

AP/AL: Appropriation

Project Type: Transitional

Category: Health/Human Services

Location: Statewide

Contact: Les Campbell

House District: Statewide (HD 1-40)

Contact Phone: (907)330-8356

Estimated Project Dates: 07/01/2008 - 06/30/2013

Brief Summary and Statement of Need:

Corporate (AHFC), Mental Health Trust Authority (MHTAAR), General Funds – Mental Health (GFMH) and Statutory Designated (SD) fund “authority” to create a trust fund to address two main issues in Alaska: preventing homelessness and creating affordable housing for low-moderate income renters and homeowners. Funds will be used to assist projects that provide housing for the homeless, prevent homelessness and create long-term affordable housing. Eligible projects would include new construction, rehabilitation, rental assistance and homeless services.

Funding:	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	Total
AHFC Div	\$2,500,000						\$2,500,000
GF/MH	\$2,500,000						\$2,500,000
MHTAAR	\$2,500,000						\$2,500,000
Stat Desig	\$2,500,000						\$2,500,000
Total:	\$10,000,000	\$0	\$0	\$0	\$0	\$0	\$10,000,000

<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 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
<u>One-Time Startup:</u>	<u>0</u>	<u>0</u>
Totals:	0	0

Additional Information / Prior Funding History:

This a new program.

Project Description/Justification:

The purpose of this program is to create a trust that would assist programs that provide housing for the homeless, prevent homelessness, and create long-term affordable housing.

The projected outcomes are:

- A reduction in the number of homeless persons that interact with the social service system;
- A reduction in the public cost of emergency and institutional services that treat the homeless;
- An expansion of the community based mental health system; and
- A strong evaluation component is included in the budget to ensure program accountability and measure performance.

Housing Trust – Corporate (AHFC), Mental Health Trust Authority (MHTAAR), General Funds – Mental Health (GFMH) and Statutory Designated (SD) fund “authority” to create a trust fund to address two main issues in Alaska: preventing homelessness and creating affordable housing for low-moderate income renters and homeowners. Funds will be used to assist projects that provide housing for the homeless, prevent homelessness and create long-term affordable housing.

Eligible projects would include new construction, rehabilitation, rental assistance and homeless services.

Program Description:

The Housing Trust will provide funds to support safe, stable, and affordable housing. It will promote strong families — children are more successful in school, families have a foundation to grow their dreams, and seniors and persons with disabilities can live with independence and dignity. Home ownership promotes community stability — families are more invested in their neighborhoods and increase their civic participation. Moving people from homelessness to permanent housing reduces the amount of public funding they would otherwise use. Investing in housing creates economic opportunity in the private sector construction and housing-related industries.

The Housing Trust will coordinate resources between the housing industry and the social service industry, providing more effective solutions to homelessness and affordable housing in general. The Housing Trust is not designed to supplant any existing programs. It will be complementary to existing programs, building off their successes and learning from their mistakes.

Housing Trust Funds in general are very productive—on average, each dollar spent by a state housing trust fund leverages \$9.25 in additional funding for housing. The state reaps economic benefits from housing construction—every \$10 million invested in Alaska's housing industry is projected to create 1,900 new jobs and \$51 million in new wages.

Moving people from homelessness to permanent housing also reduces the amount of public funding they would otherwise use.