

AHFC Housing and Urban Development Federal HOME Grant

FY2009 Request: \$4,200,000
Reference No: 6347

AP/AL: Appropriation **Project Type:** Renewal and Replacement
Category: Development
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:

Federal (HUD) and Corporate matching (AHFC) funds for the HOME Investment Partnership Program. The purpose of the HOME program is to expand the supply of affordable, low- and moderate-income housing and to strengthen the ability of the state to design and implement strategies to achieve an adequate supply of safe, energy-efficient, and affordable housing. The Municipality of Anchorage has their own separate HOME program.

| Funding: | FY2009 | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | Total |
|---------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| AHFC Div | \$750,000 | \$750,000 | \$750,000 | \$750,000 | \$750,000 | \$750,000 | \$4,500,000 |
| Fed Rcpts | \$3,450,000 | \$3,500,000 | \$3,500,000 | \$3,500,000 | \$3,500,000 | \$3,500,000 | \$20,950,000 |
| Total: | \$4,200,000 | \$4,250,000 | \$4,250,000 | \$4,250,000 | \$4,250,000 | \$4,250,000 | \$25,450,000 |

| | | | | |
|--|---|---------------------------------------|---|--|
| <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 |
| 25% = 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 |

Additional Information / Prior Funding History:

FY2008 - \$3,375,000 Federal and \$750,000 Corporate; FY2007 - \$3,375,000 Federal and \$750,000 Corporate; FY2006 - \$3,500,000 Federal and \$750,000 Corporate; FY2005 - \$3,175,000 Federal and \$750,000 Corporate; FY2004 - \$3,159,000 Federal and \$750,000 Corporate; FY2003 - \$3,159,000 Federal and \$250,000 Corporate; FY2002 - \$3,050,000 Federal and \$250,000 Corporate; FY2001 - \$3,053,000 Federal and \$750,000 Corporate; FY2000 - \$3,000,000 Federal and \$750,000 Corporate.

Project Description/Justification:

The purpose of this program is to expand the supply of affordable, low- and moderate- income housing and to strengthen the ability of the state to design and implement strategies to achieve an adequate supply of safe, energy-efficient, and affordable housing. This program has funded 44 rental projects containing 818 units; rehabilitated 373 low-income homes. It has assisted another 315 low-income households to purchase homes.

The projected outcomes are:

- Develop affordable rental housing by funding the development gap for four (4) rental projects or about 50 units;
- Weatherize 42 homes;
- 35 home buyers assisted to achieve home ownership for lower-income families by providing down payment and closing cost assistance;
- Preserve low-income homes through a moderate rehabilitation;

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- Assist Community and Housing Development (CHDO) with developing affordable housing by funding a portion of their operating costs; and
- Fund other housing needs as specified in the (HCD) plan and as authorized by HUD under 24 CFR Part 92.

HUD Federal HOME Program – utilizes Federal (HUD) funds with Corporate matching (AHFC) funds for the HOME Investment Partnership Program. The purpose of the HOME program is to expand the supply of affordable, low- and moderate- income housing and to strengthen the state’s ability to design and implement strategies to achieve an adequate supply of safe, energy-efficient, and affordable housing. The Municipality of Anchorage has their own separate HOME program.

Program Description:

These funds are used to support the development of affordable housing for lower-income families. Funding is provided to fund:

- 1) The development gap for affordable rental housing projects, i.e., the difference between project cost and all other sources of funds which are expected to be contributed to the project, including any loan funds that the project’s cash flow can support;
- 2) The cost of moderate rehabilitation to homes owned and occupied by lower-income families;
- 3) A portion of the costs associated with the purchase of a modest home by lower-income families;
- 4) A portion of the operating costs of Community Housing Development organizations that are developing affordable housing for lower-income families;
- 5) Other housing needs as specified in the HCD plan and as authorized by HUD under 24 CFR Part 92.

This request is based on the block grant amount to be received from HUD and the required 25% matching funds to be provided by AHFC, plus program income accumulated by the program to be used, as mandated by HUD, as additional federal HOME program funds.