

AHFC Supplemental Housing Development Program

FY2011 Request: \$8,000,000

Reference No: 6323

AP/AL: Appropriation
Category: Development

Project Type: Construction

Location: Statewide
House District: Statewide (HD 1-40)

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Estimated Project Dates: 07/01/2010 - 06/30/2015

Brief Summary and Statement of Need:

Supplemental Housing Development Program utilizes Corporate (AHFC) funds to supplement Federal HUD funds to construct decent, safe and sanitary housing through regional housing authorities. Funds are used to cover housing development costs related to water distribution, sewer hookups, electrical distribution systems, road construction to project site, site development, and energy efficiency improvements. State laws limit the use of these funds to 20% of the HUD's total development cost per unit. These funds are also prohibited from being used for administrative or other costs of the housing authority.

Funding:	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	Total
AHFC Div	\$8,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000		\$48,000,000
Total:	\$8,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$0	\$48,000,000

<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 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	
Totals:	0	0

Additional Information / Prior Funding History:

FY2010 - \$6,000,000 AHFC Div; FY2009 - \$8,000,000 AHFC Div; FY2008 - \$6,000,000 AHFC Div; FY2007 - \$6,000,000 AHFC Div; FY2006 - \$4,300,000 AHFC Div; FY2005 - \$4,300,000 AHFC Div; FY2004 - \$4,300,000 AHFC Div; FY2003 - \$4,300,000 AHFC Div; FY2002 - \$4,500,000 AHFC Div; FY2001 - \$3,900,000 AHFC Div; FY2000 - \$3,868,000 AHFC Div; FY1999 - \$4,000,000 AHFC Div.

Project Description/Justification:

The purpose of the program is to supplement federal housing funds provided to regional housing authorities to ensure safe, decent, affordable housing throughout Alaska.

The projected outcomes are:

- Construction of affordable homes in up to 20 urban and rural communities;
- Build on-site water and sewer facilities;
- Provide energy-efficient design features in homes;
- Construct roads to project sites;
- Provide electrical distribution systems;
- Retrofit homes to provide a safe, healthy, workable home; and,

- Provide clients with new safe, energy efficient, comfortable housing.

AHFC is limited by state statute to contributing 20% of HUD's Total Development Cost of a project. Funds are used for on-site water and sewer facilities, roads to project sites, electrical distribution systems, and energy-efficient design features in homes constructed by the regional housing authorities. HUD regulations prohibit the use of development funds for construction of access roads, electrical distribution systems, and certain other infrastructure costs.

Since its inception, the state has appropriated more than \$100 million to augment over \$500 million in HUD funds and \$50 million in Public Health Services funds to build a total over 9,000 houses in over 250 communities.

The Supplemental program has been working with the Association of Village Council Presidents to provide funds to help rebuild Hooper Bay after fires destroyed much of the village. AHFC has also been working with Cook Inlet Housing Authority on the Creekside development in Anchorage and with the Interior Regional Housing Authority in their pursuit of safe, energy efficient housing in the geographically largest region in the state. Each of the housing authorities deal with extreme building conditions and work, despite escalating fuel prices which drive the cost of construction to new all-time highs.