect homeless persons to those support connections. GOAL: 30% of persons in TH/PSH programs employed at end of program year/65% of persons in TH/PSH receiving non-cash (mainstream) supports at end of program year. Indicator: Annual Performance Reports drawn from HMIS of TH/PSH providers.

Nursing Facilities

In its efforts to help elderly persons and individuals with disabilities transition from nursing facilities back into the community, AHFC would like to include to its list of partnerships, future work with The Governor's Council on Disabilities and Special Education and the Division of Senior and Disability Services' Nursing Facility Transition Fund. Directly from SDS's website;
<http://dhss.alaska.gov/dsds/Pages/default.aspx>

"The funds from the Nursing Facility Transition Program can be used to help an elderly person or individual with a disability transition from a nursing facility back into the community. We can provide one-time funds for:

1. Home or environmental modifications;
2. Travel/room/board to bring caregivers in from a rural community to receive training;
3. Trial trips to home or an assisted living home;
4. Payment for an appropriate worker for skill level needed;
5. Security deposits;
6. One-time initial cleaning of home;
7. Basic furnishings necessary to set up a livable home;
8. Transportation to the new home.
9. Other needed items or services may be approved by Program Coordinators."

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

Actions planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Development costs and stagnant incomes are the two biggest barriers to affordable housing across the State. In response, HOME Investment Partnership funding has been focused on rental development and homeownership assistance to reduce the cost of buying or renting a home. Furthermore, rental assistance through the HOME program has also been used to support the most vulnerable populations from children aging out of foster care to newly released prisoners whose abilities to generate income and find housing are hampered by criminal histories. HUD's \$3 million allocation to the State of Alaska from the National Housing Trust Fund will be used as part of the GOAL Program and will augment the State's efforts to reduce the cost burden and increase the availability of affordable housing for the Extremely Low-Income population of the State.

Please see section AP-85 for a description of the Teacher, Health Professional, and Public Safety Housing Grant Program.

AP-85 Other Actions – 91.320(j)

Introduction:

Other activities to be undertaken during SFY2019 (FFY2018) including actions to promote the development and maintenance of affordable housing, including the use of public housing resources and the development of public housing resident initiatives.

Actions planned to address obstacles to meeting underserved needs

A number of actions during SFY2019 will address housing and community development barriers. These actions include the improvement of organizational capacity; the development of infrastructure for housing and community development; the role of local governments in this area targeting and leveraging resources; and protecting and improving housing and community development assets.

The three most significant obstacles to meeting needs addressed by the CDBG program are (1) a short construction season, (2) high cost of construction in remote communities, and (3) lack of administrative capability in rural communities. Obstacle (1) is being addressed by an accelerated application selection process that will make grant funding available for many projects one

construction season earlier than in past years. Obstacle (2) is addressed by encouraging communities to access multiple funding sources through required matching funds and encouraging cost-saving measures when possible. Obstacle (3) is addressed by tightening threshold requirements to ensure only those communities with the highest administrative capabilities are considered for funding, continuing to develop accessible training materials, and holding management workshops for communities awarded CDBG funding.

Actions planned to foster and maintain affordable housing:

Teacher, Health Professional, and Public Safety Housing Grant Program

Constant turnover of public service professionals plague our rural communities. Housing has been cited as a major contributor to their decision in leaving their position. Attracting and maintaining qualified teachers, health professionals, and public safety officials in rural Alaska is a priority for 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 (THHP) Grant Program, funding is available for the acquisition, rehabilitation, and/or new construction of dedicated professional housing for eligible staff in rural Alaska.

In SFY 2018, AHFC received a total of twelve applications requesting over \$5.9 million in funding. AHFC awarded \$1.85 million in THHP funds to four projects for the new construction of 11 units.

Project	Applicant	AHFC Funding Recommendation
Hoonah Teacher Housing	Hoonah Indian Association	\$550,000
Kasaan Teacher Housing	Organized Village of Kasaan	\$372,500
Huslia Teacher Housing	Huslia Village Council	\$550,000
Tununak Public Safety Housing	Native Village of Tununak	\$381,218
	TOTAL	\$1,853,718

AHFC will solicit applications for the SFY 2019 THHP Application Round in the spring of 2018. Applicants will submit their proposals to AHFC through a web-based application. Subject to Legislative Appropriation, AHFC will announce the SFY 2019 THHP Awards in the fall/winter of 2018.

Since program inception in SFY 2004, the Teacher, Health Professional, and Public Safety Grant Program has funded the construction or rehabilitation of 454 units of housing totaling \$142 million in total project cost.

Actions planned to reduce lead-based paint hazards

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

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

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

An EPA approved information pamphlet on identifying and controlling lead-based paint hazards.

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

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

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

Although the testing done so far does not point to a great lead-based paint hazard in Alaska, an estimated 15% to 20% of all of the housing stock in the state may contain lead based paint. The State concurs with the U.S. Environmental Protection Agency that increased education about the potential health risks from exposure to lead based is an important step in reducing health related problems involving lead poisoning. AHFC will continue to seek alliances with other agencies invested in the pursuit of eradicating the potential for Lead-Based Paint in the state's housing stock. These agencies might include the Environmental Conservation Agency (EPA), the Alaska Center for Disease Control (ACDC), and the Department of Health and Social Services (HSS).

Actions planned to reduce the number of poverty-level families

AHFC entered into a Moving To Work Agreement (MTW Agreement) with the US Department of Housing and Urban Development (HUD). MTW is a demonstration program authorized by Congress that gives AHFC the flexibility to waive certain statutes and HUD regulations to test approaches for providing housing assistance. A waiver of statutory or regulatory language must address at least one of three goals:

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

For a comprehensive review of MTW programs nationwide, please visit the HUD website at: https://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/programs/p/h/mtw

Please also visit the AHFC website to view the full text of the fiscal year 2017 Moving to Work Program Annual Plan at:

https://www.ahfc.us/files/6814/5650/9216/FY2017Plan_Public_022116.pdf

Actions planned to develop institutional structure:

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

Limited state-funded technical assistance will also be offered to HOME and CHDO grantees and other non-profit housing providers, including those serving Alaska's homeless and special needs populations. Training and technical assistance opportunities, due to the loss of local HUD CPD-TA dollars, will be limited. A menu of opportunities will be offered, which will include direct technical assistance, topic-based Alaska Training Events, as well as scholarship opportunities to attend local, regional or national training events.

AHFC plans to host one or more Alaska Training Events each year and offer scholarships to approved trainings and conferences for eligible attendees. Participants are required to document the objectives that will be achieved through attendance at a specific training activity. Activities will be available to other providers and/or the general public on a space-available basis on topics such as Fair Housing/Section 504 that affect a broad spectrum of Alaskan providers. AHFC will also plan training events in coordination with training activities hosted by other groups, such as HUD or the homeless coalition, to maximize training resources and training availability.

AHFC will hold application workshops and grant management workshops based on need as identified through the respective programs. The workshops may cover application processes and technical criteria such as design, energy efficiency, environmental review, Davis-Bacon, fair housing, section 504, and other HUD or AHFC requirements. AHFC may also elect to host grant management training for new or less regular grantees. In addition, AHFC may provide manuals, technical assistance, and templates to develop institutional structure.

The State of Alaska will hold a series of application workshops and management workshops for awarded grantees each year. The workshops will cover specific environmental review, civil rights, Davis-Bacon and other CDBG program requirements. Limited state-funded technical assistance may be offered to municipality personnel, which may include scholarship opportunities for attendance at regularly scheduled application and grant management workshops. In addition the state will provide manuals and technical assistance.

Actions planned to enhance coordination between public and private housing and social service agencies.

The State of Alaska hosts its own trainings by contracting with housing professionals and leveraging a wealth of in-house knowledge and experience. AHFC participates in all Project Homeless Connect events and supports the Alaska Coalition on Housing and Homelessness, which integrates members from private and public agencies

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

The State will consider funding only those projects that meet the first national objective. The overall mission of the State’s CDBG program is to enhance the quality of life for LMI persons, particularly in rural Alaska. The CDBG program fulfills this mission by emphasizing the following objectives during the selection process:

- Potential for long-term positive impact and increase in community self-sufficiency
- Reduction of clear and imminent threats, and conditions detrimental to the health and safety of local residents
- Construction and improvement of public facilities and the reduction of maintenance and operation costs
- Development and use of design, engineering, architectural, or feasibility plans as appropriate
- Economic development—including business development, job creation, planning, and special projects
- Evidence of strong local support, i.e., inclusion in a local community, economic, or capital improvement plan
- Use of local resources in combination with CDBG funding

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan	0
The amount of surplus funds from urban renewal settlements	0

4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income	0

Other CDBG Requirements

1. The amount of urgent need activities: \$0

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.320(k)(2)

1. **A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:** No other forms of investments will be used by the HOME program
2. **A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

a. Resale Model

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

b. Recapture Model

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

triggered by a sale prior to the completion of the affordability period. The amount subject to recapture is the total amount of direct assistance less the prorated amount of the first \$10,000 forgiven per the terms described above plus any amounts that are not forgiven.

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

3. **A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:**

Please see Appendix F for a more complete description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds according to 24 CFR 92.254(a)(4).

4. **Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**

AHFC has no plans to refinance existing debt for the SFY2019 for the Balance of State.

Emergency Solutions Grant (ESG)

Reference 91.320(k)(3)

Written standards for providing ESG assistance

The Emergency Solutions Grant (ESG) program operates under the Interim Rule issued December 5, 2011. In addition to administrative activities, ESG funds may be used for five program components: street outreach, emergency shelter, homeless prevention, rapid re-housing assistance and Homeless Management Information Systems (HMIS).

The ESG regulations restrict the use of funds for emergency shelter or street outreach activities to 60 percent of the recipient's fiscal year grant. The remaining 40 percent of the annual allocation must be used for homeless prevention, rapid re-housing, or HMIS activities.

To qualify for ESG assistance, program participants must meet the definitions of "homeless" or "at risk of homelessness" described in 24 CFR 2. Program participants in the "at-risk of homelessness" category must also have incomes below 30% of area median income to qualify for ESG assistance.

In addition to documenting client eligibility, agencies providing rental assistance are required to inspect all units to document compliance with HUD's habitability standards and to execute a written rental assistance payment agreement with the landlord.

Written Standards

In recognition of the large geographic area covered in the Alaska CoC geography and the varying needs and conditions of local communities, Alaska is adopting the provision outlined in 24 CFR 576.400(e)(2)(i)(B) that enables states to require each sub-recipient to establish their own written standards for providing ESG assistance and apply them consistently within the sub-recipient's program. This approach is consistent with the guiding principles of the Alaska HCD Plan which supports the use of local strategies for determining unmet needs and targeting of resources. All requirements for written standards and policies will be incorporated in the grant agreement issued to the sub-recipient, including the following:

- a) Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under Emergency Solutions Grant (ESG).
- b) Policies and procedures for coordination among emergency shelter providers, essential service providers, homeless prevention and rapid re-housing assistance providers, other homeless assistance providers and mainstream service and housing providers.
- c) The sub-recipient will incorporate into their ESG policies and procedures, by reference, existing cooperative agreements they have in place with the local Public Housing agency, the Indian Housing Agency, the domestic violence shelter, the Dept. of Public Assistance (TANF), and the community behavioral health center.
- d) Policies and procedures, consistent with CoC-adopted guidelines, for determining and prioritizing which eligible families and individuals will receive homeless prevention assistance and which eligible families and individuals will receive rapid re-housing assistance.
- e) Standards, consistent with CoC-adopted guidelines, for determining the share of rent and utility costs that each program participant must pay, if any, while receiving homeless prevention or rapid re-housing assistance.
- f) Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time. Due to the amount of funding available to Alaska, assistance is likely to be limited to no more than 12 months. Adjustments to rental assistance in the event of changes in income will be addressed in a manner similar to the local housing authority for consistency and preparation of the program participant to transfer to a longer term program should the opportunity arise.
- g) Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homeless

prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance; or the maximum number of times the program participant may receive assistance.

Due to funding limitations, the only housing stabilization service anticipated is case management. The sub-recipient will revise their written policies to incorporate the requirement for program participants to meet with their case manager at least monthly while receiving ESG assistance.

If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

Through extensive coordination with State partners, active engagement with community leaders, and guidance from HUD technical assistance advisors, the CoC has adopted policies and procedures to govern the coordinated entry process. The CoC continues to engage with all partners to fully implement a coordinated entry system within the large, diverse geography of the Alaska Balance of State.

Process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

ESG funds will be awarded on a competitive basis to units of local government and non-profit organizations. Applications are received annually, in response to a Notice of Funding Availability (NOFA).

Applicants for ESG funding now use an online application system that affords them an equal opportunity to submit within the same timeframe regardless of their remote location or transportation challenges. Most agencies applying for ESG funding are returning grantees seeking funding to continue their services into the next program year. Following the lead of the CoC process, past performance in achieving service projections and housing stability constitutes a significant portion of the ranking factors each year. If the applicant is not a returning grantee, they must provide a narrative explanation for 1) how they developed their service projections, 2) what they will do to monitor and report on housing retention, and 3) the applicant's experience and capability to serve homeless persons and meet all of the regulatory and administrative requirements.

Another ranking factor is relationship of their proposed activities to achieving the goals of state & local homeless plans. Other ranking factors include local progress toward a centralized or coordinated assessment system, incorporation of the Opening Doors Federal Homeless plan, the extent to which efforts are made to link program participants to mainstream resources, policies and

procedures for prioritizing the delivery of homeless services and the degree to which each budget line item requested is thoroughly explained. Bonus points for small, rural communities are also part of the rating criteria. Up to 10 points may be deducted for a pattern of late reports or unresolved findings. Points are also deducted for repeated findings for the same infraction.

With the exception of the narrative answers, AHFC has converted to an objective scoring system. Applications from agencies that did not receive funding in the prior year will be forwarded to a Project Evaluation Committee (PEC) to assign points to any subjective (narrative) sections of the application. The PEC will primarily be recruited from members of the CoC Decision Making Group that do not have a conflict of interest.

Due to the small amount of ESG funds that are allocated to Alaska each year and the documented high need among shelters for operating assistance, the State will award the maximum amount of its allocation for that purpose. The remaining amount will be awarded to projects that proposed a financially feasible medium-term rental assistance program to prevent homelessness or rapidly re-house those who have been displaced.

Homeless participation requirement (not applicable to states)

Performance standards for evaluating ESG.

Consistent with HUD/CoC performance measures and Alaska's Plan to End Long Term Homelessness, the following standards will be used to evaluate ESG activities (and source to determine performance):

Emergency Shelters: Utilization rate of at least 65% (Source: AHAR)

Rapid Re-Housing: 6+ months housing stability rate at least 82% (Source: HMIS/Provider reports)

Homeless Prevention: 90-day housing retention rate of at least 80% (Source: Provider reports).