

Exhibit 1-5

Fair Housing Plan

The Alaska Housing Finance Corporation (AHFC) Public Housing Division works closely with AHFC's Planning and Program Development Department when developing AHFC's Fair Housing Plan, a component of the *Housing and Community Development Consolidated Plan*. Fair Housing planning activities include a review of current impediments to fair housing and assess public and private housing conditions that impact fair housing choice. HMDA mortgage data and state and federal fair housing cases are reviewed. Various administrative policies, procedures, and practices in the housing industry are also examined. Subsequent updates to the Fair Housing Plan are reported in each respective Annual Action Plan produced by the Planning and Program Development Department.

1-5.1 ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE (AI)

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

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

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

1-5.1.A Impediment 1

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

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

State's Response to Impediment 1:

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

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

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

1-5.1.B Impediment 2

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

All complaints and cases are filed either with the Seattle HUD Fair Housing Office or the Alaska State Commission for Human Rights. The 2010 Fair Housing Survey

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

State's Response to Impediment 2:

AHFC, in all of its tenant and participant notices, provides information about reasonable accommodations and the means to request an accommodation. With assistance from the HUD Office of Fair Housing, AHFC modified several of its reasonable accommodation forms to better serve both persons with disabilities and staff in the decision making process.

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

1-5.1.C Impediment 3

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

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

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

State's Response to Impediment 3:

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

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

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

The AHFC GOAL Program Rating Criteria governs the award of Low-Income Housing Tax Credits, HOME Rental Development funds, and Senior Citizens Housing Development Funds. The GOAL Program makes 504 compliance mandatory and requires a basic percentage of units to be 504 compliant; in addition to this, the program will continue to award points for the number of units to be developed which are in excess of the minimum required by federal fair housing law, state or local law, or specific program requirements. In addition, the GOAL Rating and Award Criteria Plan will award points for projects that serve special needs populations.

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

1-5.1.D Impediment 4

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

Many individuals and organizations active in the housing industry do not perceive fair housing discrimination to be a significant problem. AHFC's 2003 Fair Housing Survey showed that 5 percent or less of the realtors, mortgage lenders, and builders surveyed believed that fair housing discrimination was a problem; AHFC's 2010 survey mirrored the 2003 Survey results. Sixteen percent (16%) of all renters surveyed in the 2010 Fair Housing Survey believed that fair housing discrimination was a problem, while only 2 percent of the property managers surveyed viewed housing discrimination as a

problem. Non-profit and agency providers reported the highest level of perceived fair housing discrimination, with 27 percent of agency providers surveyed believing discrimination to be a problem. The 2010 Fair Housing survey revealed a significant increase in educational opportunities on the topic of Fair Housing and Section 504. Realtors (98%) report the highest total level of training regarding Fair Housing laws, and the training was provided most often through the "Institute of Real Estate Management." Rental Property Managers reported the least amount of training. Increased efforts are needed to continue to examine administrative policies, procedures, and practices for potential impediments to fair housing.

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

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

State's Response to Impediment 4:

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

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

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

(UFAS) when other organizations are using the newer Architectural Barriers Act (ABA) Standards.

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

1-5.1.E Impediment 5

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

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

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

Annual point-in-time homeless surveys conducted by Alaska Housing Finance Corporation show that Alaska's homeless population continues to have a high percentage of persons who are in a protected class. The most recent point-in-time count identified an alarming statistic - 53 percent of the identified homeless were homeless families with children. Over 30 percent of individuals identified in the point-in-time count reported having a disability. The most prevalent disability was mental illness. The 2010 Fair Housing Survey identified that "large families" (presumably with children) continue to be the hardest household size to place (35%).

State's Response to Impediment 5:

In SFY 2011, AHFC will continue to work with the Alaska Coalition on Housing and Homelessness to address disability issues among the homeless. AHFC is the lead agency in the Governor's Interagency Council on the Homeless, which submitted its

plan to the Governor in early 2006. As an outgrowth to the plan, AHFC is examining the means to provide case management services to previously homeless families or those recently housed through an AHFC assisted housing program (Special Needs Housing Grant Program). This strategy is being discussed in concert with the Municipality of Anchorage and the Alaska Mental Health Trust Authority. The Homeless Prevention and Rapid Re-housing Program (HPRP), funded through the American Recovery and Reinvestment Act (ARRA), provided additional resources for the homeless service provision.

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

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

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

1-5.2 AFFIRMATIVELY FURTHERING FAIR HOUSING

AHFC conducts many activities which affirmatively further fair housing:

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

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

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

- Following HUD guidelines, AHFC conducted a review of the number of contacts with Limited English Proficiency individuals and other pertinent data. None of the thresholds were met requiring written translation of documents. For oral translation, AHFC relies on a local professional assistance or use of a 24/7 phone translation service that is on retainer for corporate-wide use.

- AHFC contributes staff time and financial resources to team up with other advocacy agencies to deliver fair housing training to the general public. In the spring of 2008, AHFC hosted an architectural training on Section 504 design considerations, offered to architects and engineers statewide. In the spring of 2009, AHFC hosted Fair Housing/Section 504 training for the general public. The annual Fair Housing/Section 504 training for 2010 is scheduled for July 12, 2010.
- In its briefing packets for both Public Housing and Housing Choice Voucher participants, AHFC provides information on fair housing, the Alaska Landlord Tenant Act, and methods for voicing a housing discrimination complaint. AHFC recently updated its web page with the objective of increasing information about fair housing choice. The web site contains a link to the Alaska Housing Locator, a rental housing database that includes information about units with accessibility features and related information.
- In all of its tenant and participant notices, AHFC provides information about reasonable accommodations and the means to request an accommodation.
- AHFC maintains a database of accessible public housing units and enforces policies that ensure those units are occupied by families requiring the features.
- AHFC meets the 504 requirements in all of its recent renovations of public housing, most often exceeding the 5 percent and 2 percent requirements for accessible and sight and sound features.
- In development of its annual Moving to Work Plan, AHFC ensures that its Resident Advisory Board represents a true cross section of its public housing population. Certifications of compliance with Fair Housing and Section 504 requirements are promoted both in the public hearing and among the Advisory Board. It is not unusual for them to insist upon examples of how compliance is documented.

Forms

None

Administrative Desk Manual

None