

AHFC Housing and Urban Development Federal HOME Grant

FY2016 Request: \$4,500,000
Reference No: 6347

AP/AL: Appropriation

Project Type: Economic Assistance

Category: Development

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 project provides federal Housing and Urban Development (HUD) and State matching 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 its own separate HOME program.

Funding:	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	Total
AHFC Div		\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$3,750,000
Fed Rcpts	\$3,750,000	\$3,800,000	\$3,900,000	\$4,000,000	\$4,000,000	\$4,000,000	\$23,450,000
Gen Fund	\$750,000						\$750,000
Total:	\$4,500,000	\$4,550,000	\$4,650,000	\$4,750,000	\$4,750,000	\$4,750,000	\$27,950,000

<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	
Totals:	0	0

Prior Funding History / Additional Information:

- Sec1 Ch18 SLA2014 P61 L33 SB119 \$4,500,000
- Sec1 Ch16 SLA2013 P77 L8 SB18 \$4,250,000
- Sec1 Ch17 SLA2012 P130 L28 SB160 \$4,050,000
- Sec1 Ch5 SLA2011 P98 L23 SB46 \$4,000,000
- Sec7 Ch43 SLA2010 P34 L23 SB230 \$4,250,000
- Sec1 Ch15 SLA2009 P20 L9 SB75 \$4,050,000
- Sec13 Ch29 SLA2008 P156 L31 SB221 \$4,200,000

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 51 rental projects containing 898 units and rehabilitated 537 low-income homes. It has assisted another 761 low-income households to purchase homes and provided 328 households with rental assistance to prevent homelessness.

The projected outcomes are:

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- Develop affordable rental housing by funding the development gap for three rental projects or about 30 units;
- Rehabilitate 20 homes;
- Assist 35 lower-income homebuyers to achieve homeownership by providing down payment and closing cost assistance;
- Preserve low-income homes through moderate rehabilitation;
- Assist Community and Housing Development Organizations (CHDO) with developing affordable housing by funding a portion of their operating costs;
- Fund other housing needs as specified in the Housing Community Development (HCD) plan and as authorized by HUD under 24 CFR Part 92;
- Provide tenant-based rental assistance in partnership with Department of Corrections to reduce prisoner recidivism in Alaska; and
- Provide tenant-based rental assistance in partnership with Department of Health and Social Services to help children aging out of foster care avoid homelessness.

Program Description:

This project is used to support the development of affordable housing for lower-income families. Funding is provided for:

- 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; and
- 5) Other housing needs as specified in the HCD plan and as authorized by HUD.

This project 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 from prior year's activity accumulated by the program to be used, as mandated by HUD, as additional Federal HOME program funds.

Spending Plan

	Total \$	FY2016	FY2017	FY2018	FY2020
General Fund	\$750,000	\$337,500	\$412,500	\$0	
Federal Receipts	\$3,750,000	\$1,500,000	\$1,500,000	\$750,000	\$0