

AHFC Housing and Urban Development Federal HOME Grant

FY2023 Request: \$4,750,000
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: James Wiedle

Estimated Project Dates: 07/01/2022 - 06/30/2027

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Brief Summary and Statement of Need:

The purpose of this authorization is to expand 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 its own separate HOME program.

Funding:	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	Total
1002 Fed Rcpts	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$24,000,000
1139 AHFC Div	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000	\$4,500,000
Total:	\$4,750,000	\$4,750,000	\$4,750,000	\$4,750,000	\$4,750,000	\$4,750,000	\$28,500,000

State Match Required
 One-Time Project
 Phased - new
 Phased - underway
 Ongoing
 25% = Minimum State Match % Required
 Amendment
 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:

Sec8 Ch1 SLA2021 P78 L31 HB69 \$5,750,000
 Sec5 Ch8 SLA2020 P67 L8 HB205 \$4,750,000
 Sec1 Ch1 SLA2019 P7 L4 SB19 \$4,750,000
 Sec1 Ch19 SLA2018 P9 L18 SB142 \$4,750,000
 Sec1 Ch1 SLA2017 P7 L13 SB23 \$4,750,000

Project Description/Justification:

The HOME Grant program awards federal (HUD) and State matching funds for the following activities:

- 1) Affordable rental housing development – funds the difference between project cost and all other sources of funds which are expected to be contributed to the project, including any loans that the project’s cash flow can support;
- 2) Housing acquisition - partial funding for costs associated with the purchase of a modest home by lower-income families;
- 3) Community Housing Development Organizations funding for eligible organizations that are developing affordable housing for lower-income families;

- 4) Prisoner re-entry rental assistance in collaboration with Department of Corrections for individuals transitioning out of incarceration;
- 5) Youth-in-Transition rental assistance in collaboration with Department of Health and Social Services for children aging out of foster care; and,
- 6) Other housing needs as specified in the Housing Community Development plan and as authorized by HUD.

This program has funded 60 rental projects containing 1,141 units and rehabilitated 543 low-income homes. It has assisted another 978 low-income households to purchase homes and provided more than 600 households with rental assistance to prevent homelessness.

Projected Outcomes

- Develop affordable rental housing by funding the development gap for three rental projects or about 30 units;
- Assist up to 35 homebuyers to achieve homeownership for lower-income families by providing down payment and closing cost assistance;
- Assist Community and Housing Development Organizations with developing affordable housing by funding a portion of their operating costs;
- Fund other housing needs as specified in the 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.