

AHFC Housing and Urban Development Capital Fund Program

FY2022 Request: \$3,200,000
Reference No: 6342

AP/AL: Appropriation **Project Type:** Renewal and Replacement
Category: Development
Location: Statewide **House District:** Statewide (HD 1-40)
Impact House District: Statewide (HD 1-40) **Contact:** James Wiedle
Estimated Project Dates: 07/01/2021 - 06/30/2026 **Contact Phone:** (907)330-8359

Brief Summary and Statement of Need:

This Federal (HUD) grant provides Public Housing Authorities with funds each year to help build, operate, maintain, renovate or modernize public housing units. These funds have flexibility under the Moving-To-Work (MTW) program and may be used in conjunction with other MTW programs, including new housing development. This need covers the spending authority required for the amount of funds anticipated to be available this next fiscal year, including any other financial incentives that may become available as a "High Performing" public housing authority.

Funding:	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Total
1002 Fed Rcpts	\$3,200,000	\$3,200,000	\$3,200,000	\$3,200,000	\$3,200,000	\$3,200,000	\$19,200,000
Total:	\$3,200,000	\$3,200,000	\$3,200,000	\$3,200,000	\$3,200,000	\$3,200,000	\$19,200,000

<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"/> Ongoing
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:

Sec5 Ch1 SLA2020 P67 L8 HB205 \$2,500,000
 Sec1 Ch3 SLA2019 P6 L33 SB19 \$2,500,000
 Sec1 Ch19 SLA2018 P9 L16 SB142 \$2,500,000
 Sec1 Ch1 SLA2017 P7 L10 SB23 \$2,500,000
 Sec1 Ch2 SLA2016 P7 L24 SB138 \$2,500,000

Project Description/Justification:

This federal Housing and Urban Development (HUD) grant provides Public Housing Authorities with funds each year to help build, operate, maintain, renovate or modernize public housing units. These funds have flexibility under the Moving-To-Work (MTW) program and are used in conjunction with other MTW programs, including new housing development. This project is intended to cover the spending authority required for the amount of funds anticipated to be available this next fiscal year, including any other financial incentives that may become available as a "High Performing" public housing authority. Projects to be funded by this year's project include: a set-aside for the Affordable Housing Development Program and renovation or replacement of various public housing units statewide.

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The Public Housing Capital Fund Program (CFP) was established under the Quality Housing & Work Responsibility Act of 1998 (QHWRA) which amended section 9 of the Housing Act of 1937. It provides funds annually to Public Housing Authorities (PHAs) for capital and management activities, including modernization and development of public housing. CFP eligible activities include modernization development or financing activities that are: 1) specified in an approved CFP 5-year Action Plan, or 2) approved by HUD for emergency and natural disaster assistance. The annual grant can also be used for administrative expenses, tenant-education projects, drug-elimination/safety projects, and management improvements.

The CFP also includes Replacement Housing Factor (RHF) Fund Grants. They are CFP Grants that are awarded to PHAs that have removed units from inventory for the sole purpose of developing new public housing units. The CFP formula rule provides that a PHA may receive RHF grants for public housing units demolished or sold for a period of up to two five-year increments (10 years of funding). Also included are funds to provide operation and management improvements, such as PHA staff training; resident training; training for low-income businesses; and upgrades to the information system and area-wide network enhancements at low rent developments. To access CFP money, each PHA with the active involvement of residents and local government officials, must develop a comprehensive five-year plan detailing modernization needs within the PHA's housing inventory and establishing a timetable for meeting those needs. The dollar amount of the annual grant is established by a formula, which measures the existing modernization needs and accrual needs of PHAs. The statute requires that CFP funds allocated to a PHA be 90% obligated within two years and 100% expended in 4 years.

The projected outcomes are:

- Modernize public housing rental units;
- Code compliance; and/or
- Conduct energy audits.