

H B

366

Baulett Act
not good - Histg

Auto-rural
Housing Program
constructed 100's
of houses -

- Design inspection -
Poorly constructed
Poor Insulation

Alaska Legal Services
on behalf of residents
1965 - of litigation
most settled 3 yrs
ago -

Alaska Legal Services -
Tillery - Judge Conzantile
State program -

Craig Tillery

HB 366

ALSC

NAME

Bill No.

Representing

LAW OFFICES OF
ALASKA LEGAL SERVICES CORPORATION
615 "H" STREET, SUITE 100
ANCHORAGE, ALASKA 99501
TELEPHONE (907) 272-9431

MEMORANDUM

TO: Dian Bergstran
FROM: Cooper Geraty
RE: Mathew; Legislative Refund
DATE: March 3, 1981

The rationale for refunding the money paid to ASHA by class members is quite simple:

- (a) Class members contracted with ASHA for a safe, sanitary, habitable house. They did not receive the benefit of their bargains. They were forced to live in substandard housing and had major out-of-pocket costs (especially extremely high heating bills due to substandard insulation, materials, design, and construction);
- (b) Refunding the money is good public policy. A refund will encourage these residents and other residents of government-subsidized housing to pay their bills. If no refund is provided, then those persons who did not make their payments will be rewarded, and those persons who did make their payments will be penalized;
- (c) Class members will receive new mutual-help housing pursuant to the companion case, Erik v. HUD. However, the class members will have to pay for the new houses. In addition, due to inflation the new houses will be very much more expensive than the old ASHA houses. (Note: In making this argument remember that no person will have to pay more than approximately 25% of their income in house payments.)

Memorandum
Page 2
March 3, 1981

- (d) Finally, a repayment will restore the State's proper reputation for dealing ethically, morally, and justly with its Bush residents.

CG/csn

Natives win another round in home fight

BY CARR
Times reporter

Hundreds of Alaska Natives in five years ago accused federal and state authorities of building substandard houses for them are in line to receive title to the homes under the terms of an out-of-court settlement reached this week.

The settlement — concluded between Alaska Legal Services Corporation, which represented the Natives, and Alaska State Housing Authority — also provides the opportunity for the natives to get back more than \$2,000 they have spent for the homes.

The settlement was filed yesterday in Superior Court in Anchorage and, if approved by Superior Court judge, would end the state court portion of the lawsuit's complicated legal

journey that began in federal court in 1976.

Representatives of both sides were pleased with the agreement.

"We think it is a just settlement," said Cooper Gerety, a legal services lawyer.

ASHA director John Curtis said the settlement, which follows the U.S. Department of Housing and Urban Development's pledge last week to pay \$31 million to replace or refurbish the homes, is good for the state.

"Our interest is in providing housing in the state. If we decided it's a good idea to build \$30 million worth of homes in the bush, that's the business HUD is in. We see it as a good thing for Alaska," Curtis said.

The lawsuit filed five years

See Back Page, NATIVES

Natives win another round in court battle over homes

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ago in federal court, claimed hundreds of remote homes financed by HUD and built by ASHA in 1969 and 1970 were defective and substandard. About \$2 million was spent on the homes in 18 villages.

Hastily constructed homes built during the life of the program almost immediately began developing problems including leaking roofs, inad-

quate plumbing and poor insulation.

"It was not a successful program," Curtis said Wednesday.

The construction program — called the Bartlett program after former Sen. Eeb Bartlett, who led the drive for funding, originally envisioned 10 years of assistance to Native Alaskans to upgrade homes. The program, however, was dropped after two years.

A federal court judge in 1978 dismissed the case against ASHA but lawyers refiled the lawsuit against the state agency in state court. ASHA has consistently denied the allegations in the suit.

Under the terms of last week's federal court settlement, HUD agreed to begin a three-year, \$31 million program to build or repair 347 homes.

The settlement of the state court suit against ASHA

pledges ASHA to cancel all the debts incurred by the Natives in buying the houses and to turn over title to the homes.

In return, the Natives represented in the suit agree to waive all legal claims arising from the housing program.

The settlement also permits Alaska Legal Services lawyers to ask the state legislature to give back the money Natives have already paid on the homes.

TOTALS - ALL Villages

	TOTAL PAYMENTS
1 AKIACHAK	1658246
2	
3 CHEFORNAK	1418914
4	
5 EMMONAK	1738886
6	
7 KIANA	1674332
8	
9 KIVALINA	500015
10	
11 KOTLIK	1906139
12	
13 MINTO	78757
14	
15 NOORUICK	3223267
16	
17 QUINHAGAK	318235
18	
19 SHISHMAREF	2392945
20	
21	
22 BUCKLAND	0
23	
24 CHEVAK	2038822
25	
26 HOOPER BAY	1500411
27	
28 Mt. Village	1619015
29	
30 Pilot Station	773018
31	
32 POINT HOPE	1847592
33	
34 SCAMMON BAY	1255596
35	
36 Selawik	0
37	
38 TOTAL ALL VILLAGES;	<u>23938190</u>
39	
40	

VILLAGE: AKIACHAK

TOTAL
 PAYMENTS

1461.24
847.64
689.05
1953.18
751.20
2145.17
2685.28
540.00
677.06
1132.85
733.06
799.88
814.00
596.20
756.65

TOTAL:

16582.46
 1658

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982

1769 HLC HB 366 - HB 586

	Initials	Date
Prepared By		
Approved By		

VILLAGE: CHEFORNAK

TOTAL
PAYMENTS

41768
206242
66504
85400
114097
160.00
27036
56472
41184
71660
69416
48208
44900
77243
105740
97492
60532
119101
39916

TOTAL:

1418914

Prepared By: _____
Approved By: _____

WILLIAM F. CHEVAK

TOTAL
PAYMENTS

- 187.00
- 870.68
- 2775.04
- 425.00
- 788.80
- 820.00
- 1112.35
- 431.57
- 663.48
- 215.00
- 824.84
- 141.28
- 689.16
- 1029.30
- 2476.27
- 2205.99
- 736.00
- 100.00
- 153.12
- 429.65
- 271.55
- 800.00
- 729.00
- 881.04
- 632.10

TOTAL

20388.22

00

VILLIAGE: EMMONAK

TOTAL PAYMENTS	
46 00	960.00
	455.36
	118.224
	109436
	438328
	138240
	793.40
	1022.10
	516.48
	595.42
	846.54
	535.30
	726.61
	537.20
	936.08
	54240
	8196.9
TOTAL	17328.86

	Initials	Date
Prepared By		
Approved By		

VILLAGE : HOOPER BAY

TOTAL
PAYMENTS

499.29
 479.16
 1008.96
 572.92
 722.55
 804.15
 745.49
 359.06
 230.64
 1123.15
 800.00
 30.140
 544.00
 202.136
 25.00
 814.11
 766.20
 446.02
 913.12
 185.30
 1029.64
 1137.05

TOTAL

15004.11

	Initials	Date
Prepared By		
Approved By		

00

VILLIAGE : KIANA

TOTAL
PAYMENTS

780.08
 1622.96
 1292.85
 720.82
 699.32
 572.78
 229.25
 896.07
 1027.98
 1519.20
 848.84
 1897.34
 1678.20
 571.32
 1396.95
 1095.36

TOTAL 1674332

	Initials	Date
Prepared By :		
Approved By :		

VILLAGE: KIVALINA

TOTAL
PAYMENTS

77689
32520
34872
55380
39152
37251
66367
46550
41388
68846

TOTAL

500015

03

Village: Mt. Village

	Initials	Date
Prepared By		
Approved By		

TOTAL
PAYMENTS

343.00

141.72

599.80

668.52

764.15

144.194

271.24

250.00

474.54

427.00

1265.00

769.88

1641.52

159.10

assume }
20% interest }
15 years }

900.00

691.76

527.32

1164.44

2024.15

150.00

10000

13782

399.76

319.88

400.00

120.00

3561

TOTAL

1619015

DILLIAGE & NOORVIA

TOTAL
PAYMENTS

50642
81483
174383
99396
56398
166058
111259
201696
34272
42590
85332
271207
74575
278560
331950
100572
125660
198368
139240
143391
233728
157502

TOTAL. 3223267

USUAGE: Point Hope

Total
Payments

TOTAL

1	76438
2	30852
3	309658
4	33017
5	226383
6	15000
7	10000
8	131403
9	73000
10	19762
11	63509
12	5012
13	67374
14	33596
15	0
16	82500
17	47224
18	57000
19	163926
20	53644
21	18250
22	57696
23	105497
24	117851
25	
26	
27	
28	
29	
30	
31	1847592

VILLAGE : QUINHAGAN

TOTAL	PAYMENTS
	210.12
	925.52
	285.72
	877.01
	793.14
	9084

TOTAL

318235

Initials	Date
Prepared By	
Approved By	

VILLAGE: SHISHMAREE

TOTAL
PAYMENTS

318892
111596
161105
55401
71862
36238
50552
80388
206655
102972
145232
100008
62618
107578
67208
68752
80352
75868
109624
82218
117888
179738

TOTAL

2392915