

AHFC Energy Programs

FY2016 Request: \$11,100,000
Reference No: AMD 52598

AP/AL: Appropriation with Allocations

Project Type: Energy

Category: Health/Human Services

Location: Statewide

House District: Statewide (HD 1-40)

Impact House District: Statewide (HD 1-40)

Contact: Les Campbell

Estimated Project Dates: 07/01/2015 - 06/30/2020

Contact Phone: (907)330-8356

Brief Summary and Statement of Need:

Alaska Housing Finance Corporation (AHFC) Energy Programs provide state and federal U. S. Department of Energy (DOE) funds to assist low and moderate income families attain decent, safe and affordable housing through the weatherization and rehabilitation of existing homes. The Weatherization Program provides energy efficiency upgrades to homes using the latest building science tools to target heat loss areas and correct them. Installed measures must be cost effective. The Home Energy Rebate Program uses state funds to provide rebates to homeowners for making energy efficient improvements to their homes to reduce energy costs or purchase newly constructed homes that achieve a 5 Star Plus or 6 Star rating.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
AHFC Div	\$3,000,000						\$3,000,000
Fed Rcpts	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$9,000,000
Gen Fund	\$6,600,000	\$9,600,000	\$9,600,000	\$9,600,000	\$9,600,000	\$9,600,000	\$54,600,000
Total:	\$11,100,000	\$11,100,000	\$11,100,000	\$11,100,000	\$11,100,000	\$11,100,000	\$66,600,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

- Sec1 Ch18 SLA2014 P62 L14 SB119 \$44,000,000
- Sec1 Ch16 SLA2013 P178 L6 SB18 \$51,000,000
- Sec1 Ch17 SLA2012 P131 L25 SB160 \$51,500,000
- Sec4 Ch5 SLA2011 P138 L5 SB46 \$101,500,000
- Sec7 Ch43 SLA2010 P35 L13 SB230 \$4,000,000
- Sec1 Ch15 SLA2009 P20 L33 SB75 \$2,600,000
- Sec13 Ch29 SLA2008 P157 L13 SB221 \$2,000,000
- Sec22 Ch11 SLA2008 P101 L13 SB256 \$300,000,000
- Sec4 Ch30 SLA2007 P103 L18 SB53 \$6,500,000

This amendment updates the project's out-year funding totals to more closely align with current budgetary factors.

Project Description/Justification:

The purpose of the program is to provide cost-effective energy improvements to homes of Alaskan families.

The projected outcomes are:

- Reduce household operating costs of the resident;
- Improve resident health and safety;
- Improve durability and longevity of housing stock;
- Replace unsafe heating systems;
- Install smoke detectors in homes; and
- Install carbon monoxide detectors in homes.

AHFC Weatherization Program

FY2016 Request: \$8,100,000
Reference No: AMD 50683

AP/AL: Allocation
Category: Health/Human Services
Location: Statewide
Impact House District: Statewide (HD 1-40)
Estimated Project Dates: 07/01/2015 - 06/30/2020
Appropriation: AHFC Energy Programs

Project Type: Energy
House District: Statewide (HD 1-40)
Contact: Les Campbell
Contact Phone: (907)330-8356

Brief Summary and Statement of Need:

The Alaska Housing Finance Corporation (AHFC) weatherization program provides United States Department of Energy (DOE) and state funds to assist low and moderate income families attain decent, safe, and affordable housing through cost effective weatherization and rehabilitation of existing homes. Weatherization provides energy efficiency upgrades to homes using the latest building science tools to target heat loss areas and correct them. Installed measures must be cost effective. The program addresses health and safety through tune-ups for heating systems, electrical and chimney repairs, and woodstove improvements.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Fed Rcpts	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$9,000,000
Gen Fund	\$6,600,000	\$6,600,000	\$6,600,000	\$6,600,000	\$6,600,000	\$6,600,000	\$39,600,000
Total:	\$8,100,000	\$8,100,000	\$8,100,000	\$8,100,000	\$8,100,000	\$8,100,000	\$48,600,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

Sec1 Ch18 SLA2014 P62 L17 SB119 \$29,000,000
 Sec1 Ch16 SLA2013 P178 L6 SB18 \$31,500,000
 Sec1 Ch17 SLA2012 P131 L30 SB160 \$31,500,000
 Sec4 Ch4 SLA2011 P138 L8 SB46 \$64,000,000
 Sec1 Ch43 SLA2010 P35 L13 SB230 \$4,000,000
 Sec22 Ch11 SLA2008 P101 L24 SB256 \$200,000,000

This amendment updates the project's out-year funding totals to more closely align with current budgetary factors.

Project Description/Justification:

The purpose of the program is to provide cost-effective energy improvements to homes of low-income families.

The projected outcomes are:

- Reduce household operating costs of the resident;
- Improve resident health and safety;
- Improve durability and longevity of housing stock;
- Replace unsafe heating systems;
- Install smoke detectors in homes; and
- Install carbon monoxide detectors in homes.

Program Description:

Weatherization provides services to the following client profile:

- Approximately 66% of households contained either a senior citizen or a person with disabilities;
- 37% of households contained children under the age of six;
- Many clients attended education and training sessions that focused on long-term maintenance efforts as well as the effects of the weatherization work if successfully maintained.

Much of the older housing stock cannot maintain a minimally comfortable indoor temperature. Since April 2008, AHFC has completed work on approximately 11,000 units and expended over \$220 million. Program clients include the elderly, persons with disabilities, and families with small children. Most of the families receiving services are 'working poor' and do not receive public assistance. Increased funding has allowed priority measures to be implemented in homes as well as the expansion of services to a greater number of eligible participants.

Weatherization improves occupant health and safety through the replacement of unsafe heating systems and installation of carbon monoxide detectors. Carbon monoxide problems are resolved, fire safety threats alleviated, egress windows installed, handrails and steps are repaired, and moisture and mold problems are abated. Client health improves as toxins and asthma triggers are removed and ventilation issues are addressed. Technology has developed concurrently with the program and provides the foundation for improved approaches to new construction for arctic conditions.

Benefits of weatherization:

- Reduces overall fuel use / saves client's money;
- Contractors and crews are hired locally and receive training (wages are spent locally);
- Materials are purchased from local Alaskan vendors;
- Helps keep people in their existing homes, reducing the need for public housing;
- Savings from fuel costs are reinvested in local economy;
- Clients are educated on long-term operations and maintenance (O&M) required to maintain houses;
- Weatherization techniques improve building stock by addressing critical durability issues;
- Health and safety of residents are dramatically improved due to mitigation of problems in the home (i.e., rot, mildew) and eliminating ice dams; and
- Egress windows, smoke alarms, and CO detectors are installed to protect families from fire and carbon monoxide poisoning.

AHFC's ability to properly diagnose and correct problems in existing housing stock through the Weatherization program helps provide a safe, clean environment to clients improving the overall quality of life for their families.

AHFC Home Energy Rebate Program

FY2016 Request: \$3,000,000

Reference No: AMD 51947

AP/AL: Allocation

Project Type: Energy

Category: Health/Human Services

Location: Statewide

House District: Statewide (HD 1-40)

Impact House District: Statewide (HD 1-40)

Contact: Les Campbell

Estimated Project Dates: 07/01/2015 - 06/30/2020

Contact Phone: (907)330-8356

Appropriation: AHFC Energy Programs

Brief Summary and Statement of Need:

Alaska Housing Finance Corporation's (AHFC) Home Energy Rebate program to provide rebates to homeowners for making energy efficient improvements to their homes to reduce energy costs or purchase newly constructed homes that achieve required ratings. This amendment updates the project's out-year funding totals to more closely align with current budgetary factors.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
AHFC Div	\$3,000,000						\$3,000,000
Gen Fund		\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$15,000,000
Total:	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$18,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

Sec1 Ch18 SLA2014 P62 L14 SB119 \$44,000,000
 Sec1 Ch16 SLA2013 P78 L4 SB18 \$20,000,000
 Sec1 Ch17 SLA2012 P131 L28 SB160 \$20,000,000
 Sec4 Ch5 SLA2011 P138 L10 SB46 \$37,500,000
 Sec22 Ch11 SLA2008 P101 L27 SB256 \$100,000,000

Project Description/Justification:

This program assists homeowners by increasing energy efficiency and reducing energy use by providing rebates for making recommended, cost-effective energy improvements to their homes.

The projected outcomes are:

- Reduce household operating costs to the resident;
- Improve resident health and safety;
- Improve durability and longevity of housing stock; and
- Replace unsafe heating systems.

Program description

State of Alaska Capital Project Summary
 FY2016 Governor Amended

Department of Revenue
 Reference No: AMD 51947
 Submitted February 17, 2015

The Home Energy Rebate Program utilizes state general funds to provide rebates to homeowners for making energy efficient upgrades to reduce energy costs. The Home Energy Rebate program provides rebates to owner-occupied homes statewide.

Within the program there are two separate and distinct components; rebates for making energy efficiency improvements to existing homes or for newly-constructed or purchased homes that achieve a Five-Star-Plus (5★+) or Six Star (6★) energy rating.

For existing homes, the rebate amounts are determined by the point and step increases achieved between the as-is energy rating and post-improvement energy rating. A final rating of a One-Star-plus (1★+) or greater must be achieved for existing homes to qualify for a rebate.

Generally, this is a one-time rebate for any one family or home for improvements and actual expenses (verified with receipts and proof of payment). For the existing home component, the maximum eligible rebate amounts are:

One Step	Up to	\$4,000
Two Steps	Up to	\$5,500
Three Steps	Up to	\$7,000
Four Steps	Up to	\$8,500
Five Steps	Up to	\$10,000

For the newly-constructed or purchased Five-Star-Plus (5★+) or Six Star (6★) house, the rebate is \$7,000 or \$10,000, respectively. Owner-builders or purchasers must meet AHFC financing requirements to participate. The financing requirements consist of recorded copies of the forms PUR-101 and PUR-102 or certification of occupancy from an approved local government, a contractor's license with residential endorsement, a Five-Star-Plus or Six Star energy rating and proof of ownership (statutory warranty deed or deed transfer).

Since program inception on April 5, 2008 thru June 30, 2014:

- Over \$172 million has been expended;
- 21,820 rebates for existing homes were paid out, and the average rebate was \$6,443;
- 38,175 initial energy ratings were completed;
- 2,502 newly constructed homes received a Five Star Plus rebate
- 34 newly constructed homes received a Six Star rebate of \$10,000; and
- The average energy reduction is approximately 30%.

Funding through FY2014 for the program was encumbered. There was a 64% completion rate for those participating.

Benefits of Energy Rebate Program:

- Reduces overall fuel use / saves client's dollars;
- Improves existing housing stock, reducing the need for more public housing;
- Materials are purchased from local Alaskan vendors;
- Local contractors and crews receive training and wages spent locally;
- Local businesses saw an increase in activity during an economic lull;
- Savings from fuel costs reinvested in local economy;
- Client education on their houses and what it takes to maintain and operate them;
- Provides large dataset that includes both pre- and post-improvement measurements of housing unit energy use.

Waiting List

Homeowners continue to sign up to participate in the program in urban and road connected areas. In

AHFC Home Energy Rebate Program

FY2016 Request: \$3,000,000

Reference No: AMD 51947

remote areas of the state where there are no energy raters available, AHFC established the Roving Rater program. Through the program, the costs of travel for the energy rater is paid by AHFC when three or more homeowners sign up to get an as-is energy rating. The cost to send the rater to complete the post-rating is also covered.

Jobs and Skills

As a result of the Home Energy Rebate Program, hundreds of consumer education classes and training classes have provided much needed client education. An advanced level of retrofit training has been provided statewide. Businesses reported an increase in activity and have been vocal in their support of the program.

Individual and Community Benefits

The Home Energy Rebate Program has worked well in Alaska at a community and individual level. For the individual, the reduction in heating costs has allowed for the diversion of funds from heating to other essential needs. It has been a catalyst for job skill improvements and job creation through vendors and suppliers and, for the most part, dollars spent stay in the state and in the communities.

AHFC Affordable Housing Development Program

FY2016 Request: \$22,400,000
Reference No: AMD 48811

AP/AL: Appropriation
Category: Development
Location: Anchorage Areawide

Project Type: Construction
House District: Anchorage Areawide (HD 12-28)

Impact House District: Anchorage Areawide (HD 12-28)

Contact: Les Campbell

Estimated Project Dates: 07/01/2015 - 06/30/2020 **Contact Phone:** (907)330-8356

Brief Summary and Statement of Need:

This is a new FY2016 project. This project will expand the objective of the San Roberto/Mountain View project model into a program that will help develop more affordable housing units in areas of the state with a severe shortage of affordable housing units. These funds may be combined with other programs, including the Low-Income Tax Credit program, Public Housing’s Capital Fund Program (CFP) and other federal funds using the Alaska Housing finance Corporation’s (AHFC) Moving to Work (MTW) flexibility. The goal is to be as flexible as possible in putting together optimal financing solutions to produce more affordable housing units in areas where affordable housing is insufficient.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
AHFC Div		\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000	\$40,000,000
Fed Rcpts	\$22,400,000				\$7,000,000		\$29,400,000
Total:	\$22,400,000	\$8,000,000	\$8,000,000	\$8,000,000	\$15,000,000	\$8,000,000	\$69,400,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

Sec14 Ch16 SLA2013 P120 L8 SB18 \$5,092,000
 Sec4 Ch16 SLA2013 P106 L8 SB18 \$25,200,000
 Sec7 Ch43 SLA2010 P34 L26 SB230 \$9,708,504
 Sec29 Ch43 SLA2010 P161 L8 SB230 \$1,398,100

The original San Roberto Redevelopment project was appropriated in FY2010, and revised in FY2013 to include the Mountain View Project

Project Description/Justification:

The purpose of this program is to provide a mechanism to strategically expand the supply of affordable housing statewide.

The projected outcome is to:

- Increase the supply of affordable housing by 60-100 units;

- Partner with developers to identify opportunities where new affordable housing would provide the greatest benefit;
- Take advantage of available federal rental assistance;
- Develop an optimal mixture of family and senior housing; and
- Improve local neighborhoods.

This program provides AHFC funding authority in federal receipts to be ready and able to continue AHFC's affordable housing program to develop more units under its jurisdiction. As opportunities arise, these funds will be combined with other program funds such as the tax credit program and/or CFP funds using the Moving to Work flexibility or any other available funding sources (including private resources). When sufficient funds are realized, AHFC will advance affordable housing projects through a bidding process to select production teams that have experience with multi-family home development, low-income tax credit syndication and experience in structuring complex multi-layered financing packages. Project developments are expected to be built by private entities, but owned and managed by Alaska Corporation for Affordable Housing (ACAH) as the general partner in a limited partnership. ACAH will contract the management and maintenance of the finished products as affordable housing/low-income housing tax credit/public housing units. This request will help provide financial leveraging for approximately 60-100 units of newly constructed public housing depending on the building locations within the state.

Program Description:

Affordable housing issues are emerging as a growing concern for the corporation. According to the Department of Labor, average wage earnings in Alaska, adjusted for inflation, have been relatively flat from 1994 to 2012. Over the same period of time, the cost of utilities, rental rates and the price of a new home have increased substantially. Housing options that are affordable to the single wage earning family are limited. Using the federal standard of 30% of income as a measure of affordability, family incomes for low- to moderate- income households are not sufficient to support the rent needed for a private developer to borrow enough debt to build housing units.

Rising home prices place homeownership farther out of reach. As a result, more families are doubling up in rentals, homelessness has increased and fewer younger families are able to afford the cost of moving from renting to homeownership. In rural Alaska, this result is compounded by shipping costs, lack of traditional housing markets, and the general shortage of housing stock. Over-crowding and the issues that arise from this situation are extenuated. This situation creates a greater need for rental assistance for more vulnerable households, and housing units in areas of the state where the housing stock is not being produced.

AHFC has already helped develop the 120 unit Loussac Place project, which is now fully under lease, and has begun the Susitna Square and Ridgeline Terrace development projects.

This project is anticipated to include the ability to construct approximately 60-100 new affordable units that may include a combination of senior and family housing units. The funding strategy calls for the best combination of federal receipts, federal capital fund program (CFP) funds, AHFC multi-family tax-exempt loan, and low-income housing tax credit equity to finance the project.

AHFC will look to foster a housing development project through a bid process to select a competent development team that has experience in multi-family development, low-income tax credit syndication, and tax-exempt bond financing. The development will be built by private entities, but

owned and managed by Alaska Corporation for Affordable Housing (ACAH) as general partner in a tax credit partnership. ACAH may contract with AHFC staff to manage and maintain the development as low-income housing tax credit/public housing.

The authority to use a broad scope of financing options enables AHFC/ACAH to implement optimal financing solutions. Each real estate deal is dynamic and unique. The flexibility to leverage the best combination of resources for each deal is the key to minimizing the aggregate resources required to expand housing opportunities for Alaskans. This entrepreneurial model has empowered AHFC to realize adaptive strategies that consistently finish projects below budgeted authority.

The authority to issue bonds, or conduit debt, for developments under this program will provide funds from private capital (through the low-income housing tax credit program) thereby reducing the amount of money that AHFC would have to contribute.

The authority to issue tax-exempt funding is critical to AHFC/ACAH in order to participate in the complimentary receipt of low income tax credits. AHFC has used approximately \$16 million of the \$29.5 million bonding authority already appropriated; thus leaving about \$13.5 million still available for the next development. In order to complete the HUD approval process, a complete "mixed-finance" application must be submitted prior to the start of construction. To that end, the development team, and investor must be selected and the amount of equity to be generated by the sale of the tax credits must be known.

Before an investor will commit to a partnership agreement or tender an offer, they must be certain that tax-exempt funding can be issued in compliance with IRS rules. AHFC must have the authority to issue the conduit funding or the project will have to be delayed until authority can be received. Of the estimated total cost of the Mountain View development project, \$10 million came from tax credit equity.

Any land purchased will be transferred to ACAH, an owned instrumentality of AHFC. The land will be leased by ACAH to a low income housing tax credit limited partnership. The limited partnership may continue to operate the project as public housing with ACAH as the managing general partner, or member of the general partner entity. Or, if it is more feasible, ACAH may contract with AHFC staff to manage and maintain the development as low-income housing tax credit/public housing. It is anticipated that 60-100 units of newly constructed public housing can be built under this program. This program could be used as part of a larger re-positioning project for AHFC's scattered site public housing portfolio.

Operations Management

The management of the public housing once developed will be different than the typical public housing management. AHFC's instrumentality, ACAH will be the managing general partner, or member of the general partner entity, in a tax credit partnership with an as yet undetermined investor. The partnership will be the owner of the project and may contract with AHFC (through shared services agreement) for management and maintenance of the project. A development team will be selected through an Request for Proposal (RFP) process. That team will handle the design and development of the project on behalf of AHFC/ACAH.

Spending Plan

	Total \$	FY2016	FY2017	FY2018
Federal Receipts	\$22,400,000	\$1,500,000	\$5,250,000	\$5,250,000
	FY2019	FY2020		
	\$5,250,000	\$5,150,000		

MH: AHFC Homeless Assistance Program**FY2016 Request: \$7,700,000****Reference No: AMD 45390****AP/AL:** Appropriation**Project Type:** Economic Assistance**Category:** Health/Human Services**Location:** Statewide**House District:** Statewide (HD 1-40)**Impact House District:** Statewide (HD 1-40)**Contact:** Les Campbell**Estimated Project Dates:** 07/01/2015 - 06/30/2020**Contact Phone:** (907)330-8356**Brief Summary and Statement of Need:**

This is a new FY2016 project. Funding will be used to provide grants to local communities/agencies to help develop support programs designed to reduce homelessness, provide services that prevent housing displacement and assist the homeless in transitioning back to permanent housing. Other Alaska Housing Finance Corporation (AHFC) programs may be leveraged with these funds when appropriate. All Homeless Assistance Program funds will be combined and administered as one program by AHFC.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Gen Fund	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$36,000,000
GF/MH	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$5,100,000
MHTAAR	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$850,000	\$5,100,000
Total:	\$7,700,000	\$7,700,000	\$7,700,000	\$7,700,000	\$7,700,000	\$7,700,000	\$46,200,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input checked="" type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

Sec4 Ch17 SLA2014 P13 L20 HB267 \$8,000,000
 Sec5 Ch15 SLA2013 P12 L31 HB66 \$8,000,000
 Sec5 Ch16 SLA2012 P13 L29 HB285 \$8,000,000
 Sec4 Ch4 SLA2011 P12 L4 HB109 \$10,000,000
 Sec5 Ch42 SLA2010 P18 L31 HB302 \$10,000,000
 Sec4 Ch13 SLA2009 P15 L9 HB83 \$8,000,000
 Sec4 Ch28 SLA2008 P16 L9 HB312 \$8,000,000

Project Description/Justification:

The purpose of this program is to support programs that address homelessness by providing assistance to families in imminent danger of becoming homeless or those who are currently homeless.

The projected outcomes are to:

- Prevent near homeless individuals and families from becoming homeless; and/or

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- Provide homeless individuals and families assistance to obtain safe, sanitary shelter.

Program Description:

Established in 1993, this program enables thousands of homeless and/or near homeless families to obtain or retain safe and sanitary shelter each year. Demand for this program has increased steadily over the last five years as annual requests for the prevention and operating components exceed \$8 million per year.

This program has taken on the role of a housing trust and is the coordinated funding source for homeless prevention activities in Alaska. There are four main funding sources: general fund, general fund/mental health, mental health trust authority authorized receipts, and other federal or private resources. In FY2014, the award of \$5.9 million in state funds for 39 projects ensured approximately 9,000 households containing 12,800 people benefited from the program. 1,838 persons transitioned from homelessness to permanent housing and 1,225 households received financial assistance to prevent homelessness.

This program is supported by the 2009 “10-year Plan to Reduce Homelessness in Alaska” which identifies the activities and cost of reducing homelessness in Alaska over 10 years.

The Homeless Assistance Program (HAP) provides grants to assist nonprofit organizations, local governments, and regional housing authorities in addressing the emergency needs of homeless and near-homeless Alaskans. During the previous competitive rounds, the total amount of Homeless Assistance Program (HAP) grant requests received by AHFC has exceeded \$8 million; only \$5.9 million of those requests were funded. This program has become increasingly important since funds for grants such as homeless assistance from municipal grants and Federal Emergency Housing Assistance continues to shrink.

The most recent grantees have utilized HAP funds to expand shelter facilities, develop supportive transitional housing, provide case management and rental assistance services and develop supportive housing for mental health trust beneficiaries and the homeless. All funds will be combined and administered as one program by AHFC. A portion of these funds will be used to support the planning, operation and coordination efforts of the Alaska Coalition on Housing and Homelessness and the operation of the statewide information and referral system 211.

Inadequate funding will increase the number of homeless families in Alaska and force existing shelters to either exceed capacity or turn away clients. Families in areas where no shelter exists will be forced to live in substandard and/or overcrowded conditions, known to foster higher degrees of domestic violence and substance abuse. Low-wage earning households experiencing a family crisis will also have to contend with the likelihood of homelessness if emergency rental assistance is not available. In some cases, the homeless will cycle into the correctional or mental health system due to lack of adequate housing.

These funds have helped reduce the number of homeless veterans in Alaska, and brought the total number of chronic homeless down. In addition, the number of people who were unsheltered and staying in vehicles or camping has also decreased since the implementation of the state 10 year plan.

MH: AHFC Beneficiary and Special Needs Housing**FY2016 Request: \$1,500,000****Reference No: AMD 6360****AP/AL:** Appropriation**Project Type:** Life / Health / Safety**Category:** Health/Human Services**Location:** Statewide**House District:** Statewide (HD 1-40)**Impact House District:** Statewide (HD 1-40)**Contact:** Les Campbell**Estimated Project Dates:** 07/01/2015 - 06/30/2020**Contact Phone:** (907)330-8356**Brief Summary and Statement of Need:**

This is a new FY2016 project. This project will provide for a continuing program to serve populations with special housing needs. This program provides funds to Alaskan nonprofit service providers to increase housing opportunities for Alaska Mental Health Trust Authority (AMHTA) beneficiaries and other special needs populations throughout the state. The funds may be used for housing development and/or services designed to achieve long-term residential stability.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
AHFC Div		\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$7,500,000
GF/MH	\$1,500,000						\$1,500,000
Total:	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$9,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input checked="" type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

Sec4 Ch17 SLA2014 P13 L18 HB267 \$1,750,000
 Sec5 Ch16 SLA2013 P12 L28 HB66 \$1,500,000
 Sec5 Ch16 SLA2012 P13 L26 HB285 \$1,750,000
 Sec4 Ch4 SLA2011 P11 L30 HB109 \$1,750,000
 Sec5 Ch42 SLA2010 P18 L28 HB302 \$1,750,000
 Sec4 Ch13 SLA2009 P14 L31 HB83 \$1,750,000
 Sec4 Ch28 SLA2008 P15 L31 HB312 \$1,750,000

Project Description/Justification:

The purpose of this program is to provide funds for Alaskan nonprofit service providers and housing developers to increase housing opportunities to Alaska Mental Health Trust Authority (AMHTA) beneficiaries and other special needs populations throughout Alaska. This program has developed 195 units since FY2000.

The projected outcomes are to:

- Add 20 congregate housing units for people with mental illness or developmental disabilities;
- Reduce recidivism among clients spending time in institutions;

-
- Provide supportive housing, including assisted living, for people with mental, physical, or developmental disabilities, or multiple disorders; and
 - Provide transitional housing with support services for newly recovering alcoholics and addicts.

Program Description:

This program provides funds to Alaskan nonprofit service providers and housing developers to increase housing opportunities to AMHTA beneficiaries and other special needs populations in Alaska through pre-development and development activities. These funds will continue to assist in developing community-based supportive housing in conjunction with the Homeless Assistance Program.

In FY2014, the funding cycle focused on the renewal of 12 operating and support service grants. A recent evaluation of six projects showed that the average daily expense was \$51 a day compared to \$142 in prison and over \$1,100 a day in Alaska Psychiatric Institute (API).

The demand for special needs housing remains critical. The AMHTA has made housing one of its five focus areas for funding. The Alaska Independent Living Council, and other special needs advocacy groups, has identified supportive housing as a top priority in their statewide planning efforts. The target populations consist of mental health beneficiaries and other special needs groups like severely emotionally disturbed children and the homeless.

To optimize leveraging of these funds with other federal grant and tax credit programs and to expedite the release of funding to nonprofit housing developers, the Alaska Housing Finance Corporation (AHFC) will administer these housing development funds. This will also administratively streamline housing development projects, which also intend to borrow money from AHFC. Typically, most special needs housing in Alaska is financed by AHFC.

Examples of special needs housing include, but are not limited to:

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

Without this project, there will be increased expenditures by the state to house people who are inappropriately housed in the Alaska Psychiatric Institute (API) or the correctional system. The cost of providing community-based care is significantly lower than institutional care. Another negative effect is the loss of leveraging opportunities with other federal grant programs.

Airport Improvement Program

FY2016 Request: \$137,047,105

Reference No: 7470

AP/AL: Appropriation with Allocations

Project Type: Construction

Category: Transportation

Location: Statewide

House District: Statewide (HD 1-40)

Impact House District: Statewide (HD 1-40)

Contact: Jeff Ottesen

Estimated Project Dates: 07/01/2015 - 06/30/2020

Contact Phone: (907)465-4070

Brief Summary and Statement of Need:

Federal airport improvements as outlined in the Airport Improvement Program and the International Airports Program.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Fed Rcpts	\$125,939,623	\$65,028,647	\$65,206,178	\$66,690,238	\$67,620,695	\$66,455,439	\$456,940,820
Int Airprt	\$4,567,884	\$8,504,071	\$9,203,092	\$8,991,479	\$9,057,190	\$11,878,589	\$52,202,305
IntAptCons	\$6,539,598						\$6,539,598
Total:	\$137,047,105	\$73,532,718	\$74,409,270	\$75,681,717	\$76,677,885	\$78,334,028	\$515,682,723

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

- Sec1 Ch18 SLA2014 P65 L10 SB119 \$209,576,439
- Sec1 Ch16 SLA2013 P81 L14 SB18 \$206,155,000
- Sec1 Ch17 SLA2012 P137 L27 SB160 \$227,038,158
- Sec1 Ch5 SLA2011 P103 L7 SB46 \$339,509,799
- Sec7 Ch43 SLA2010 P39 L13 SB230 \$267,940,500
- Sec1 Ch15 SLA2009 P23 L9 SB75 \$362,126,491
- Sec13 Ch29 SLA2008 P161 L33 SB221 \$299,917,055
- Sec4 Ch29 SLA2008 P7 L21 SB221 \$27,501,500

The FY2016 Governor's budget is amended by changing \$4,163,794 of International Airports Construction Funds to International Airport Revenue Funds within multiple Airport Improvement Program allocations.

FY2016 Governor (December)	\$137,047,105
FY2016 Amended Request	\$0
Total Request	\$137,047,105

AP/AL: Allocation **Project Type:** Construction
Category: Transportation
Location: Statewide **House District:** Statewide (HD 1-40)
Impact House District: Statewide (HD 1-40) **Contact:** Jeff Ottesen
Estimated Project Dates: 07/01/2015 - 06/30/2020 **Contact Phone:** (907)465-4070
Appropriation: Airport Improvement Program

Brief Summary and Statement of Need:

This request amends the original Governor’s FY2016 capital budget request by changing \$1,000,000 in project funding from the International Airports Construction Fund to the International Airport Revenue Fund. This fund change does not increase overall funding for the project and is a net-zero adjustment to Other State funds. This project provides funds for unanticipated increases in project costs and for new projects for the Alaska International Airport System (AIAS) in Anchorage and Fairbanks. This will avoid unnecessary delays in projects.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Fed Rcpts	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$24,000,000
Int Airprt	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$6,000,000
Total:	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$30,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

Sec1 Ch18 SLA2014 P65 L11 SB119 \$5,000,000
 Sec1 Ch16 SLA2013 P81 L24 SB18 \$7,000,000
 Sec1 Ch17 SLA2012 P137 L31 SB160 \$8,919,307
 Sec1 Ch15 SLA2009 P26 L31 SB75 \$20,991,049

Project Description/Justification:

The operating agreement between the airlines and the AIAS allows for the airports to seek funding from the airlines for cost increases beyond what is permitted by agreement and for new projects not yet approved. These contingency funds will be used for project cost increases and new projects on an as-needed basis. Without this funding, projects and scope increases to projects receiving airline approval under the operating agreement would be significantly delayed, pending legislative approval.

This project covers the projected needs for one year of the AIAS operating agreement with air carriers.

Fairbanks International Airport - Equipment

FY2016 Request: \$1,420,000

Reference No: AMD 41527

AP/AL: Allocation

Project Type: Equipment / Commodities

Category: Transportation

Location: Fairbanks Areawide

House District: Fairbanks Areawide (HD 1-5)

Impact House District: Fairbanks Areawide (HD 1-5)

Contact: Jeff Ottesen

Estimated Project Dates: 07/01/2015 - 06/30/2020

Contact Phone: (907)465-4070

Appropriation: Airport Improvement Program

Brief Summary and Statement of Need:

This request amends the original Governor's FY2016 capital budget request by changing \$698,125 in project funding from the International Airports Construction Fund to the International Airport Revenue Fund. This fund change does not increase overall funding for the project and is a net-zero adjustment to Other State funds.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Fed Rcpts	\$721,875	\$1,204,688	\$487,500	\$1,050,000	\$1,031,250	\$1,289,063	\$5,784,376
Int Airprt	\$698,125	\$170,312	\$647,500	\$210,000	\$371,250	\$220,938	\$2,318,125
Total:	\$1,420,000	\$1,375,000	\$1,135,000	\$1,260,000	\$1,402,500	\$1,510,001	\$8,102,501

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

Sec1 Ch18 SLA2014 P66 L7 SB119 \$1,379,500
 Sec1 Ch16 SLA2013 P82 L30 SB18 \$1,443,000
 Sec1 Ch17 SLA2012 P138 L28 SB160 \$510,000
 Sec1 Ch5 SLA2011 P104 L14 SB46 \$920,000
 Sec7 Ch43 SLA2010 P39 L30 SB230 \$1,040,000
 Sec1 Ch15 SLA2009 P24 L29 SB75 \$830,000

Purchase new or replace airport operations, safety and maintenance equipment (heavy equipment, light duty trucks, police vehicles, etc.) that have reached the end of its useful life. This equipment is critical to operating the airport in a safe and efficient manner. No fees are set aside automatically through rental rates; therefore, the method of replacement is through budgeting to replace worn out and obsolete equipment.

Project Description/Justification:

Fairbanks airport maintenance and service equipment replacement is based on a database matrix of age, total usage, and annual maintenance expense. Equipment that scores high in all three categories is highlighted for consideration then compared amongst each other to determine the necessity of replacement, major repair, or deferral based on frequency and importance of use.

Fairbanks International Airport - Equipment

FY2016 Request: \$1,420,000

Reference No: AMD 41527

Fairbanks International Airport actively pursues solutions that seek to extend the useful life of existing equipment in a cost-effective manner. The Fairbanks International Airport is a “Non-Rental” program through the State Equipment Fleet. Therefore, equipment replacement must be accomplished through the capital budget process.

Fairbanks International Airport - Taxiway B Reconstruction and Safety Enhancements **FY2016 Request: \$7,000,000**
Reference No: AMD 60518

AP/AL: Allocation **Project Type:** Construction
Category: Transportation
Location: Fairbanks (Areawide) **House District:** Fairbanks Areawide (HD 1-5)
Impact House District: Fairbanks Areawide (HD 1-5) **Contact:** Jeff Ottesen
Estimated Project Dates: 07/01/2015 - 06/30/2020 **Contact Phone:** (907)465-4070
Appropriation: Airport Improvement Program

Brief Summary and Statement of Need:

This request amends the original Governor’s FY2016 capital budget request by changing \$437,500 in project funding from the International Airports Construction Fund to the International Airport Revenue Fund. This fund change does not increase overall funding for the project and is a net-zero adjustment to Other State funds. This project is for the reconstruction of Taxiway B and to perform safety enhancements along the taxiways and float pond road. This project seeks to meet new Federal Aviation Administration (FAA) advisory circular (AC) requirements that airports restrict direct access to runways via perpendicular taxiways by creating islands or other means.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Fed Rcpts	\$6,562,500						\$6,562,500
Int Airprt	\$437,500						\$437,500
Total:	\$7,000,000	\$0	\$0	\$0	\$0	\$0	\$7,000,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

No prior funding history.

This project will also limit the access to the part 139 Runway via configuration of gates and/or other safety enhancements. This project stems from the 2014 Fairbanks International Airport (FAI) master plan and is the result of a public-private working group discerning the best alternative.

Project Description/Justification:

This project is part of ongoing efforts to improve situational awareness for pilots, vehicles, and pedestrians on the east side of the airport. Placement of a gate on float pond road and/or Taxiway B will prevent vehicles from accidentally driving onto Taxiway B. Additionally, the pavement on Taxiway B has reached the end of it useful life and needs to be repaved. This pavement is well over 30-years old. Constructing islands at the east and west entrances to Taxiway B and other taxiways will bring the taxiways into current AC compliance.

**Ted Stevens Anchorage International Airport - Advanced
Project Design and Planning**

**FY2016 Request: \$604,713
Reference No: AMD 41525**

AP/AL: Allocation
Category: Transportation
Location: Anchorage Areawide

Project Type: Construction
House District: Anchorage Areawide (HD 12-28)
Contact: Jeff Ottesen

Impact House District: Anchorage Areawide (HD 12-28)

Contact Phone: (907)465-4070

Appropriation: Airport Improvement Program

Brief Summary and Statement of Need:

This request amends the original Governor’s FY2016 capital budget request by changing \$604,713 in project funding from the International Airports Construction Fund to the International Airport Revenue Fund. This fund change does not increase overall funding for the project and is a net-zero adjustment to Other State funds. This project will provide planning analysis, financing plans, preliminary engineering, environmental, surveying, geotechnical investigation, cost estimating, feasibility analysis, design of future capital improvement projects and prepare for future airport and tenant development.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Int Airprt	\$604,713	\$622,854	\$641,540	\$660,786	\$680,610	\$701,028	\$3,911,531
Total:	\$604,713	\$622,854	\$641,540	\$660,786	\$680,610	\$701,028	\$3,911,531

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

- Sec1 Ch18 SLA2014 P68 L13 SB119 \$587,100
- Sec1 Ch16 SLA2013 P84 L32 SB18 \$570,000
- Sec1 Ch5 SLA2011 P105 L27 SB46 \$3,000,000
- Sec7 Ch43 SLA2010 P41 L9 SB230 \$1,500,000
- Sec1 Ch15 SLA2009 P26 L27 SB75 \$3,500,000
- Sec13 Ch29 SLA2008 P164 L18 SB221 \$2,000,000
- Sec1 Ch82 SLA2006 P92 L10 SB231 \$3,000,000

This project is needed to advance work on projects to better define their scope and cost prior to initiation of the final design and construction.

Project Description/Justification:

This project is needed for design, prior to construction, to avoid impacts on airline fees, allow estimates to be refined before constructing, and place the airport in a better position to compete for federal discretionary funds. This project allows the airport to timely complete design, environmental permitting, and community involvement efforts needed for Federal Airport Improvement Program

**Ted Stevens Anchorage International Airport - Advanced
Project Design and Planning**

**FY2016 Request: \$604,713
Reference No: AMD 41525**

(AIP) funding. Some projects will be designed to a schematic level. Completion of studies, plans, cost-benefit analysis, and other evaluations provide critical information and advance preparation for future projects.

This project will benefit all airport tenants and users by assisting the airport in doing preliminary work on any airport project before seeking airline authorization to undertake a project.

AP/AL: Allocation **Project Type:** Equipment / Commodities
Category: Transportation
Location: Anchorage Areawide **House District:** Anchorage Areawide (HD 12-28)
Impact House District: Anchorage Areawide (HD 12-28) **Contact:** Jeff Ottesen
Estimated Project Dates: 07/01/2015 - 06/30/2020 **Contact Phone:** (907)465-4070
Appropriation: Airport Improvement Program

Brief Summary and Statement of Need:

This request amends the original Governor’s FY2016 capital budget request by changing \$1,423,456 in project funding from the International Airports Construction Fund to the International Airport Revenue Fund. This fund change does not increase overall funding for the project and is a net-zero adjustment to Other State funds. This project is for the purchase or replacement of airport operations, safety and maintenance equipment (heavy equipment, light duty trucks, police vehicles, etc.) that have reached the end of its useful life.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Fed Rcpts	\$3,456,684	\$3,803,397	\$3,917,499	\$4,035,024	\$4,156,075	\$3,751,209	\$23,119,888
Int Airprt	\$1,423,456	\$1,223,147	\$1,259,842	\$1,297,637	\$1,336,566	\$1,906,211	\$8,446,859
Total:	\$4,880,140	\$5,026,544	\$5,177,341	\$5,332,661	\$5,492,641	\$5,657,420	\$31,566,747

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

- Sec1 Ch18 SLA2014 P69 L3 SB119 \$4,738,000
- Sec1 Ch16 SLA2013 P85 L23 SB18 \$4,600,000
- Sec1 Ch17 SLA2012 P140 L16 SB160 \$5,680,693
- Sec1 Ch5 SLA2011 P16 L20 SB46 \$8,860,000
- Sec7 Ch43 SLA2010 P42 L9 SB230 \$5,000,000
- Sec1 Ch15 SLA2009 P27 L18 SB75 \$3,860,000
- Sec13 Ch29 SLA2008 P165 L3 SB221 \$1,000,000
- Sec4 Ch30 SLA2007 P109 L6 SB53 \$5,500,000

This equipment is critical to operating the airport in a safe and efficient manner. No fees are set aside automatically through rental rates; therefore, the method of replacement is through the capital budget to replace worn out and obsolete equipment.

Project Description/Justification:

Maintenance and service equipment replacement is based on a database matrix of age, total usage,

and annual maintenance expense. Equipment that scores high in all three categories is highlighted for consideration then compared amongst each other to determine the necessity of replacement, major repair, or deferral based on frequency and importance of use.

The Anchorage International Airport (ANC) actively pursues solutions that seek to extend the useful life of existing equipment in a cost-effective manner. ANC is a “Non-Rental” program through the State Equipment Fleet. Therefore, equipment replacement must be accomplished through the capital budget process.

Replacement equipment is required in order to meet the Federal Aviation Administration (FAA) Advisory Circular 150/5200-30C clearance times. Airports with 40,000 or more operations per year are required to clear all Priority 1 surfaces within 30 minutes. We have increased the surface area of runway 7R/25L, a Priority 1 runway, by 52%. We are required to maintain this runway in the same amount of time requiring more equipment on the field during snow removal operations.

Surface Transportation Program

FY2016 Request: \$891,520,000

Reference No: 32610

AP/AL: Appropriation with Allocations

Project Type: Construction

Category: Transportation

Location: Statewide

House District: Statewide (HD 1-40)

Impact House District: Statewide (HD 1-40)

Contact: Jeff Ottesen

Estimated Project Dates: 07/01/2015 - 06/30/2020

Contact Phone: (907)465-4070

Brief Summary and Statement of Need:

This project is for federal surface transportation improvements as outlined in the Statewide Transportation Improvement Program (STIP), the Moving Ahead for Progress in the 21st Century Act (MAP-21), and annual federal appropriations acts.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
CIP Rcpts	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000	\$2,400,000
Fed Rcpts	\$891,120,000	\$301,925,000	\$294,175,000	\$284,125,000	\$225,325,000	\$222,575,000	\$-2,075,722,296
Total:	\$891,520,000	\$302,325,000	\$294,575,000	\$284,525,000	\$225,725,000	\$222,975,000	\$-2,073,322,296

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

- Sec1 Ch18 SLA2014 P70 L25 SB119 \$648,250,000
- Sec1 Ch16 SLA2013 P86 L21 SB18 \$519,400,000
- Sec1 Ch17 SLA2012 P141 L21 SB160 \$451,764,000
- Sec1 Ch5 SLA2011 P109 L8 SB46 \$482,635,000
- Sec7 Ch43 SLA2010 P43 L25 SB230 \$537,350,240
- Sec7 Ch15 SLA2009 P51 L19 SB75 \$24,397,600
- Sec1 Ch15 SLA2009 P29 L32 SB75 \$359,730,000
- Sec10 Ch15 SLA2009 P60 L13 SB75 \$1,550,000
- Sec13 Ch29 SLA2008 P166 L24 SB221 \$255,020,150
- Sec4 Ch30 SLA2007 P110 L15 SB53 \$332,845,300

The FY2016 Governor's budget is amended by allocating \$70,220,000 from the unallocated project to the National Highway System and Non-National Highway System Pavement and Bridge Reconstruction and Refurbishment project.

FY2016 Governor (December)	\$891,520,000
FY2016 Amended Request	\$0
Total Request	\$891,520,000

National Highway System and Non-National Highway System Pavement and Bridge Reconstruction and Refurbishment

FY2016 Request: \$155,220,000
Reference No: AMD 38708

AP/AL: Allocation **Project Type:** Renewal and Replacement
Category: Transportation **House District:** Statewide (HD 1-40)
Location: Statewide **Contact:** Jeff Ottesen
Impact House District: Statewide (HD 1-40) **Contact Phone:** (907)465-4070
Estimated Project Dates: 07/01/2015 - 06/30/2020
Appropriation: Surface Transportation Program

Brief Summary and Statement of Need:

This request amends the original Governor's FY2016 capital budget request by adding \$70,220,000 in federal authority for a new requested total of \$155,220,000. The \$70,220,000 is reallocated from the unallocated project within the Surface Transportation Program appropriation. This project is for performing crack sealing, surface treatment, refurbishment to drainage, signage, guardrail, illumination and other improvements (including reconstruction) that prolong the life of road pavements, embankments and bridges and their safety related features.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Fed Rcpts	\$155,220,000	\$85,000,000	\$85,000,000	\$85,000,000	\$85,000,000	\$85,000,000	\$580,220,000
Total:	\$155,220,000	\$85,000,000	\$85,000,000	\$85,000,000	\$85,000,000	\$85,000,000	\$580,220,000

<input checked="" type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
9% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

- Sec1 Ch18 SLA2014 P75 L8 SB119 \$85,000,000
- Sec1 Ch16 SLA2013 P89 L8 SB18 \$25,000,000
- Sec1 Ch16 SLA2013 P92 L31 SB18 \$15,000,000
- Sec1 Ch16 SLA2013 P94 L21 SB18 \$5,000,000
- Sec1 Ch17 SLA2012 P143 L25 SB160 \$20,000,000
- Sec1 Ch17 SLA2012 P147 L8 SB160 \$10,000,000
- Sec1 Ch17 SLA2012 P148 L9 SB160 \$5,000,000
- Sec1 Ch5 SLA2011 P113 L32 SB46 \$32,000,000
- Sec1 Ch5 SLA2011 P115 L20 SB46 \$5,000,000
- Sec7 Ch43 SLA2010 P45 L18 SB230 \$20,000,000
- Sec7 Ch43 SLA2010 P49 L18 SB230 \$25,000,000
- Sec7 Ch43 SLA2010 P51 L10 SB230 \$2,000,000

Project Description/Justification:

This is a federally-funded project that provides for preventative maintenance activities that demonstrate a cost-effective means of extending the useful life of a federal-aid highway. Preventive

**National Highway System and Non-National Highway
System Pavement and Bridge Reconstruction and
Refurbishment**

**FY2016 Request: \$155,220,000
Reference No: AMD 38708**

maintenance is a planned strategy of cost-effective treatments to an existing roadway system that preserves the system, retards future deterioration, and maintains or improves the functional condition of the system without significantly increasing structural capacity.

To meet the growing travel demand and the public's expectations for safety, ride quality, and traffic flow, highway agencies across the country are redefining their objectives to focus on activities and strategies to preserve and maintain existing highway systems, instead of the typical strategy of fixing the worst first. The proactive approach of preventive maintenance cuts the need for costly, time-consuming rehabilitation and reconstruction projects and reduces associated traffic disruptions. As a result, the public will see improved mobility, reduced congestion, and safer, smoother, longer-lasting pavements.

Preventative maintenance includes restoration or rehabilitation of specific elements of a highway facility when it can be demonstrated that such activities are a cost-effective means of extending the pavement life. In general, any work which provides additional pavement structural capacity, prevents the intrusion of water into the pavement or pavement base, provides for removal of water that is in the pavement or pavement base, restores pavement rideability, or prevents the deterioration of bridges is considered to be work which extends the service life of the highway. The Alaska Department of Transportation and Public Facilities uses preventive maintenance funding to perform roadway activities such as chip sealing, pavement overlays, milling, profiling, and micro-surfacing; seal coats, joint seals, and crack seals; shoulder repair; restoration of drainage systems; and bridge activities such as deck rehabilitation or repair, deck drain cleaning, crack sealing, joint repair, seismic retrofit, scour countermeasures, and painting. Although specifically noting pavement and bridge preservation, this program also allows for the upgrading and replacement of existing drainage systems, guardrail, illumination, and other safety related structures. Highway striping is also funded under this program.

Deferred Maintenance, Renewal, Repair and Equipment

FY2016 Request: \$8,000,000

Reference No: AMD 45326

AP/AL: Appropriation

Project Type: Deferred Maintenance

Category: University

Location: Statewide

House District: Statewide (HD 1-40)

Impact House District: Statewide (HD 1-40)

Contact: Michelle Rizk

Estimated Project Dates: 07/01/2015 - 06/30/2020

Contact Phone: (907)450-8191

Brief Summary and Statement of Need:

This amendment provides an updated project justification from the previous amended project submitted February 5, 2015. The University of Alaska (UA) owns and maintains more than 400 buildings across the State, totaling 6.7 million gross square feet, with an adjusted value of almost \$3 billion. Deferred Maintenance funding has been, unquestionably, one of the single most important investments the state has made in UA. A prolonged deferred maintenance backlog increases the risk of mission failure. Funding for deferred maintenance will continue the momentum built over the last several years and works toward a sustainable funding strategy for UA facilities.

Funding:	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>Total</u>
Gen Fund	\$8,000,000						\$8,000,000
Total:	\$8,000,000	\$0	\$0	\$0	\$0	\$0	\$8,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
<u>One-Time Startup:</u>	0	0
Totals:	0	0

Prior Funding History / Additional Information:

- Sec1 Ch18 SLA2014 P78 L29 SB119 \$12,000,000
- Sec1 Ch18 SLA2014 P78 L32 SB119 \$2,503,000
- Sec1 Ch18 SLA2014 P79 L4 SB119 \$4,270,000
- Sec1 Ch18 SLA2014 P79 L7 SB119 \$500,000
- Sec1 Ch16 SLA2013 P97 L24 SB18 \$30,000,000
- Sec1 Ch17 SLA2012 P152 L3 SB160 \$450,000
- Sec1 Ch17 SLA2012 P152 L10 SB160 \$37,500,000
- Sec1 Ch5 SLA2011 P117 L30 SB46 \$2,000,000
- Sec1 Ch5 SLA2011 P118 L18 SB46 \$87,500,000
- Sec4 Ch43 SLA2010 P14 L18 SB230 \$37,500,000
- Sec1 Ch15 SLA2009 P37 L4 SB75 \$3,200,000
- Sec10 Ch29 SLA2008 P80 L25 SB221 \$3,000,000
- Sec10 Ch29 SLA2008 P80 L27 SB221 \$23,742,948
- Sec13 Ch29 SLA2008 P173 L9 SB221 \$20,079,652
- Sec4 Ch30 SLA2007 P117 L26 SB53 \$8,000,000
- Sec4 Ch30 SLA2007 P118 L11 SB53 \$475,000

DELETE: Unallocated Project

FY2016 Request: \$0
Reference No: AMD 60684

AP/AL: Allocation
Category: Transportation
Location: Statewide
Impact House District: Statewide (HD 1-40)
Estimated Project Dates: 07/01/2015 - 06/30/2020
Appropriation: Surface Transportation Program

Project Type: Construction
House District: Statewide (HD 1-40)
Contact: Jeff Ottesen
Contact Phone: (907)465-4070

Brief Summary and Statement of Need:

This amendment deletes the \$70,220,000 federal authorization for this unallocated project. The \$70,220,000 included in this unallocated project is being allocated to National Highway System and Non-National Highway System Pavement and Bridge Reconstruction and Refurbishment within the Surface Transportation Program appropriation.

Funding:	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>Total</u>
Fed Rcpts							\$0
Total:	\$0	\$0	\$0	\$0	\$0	\$0	\$0

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

Adak Airport Maintenance and Operations

FY2016 Request: \$742,800

Reference No: AMD 47702

AP/AL: Appropriation
Category: Transportation
Location: Adak

Project Type: Life / Health / Safety

House District: Bristol Bay/Aleutians/Upper Kuskokwim (HD 37)

Impact House District: Bristol Bay/Aleutians/Upper Kuskokwim (HD 37)

Contact: John Binder

Estimated Project Dates: 07/01/2015 - 06/30/2021 **Contact Phone:** (907)465-3900

Brief Summary and Statement of Need:

This is a new FY2016 project. This project provides spending authority from interest earned in the Adak Airport Operations Fund needed to continue to operate and maintain the Adak Airport per the memorandum of agreement between the United States Navy and the State of Alaska.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
Adak Ops	\$742,800						\$742,800
Total:	\$742,800	\$0	\$0	\$0	\$0	\$0	\$742,800

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input checked="" type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	900,000	0
One-Time Startup:	0	
Totals:	900,000	0

Prior Funding History / Additional Information:

Sec1 Ch15 SLA2009 P21 L7 SB75 \$1,621,900
Sec57 Ch3 SLA2005 P135 L30 SB46 \$8,799,155

Project Description/Justification:

The Adak airport is very challenging to maintain and operate. Adak is approximately 1,200 miles from Anchorage and is the furthest civilian community in the Aleutian Chain. Adak receives barge service from Samson Tug and Barge; however they only call twice a year. The remainder of the year the department and community utilize Alaska Airlines to ship freight to and from the island.

The department agreed to take on responsibilities for the Adak airport from the federal government in 2003 when \$10 million in funding was provided by the Department of the Navy. The memorandum of agreement signed by the State of Alaska and the United States Navy requires all interest earnings associated with the original \$10 million be used for facility maintenance and operations. This project will deplete the fund of its remaining balance.

Deferred Maintenance, Renewal, Repair and Equipment

FY2016 Request: \$8,000,000

Reference No: AMD 45326

AP/AL: Appropriation

Project Type: Deferred Maintenance

Category: University

Location: Statewide

House District: Statewide (HD 1-40)

Impact House District: Statewide (HD 1-40)

Contact: Michelle Rizk

Estimated Project Dates: 07/01/2015 - 06/30/2020

Contact Phone: (907)450-8191

Brief Summary and Statement of Need:

This amendment provides an updated project justification from the previous amended project submitted February 5, 2015. The University of Alaska (UA) owns and maintains more than 400 buildings across the State, totaling 6.7 million gross square feet, with an adjusted value of almost \$3 billion. Deferred Maintenance funding has been, unquestionably, one of the single most important investments the state has made in UA. A prolonged deferred maintenance backlog increases the risk of mission failure. Funding for deferred maintenance will continue the momentum built over the last several years and works toward a sustainable funding strategy for UA facilities.

Funding:	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>Total</u>
Gen Fund	\$8,000,000						\$8,000,000
Total:	\$8,000,000	\$0	\$0	\$0	\$0	\$0	\$8,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
<u>One-Time Startup:</u>	0	0
Totals:	0	0

Prior Funding History / Additional Information:

- Sec1 Ch18 SLA2014 P78 L29 SB119 \$12,000,000
- Sec1 Ch18 SLA2014 P78 L32 SB119 \$2,503,000
- Sec1 Ch18 SLA2014 P79 L4 SB119 \$4,270,000
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- Sec4 Ch30 SLA2007 P117 L26 SB53 \$8,000,000
- Sec4 Ch30 SLA2007 P118 L11 SB53 \$475,000

Project Description/Justification:

Campus priority projects are identified in the deferred maintenance list and are ranked at a point in time. The Board of Regents may determine a redistribution of these funds to address critical needs, as needed.

Project Name	DM	R&R	Total
Emergency Infrastructure Repair/Replacement	2,000.0		2,000.0
Campus Building Envelope & Roof Systems Renewal	800.0	200.0	1,000.0
Campus Building Interior & Systems Renewal	250.0	250.0	500.0
Campus Exterior Infrastructure and Signage Renewal	200.0	50.0	250.0
EM1 and EM2 Mechanical	3,000.0		3,000.0
Consortium Library Old Core Mechanical Upgrades	7,176.0		7,176.0
Fine Arts Mechanical System Renewal		74.0	74.0
UAA Main Campus Subtotal	13,426.0	574.0	14,000.0
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KPC Campus Renewal	375.0	375.0	750.0
Kodiak College Campus Renewal	215.6	400.0	615.6
PWSC Campus Renewal	155.0	200.0	355.0
Mat-Su Campus Renewal	300.0	392.0	692.0
KPC Kachemak Bay Campus Renewal	95.0	95.0	190.0
Mat-Su Parking/Road/Circulation Renewal	50.0	50.0	100.0
KPC Kenai River Campus Brockel Building Renewal	150.0	200.0	350.0
UAA Community Campuses Subtotal	1,340.6	1,712.0	3,052.6
UAA DM and R&R Total	14,766.6	2,286.0	17,052.6
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Critical Electrical Distribution	4,370.0	2,000.0	6,370.0
Fairbanks Campus Main Waste Line Repairs	2,000.0		2,000.0
Fairbanks Main Campus Wide Roof Replacement	2,500.0		2,500.0
West Ridge Facilities Deferred Maintenance and Revitalization	8,000.0	1,000.0	9,000.0
ADA Compliance Campus Wide: Elevators, Ramps, Restrooms	600.0	400.0	1,000.0
Elevator/Alarms Scheduled Upgrading and Replacement	50.0	450.0	500.0
Fairbanks Campus Building Interior & Systems Renewal	500.0		500.0
Cogen Heating Plant Required Upgrades to Maintain Service and Code Corrections	1,000.0	660.0	1,660.0
Patty Center Revitalization	2,700.0	300.0	3,000.0
Gruening Revitalization	1,500.0		1,500.0
Campus Infrastructure	500.0	500.0	1,000.0
Ski, Bike, and Pedestrian Safety	500.0		500.0
UAF Main Campus Subtotal	24,220.0	5,310.0	29,530.0
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Kuskokwim Campus Facility Critical Deferred and Voc-Tech Renewal -- Phase 2	1,054.9		1,054.9
UAF Community Campus Subtotal	1,054.9		1,054.9
UAF DM and R&R Total	25,274.9	5,310.0	30,584.9
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Whitehead/Hendrickson Renewal	4,485.0		4,485.0
TEC Renewal Phase 3	1,800.0		1,800.0
UAS DM and R&R Total	6,285.0		6,285.0

Deferred Maintenance, Renewal, Repair and Equipment**FY2016 Request: \$8,000,000**
Reference No: AMD 45326

Butrovich Building Repairs	909.5		909.5
Statewide DM and R&R Total	909.5		909.5
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UA FY16 DM and R&R Total	47,236.0	7,596.0	54,832.0
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UAA Main Campus	154,906.0	126,824.0	281,730.0
UAA Community Campuses	20,144.2	13,438.9	33,583.1
UAF Main Campus	547,694.4	125,316.5	673,010.9
UAF Community Campuses	21,629.6	23,987.9	45,617.5
UAS Main	956.6	1,342.7	2,299.2
UAS Community Campuses	165.0		165.0
UA System Additional DM and R&R Total	745,495.8	290,909.9	1,036,405.7
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UA DM and R&R Total	792,731.8	298,505.9	1,091,237.7