



U.S. Department of Housing and Urban Development
Anchorage Field Office
Community Planning and Development
3000 C Street, Suite 401
Anchorage, AK 99503
<http://www.hud.gov/alaska>

July 18, 2007

The Honorable Sarah Palin
Governor, State of Alaska
Post Office Box 110001
Juneau, AK 99811-0001

Subject: **Grant Awards and Action Plan Approval**
Community Development Block Grant (CDBG)
HOME Investment Partnerships Program (HOME)
American Dream Downpayment Initiative (ADDI)
Emergency Shelter Grant (ESG)

Dear Governor Palin:

The Department of Housing and Urban Development has completed its review of the State of Alaska's State Fiscal Year 2008 (program year 2007) Annual Action Plan (Action Plan) and has found that it meets the legal requirements for approval. The 2007 Action Plan represents the third year of implementation of the State's 2006-2010 Housing and Community Development Consolidated Plan and is the mechanism through which the subject grants are funded each year.

You will find enclosed the grant agreements (three copies) for the programs covered by the Action Plan: CDBG, HOME, ADDI, and ESG. There is a set of documents for each grant program (ADDI is included on the HOME agreement) including additional certifications for ESG. Please execute all three copies of each of the three grant agreements, and fully execute the ESG certifications then return all documents to us. We will return one set of fully executed agreements to you by return mail.

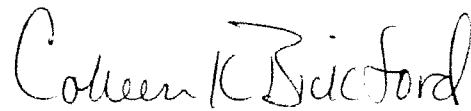
At this time we would like to bring to your attention an issue raised by HUD's Office of Fair Housing and Equal Opportunity, that could affect HUD's future acceptance of the State of Alaska's certifications to affirmatively further fair housing and compliance with anti-discrimination laws. The following observation was noted and could lead to a potentially serious concern.

In a review of the State of Alaska Statutes, it was observed, and therefore noted as a potential concern, that the State's Landlord Tenant Law, as delivered in the Alaska Statutes at AS.34.03.060 *Sublease and Assignment*, can be potentially interpreted to allow familial status discrimination under the provisions of AS 34.03.060(d)(3). Such provision not only appears to allow, but may appear to propose that the landlord "may refuse consent to a sublease" on the "reasonable grounds" of the "number of persons under 18 years of age in the household". Such provision may be deemed contrary to federal regulations and laws, as note more specifically under the Fair Housing Act as amended.

Please be advised that, by referencing this one state law issue, we do not mean to imply that there are no other potential conflicts between state law and the Fair Housing Act.

HUD appreciates the efforts the State of Alaska has taken to identify impediments to fair housing in the Analysis of Impediments to Fair Housing Choice, and the measures identified that the State will take to address those impediments during the program year. We look forward to the State's actions during the program year to eliminate fair housing impediments.

Sincerely,



Colleen K. Bickford
Field Office Director

Enclosures

cc:

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