

HB

318

Date referred: 3/28/88

FURTHER REFERRALS:

DATE: 4/26/88

The Finance Committee has considered HB 318

"An Act establishing the Alaska energy efficient home equity fund."

RECOMMENDS:

- replace with CS HB318 (Fin) the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: Fin. letter of intent.

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact
- zero fiscal note
- zero with analysis
- same as previous fiscal note published 3/29/88
- same as previous zero fiscal note published _____

SIGNING DO PASS:

ADAMS [Signature]

POURCHOT [Signature]

LARSON [Signature]

GOLL [Signature]

BOYER [Signature]

RIEGER [Signature]

FRANK [Signature]

BROWN [Signature]

DAVIS [Signature]

WALLIS [Signature]

SWACK [Signature]

SIGNING OTHER RECOMMENDATIONS:

[Signature]
Chairman's signature

STATE OF ALASKA
1988 LEGISLATIVE SESSION

(1,2) HB 318

BILL VERSION: CSHB 318
PUBLISH DATE: 3/29/88

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An act..Alaska energy efficient home equity fund."
Sponsor: "Ellis, Kopone, Ward, etc."
Requestor: _____

Agency Affected: Community & Regional Affairs
BRU: Housing Assistance
Components: Housing Loans

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES		27.7	28.3	29.1	29.9	30.6
TRAVEL		2.0	2.0	2.0	2.0	2.0
CONTRACTUAL		2.4	2.4	2.4	2.4	2.4
SUPPLIES		.7	.7	.7	.7	.7
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		32.8	33.4	34.2	35.0	35.7
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		32.8	33.4	34.2	35.0	35.7
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Jim Plasman, Deputy Director Phone: 465-4750
Division: Municipal & Regional Assistance Date: 3/22/88
Approved by Commissioner: Marty Rutherford, Acting Dep. Comm. Date: 3/22/88
Agency: Community & Regional Affairs

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Position Title Accounting Clerk III		No. of Positions 1	Range/Step 8A	Barg. Unit GGU
Time Status Full time	Staff Months 12	Location Anchorage		Election District
		Justification		
Type of Expenditure		Amount		
1	2	3		
Salary	19.6			
Benefits	8.1			
Premium Pay				
Other				
Total Personal Services		27.7		
Travel		2.0		
Contractual		2.4		
Commodities		.7		
Equipment				
Other				
Total Cost		32.8		
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004			
GF Program Receipts	1005			
Other				

**Request For
New Position**

Agency Community & Regional Affairs
 BRU Housing Assistance
 Component Housing Loans

Page 1 of 1
 Revised Date

FY 89



Official Business

Alaska State Legislature

HOUSE OF REPRESENTATIVES

Committee on Finance

P.O. Box V
State Capitol
Juneau, Alaska 99811

HOUSE FINANCE COMMITTEE
LETTER OF INTENT
FOR
CS HB 318 (FINANCE)

It is the intent of the Legislature that the Commissioner of the Department of Community and Regional Affairs consult with the Alaska Craftsman Home Program Board of Directors before distributing monies appropriated to the Alaska Energy Efficient Home fund.

A handwritten signature in cursive script, appearing to read "Al Adams".

Al Adams, Chair
House Finance Committee

Original sponsors: Ellis, Koponen,
Menard, et al.

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 318 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to grants for energy efficient
7 homes."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section i. FINDINGS AND POLICY. (a) The legislature finds that

10 (1) high quality energy efficient building technology developed
11 by the Alaska Craftsman Home Program would substantially reduce home energy
12 consumption, improve the health and safety of the occupants, improve indoor
13 air quality, reduce the contributions of dwellings to outdoor pollution,
14 increase home durability, reduce home maintenance needs, and increase the
15 economic stability of the home owner;

16 (2) state money now being spent to subsidize energy bills, to
17 weatherize and repair poorly constructed homes, and to improve the health
18 of people affected by poor indoor air quality would be reduced or eliminat-
19 ed as existing homes are replaced by homes that are built to meet Alaska
20 Craftsman Home Program standards;

21 (3) state money now used to finance and repair homes would be
22 invested more wisely in homes that are built to meet the Alaska Craftsman
23 Home Program standards;

24 (4) local economic benefits are achieved when money being spent
25 on energy, home repair, and health are reduced because of building to meet
26 the improved building standards of the Alaska Craftsman Home Program;

27 (5) the principal responsibility for development of housing
28 rests with the private sector;

29 (6) research and development of energy efficient housing will

1 create new jobs, provide technology that can be exported, develop new
2 business opportunities, and increase the stability of the state's economy.

3 (b) It is the policy of the state to encourage the building of homes
4 that meet the energy efficient standards of the Alaska Craftsman Home
5 Program and to assist in the education, planning, and development of this
6 standard of building in cooperation with the building industry.

7 * Sec. 2. AS 18.55.998(a) is amended to read:

8 (a) There is created in the Department of Community and Regional
9 Affairs a supplemental housing development grant fund. Subject to the
10 availability of appropriations for the purpose, the department shall
11 make grants to regional housing authorities established under AS 18.-
12 55.996 for the cost of on-site sewer and water facilities, road con-
13 struction to project sites, energy efficient design features in homes,
14 and extension of electrical distribution facilities to individual
15 residences.

16 * Sec. 3. AS 44.47 is amended by adding a new section to read:

17 Sec. 44.47.378. ALASKA ENERGY EFFICIENT HOME FUND. (a) There
18 is established in the department the Alaska energy efficient home fund
19 consisting of money appropriated to it by the legislature. The com-
20 missioner shall administer the Alaska energy efficient home fund under
21 the provisions of this section.

22 (b) Subject to appropriation, the commissioner may grant funds
23 from the Alaska energy efficient home fund to agencies of the state or
24 federal government, individuals, or businesses that retrofit existing
25 single family dwellings or build new single family dwellings that meet
26 criteria adopted by the commissioner.

27 (c) Subject to appropriation, the commissioner may allocate
28 funds from the Alaska energy efficient home fund to provide for imple-
29 mentation and monitoring activities of the Alaska Craftsman Home

1 Building Program.

2 (d) Subject to appropriation, the commissioner may allocate
3 funds from the Alaska energy efficient home fund to a homeowner for
4 mitigation of indoor radon health hazards.

5 (e) The commissioner shall adopt guidelines and procedures for
6 the fund after consultation with the board of directors of the Alaska
7 Craftsman Home Program.

8 (f) In developing guidelines and procedures for the allocation
9 of funds from the energy efficient home fund the commissioner shall
10 take into account the financial need of the applicant as well as the
11 educational value of the request.

12 (g) To be eligible to receive a grant under (d) of this section,
13 the homeowner must have applied for a loan to mitigate the effects of
14 radon from a state chartered or federally chartered lending institu-
15 tion, and must have been rejected.

Original sponsors: Ellis, Koponen,
Menard, et al.

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 318 (FIN)

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4 FIFTEENTH LEGISLATURE - SECOND SESSION

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20 Craftsman Home Program standards;

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1 create new jobs, provide technology that can be exported, develop new
2 business opportunities, and increase the stability of the state's economy.

3 (b) It is the policy of the state to encourage the building of homes
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21 the provisions of this section.

22 (b) Subject to appropriation, the commissioner may grant funds
23 from the Alaska energy efficient home^[grant] fund to agencies of the state or
24 federal government, individuals, or businesses that retrofit existing
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10 take into account the financial need of the applicant as well as the
11 educational value of the request.

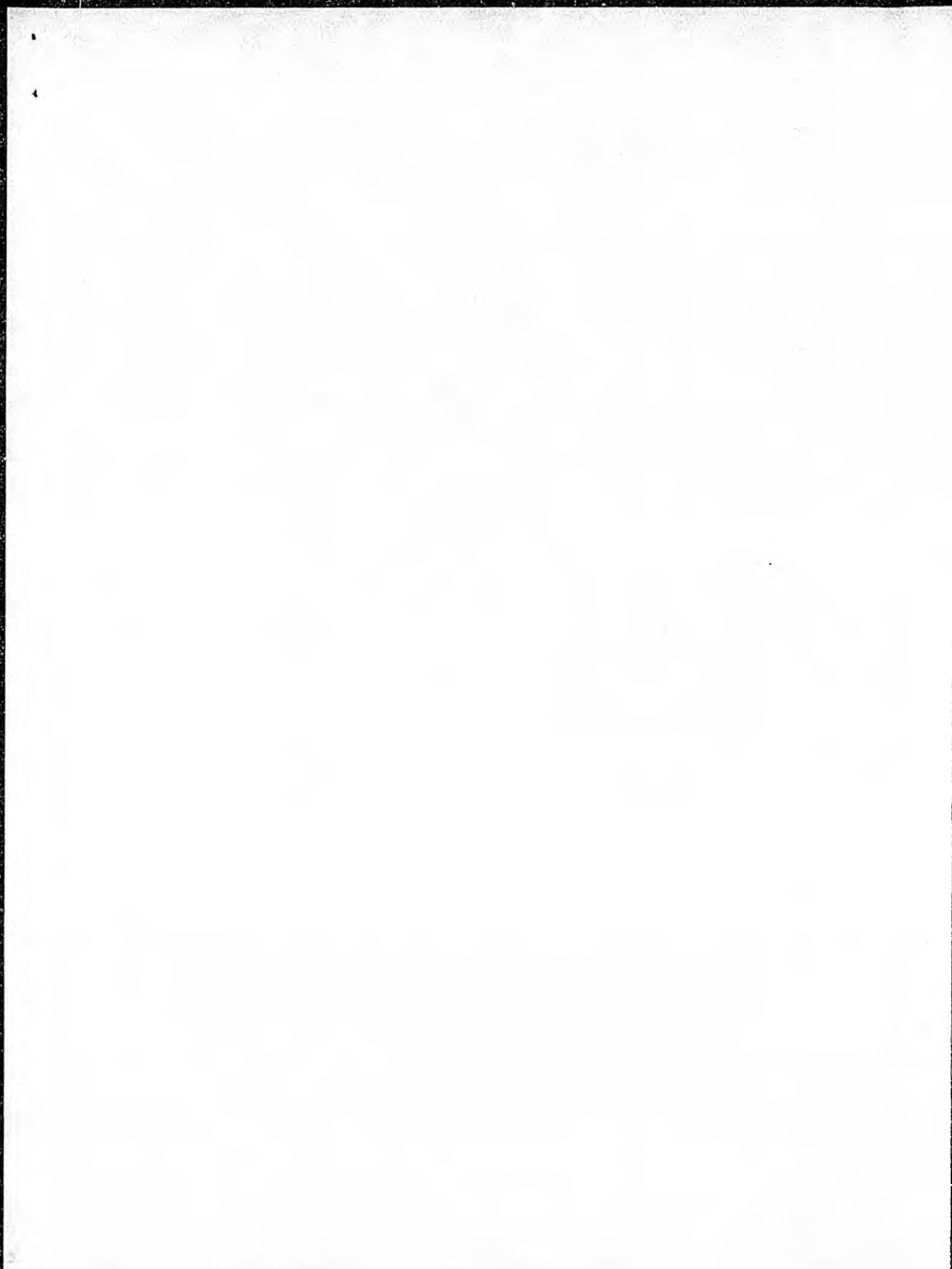
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Rep. Johnny Ellis
April 12, 1988

CSHB 318 AND CSHB 319 BACK-UP

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<u>TAB</u>	<u>MATERIALS</u>
A	CSHB 318, proposed with analysis - AS 18.55.998 Supplementing Housing Development Grants - AS 45.88 Alternative Energy Revolving Loan Fund - Projected payment revenues
B	CSHB 319, proposed with analysis
C	Hoffman February 11, 1988 letter to Brown
D	The Alaska Craftsman Home Program
E	Supporting Localities and Agencies



WORK DRAFT

WORK DRAFT

WORK DRAFT

5-1190X

Bradley
4/7/88

Original sponsors: Ellis, Koponen,
Menard, et al.

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 318 ()

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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18 There is established in the department the Alaska energy efficient
19 home grant fund consisting of money appropriated to it by the legisla-
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21 home grant fund under the provisions of this section.

22 (b) Subject to appropriation, the commissioner may grant funds
23 from the Alaska energy efficient home grant fund to agencies of the
24 state or federal government, individuals, or businesses that retrofit
25 existing single family dwellings or build new single family dwellings
26 that meet criteria adopted by the commissioner.

27 (c) The commissioner shall adopt guidelines and procedures for
28 the fund after consultation with the board of directors of the Alaska
29 Craftsman Home Program.

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* Sec. 4. AS 45.88.030(d) is amended to read:

(d) Each [ALL] principal and interest payment [PAYMENTS] on a
loan [LOANS] made under this chapter shall be paid into the Alaska
energy efficient home grant [ALTERNATIVE ENERGY REVOLVING LOAN] fund
established under AS 44.47.378.

ANALYSIS OF CSHB 318 (C&RA)

AND PROPOSED FINANCE COMMITTEE PROVISIONS

CSHB 318:

Section 1. findings section.

Section 2. amends AS 18.55.998(a) relating to the supplemental housing development grant fund. This fund is used to pay supplemental costs of building HUD homes in Alaska. Use of this fund is currently limited to supplementing the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences. This section of the bill adds "energy efficient design features in homes" to the list of existing uses. (Current statute attached.)

This amendment was suggested by the Department of Community and Regional Affairs. (See Hoffman letter to Brown, Tab C)

Section 3. Creates the energy efficient home grant fund within the Department of Community and Regional Affairs. Authorizes the commissioner to grant funds from the fund to "agencies of the state or federal government, individuals, or businesses that retrofit existing single family dwellings or build new single family dwellings that meet criteria adopted by the commissioner."

PROPOSED FINANCE COMMITTEE PROVISIONS:

Section 4. amends existing A.S. 45.88.030(d), (attached), relating to repayments of Alternative Energy Revolving Loan Fund (AERLF) loans to reflect the transfer of assets and future receipts of the AERLF to the energy efficient home grant fund established herein.

Department of
Affairs is not
required to
clear
August 2.

Department and Re-
18.55.998.
Regional au-
compliance
1982 Op.

Annual audits
mandated
by the
Regional
development
must be con-
ducted
not
certification.

Authority ap-
propriate political
authorities
Subpart F
with grants for
specific Rim is
not consid-
ered part F for
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using and
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Gen.

powers
§ 18.55.996, a
res and
assistance in
plans for
areas of
grant assis-
tance in an
Department
of on a
state on a
§ 18.55.996.

or the
home:

Director of
A(

(B) a community in the first judicial district of the state with a population of 4,500 or less. (§ 11 ch 167 SLA 1978; am § 14 ch 113 SLA 1982)

Effect of amendments. — The 1982 amendment in subsection (a), substituted "division of housing assistance in the Department of Community and Regional Affairs" for "board of directors of the Alaska Housing Finance Corporation" in the first and second sentences, added the language beginning "other than in an area" to the end of the first sentence, and substituted the language beginning "the

interest rate on a loan" for "an interest rate approved by the board of directors of the Alaska Housing Finance Corporation" at the end of the subsection. In subsection (b), the amendment added the subparagraph (A) designation, substituted "a community in the second, third, or fourth judicial district" for "any community" and added "or" to the end, in that subparagraph, and added subparagraph (2)(B).

Sec. 18.55.998. Supplemental housing development grants. (a)

There is created in the Department of Community and Regional Affairs a supplemental housing development grant fund. Subject to the availability of appropriations for the purpose, the department shall make grants to regional housing authorities established under AS 18.55.996 for the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences.

(b) A grant may be made only for residential housing for which federal loan or grant approval has been obtained from the United States Department of Housing and Urban Development and which will be made available to the public on a nondiscriminatory basis. A grant may not be used to retire or repay obligations or debts of the grant recipient. A grant may only be for the difference between the maximum amount available under federal law or regulation for construction of the residential housing for which the grant is made and the actual costs of the construction. A grant may not exceed 20 percent of the United States Department of Housing and Urban Development total development cost per unit in effect at the time the grant is made.

(c) Grant money may be used only for the purposes specified in (a) of this section. No part of the grant money may be used for administrative or other costs of a regional housing authority whether the costs are directly associated with the construction or general costs of the authority.

(d) The department shall adopt regulations to carry out the purposes of this section. The provisions of the Administrative Procedure Act (AS 44.62) apply to regulations adopted under this section. (§ 7 ch 166 SLA 1981)

Sec. 45.87.500. Definitions. In this chapter

- (1) "bulk fuel storage facility" means a storage tank capable of holding at least 10,000 gallons of petroleum fuels;
- (2) "community" means an organized municipality or an unincorporated village which is a social unit, with a population under 2,000;
- (3) "department" means the Department of Commerce and Economic Development. (§ 41 ch 83 SLA 1980)

Reviser's notes. - Enacted as AS 45.87.010. Renumbered in 1980.

Chapter 88. Alternative Energy Revolving Loan Fund.

Section	Section
10. Fund established	40. Sale or transfer of mortgages and notes
15. Special account established	50. Disposal of property acquired by default or foreclosure
20. Powers and duties of the department in administering the fund	500. Definitions
30. Loan terms	

Sec. 45.88.010. Fund established. There is established in the Department of Commerce and Economic Development the alternative energy revolving loan fund to carry out the purposes of this chapter. Loans made under this chapter are to be used to develop means of energy production utilizing energy sources other than fossil or nuclear fuel, including, but not limited to, windmills, water and solar energy devices. (§ 1 ch 29 SLA 1978; am § 5 ch 56 SLA 1979; am § 28 ch 83 SLA 1980)

Sec. 45.88.015. Special account established. (a) There is established, as a special account within the revolving loan fund established under AS 45.88.010, the foreclosure expense account. This account is established as a reserve from fund equity.

(b) The commissioner of commerce and economic development may expend money credited to the foreclosure expense account when necessary to protect the state's security interest in collateral on loans made under AS 45.88.020 or to defray expenses incurred during foreclosure proceedings after a default by an obligor. (§ 23 ch 79 SLA 1985)

Sec. 45.88.020. Powers and duties of the department in administering the fund. (a) The department may

- (1) make loans for the purchase, construction, and installation of alternative energy systems;
- (2) adopt regulations necessary to carry out the provisions of this chapter.

(b) The department shall develop eligibility standards for loans made under this chapter and adopt guidelines for the determination of loan terms.

(c) The department may not make a loan under this chapter to a person who has a past due child support obligation established by court order or by the child support enforcement division under AS 47.23.160 -- 47.23.220 at the time of application. (§ 1 ch 29 SLA 1978; am § 6 ch 56 SLA 1979; am § 29 ch 83 SLA 1980; am § 9 ch 116 SLA 1986)

Effect of amendments. - The 1986 amendment added subsection (c).

Sec. 45.88.030. Loan terms. (a) A loan for the development of an alternative energy system under this chapter may not exceed \$30,000.

(b) The duration for repayment of the loan may not exceed 20 years.

(c) Loans made under this chapter may be used to finance the cost of purchase, construction, and installation of an alternative energy system or "centralized multifuel heating systems" which is likely to result in energy conservation or energy cost savings.

(d) All principal and interest payments on loans made under this chapter shall be paid into the alternative technology and energy revolving loan fund.

(e) The rate of interest for a loan under this section, other than a loan for an alternative energy system, may not exceed nine and one-half percent a year on the unpaid balance of the loan. The rate of interest for a loan for an alternative energy system is five percent for the first \$15,000 of the loan and 15 percent for the amount of the loan that exceeds \$15,000. (§ 1 ch 29 SLA 1978; am § 7 ch 56 SLA 1979; am § 21 ch 72 SLA 1979; am §§ 30 -- 33 ch 83 SLA 1980; am §§ 57, 58 ch 113 SLA 1982; am § 19 ch 102 SLA 1983)

Effect of amendments. - The 1983 "multifuel heating systems" in paragraph amendment inserted "or 'centralized'"

Sec. 45.88.040. Sale or transfer of mortgages and notes. (a) The commissioner may sell or transfer at par value or at a premium or discount to any bank or other private purchaser for cash or other consideration the mortgages and notes held by the Department of Commerce and Economic Development as security for loans made under this chapter.

(b) *(Repealed, § 14 ch 122 SLA 1980)* (§ 1 ch 29 SLA 1978; am § 22 ch 72 SLA 1979; am § 14 ch 122 SLA 1980)

Alternate Energy & Residential Energy Revolving Loan Funds
 Projected Payment Revenues

Fiscal Year	Alternate Energy	Residential Energy
89	1536.2	741.9
90	1531.0	710.6
91	1458.3	621.3
92	1294.0	290.4
93	1221.3	
94	1085.2	
95	1004.0	
96	924.6	
97	862.1	
98	811.6	

Prepared by: Division of Investments

3-22-88

ME
3-22-88

WORK DRAFT

WORK DRAFT

WORK DRAFT

S-1191X
Utermoehle
4/7/88

Original sponsors: Ellis, Koponen,
Menard, et al.

Funding Information
General Fund \$ 711,000
Other Funds 1,010,000
\$1,721,000

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 319 ()

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making special appropriations for the Alaska
7 energy efficient home program; and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$261,000 is appropriated from the general fund
11 to the University of Alaska, cooperative extension service, for preparation
12 and implementation of the Alaska energy efficient home program and for
13 instrumentation and data base development for the program.

14 * Sec. 2. The sum of \$35,000 is appropriated from the general fund to
15 the University of Alaska, cooperative extension service, for research
16 activities of the Alaska energy efficient home program that have been
17 approved by the board of directors of the Alaska Craftsman Home Program.

18 * Sec. 3. The sum of \$330,000 is appropriated from the general fund to
19 the Department of Community and Regional Affairs to develop and distribute
20 educational information for the general public regarding the Alaska energy
21 efficient home program.

22 * Sec. 4. The sum of \$760,000 is appropriated from the Alaska energy
23 efficient home grant fund to the Department of Community and Regional
24 Affairs for grants to pay the incremental cost of constructing 190 rural
25 housing and urban development project homes to the standards of the Alaska
26 Craftsman Home Program.

27 * Sec. 5. The sum of \$85,000 is appropriated from the general fund to
28 the University of Alaska, cooperative extension service, for travel and
29 on-site supervision of the construction of the first home built in each of

1 the housing projects funded under sec. 4 of this Act.

2 * Sec. 6. The sum of \$250,000 is appropriated from the Alaska energy
3 efficient home grant fund to the Department of Community and Regional
4 Affairs for grants to construct at least one model home in each of the 15
5 regions established by the Department of Community and Regional Affairs for
6 the development of residential energy conservation standards for new
7 buildings.

8 * Sec. 7. All right, title, and interest in alternative energy loans
9 made under AS 45.88, together with assets and fund equities held in the
10 alternative energy revolving loan fund (AS 45.88.010) on the effective date
11 of this Act are transferred and appropriated to the Alaska energy efficient
12 home grant fund in the Department of Community and Regional Affairs.

13 * Sec. 8. The appropriations made by secs. 1 - 6 of this Act lapse into
14 the general fund June 30, 1990.

15 * Sec. 9. The appropriation made by sec. 7 of this Act does not lapse.

16 * Sec. 10. This Act takes effect on the effective date of an Act passed
17 by the Fifteenth Alaska State Legislature that establishes the Alaska
18 energy efficient home grant fund.

ANALYSIS OF CSHB 319 (C&RA)
AND PROPOSED FINANCE COMMITTEE PROVISIONS

CSHB 319:

Section 1. appropriates \$271,000 to the University of Alaska cooperative extension service.

As proposed by the Alaska Home Craftsman program Board of Directors, the break-down of this appropriation amount is as follows:

Preparation of Educational material for shelter industry:	<u>\$ 21,000</u>
- Brochure for Realtors & Appraisers	\$8,000
- Brochure for Bankers	4,000
- 18 training workshops	9,000
Development of Energy Budget Computer Program:	<u>\$ 60,000</u>
Support Training Teams:	<u>\$ 80,000</u>
- Annual conference with full slate training	\$20,000
- Travel and Per Diem expenses	20,000
- Workshop fees	40,000
Program Evaluation and Monitoring:	<u>\$110,000</u>
	<u>-----</u>
	<u>\$271,000</u>

Section 2. appropriates \$35,000 to the University of Alaska, Cooperative Extension Service.

As proposed by the Alaska Home Craftsman program Board of Directors, the break-down of this appropriation amount is as follows:

Trade, High School, and college curriculum development and implementation:	\$20,000
Incremental funding for demonstration homes:	\$15,000
	<u>-----</u>
	<u>\$ 35,000</u>

Section 3. appropriates \$330,000 to the Department of Community and Regional Affairs.

As proposed by the Alaska Home Craftsman program Board of Directors, the break-down of this appropriation is as follows:

TV and Radio Air Time, Newspaper Inserts	\$270,000
Direct Mailing (2 mailings x 30,000)	60,000
	<u>-----</u>
	\$330,000

Section 4. appropriation to the Alaska energy efficient home grant fund for the incremental cost of design and construction of 190 HUD homes to the program standards	\$760,000
---	-----------

Section 5. appropriation to DC&RA for the cost of on-site supervision of the first home in each area	85,000
--	--------

Section 6. appropriation to the Alaska energy efficient home grant fund for the cost of construction of 50 model demonstration homes	250,000
	<u>-----</u>
	\$1,095,000

TOTAL COST: \$1,721,000

PROPOSED FINANCE COMMITTEE AMENDMENTS:

Section 7. Transfers "all right, title, and interest in alternative energy loans...together with assets and fund equities" of the Alternative Energy Revolving Loan Fund to the Alaska energy efficient home grant fund.

This amendment creates a recurring funding source for the grant fund. Only the grants will be funded by this source.

Section 8. Lapses appropriations from sections 1-6 into the General Fund 6/30/90.

Section 9. States that Section 7 (which transfers the assets of the Alternative Energy Revolving Loan Fund to the Alaska energy efficient home grant fund) does not lapse.

Section 10. Provides for an effective date.

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 553-1073

February 11, 1988

The Honorable Kay Brown
Alaska State House of Representatives
P. O. Box V
Juneau, AK 99811

Dear Rep. ^{CAF} Brown:

This is in response to your inquiry as to what options are available to address the energy concerns on this year's HUD housing standards that will not be covered by the new residential energy standard because of the nine-month moratorium.

*Tentatively
Approved
Locations
Attached*

According to Marlin Knight, Alaska's HUD representative, 277 single-family residences will be constructed in rural Alaska with HUD financing. Of that number, 190 will receive some form of State financial assistance. According to Mr. Knight, HUD will not know until May in which communities the projects will be located, but it will be in all of the rural regions. As a guide, the following are the locations of HUD projects this past year:

<u>Housing Authority</u>	<u>Location</u>	<u>No. Units</u>
Tlingit-Haida	Hydaburg	25
Northwest Inupiat	Kotzebue	25
Bering Straits	Unalakleet	15
	White Mountain	15
AVCP	Nunapitchak	15
	Aniak	24
	Tununak	11
	Pitkas Point	9
Bristol Bay	Ekwok	20
Aleutian	Unalaska	15
Metlakatla	Metlakatla	15
	Total	189

Regarding options to address the energy-efficiency of the 190 HUD homes that will be constructed with State financial assistance, the following are options that can be considered:

1. Education - This option would represent the status quo, except that education on energy-efficient conservation is being provided to the housing authorities through the Alaska Craftsman Training Program. While the housing authorities have been receptive to the information provided, their actions are limited by HUD's restriction of \$92,000 per home.

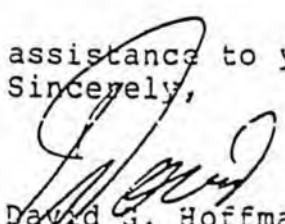
February 11, 1983

2. Amend AS 18.55.997 - The Supplemental Housing Development Grant Program matches HUD funding with State funds. Currently, the law allows the program to fund only the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences. The law could be amended to include energy-efficiency in the allowable activities without necessarily needing an increase of State funding. If additional State funds are not earmarked for energy efficiency, however, this category must compete with the present categories which have been using up the funds.
3. Support the Incremental Costs of Building to the State Standard - According to our calculations, depending on the region in which the homes will be built, it will cost from \$1,279 to \$3,307 to build to the State standard over HUD's minimal standard. This would annually save \$209 to \$470, respectively, in energy costs to the low-income consumers. In FY89, this would have cost the State \$400,000 initially, and save an estimated \$94,000 annually in fuel costs (a 4.2-year payback).
4. Pay the Incremental Cost of Making the Homes Superinsulated - For an additional \$4,000, the homes could be built to reduce this energy consumption by at least 50%. This would cost the State an additional \$760,000 in 1988, but would have saved, conservatively, an estimated \$134,000 in fuel costs in the first year. (A 5.6-year paybook)

I agree with your concern regarding the energy-efficiency of new low-income rural housing. That is why we have made it a priority to work with the housing authorities on providing them technical assistance, and have adopted the residential energy standard.

I hope that the information is of assistance to you.

Sincerely,



David G. Hoffman
Commissioner

cc: Steve Baden
Program Coordinator
Conservation Programs
Department of Community and
Regional Affairs

Representative Ellis
April 6, 1988

Location of HUD projects to be out for bid May of 1988
(actual construction in FY 89)

<u>LOCATION</u>	<u>NUMBER OF UNITS</u>
Sand Point	10
Aniak	25
Pununak	25
Hydaberg	15
Haines	20
Point Hope	18
Hoonah	10
Atqasuk	2
Kaktovik	7
Shagalook	10
Beaver	10
Shismareff	20*
Golovin	20
Kotlik	16
Alekmagik	20
Alakanuk	17
Dillingham	50**
	<hr/>
	295

These are the projects which have been approved tentatively by HUD. The Department of Community and Regional Affairs has been funded in the Governor's FY '89 revised budget enough money to pay the supplemental costs of 190 homes.

* top priority

** acquisition project

INFORMATION PROVIDED BY DIVISION OF HOUSING ASSISTANCE:





The Alaska Craftsman Home Program is about better built homes and people's health, safety, and comfort. The Consumer Federation of America estimates that poor indoor air pollution costs this country \$100 billion annually. Clearly, with estimates as high as 20,000 radon induced deaths a year nationally, the mitigation methods for indoor air pollution taught in the Alaska Craftsman workshops and embodied in the voluntary standards are sorely needed. Radon is only one of over 100 indoor pollutants found in homes that cost people money and affect health.

Rural Alaskans spend between 16% and 37% of their incomes on energy bills. In many cases the government pays those costs. A superinsulated Alaska Craftsman Home saves the home owner (or government) from 50% to 90% of the heating costs and could eventually reduce Alaska's home heating bill \$80,000,000 annually.

The Alaska Craftsman Home Program is designed to provide technical information for the shelter industry and citizens of Alaska through an information network of people and publications. The program has its roots in the very successful \$50,000,000 Canadian R-2000 program and is closely tied to it. ACHP has trained 24 volunteer Alaskans to conduct workshops on the technology detailed in the new Alaska Craftsman Home Building Manual.

The program is a partnership of The Department of Community and Regional Affairs, University of Alaska Cooperative Extension Service, Energy Rated Homes of Alaska, and Alaska State Homebuilders Association.

The ACHP has set a voluntary performance standard based on the latest technology. Building this way results in significantly reduced energy bills, reduced home maintenance, increased comfort, reduced noise from outside sources, and improved indoor air quality. Plans are evaluated and homes are tested to assure compliance with the standards.

Legislation is pending to appropriate \$1,721,000 to the program by HB 318, 319 and SB 308. Funding is needed in the areas of program support for administration, training activities, monitoring (22%), public education (19%), and incentives (59%). All activities, including the incentives, are educational in nature and approximately 25 jobs will be created as a result of this appropriation.

The program needs state support to revitalize our housing industry and allow Alaska to compete in the international housing market. Many political, economic development, and environmental groups recognize the potential of this program and support it. A growing listing of these include:

- | | |
|---|--|
| The Alaska Municipal League - | Northwest Arctic Mayors Conference - |
| The Matanuska Susitna Borough - | The Kenai Peninsula Borough - |
| The Kodiak Island Borough - | The Municipality of Anchorage - |
| Fairbanks North Star Borough - | City of Kodiak - |
| City of Wasilla - | City of Palmer - |
| City of Anderson - | City of Kenai - |
| Housing Authorities - | City of Soldotna - |
| North Slope Borough Utilities - | Association of |
| Alaska Center for the Environment - | The Joint Energy Task Force of Utilities - |
| Alaska State Homebuilders Association - | The American Lung Association - |
| Mat-Su Homebuilders Association - | Interior Economic Development Council - |
| The Anchorage Daily News - | Interior Homebuilders Association - |
| The Frontiersman - | Building Industry Association of Anchorage - |
| AVEC - | MLSP - |
| | AKPig |

State energy conservation programs for the homeowner and builder

How does one build a home in Alaska? Alaska's climate varies from relatively mild maritime environments swimming in humidity with 7,000 heating degree days to wind swept arctic deserts with 22,000 heating degree days. Housing failures are immediate and dramatic in Alaska. The problem is how to build correctly in the various environments considering both the laws of physics and economics. And the solution is different for each climatic zone.

In most Alaskan communities, the demand for energy is placing a serious strain on the local economy. This is particularly true in rural communities which are subsistence based. The cost of energy is a constant drain on the local economy with money being sent out to petroleum suppliers rather than being circulated within the community. The burden that energy cost places upon the family is illustrated by the fact that rural Alaskans spend between 16% and 37% of their incomes on energy bills. It is clear that conservation has a key role to play in the state's economic development strategy as well as energy policy.

In Alaska, Government is taking a three program approach to the shelter industry regarding residential energy efficiency. The state provides a stick, a carrot and a vision.

Energy conservation works, the question becomes how to get the conservation technology adopted into the mainstream of the shelter industry. In government the natural tendency is to hammer the message home with codes. Observing the efforts in other states and the heavy industry resistance, Alaska decided to involve the private sector in the actual development of a state thermal code.

The state initiated the process by establishing an advisory committee with members representing builders, contractors, architects, engineers, bankers, code officials, and government. The committee made the key decisions in developing the standards. This allowed Alaska to find the fatal flaws prior to implementation and develop a constituency. The committee broke the state into geographically determined regions and developed though computer analysis determined the most cost effective insulation strategies for each region. The committee then determined what was economically and politically the minimal standards for each region. The committee also chose to apply the codes only to state subsidized finance programs. Objections were minimized since the state is subsidizing mortgage programs and it could be argued that the state has a 30 year interest in the homes being financed. The state programs finance nearly 75% of all home mortgages in the state so the codes will certainly impact the industry. This was the stick to move the industry forward toward conservation building practices. Yet the state wanted to win those opposed to the codes over as well.

Next the state embraced the Energy Rated Home Program. This is a program that qualifies home buyers for a larger percentage of their gross income for home mortgages on energy efficient homes. The program can increase the debt ratio up to 4 percentage points. This allows the buyer to purchase a more expensive home. This is the carrot of the energy conservation program.

The state used the same industry partnership approach to develop the program. An advisory committee was established with representatives of the appraisers, bankers, Realtors, utilities, local governments as well as the state mortgage bankers association. Energy Extension Service and Energy Conservation Program funds were

used to develop rating sheets, train bankers and appraisers, and provide the first years generic marketing of the program. The computer program that was developed and used to analyze the thermal codes was used to establish the incentive breaks for the Energy Rated Homes program. Energy Rated Homes provides a valuable and consistent measure of the efficiency of a home.

Both the carrot and stick have moved the industry with their own help forward, but where does everyone want to go?

The Alaska Craftsman Home Program is the way we have unleashed the creativity of our progressive builders and designers and at the same time created a method to share the knowledge they will gain. This program provides the vision of the industry.

Within the bureaucracy this program presents the most difficult challenges and the greatest opportunities. To carry out an ambitious program such as the Alaska Craftsman Home Program it was clear that more resources and support were necessary than one agency could provide. The Department of Community and Regional Affairs had the experience and data base as a result of the efforts of putting together the thermal standards and participation in the energy rated homes program. The Cooperative Extension Service had the education background and an unbiased and technically sound reputation. The Cooperative Extension Service also had the trust of both the industry and private citizens alike, bridging an important gap there. The Alaska state Homebuilders Association had the political clout and network with the home builders across the state.

At first glance the relationships were not clear and some lingering suspicions from the regulatory experience had to be dispelled. Common ground was found with leadership provided by the neutral Cooperative Extension Service. The Cooperative Extension Service put together the program to achieve each of the groups interests. The state wanted to encourage energy efficient construction, the Cooperative Extension Service wanted to initiate a statewide builder education program, and the Home builders wanted a stimulus for the ailing building industry, state-of-the-art information and a way to mitigate the apparent economic damage of new thermal regulation.

a great deal of effort has gone into establishing the program. Some credit has to be given to a convenient recession, and the right people in the right place at the right time for successes to date.

The thermal standards now establishes the minimal thermal levels, the Energy Rated Home Program initiates a graduated incentive program to reward people for pursuit of the state-of-the-art with the optimum being the Alaska Craftsman Home. The education program for each of the three programs is based around the state-of-the-art Alaska Craftsman Home.

The Alaska Craftsman Home Program is designed to change their standard as new information is gathered, to assure that this optimal voluntary program remains state-of-the-art. The three programs are all based on the 21/2 years of research the Department of Community and Regional Affairs, and Institute of Social and Economic Research did to establish the thermal standards and analysis through the AKWARM computer program. The minimal thermal standards and Alaska Craftsman are the lower and upper limits of economically viable thermal performance in Alaska. The Energy Rated Home Program measures any and all homes to see how they rate in comparison to the two standards (minimal and optimal) that have been established.

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

October 19, 1987

The Honorable Alfonse D'Amato
Ranking Minority Member
Subcommittee on Housing and
Community Development
United States Senate
520 Hart Building
Washington, DC 20510

Dear Senator D'Amato:

RE: SECTION 128 OF S.825, THE 1987 HOUSING ACT

We are strongly in support of the inclusion of \$4.7 million for a demonstration project of energy efficient housing in the above referenced Act recently passed by the U.S. House of Representatives.

As you may be aware, Alaska has had more than 500 public housing units for which low-income residents/purchasers have refused to make payments because of gross deficiencies in the design and construction. This has resulted in millions of dollars spent by the federal government to settle lawsuits and also to attempt to correct these deficiencies. This has been a real problem in Alaska due to high energy costs and low-income housing built at inadequate standards.

The state is currently working with Housing and Urban Development (HUD) to provide training to Alaska housing authorities and their staff on the latest building techniques, designs, and products for the extreme Alaska climates. This program, called the Alaska Craftsman Home Program, is strongly supported by the Alaska Homebuilders Association, and the National Center for Appropriate

Supporting Localities and Agencies

North Slope Borough Utilities Department

City of Anderson

City of Palmer

Kenai Peninsula Borough

Fairbanks North Star Borough

City of Kodiak

Matanuska-Susitna Borough

Bering Straits Regional Housing Authority

City of Seward

City of Kenai

Kodiak Island Borough

Alaska Municipal League

American Lung Association of Alaska

International Conference of Building Officials

Association of Alaska Housing Authorities



April 24, 1987

The Honorable Steve Cowper, Governor
State of Alaska
P.O. Box A
Juneau, Alaska
99811

File

Dear Governor,

Recently we have received information regarding the Alaska Craftsman Home Program regarding education and implementation of efforts towards promoting high levels of energy efficiency for Alaskan Homes. Benefits to building super-insulated homes are far reaching encompassing home owners and the building industry, as well as having long range positive effects to community savings which assist in stimulating local economies, especially important to rural communities.

Here on the North Slope with communities paying the highest in the nation for heating fuel it is of the utmost importance to find and implement alternatives to insure our financial security for the years to come. Education for this generation and generations to come is very important. A recent state survey pointed out that the least likely way individual home owners learned about home energy efficiency was through the schools. With this in mind it is very important to establish a foundation on which to develop awareness for all alternatives available and capitalize on those alternatives that work.

The Alaska Craftsman Home Program Incentive Proposal is an idea which time has come, not for just our communities, but for all who call Alaska their "home". Development of the State of Alaska's Residential Thermal Standards brought us a long ways to promote the ideals of resource efficiency. Promotion on the commercial, community, and individual home owner level with it's development committed to education is indeed a worthwhile venture.

As Energy Planner for the North Slope Borough Utilities Dept. I support the Alaska Craftsman Home Program.

Best Regards
[Signature]
Energy Planner
N.S.B. Utilities

NORTH SLOPE BOROUGH

Dept. of Public Utilities, P.O. Box 20, Juneau, Alaska 99801



CITY OF ANDERSON

P.O. Box 3100 • Anderson, AK 99744 • Phone (907) 592-2500

In Reply
Refer To:

April 20, 1987

The Honorable Steve Cowper
Governor
State of Alaska
Pouch
Juneau, Alaska 99811

Dear Governor Cowper:

On behalf of the City I am writing in support of the Alaska Craftsman Home Program, (ACHP). ACHP's efforts to promote residential energy efficiency in home building construction has been impressive.

The reduction in housing costs and maximization of thermal efficiency should be a major component in any attempt to develop Alaska's rural economy(s).

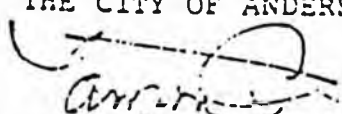
Local economic development efforts, currently underway in communities such as the City of Anderson, would be positively enhanced through the state's support of the ACHP.

Your support of programs such as the Alaska Craftsman Home Program, can help to ensure for the successful development of both rural and urban Alaska alike.

Thank you.

Sincerely,

THE CITY OF ANDERSON


Lanston Chinn
City Administrator

LC/eh

cc: Philip G. Loudon ✓

CITY OF PALMER, ALASKA

RESOLUTION NO. 765

RECEIVED 10/29/87

FEB 8 1988

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

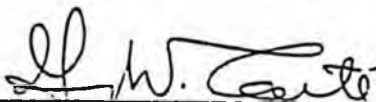
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska and City of Palmer will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE BE IT RESOLVED that the City of Palmer encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IT FURTHER RESOLVED that the City of Palmer supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Palmer City Council this 27th day of October, 1987.



GEORGE W. CARTE, MAYOR



S. WELLS WILLIAMS, ACTING CITY CLERK

Introduced by: Sewall, Glick
Date: September 1, 1987
Action: Adopted
Vote: Unanimous

file

RECEIVED SEP 8 1987

KENAI PENINSULA BOROUGH
RESOLUTION 87-81

IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the citizens of the Kenai Peninsula Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That it is the policy of the Kenai Peninsula Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 1 DAY OF September, 1987.

ATTEST:

Jonathan W. Sewall
Jonathan W. Sewall, Assembly President

Deanne Brunell
Borough Clerk

by Catherine J. DeLoe, Rep. Clerk

By: Juanita Helms
Introduced: 01/14/93
Adopted: 01/21/93

RESOLUTION NO. 98-078

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES

FEB 25 1993

WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduced home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and thereby, improve the local economy of the State, and

WHEREAS, the citizens of the borough will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Fairbanks North Star Borough to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home Program and further that the borough assembly supports legislation to establish similar borough policy and borough support for the Alaska Craftsman Home Program.

PASSED AND APPROVED THIS 21ST DAY OF JANUARY, 1993.


Presiding Officer

ATTEST:


Clerk of the Assembly

file

FEB 11 1988

CITY OF KODIAK
RESOLUTION NUMBER 51-87

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK SUPPORTING
THE ALASKA CRAFTSMAN HOME PROGRAM

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce dwellings' contribution to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the Alaska State Legislature has introduced legislation in the form of Senate Bill 308 and House Bills 318 and 319 that support the Alaska Craftsman Home Program with the expectation that these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the City of Kodiak; and

WHEREAS, the citizens of Kodiak will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, the City of Kodiak encourages the building of homes to the energy efficient standards of the Alaska Craftsman Home Program and further that the City of Kodiak supports Alaska State Senate Bill 308 and House Bills 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

PASSED AND APPROVED this 14th day of DECEMBER, 1987.

CITY OF KODIAK

Robert B. Brodie
MAYOR

ATTEST:

Marcella Dalke
CITY CLERK

Introduced by: Mayor Jones
 Introduced: 06/02/87
 Drafted by: G.L.S.

MATANUSKA-SUSITNA BOROUGH

Resolution Serial No. 87-66

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM FOR
 REDUCED HOME ENERGY CONSUMPTION.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the Matanuska-Susitna Borough, and

WHEREAS, the citizens of the Matanuska-Susitna Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE

1. That it is the policy of the Matanuska-Susitna Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

2. That the Assembly supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program.

PASSED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 2nd day of June, 1987

Corotny A. Jones, Mayor
 Corotny A. Jones, Mayor

ATTEST:

Chris Seagraves
 Chris Seagraves, Borough Clerk
 (SEAL)

BERING STRAITS REGIONAL HOUSING AUTHORITY

Regular Meeting
of the
Board of Commissioners
April 14, 1987

Resolution 87-07

WHEREAS, high heating bill remain the greatest drain on income for Rural Alaska Residents, and

WHEREAS, programs such as the Low Income Household Energy Assistance Program (LIHEAP) and Power Cost Equalization (PCE) help Rural Alaska residents pay energy bills, and

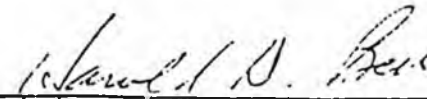
WHEREAS, even with these programs, many low income Rural Alaska residents must use large amounts of their limited cash to buy heating oil, and

WHEREAS, new high efficiency heating equipment could reduce oil consumption in thousands of rural homes by 30 - 50% , and

WHEREAS, these high efficiency units cost \$500 to \$1,000 and most Rural Alaska residents do not have sufficient capital to purchase these units,

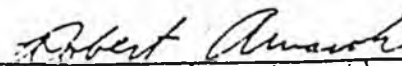
NOW THEREFORE, be it resolved that the Board of Commissioners of the Bering Straits Regional Housing Authority support the idea of the State of Alaska establishing a Low Interest Revolving Loan Fund that would enable people to reduce their heating oil consumption and save money;

Passed and approved by the Board of Commissioners of the Bering Straits Regional Housing Authority this 14 day of April, 1987.



Chairman (Harold Bell)

SEAL

Attest: 

Secretary (Robert Amarok)

Sponsored by: Gieseler

CITY OF SEWARD, ALASKA
RESOLUTION NO. 87-079

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs and increase the economic stability of the owner; and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced; and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the city of Seward; and

WHEREAS, the citizens of the city of Seward will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, that:

Section 1. It is the policy of the city of Seward to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

Section 2. The City Council supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program. .

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, this 14 day of September, 1987.

FEB 20 1988

RECEIVED 11 18 1987

Suggested By: City Council

CITY OF KENAI

RESOLUTION 87-57

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, SUPPORTING THE ALASKA CRAFTSMAN'S HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION CONCEPT.

WHEREAS, in the first session of the Fifteenth Alaska Legislature, SB 308 and HB 318 supporting the Alaska Craftsman's Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education thereby contributing to the overall economy of the state, the Kenai Peninsula Borough and the City of Kenai, Alaska, and

WHEREAS, the Alaska Craftsman's Home Program will be benefitted economically by reducing home energy consumption, they will also be benefitted by improved health and safety of such constructed dwellings, the indoor air quality will be improved and their home maintenance needs will be decreased.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, that said Council supports the concepts as set out in SB 308 and HB 318 as introduced in the first session of the Fifteenth Alaska Legislature to establish a state policy and to provide support for the Alaska Craftsman's Home Program.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 2nd day of September, 1987.

John J. Williams

JOHN J. WILLIAMS, MAYOR

ATTEST:

Janet Wheilan

Janet Wheilan, City Clerk

2025 NOV 24 1057

KODIAK ISLAND BOROUGH
RESOLUTION NO. 87-71-R

A RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy construction, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, Alaska state lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 that support the Alaska Craftsman Home Program. And that these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the Kodiak Island Borough; and

WHEREAS, the citizens of the Kodiak Island Borough will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED by the Kodiak Island Borough Assembly that it is the policy of the Kodiak Island Borough to encourage the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program;

AND BE IT FURTHER RESOLVED that the Kodiak Island Borough supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

PASSED AND APPROVED this 5 day of November, 1987.

KODIAK ISLAND BOROUGH

By Jan H. Seltin
Borough Mayor

By [Signature]
Presiding Officer

ATTEST:

By [Signature]
Borough Clerk

FEB 5 1988

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-36

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES.

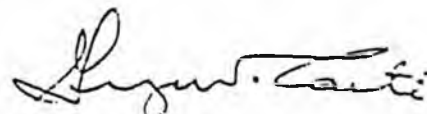
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and, thereby, improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program;


NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Alaska Municipal League to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home program and further that the Alaska Municipal League supports legislation to establish similar state policy and state support for the Alaska Craftsman Home Program.

Adopted this 13th day of November 1987.



George W. Carte, President

ATTEST:



Scott A. Burgess, Executive Director

AMERICAN  LUNG ASSOCIATION of ALASKA
Dedicated to the prevention and control of lung disease

FEB 1 1988

RECEIVED OCT 26 1987

October 22, 1987

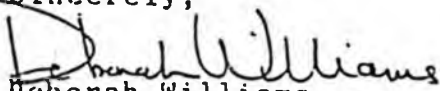
Governor Steve Cowper
P.O. Box A
Juneau, Alaska 99811

Dear Governor Cowper:

Indoor air quality is a pressing issue in Alaska. Two pending bills, HB 318 and 319, help address indoor air quality in a very practical manner through the Alaska Craftsman Home Program. Building energy efficient homes that also have healthful air quality is an important and achievable goal.

We urge your support of the Alaska Craftsman Home Program and other measures that promote indoor air quality.

Sincerely,


Deborah Williams
Executive Director

cc. Dan Markle

DW/cc

International Conference of Building Officials

Alaska Southeast Chapter

POSITION PAPER SB-308 HB-318 ENERGY EFFICIENT BUILDING TECHNOLOGY

Our members support this bill and all efforts to achieve affordable well built housing in Alaska.

The standards of the Alaskan Craftsman Home Program represent the latest in scientific technology adapted to our unique climatic and economic conditions. Homes built to these standards will be healthier, less expensive to maintain and more durable than other housing units.

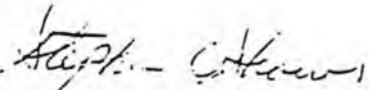
Creation of this fund will provide needed employment in the construction industry. This program could dramatically reduce the energy consumption of both new and existing dwellings in the State.

Local economies will benefit from the increase in disposable income which these energy savings will provide. Increased employment and improved general health of the population will contribute to long term economic stability.

These housing units are the legacy we will leave to future generations. Our innovations and courage will be appreciated now and for many years to come.

We request your continued support in this effort.

Sincerely,



Stephen O. Shows
President

ASSOCIATION OF ALASKA HOUSING AUTHORITIES

RESOLUTION NO. 87-9

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

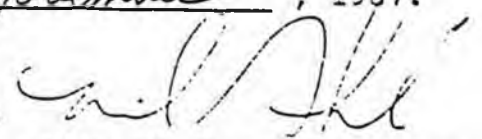
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the Sate of Alaska will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW THEREFORE BE IT RESOLVED that the Association of Alaska Housing Authorities encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IF FURTHER RESOLVED that the Association of Alaska Housing Authorities supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Association of Alaska Housing Authorities this 24 day of November, 1987.


Mike Shuler, President


Flo Sicob, Secretary

HOUSING PHYSICAL CONDITION BASED ON INSULATION

In the following table, percentages of houses with attics and walls of different R-values are listed by region. R-values refer to the level of insulation. One inch of batt insulation is approximately equal to R-3. For example, R-38 is equivalent to 12 inches of batt, and R-19 is equivalent to 6 inches of batting.

Insulation Levels in Percentages:

	-----Attic-----					---Walls---		Can't Maint 70 deg F
	R<R11	R<R19	R<R22	R<R30	R<R38	R<R11	R<R19	
Ahtna	15%	51%	78%	80%	96%	22%	69%	56%
Aleut	23%	36%	50%	65%	76%	23%	45%	16%
Arctic Slope	0%	6%	19%	36%	56%	1%	18%	37%
Bering Sts	14%	29%	89%	94%	97%	11%	41%	67%
Bristol Bay	14%	39%	76%	78%	90%	19%	52%	22%
Calista	3%	34%	68%	77%	77%	11%	78%	41%
Chugach	16%	26%	47%	56%	71%	20%	52%	15%
Cook Inlet	7%	22%	52%	71%	77%	10%	62%	12%
Doyon	4%	18%	47%	74%	79%	11%	65%	40%
Koniag	2%	11%	17%	18%	20%	3%	63%	27%
NANA	25%	25%	50%	50%	50%	1%	26%	72%
Sealaska	12%	55%	93%	95%	97%	15%	81%	41%
TOTAL	9%	29%	58%	69%	76%	12%	57%	36%

According to the 1986 Energy Conservation Standard For New Residential Buildings published by the State DCRA Office of Energy Programs, the minimum prescribed insulation requirement for ceilings is R-38, except in Arctic Slope where the ceiling requirement is R-52. The minimum prescribed insulation requirements for walls are R-21 in Sealaska; R-18 in Aleut, Chugach, Cook Inlet, and Koniag; R-25 in Ahtna, Bristol Bay, Calista, and Doyon; R-30 in Bering Straits and NANA; and R-35 in Arctic Slope.

Houses with attic R-values less than R-38 range from 71% to 97% in nine of the regions, and more than half of the houses in two more regions. Houses with wall R-values less than R-19 range from 41% to 81% in all but two region.

ANALYSIS OF CSHB 318 (L & C)

AND PROPOSED FINANCE COMMITTEE PROVISIONS

CSHB 318:

Section 1. findings section.

Section 2. amends AS 18.55.998(a) relating to the supplemental housing development grant fund. This fund is used to pay supplemental costs of building HUD homes in Alaska. Use of this fund is currently limited to supplementing the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences. This section of the bill adds "energy efficient design features in homes" to the list of existing uses. (Current statute attached.)

This amendment was suggested by the Department of Community and Regional Affairs. (See Hoffman letter to Brown, Tab D)

Section 3. Creates the energy efficient home grant fund within the Department of Community and Regional Affairs. Authorizes the commissioner to grant funds from the fund to "agencies of the state or federal government, individuals, or businesses that retrofit existing single family dwellings or build new single family dwellings that meet criteria adopted by the commissioner."

PROPOSED FINANCE COMMITTEE PROVISIONS:

Section 4. amends existing A.S. 45.88.030(d) relating to repayments of Alternative Energy Revolving Loan Fund (AERLF) loans to reflect the transfer of assets and future receipts of the AERLF to the energy efficient home grant fund established herein.

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Report outlines poor housing of rural Alaska

Ry Sue Cross
Associated Press

JUNEAU — State officials hope a new report calling for \$1.5 billion in rural housing improvements will forestall further cuts in federal housing funds and spotlight poor living conditions in many Alaska villages.

The report, commissioned by the Department of Commerce and Regional Affairs, says rural Alaskans need 6,740 new houses to replace those in too bad of shape to be rebuilt and those sheltering three or more generations.

More than 20,000 other homes should be replaced or expanded to relieve overcrowding, the study found.

"The condition of rural housing is, generally it's pretty sad. We work on houses that are falling down around people. But the state doesn't have a cohesive rural housing policy," said Glenn Colver, weatherization director for the Rural Alaska Community Action Program, or RurALCAP.

Colver's staff cataloged 1,549 homes in 40 communities, recording their condition, size, availability of water and sewer and similar factors.

Among their findings:

- Rural homes allow each occupant an average 333 square feet, equivalent to a floor space roughly 18 feet square. The average Anchorage resident has almost twice as much room.

- In the Callista and NANA regions where housing is most crowded, almost a third of the houses allow each occupant 100 square feet or less — a space about 10-by-10.

- Despite the smaller size of rural homes, more people live in each dwelling. The number of people in an Anchorage home averages 2.7; in the bush the household size averages 3.7.

- Many rural homes are old and deteriorating. In the Bristol Bay regions, 43 percent of the house foundations heeded major repair. Foundation heaving causes door and window frames to separate, often reversing efforts to seal houses against the cold, Colver said.

Surveyors found ice coating of interior walls and windows, snow-filled attics and damaged roofs.

One old couple was trapped in a home because moisture leaked out and sealed the door shut with frost, Colver said.

Lack of insulation is one of the worst problems, he said.

"I've seen houses out there that are 600 square feet that cost \$3,500 a year to heat," Colver said.

RurALCAP gets federal and state funds to weatherize homes, and has worked on about 1,500 in



Sen. Willie Hensley
... 'this state needs housing'

the last four years. The agency has cut back its efforts since state funding was reduced last year, Colver said.

"The \$1.5 billion price tag on improvements suggested in the report was based on the average cost of housing financed by the state and the U.S. Housing and Urban Development Department.

A replacement home costs an average \$118,000, with about \$92,000 of that paid for by HUD and managed by regional housing authorities in Alaska.

Colver said there are less expensive alternatives, but the agency was reluctant to recommend them because RurALCAP isn't sure they'd work in Alaska's cold weather conditions.

Sen. Willie Hensley, who convinced his colleagues to appropriate \$91,000 last year for the study, said he hopes it will prompt people to find less costly repair techniques and replacement homes.

"I know we aren't going to come up with a billion-and-a-half dollars, but the report shows the extent of the problem," the Kotzebue Democrat said.

He said he requested the report because he was afraid publicity about a glut of housing in Anchorage would make people forget the Alaskans who live in poor conditions.

"The impression might be we didn't need housing in this state," and that is not true, Hensley said.

Community and Regional Affairs Deputy Commissioner Bob Brean said the report will be distributed in Washington D.C., with hopes it will inspire HUD to increase its housing subsidies for Alaska.

HUD had been financing construction of about 500 housing units a year in Alaska until 1987, when the number was cut to 197 because of federal budget reductions.

Anch Times 4/2/88

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

④ HB 318

STEVE COWPER, GOVERNOR

- P.O. BOX B
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

January 18, 1988

POSITION PAPER

RE: House Bill 318: "An Act Establishing the Alaska Energy-Efficient Home Equity Fund".

SPONSOR: Representative Ellis

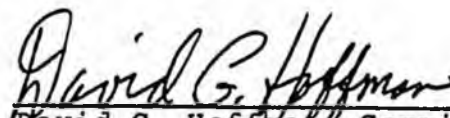
Program Effects of Bill

House Bill 318 would create in the Department of Community and Regional Affairs an Alaska Energy-Efficient Home Equity Fund which would be a revolving loan fund to finance the incremental costs to builders to construct superinsulated homes.

Comments

The Department strongly supports the concept of superinsulation. Superinsulated homes can reduce the heating costs of a home by 50 to 80 percent, while costing only an additional 5 to 10 percent to construct. Superinsulation is a technology that is practical, economical, and available now. The Department has sought to foster quality construction through the Alaska Craftsman Home Training Program. With \$200,000 from its share of the Exxon oil overcharge settlement, the Department has supported the Cooperative Extension Service's voluntary program of educating builders on this method of construction.

The Department, however, does not have a position on this legislation. While it supports the construction of superinsulated homes, it has questions regarding state subsidizing the construction of new homes in the light of the current housing glut and with the current state revenue situation.



David G. Hoffman, Commissioner

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

- P.O. BOX 8
JUNEAU, ALASKA 99811-2100
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 563-1073

February 11, 1988

The Honorable Kay Brown
Alaska State House of Representatives
P. O. Box V
Juneau, AK 99811

FEB 2

Dear Rep. ^{CAF} Brown:

This is in response to your inquiry as to what options are available to address the energy concerns on this year's HUD housing standards that will not be covered by the new residential energy standard because of the nine-month moratorium.

According to Marlin Knight, Alaska's HUD representative, 277 single-family residences will be constructed in rural Alaska with HUD financing. Of that number, 190 will receive some form of State financial assistance. According to Mr. Knight, HUD will not know until May in which communities the projects will be located, but it will be in all of the rural regions. As a guide, the following are the locations of HUD projects this past year:

<u>Housing Authority</u>	<u>Location</u>	<u>No. Units</u>
Tlingit-Haida	Hydaburg	25
Northwest Inupiat	Kotzebue	25
Bering Straits	Unalakleet	15
	White Mountain	15
AVCP	Nunapitchak	15
	Aniak	24
	Tununak	11
	Pitkas Point	9
Bristol Bay	Ekwok	20
Aleutian	Unalaska	15
Metlakatla	Metlakatla	15
	Total	189

Regarding options to address the energy-efficiency of the 190 HUD homes that will be constructed with State financial assistance, the following are options that can be considered:

1. Education - This option would represent the status quo, except that education on energy-efficient conservation is being provided to the housing authorities through the Alaska Craftsman Training Program. While the housing authorities have been receptive to the information provided, their actions are limited by HUD's restriction of \$92,000 per home.

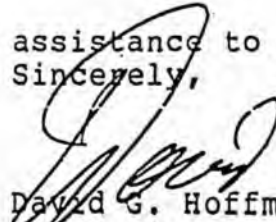
February 11, 1988

2. Amend AS 18.55.997 - The Supplemental Housing Development Grant Program matches HUD funding with State funds. Currently, the law allows the program to fund only the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences. The law could be amended to include energy-efficiency in the allowable activities without necessarily needing an increase of State funding. If additional State funds are not earmarked for energy efficiency, however, this category must compete with the present categories which have been using up the funds.
3. Support the Incremental Costs of Building to the State Standard - According to our calculations, depending on the region in which the homes will be built, it will cost from \$1,279 to \$3,307 to build to the State standard over HUD's minimal standard. This would annually save \$209 to \$470, respectively, in energy costs to the low-income consumers. In FY89, this would have cost the State \$400,000 initially, and save an estimated \$94,000 annually in fuel costs (a 4.2-year payback).
4. Pay the Incremental Cost of Making the Homes Superinsulated - For an additional \$4,000, the homes could be built to reduce this energy consumption by at least 50%. This would cost the State an additional \$760,000 in 1988, but would have saved, conservatively, an estimated \$134,000 in fuel costs in the first year. (A 5.6-year paybook)

I agree with your concern regarding the energy-efficiency of new low-income rural housing. That is why we have made it a priority to work with the housing authorities on providing them technical assistance, and have adopted the residential energy standard.

I hope that the information is of assistance to you.

Sincerely,



David G. Hoffman
Commissioner

cc: Steve Baden
Program Coordinator
Conservation Programs
Department of Community and
Regional Affairs

State energy conservation programs for the homeowner and builder

How does one build a home in Alaska? Alaska's climate varies from relatively mild maritime environments swimming in humidity with 7,000 heating degree days to wind swept arctic deserts with 22,000 heating degree days. Housing failures are immediate and dramatic in Alaska. The problem is how to build correctly in the various environments considering both the laws of physics and economics. And the solution is different for each climatic zone.

In most Alaskan communities, the demand for energy is placing a serious strain on the local economy. This is particularly true in rural communities which are subsistence based. The cost of energy is a constant drain on the local economy with money being sent out to petroleum suppliers rather than being circulated within the community. The burden that energy cost places upon the family is illustrated by the fact that rural Alaskans spend between 16% and 37% of their incomes on energy bills. It is clear that conservation has a key role to play in the state's economic development strategy as well as energy policy.

In Alaska, Government is taking a three program approach to the shelter industry regarding residential energy efficiency. The state provides a stick, a carrot and a vision.

Energy conservation works, the question becomes how to get the conservation technology adopted into the mainstream of the shelter industry. In government the natural tendency is to hammer the message home with codes. Observing the efforts in other states and the heavy industry resistance, Alaska decided to involve the private sector in the actual development of a state thermal code.

The state initiated the process by establishing an advisory committee with members representing builders, contractors, architects, engineers, bankers, code officials, and government. The committee made the key decisions in developing the standards. This allowed Alaska to find the fatal flaws prior to implementation and develop a constituency. The committee broke the state into geographically determined regions and developed though computer analysis determined the most cost effective insulation strategies for each region. The committee then determined what was economically and politically the minimal standards for each region. The committee also chose to apply the codes only to state subsidized finance programs. Objections were minimized since the state is subsidizing mortgage programs and it could be argued that the state has a 30 year interest in the homes being financed. The state programs finance nearly 75% of all home mortgages in the state so the codes will certainly impact the industry. This was the stick to move the industry forward toward conservation building practices. Yet the state wanted to win those opposed to the codes over as well.

Next the state embraced the Energy Rated Home Program. This is a program that qualifies home buyers for a larger percentage of their gross income for home mortgages on energy efficient homes. The program can increase the debt ratio up to 4 percentage points. This allows the buyer to purchase a more expensive home. This is the carrot of the energy conservation program.

The state used the same industry partnership approach to develop the program. An advisory committee was established with representatives of the appraisers, bankers, Realtors, utilities, local governments as well as the state mortgage bankers association. Energy Extension Service and Energy Conservation Program funds were

used to develop rating sheets, train bankers and appraisers, and provide the first years generic marketing of the program. The computer program that was developed and used to analyze the thermal codes was used to establish the incentive breaks for the Energy Rated Homes program. Energy Rated Homes provides a valuable and consistent measure of the efficiency of a home.

Both the carrot and stick have moved the industry with their own help forward, but where does everyone want to go?

The Alaska Craftsman Home Program is the way we have unleashed the creativity of our progressive builders and designers and at the same time created a method to share the knowledge they will gain. This program provides the vision of the industry.

Within the bureaucracy this program presents the most difficult challenges and the greatest opportunities. To carry out an ambitious program such as the Alaska Craftsman Home Program it was clear that more resources and support were necessary than one agency could provide. The Department of Community and Regional Affairs had the experience and data base as a result of the efforts of putting together the thermal standards and participation in the energy rated homes program. The Cooperative Extension Service had the education background and an unbiased and technically sound reputation. The Cooperative Extension Service also had the trust of both the industry and private citizens alike, bridging an important gap there. The Alaska state Homebuilders Association had the political clout and network with the home builders across the state.

At first glance the relationships were not clear and some lingering suspicions from the regulatory experience had to be dispelled. Common ground was found with leadership provided by the neutral Cooperative Extension Service. The Cooperative Extension Service put together the program to achieve each of the groups interests. The state wanted to encourage energy efficient construction, the Cooperative Extension Service wanted to initiate a statewide builder education program, and the Home builders wanted a stimulus for the ailing building industry, state-of-the-art information and a way to mitigate the apparent economic damage of new thermal regulation.

a great deal of effort has gone into establishing the program. Some credit has to be given to a convenient recession, and the right people in the right place at the right time for successes to date.

The thermal standards now establishes the minimal thermal levels, the Energy Rated Home Program initiates a graduated incentive program to reward people for pursuit of the state-of-the-art with the optimum being the Alaska Craftsman home. The education program for each of the three programs is based around the state-of-the-art Alaska Craftsman Home.

The Alaska Craftsman Home Program is designed to change their standard as new information is gathered, to assure that this optimal voluntary program remains state-of-the-art. The three programs are all based on the 2 1/2 years of research the Department of Community and Regional Affairs, and Institute of Social and Economic Research did to establish the thermal standards and analysis through the AKWARM computer program. The minimal thermal standards and Alaska Craftsman are the lower and upper limits of economically viable thermal performance in Alaska. The Energy Rated Home Program measures any and all homes to see how they rate in comparison to the two standards (minimal and optimal) that have been established.



Alaska Craftsman Home program

Research, demonstration and development around the world has changed the way homes are being built in Northern climates. So many technical changes have taken place that an educational network is needed to keep the building industry in Alaska informed of the advancements. With such a network the Alaska building industry can stay abreast of advancements in other parts of the world as well as other parts of the state. The Alaska Craftsman Home Program is that educational network.

The Alaska Craftsman Home Program provides a voluntary education service which today can inform homebuilders of the methods to reduce the thermal requirements of a residence. The energy savings that can be achieved is only one benefit of an education network allowing research and field application experience to be systematically exchanged within the Alaska housing industry. The program is designed to provide:

- . technical information for the industry
- . a forum for the industry to help determine objectives for the State Finance and University Research Community.

GOAL:

The immediate goal of the Alaska Craftsman Home Program is to:

- . build thermal efficiency into the shelter industry in Alaska through education.

The long range goal of the program is to:

- . assist the Alaska shelter industry in providing the best, most appropriate and affordable shelter available.

In order to achieve these goals and to make the Alaska Craftsman Home Program work there will be a coordinated and visible effort on the part of the Alaska State Government, the University of Alaska and building industry trade associations in Alaska. The program will be a voluntary program that will establish an educational network for the shelter industry in Alaska.

DESCRIPTION:

PHASE 1

The Cooperative Extension Service and State Division of Community Development jointly initiated the program in 1986. A pilot series of building seminars were held March of 1986 in Juneau, Anchorage, and Fairbanks. One hundred three shelter industry people were introduced to the "superinsulation" building techniques through the Super Energy Efficient Home Workshop Series taught by internationally acclaimed experts. The reviews from the industry were very favorable. The program achieved its first goal, that being to secure the backing of the shelter industry in Alaska for a high quality builder education program on energy efficient building techniques.

PHASE 2

The second phase of the Alaska Craftsman Home Program began with the development of the first edition of the Alaska Craftsman Home Building Manual. The manual was developed by the Cooperative Extension Service with funding provided by the

U.S. Department of Energy, State Department of Community and Regional Affairs
Office of Energy Programs and Chugach Electric Association.

November of 1986 a select group of Alaskans associated with the shelter industry met with the Cooperative Extension Service and the manual contractor to complete the content of the Alaska Craftsman Home Building Manual. The first edition of the manual was completed March of 1987. This manual is the written guide for the Alaskan homebuilder concerning the energy efficient building technology.

The Cooperative Extension Service began to solicit and find 24 people from around the State to take part in the educational effort November of 1986. These people have since become the backbone of the Alaska Craftsman Building Program and are the industry educators for Alaska. These 24 people represent all regions of the State and are divided into 12 training teams. They came to the program with a vast amount of expertise on building homes in Alaska.

The 12 training teams have been given the knowledge, audiovisuals, materials, manuals, inspiration and a mandate to teach two day workshops on the Alaska Craftsman Building Program superinsulation building technology in their respective regions.

PHASE 3

Phase three activities will continue the educational effort through field workshops introducing the Alaska Craftsman techniques to the builders and interested people throughout Alaska. These workshops will be taught independently by the 12 Alaska training teams.

At the end of one year the training teams will come together again to critique the program. Materials, experiences and techniques will be reviewed. If necessary, the materials and program will be modified to the needs of the training teams and the clientele they serve. Techniques and experiences on retrofitting to Alaska Craftsman standards will be added to the program at this meeting and there is a possibility of rewriting the manual if warranted.

Marketing:

A marketing campaign will be developed and initiated during the phase three activities. The marketing effort will lead to the development of a specific clientele for the Alaska Craftsman Home. Successful promotion and sale of the Alaska Craftsman home will depend on communicating the benefits inherent to them. The marketing campaign will focus on six primary benefits:

- . significantly reduced energy bills
- . increased comfort
- . reduced noise from outside sources
- . improved indoor air quality
- . more durable
- . improved re-sale value

PHASE 4

The future of the program is now being developed. The goal is to establish an educational network that feeds new technology and research information to the builders in the Alaska and practical application experience and field needs to the research and product development community.

FROM DON MARKLE, Program
Director

The Alaska Craftsman Home Program is about better built homes and people's health, safety, and comfort. The Consumer Federation of America estimates that poor indoor air pollution costs this country \$100 billion annually. Clearly, with estimates as high as 20,000 radon induced deaths a year nationally, the mitigation methods for indoor air pollution taught in the Alaska Craftsman workshops and embodied in the voluntary standards are sorely needed. Radon is only one of over 100 indoor pollutants found in homes that cost people money and affect health.

Rural Alaskans spend between 16% and 37% of their incomes on energy bills. In many cases the government pays those costs. A superinsulated Alaska Craftsman Home saves the home owner (or government) from 50% to 80% of the heating costs and could eventually reduce Alaska's home heating bill \$80,000,000 annually.

The Alaska Craftsman Home Program is designed to provide, technical information for the shelter industry and citizens of Alaska through an information network of people and publications. The program has its roots in the very successful \$50,000,000 Canadian R-2000 program and is closely tied to it. ACHP has trained 24 volunteer Alaskans to conduct workshops on the technology detailed in the new Alaska Craftsman Home Building Manual.

The program is a partnership of The Department of Community and Regional Affairs, University of Alaska Cooperative Extension Service, Energy Rated Homes of Alaska, and Alaska State Homebuilders Association.

The ACHP has set a voluntary performance standard based on the latest technology. Building this way results in significantly reduced energy bills, reduced home maintenance, increased comfort, reduced noise from outside sources, and improved indoor air quality. Plans are evaluated and homes are tested to assure compliance with the standards.

Legislation is pending to appropriate ~~some~~ \$1,721,000 to the program by HB 318, 319 and SB 308. Funding is needed in the areas of program support for administration, training activities, monitoring (22%), public education (19%), and incentives (59%). All activities, including the incentives, are educational in nature and approximately 25 jobs will be created as a result of this appropriation.

The program needs state support to revitalize our housing industry and allow Alaska to compete in the international housing market. Many political, economic development, and environmental groups recognize the potential of this program and support it. A growing listing of these include:

The Alaska Municipal League -	Northwest Arctic Mayors Conference -
The Matanuska Susitna Borough -	The Kenai Peninsula Borough -
The Kodiak Island Borough -	The Municipality of Anchorage -
Fairbanks North Star Borough -	City of Kodiak
City of Wasilla -	City of Fairbanks -
City of Anderson -	City of Kenai -
Housing Authorities -	City of Soldotna -
North Slope Borough Utilities -	Association of
Alaska Center for the Environment -	The Joint Energy Task Force of Utilities -
Alaska State Homebuilders Association -	The American Lung Association -
Mat-Su Homebuilders Association -	Interior Economic Development Council -
The Anchorage Daily News -	Interior Homebuilders Association -
	Building Industry Association of Anchorage -
	The Frontiersman

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

October 19, 1987

The Honorable Alfonse D'Amato
Ranking Minority Member
Subcommittee on Housing and
Community Development
United States Senate
520 Hart Building
Washington, DC 20510

Dear Senator D'Amato:

RE: SECTION 128 OF S.825, THE 1987 HOUSING ACT

We are strongly in support of the inclusion of \$4.7 million for a demonstration project of energy efficient housing in the above referenced Act recently passed by the U.S. House of Representatives.

As you may be aware, Alaska has had more than 500 public housing units for which low-income residents/purchasers have refused to make payments because of gross deficiencies in the design and construction. This has resulted in millions of dollars spent by the federal government to settle lawsuits and also to attempt to correct these deficiencies. This has been a real problem in Alaska due to high energy costs and low-income housing built at inadequate standards.

The state is currently working with Housing and Urban Development (HUD) to provide training to Alaska housing authorities and their staff on the latest building techniques, designs, and products for the extreme Alaska climates. This program, called the Alaska Craftsman Home Program, is strongly supported by the Alaska Homebuilders Association, and the National Center for Appropriate



CITY OF ANDERSON

P.O. Box 3100 • Anderson, AK 99744 • Phone (907) 582-2500

In Reply
Refer To:

April 20, 1987

The Honorable Steve Cowper
Governor
State of Alaska
Pouch
Juneau, Alaska 99811

Dear Governor Cowper:

On behalf of the City I am writing in support of the Alaska Craftsman Home Program, (ACHP). ACHP's efforts to promote residential energy efficiency in home building construction has been impressive.

The reduction in housing costs and maximization of thermal efficiency should be a major component in any attempt to develop Alaska's rural economy(s).

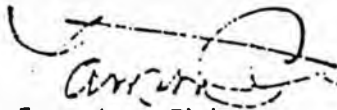
Local economic development efforts, currently underway in communities such as the City of Anderson, would be positively enhanced through the state's support of the ACHP.

Your support of programs such as the Alaska Craftsman Home Program, can help to ensure for the successful development of both rural and urban Alaska alike.

Thank you.

Sincerely,

THE CITY OF ANDERSON


Lanston Chinn
City Administrator

LC/eh

cc: Philip G. Loudon ✓

CITY OF PALMER, ALASKA

RESOLUTION NO. 765

RECORDED 27-23-1987
FEB 8 1988

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska and City of Palmer will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE BE IT RESOLVED that the City of Palmer encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IT FURTHER RESOLVED that the City of Palmer supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Palmer City Council this 27th day of October, 1987.



GEORGE W. CARTE, MAYOR



S. WELLS WILLIAMS, ACTING CITY CLERK

FEB 9 1988

RESOLUTION OF THE ALASKA MUNICIPAL LEAGUE

RESOLUTION NO. 88-36

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES.

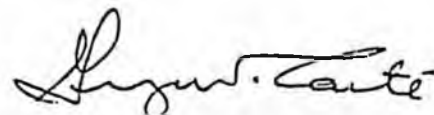
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and, thereby, improve the local economy of the State, and

WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program;


NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Alaska Municipal League to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home program and further that the Alaska Municipal League supports legislation to establish similar state policy and state support for the Alaska Craftsman Home Program.

Adopted this 13th day of November 1987.



George W. Carte, President

ATTEST:


Scott A. Burgess, Executive Director

AMERICAN  LUNG ASSOCIATION of ALASKA
Dedicated to the prevention and control of lung disease

FEB 14 1988

RECEIVED OCT 26 1987

October 22, 1987


Governor Steve Cowper
P.O. Box A
Juneau, Alaska 99811

Dear Governor Cowper:

Indoor air quality is a pressing issue in Alaska. Two pending bills, HB 318 and 319, help address indoor air quality in a very practical manner through the Alaska Craftsman Home Program. Building energy efficient homes that also have healthful air quality is an important and achievable goal.

We urge your support of the Alaska Craftsman Home Program and other measures that promote indoor air quality.

Sincerely,


Deborah Williams
Executive Director

cc. Dan Markle

DW/cc

Introduced by: Sewall, Glick
Date: September 1, 1987
Action: Adopted
Vote: Unanimous

file

RECEIVED SEP 8 1987

KENAI PENINSULA BOROUGH
RESOLUTION 87-81

IN SUPPORT OF THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the citizens of the Kenai Peninsula Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That it is the policy of the Kenai Peninsula Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

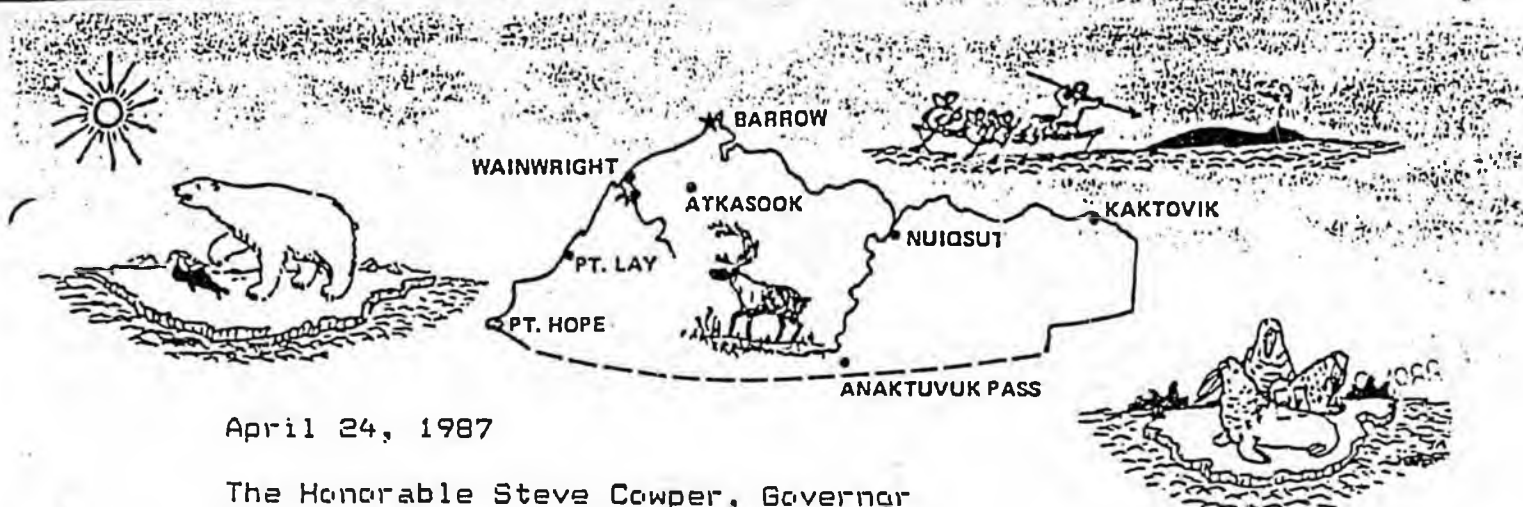
ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 1 DAY OF September, 1987.

ATTEST:

Jonathan W. Sewall
Jonathan W. Sewall, Assembly President

Joanne Brundage
Borough Clerk

Catherine J. DeLoe, Rep. (11)



April 24, 1987

The Honorable Steve Cowper, Governor
State of Alaska
P.O. Box A
Juneau, Alaska
99811

file

Dear Governor,

Recently we have received information regarding the Alaska Craftsman Home Program regarding education and implementation of efforts towards promoting high levels of energy efficiency for Alaskan Homes. Benefits to building super-insulated homes are far reaching encompassing home owners and the building industry, as well as having long range positive effects to community savings which assist in stimulating local economies, especially important to rural communities.

Here on the North Slope with communities paying the highest in the nation for heating fuel it is of the utmost importance to find and implement alternatives to insure our financial security for the years to come. Education for this generation and generations to come is very important. A recent state survey pointed out that the least likely way individual home owners learned about home energy efficiency was through the schools. With this in mind it is very important to establish a foundation on which to develop awareness for all alternatives available and capitalize on those alternatives that work.

The Alaska Craftsman Home Program Incentive Proposal is an idea which time has come, not for just our communities, but for all who call Alaska their "home". Development of the State of Alaska's Residential Thermal Standards brought us a long ways to promote the ideals of resource efficiency. Promotion on the commercial, community, and individual home owner level with it,s development committed to education is indeed a worthwhile venture.

As Energy Planner for the North Slope Borough Utilities Dept. I support the Alaska Craftsman Home Program.

Best Regards

[Signature]
Energy Planner
N.S.B Utilities

NORTH SLOPE BOROUGH

Dept. of Public Utilities • P.O. Box 69, Barrow, AK 99723 • Phone (907) 852-2511

By: Juanita Helms
Introduced: 01/14/88
Adopted: 01/21/88

RESOLUTION NO. 88-008

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES

FEB 25 1988

WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduced home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and thereby, improve the local economy of the State, and

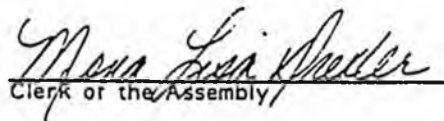
WHEREAS, the citizens of the borough will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Fairbanks North Star Borough to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home Program and further that the borough assembly supports legislation to establish similar borough policy and borough support for the Alaska Craftsman Home Program.

PASSED AND APPROVED THIS 21ST DAY OF JANUARY, 1988.


Presiding Officer

ATTEST:


Clerk of the Assembly

file

17 1987

FEB 1 1988

CITY OF KODIAK
RESOLUTION NUMBER 51-87

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK SUPPORTING
THE ALASKA CRAFTSMAN HOME PROGRAM

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce dwellings' contribution to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner; and

WHEREAS, the Alaska State Legislature has introduced legislation in the form of Senate Bill 308 and House Bills 318 and 319 that support the Alaska Craftsman Home Program with the expectation that these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the City of Kodiak; and

WHEREAS, the citizens of Kodiak will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, the City of Kodiak encourages the building of homes to the energy efficient standards of the Alaska Craftsman Home Program and further that the City of Kodiak supports Alaska State Senate Bill 308 and House Bills 318 and 319 to establish similar state policy and state support for the Alaska Craftsman Home Program.

PASSED AND APPROVED this 14TH day of DECEMBER, 1987.

CITY OF KODIAK

Richard Brodie
MAYOR

ATTEST:

Marcelle Dalke
CITY CLERK

MAR 04

Introduced by: Mayor Jones
Introduced: 06/02/87
Drafted by: G.L.S.

MATANUSKA-SUSITNA BOROUGH

Resolution Serial No. 87-66

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the Matanuska-Susitna Borough, and

WHEREAS, the citizens of the Matanuska-Susitna Borough will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE

1. That it is the policy of the Matanuska-Susitna Borough to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

2. That the Assembly supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program.

PASSED AND APPROVED by the Assembly of the Matanuska-Susitna Borough this 2nd day of June, 1987.

Dorothy A. Jones
Dorothy A. Jones, Mayor

ATTEST:
Chris Seagraves
Chris Seagraves, Borough Clerk
(SEAL)

BERING STRAITS REGIONAL HOUSING AUTHORITY

Regular Meeting
of the
Board of Commissioners
April 14, 1987

Resolution 87-07

WHEREAS, high heating bills remain the greatest drain on income for Rural Alaska Residents, and

WHEREAS, programs such as the Low Income Household Energy Assistance Program (LIHEAP) and Power Cost Equalization (PCE) help Rural Alaska residents pay energy bills, and

WHEREAS, even with these programs, many low income Rural Alaska residents must use large amounts of their limited cash to buy heating oil, and

WHEREAS, new high efficiency heating equipment could reduce oil consumption in thousands of rural homes by 30 - 50% , and

WHEREAS, these high efficiency units cost \$500 to \$1,000 and most Rural Alaska residents do not have sufficient capital to purchase these units,

NOW THEREFORE, be it resolved that the Board of Commissioners of the Bering Straits Regional Housing Authority support the idea of the State of Alaska establishing a Low Interest Revolving Loan Fund that would enable people to reduce their heating oil consumption and save money;

Passed and approved by the Board of Commissioners of the Bering Straits Regional Housing Authority this 14 day of April, 1987.

Harold D. Bell
Chairman (Harold Bell)

SEAL

Attest: Robert Amarok
Secretary (Robert Amarok)

FEB 29 1988

Sponsored by: Gieseler

CITY OF SEWARD, ALASKA
RESOLUTION NO. 87-079

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SEWARD, ALASKA, IN SUPPORT OF THE ALASKA CRAFTSMAN
HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve health and safety of the occupants of dwellings, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs and increase the economic stability of the owner; and

WHEREAS, in the First Session of the Fifteenth Alaska Legislature, Senate Bill 308 and House Bill 318 supporting the Alaska Craftsman Home Program were introduced; and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education, thereby contributing to the overall economy of the state and the city of Seward; and

WHEREAS, the citizens of the city of Seward will benefit substantially from the construction of energy efficient homes following the guidelines developed by the Alaska Craftsman Home Program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, that:

Section 1. It is the policy of the city of Seward to encourage the construction of homes to the energy efficient standards of the Alaska Craftsman Home Program.

Section 2. The City Council supports the concepts as set out in Senate Bill 308 and House Bill 318 as introduced in the First Session of the Fifteenth Alaska Legislature to establish such a state policy and to provide support for the Alaska Craftsman Home Program. ..

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, this 14 day of September, 19 87.

FEB 25 1988

By: Juanita Helms
Introduced: 01/14/88
Adopted: 01/21/88

RESOLUTION NO. 88-008

A RESOLUTION SUPPORTING ENERGY EFFICIENCY OF HOMES

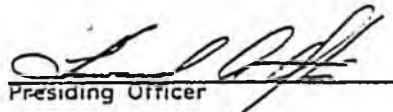
WHEREAS, high-quality energy-efficient building technology developed by the Alaska Craftsman Home Program would substantially reduced home energy consumption. improve the health and safety of the occupants, improve indoor air quality, reduce the contribution of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska state lawmakers have introduced legislation which supports efficiency in homes that support the Alaska Craftsman Home Program and this legislation will help improve and stimulate the home building industry in Alaska through incentives and education and thereby, improve the local economy of the State, and

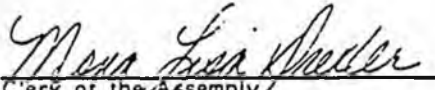
WHEREAS, the citizens of the borough will benefit substantially from the building of energy-efficient homes as developed by the Alaska Craftsman Home Program.

NOW, THEREFORE, BE IT RESOLVED that it is the policy of the Fairbanks North Star Borough to encourage the building of homes to the energy-efficient standards of the Alaska Craftsman Home Program and further that the borough assembly supports legislation to establish similar borough policy and borough support for the Alaska Craftsman Home Program.

PASSED AND APPROVED THIS 21ST DAY OF JANUARY, 1988.


Presiding Officer

ATTEST:


Clerk of the Assembly

International Conference of Building Officials

Alaska Southeast Chapter

POSITION PAPER SB-303 HB-313 ENERGY EFFICIENT BUILDING TECHNOLOGY

Our members support this bill and all efforts to achieve affordable well built housing in Alaska.

The standards of the Alaskan Craftsman Home Program represent the latest in scientific technology adapted to our unique climatic and economic conditions. Homes built to these standards will be healthier, less expensive to maintain and more durable than other housing units.

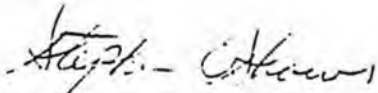
Creation of this fund will provide needed employment in the construction industry. This program could dramatically reduce the energy consumption of both new and existing dwellings in the State.

Local economies will benefit from the increase in disposable income which these energy savings will provide. Increased employment and improved general health of the population will contribute to long term economic stability.

These housing units are the legacy we will leave to future generations. Our innovations and courage will be appreciated now and for many years to come.

We request your continued support in this effort.

Sincerely,



Stephen O. Shows
President

FEB 16 1988

ASSOCIATION OF ALASKA HOUSING AUTHORITIES

RESOLUTION NO. 87-9

A RESOLUTION SUPPORTING THE ALASKA CRAFTSMAN HOME PROGRAM.

WHEREAS, high quality energy efficient building technology developed by the Alaska Craftsman Home Program would substantially reduce home energy consumption, improve the health and safety of the occupants, improve indoor air quality, reduce the contributions of dwellings to outdoor air pollution, increase home durability, reduce home maintenance needs, and increase the economic stability of the owner, and

WHEREAS, Alaska State lawmakers have introduced legislation in the form of Senate Bill 308 and House Bill 318 and 319 which supports the Alaska Craftsman Home Program, and

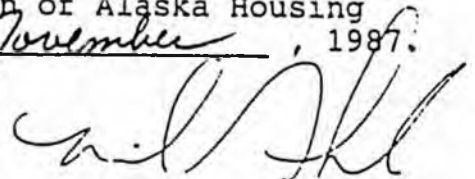
WHEREAS, these bills will help improve and stimulate the homebuilding industry in Alaska through incentives and education and thereby improve the local economy of the State, and

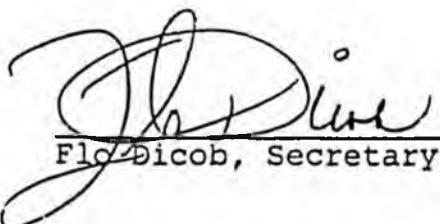
WHEREAS, the citizens of the State of Alaska will benefit substantially from the building of energy efficient homes as developed by the Alaska Craftsman Home Program,

NOW THEREFORE BE IT RESOLVED that the Association of Alaska Housing Authorities encourages the building of homes to the energy efficiency standards of the Alaska Craftsman Home Program.

BE IF FURTHER RESOLVED that the Association of Alaska Housing Authorities supports Alaska State Senate Bill 308 and House Bill 318 and 319 to establish similar State policy and State support for the Alaska Craftsman Home Program.

Approved and adopted by the Association of Alaska Housing Authorities this 24 day of November, 1987.


Mike Shuler, President


Flo Dicob, Secretary

FEB 23 1988

RECEIVED FEB 13 1987

Suggested By: City Council

CITY OF KENAI

RESOLUTION 87-57

A RESOLUTION OF THE COUNCIL OF THE CITY OF KENAI, ALASKA, SUPPORTING THE ALASKA CRAFTSMAN'S HOME PROGRAM FOR REDUCED HOME ENERGY CONSUMPTION CONCEPT.

WHEREAS, in the first session of the Fifteenth Alaska Legislature, SB 308 and HB 318 supporting the Alaska Craftsman's Home Program were introduced, and

WHEREAS, the adoption of said bills would improve and stimulate the home building industry in Alaska through incentives and education thereby contributing to the overall economy of the state, the Kenai Peninsula Borough and the City of Kenai, Alaska, and

WHEREAS, the Alaska Craftsman's Home Program will be benefitted economically by reducing home energy consumption, they will also be benefitted by improved health and safety of such constructed dwellings, the indoor air quality will be improved and their home maintenance needs will be decreased.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, that said Council supports the concepts as set out in SB 308 and HB 318 as introduced in the first session of the Fifteenth Alaska Legislature to establish a state policy and to provide support for the Alaska Craftsman's Home Program.

PASSED BY THE COUNCIL OF THE CITY OF KENAI, ALASKA, this 2nd day of September, 1987.

John J. Williams

JOHN J. WILLIAMS, MAYOR

ATTEST:

Janet Whelan

Janet Whelan, City Clerk

8.55.997

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§ 18.55.998

HEALTH AND SAFETY

§ 18.55.998

(B) a community in the first judicial district of the state with a population of 4,500 or less. (§ 11 ch 167 SLA 1978; am § 14 ch 113 SLA 1982)

Effect of amendments. — The 1982 amendment in subsection (a), substituted "division of housing assistance in the Department of Community and Regional Affairs" for "board of directors of the Alaska Housing Finance Corporation" in the first and second sentences, added the language beginning "other than in an area" to the end of the first sentence, and substituted the language beginning "the

interest rate on a loan" for "an interest rate approved by the board of directors of the Alaska Housing Finance Corporation" at the end of the subsection. In subsection (b), the amendment added the subparagraph (A) designation, substituted "a community in the second, third, or fourth judicial district" for "any community" and added "or" to the end, in that subparagraph, and added subparagraph (2)(B).

Sec. 18.55.998. Supplemental housing development grants. (a) There is created in the Department of Community and Regional Affairs a supplemental housing development grant fund. Subject to the availability of appropriations for the purpose, the department shall make grants to regional housing authorities established under AS 18.55.996 for the cost of on-site sewer and water facilities, road construction to project sites, and extension of electrical distribution facilities to individual residences.

(b) A grant may be made only for residential housing for which federal loan or grant approval has been obtained from the United States Department of Housing and Urban Development and which will be made available to the public on a nondiscriminatory basis. A grant may not be used to retire or repay obligations or debts of the grant recipient. A grant may only be for the difference between the maximum amount available under federal law or regulation for construction of the residential housing for which the grant is made and the actual costs of the construction. A grant may not exceed 20 percent of the United States Department of Housing and Urban Development total development cost per unit in effect at the time the grant is made.

(c) Grant money may be used only for the purposes specified in (a) of this section. No part of the grant money may be used for administrative or other costs of a regional housing authority whether the costs are directly associated with the construction or general costs of the authority.

(d) The department shall adopt regulations to carry out the purposes of this section. The provisions of the Administrative Procedure Act (AS 44.62) apply to regulations adopted under this section. (§ 7 ch 36 SLA 1981)

BY ELLIS, KOPONEN, MENARD,
ULMER, DAVIDSON, LARSON
AND DAVIS

1 IN THE HOUSE

2

HOUSE BILL NO. 318

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act establishing the Alaska energy efficient home
7 equity fund."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. FINDINGS AND POLICY. (a) The legislature finds that

10 (1) high quality energy efficient building technology developed
11 by the Alaska Craftsman Home Program would substantially reduce home energy
12 consumption, improve the health and safety of the occupants, improve indoor
13 air quality, reduce the contributions of dwellings to outdoor pollution,
14 increase home durability, reduce home maintenance needs, and increase the
15 economic stability of the home owner;

16 (2) state money now being spent to subsidize energy bills, to
17 weatherize and repair poorly constructed homes, and to improve the health
18 of people affected by poor indoor air quality would be reduced or eliminat-
19 ed as existing homes are replaced by homes that are built to Alaska Crafts-
20 man Home Program standards;

21 (3) state money now used to finance and repair homes would be
22 invested more wisely in homes that are built to the Alaska Craftsman Home
23 Program standards;

24 (4) local economic benefits are achieved when money being spent
25 on energy, home repair, and health are reduced because of building to the
26 improved building standards of the Alaska Craftsman Home Program;

27 (5) the principal responsibility for development of housing
28 rests with the private sector;

29 (6) research and development of energy efficient housing will

1 create new jobs, provide technology that can be exported, develop new
2 business opportunities, and increase the stability of the state's economy.

3 (b) It is the policy of the state to encourage the building of homes
4 to the energy efficient standards of the Alaska Craftsman Home Program and
5 to assist in the education, planning, and development of this standard of
6 building in cooperation with the building industry.

7 * Sec. 2. AS 44.47 is amended by adding a new section to read:

8 Sec. 44.47.378. ALASKA ENERGY EFFICIENT HOME EQUITY FUND. (a)

9 There is established in the department, as a revolving loan fund, the
10 Alaska energy efficient home equity fund consisting of money appropri-
11 ated to it by the legislature and repayments of principal received by
12 the fund under (c) of this section. The commissioner shall administer
13 the Alaska energy efficient home equity fund in accordance with the
14 provisions of this section.

15 (b) The commissioner may issue equity sharing funds from the
16 Alaska energy efficient home equity fund to individuals or businesses
17 that retrofit or build new single family dwellings to criteria estab-
18 lished by the commissioner.

19 (c) Funds received by the commissioner as repayments of princi-
20 pal and from the sale or refinancing of a dwelling shall be deposited
21 in the Alaska energy efficient home equity fund. Funds received by
22 the commissioner as payments of interest shall be deposited in the
23 general fund. The commissioner of administration shall separately
24 account for payments of interest deposited in the general fund under
25 this subsection. The annual estimated balance in the account may be
26 used by the legislature to make appropriations to carry out the pur-
27 poses of this section.

28 (d) The commissioner shall exempt the first 250 homes to receive
29 equity funds from the repayment of the amount issued by the

1 commissioner under (b) of this section if the home serves as a demon-
2 stration home. Low income housing equity funds given to federal or
3 state housing programs are exempt from repayment provisions.

4 (e) The commissioner shall prepare guidelines and procedures for
5 the fund in consultation with the board of directors of the Alaska
6 Craftsman Home Program.