

HB

218

SENATE STATE AFFAIRS COMMITTEE

BILL NUMBER CSSS HB 218

SPONSOR Ulmer

BILL TITLE Congregate Housing

DATE REFERRED

HEARING SCHEDULED 3.28.90

FISCAL NOTE PREPARED

SPONSOR CONTACTED

INTERESTED PARTIES CONTACTED

✓ OAC - Fran Toland - 3250
✓ AK. St. Housing. Auth. - Julia Tucker 562-2813
AHFC - 561-1900 Margaret Nelson / Tom Behan
Cynthia Parker - AK. Neighborhood Housing

OTHER

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Congregate Housing Bill
Sponsor: Reps. Ulmer and Hudson
Requestor: Senate Banking

Agency Affected: Commerce & Economic Dev.
BRU: Alaska State Housing Authority
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	56,330	0	0	0	0	0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	56,330	0	0	0	0	0

CAPITAL						
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	56,330	0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL	56,330	0	0	0	0	0

POSITIONS:

FULL-TIME	1	0	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary) This request is for the coordinator (Range 19A) of the model congregate housing project which is scheduled to last just one year. Specific job duties include: gathering data on congregate housing; formulation of pilot project; soliciting proposals for pilot project; selecting the project site; closing the project out; preparing an evaluation of the pilot program; and completing the final report to the Legislature.

Prepared by: Mark Romick Phone: 562-2813
Division: Alaska State Housing Authority Date: 2/27/90

Approved by Commissioner: Larry Mercurieff Date: 2/27/90
Agency: Department of Commerce & Economic Development

Distribution (by preparer):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
6390D/22790a

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Revenue
 Title: An Act extending the authority of
AHFC to assist in development of Senior Citizen's housing
 Sponsor: Ulmer/Hudson BRU: AHFC
 Requestor: _____ Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LAND & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-

CAPITAL	-	-	-	-	-	-
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REVENUE	-	-	-	-	-	-
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

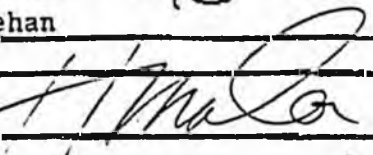
POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS : (Attach a separate page if necessary)

See attached 

Prepared by: Thomas Behan Phone: 561-1900
 Division: AHFC Date: March 16, 1989

Approved by Commissioner:  Date: 3/20/89
 Agency: _____

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

Fiscal Note
HB 218

The fiscal impact of implementing this legislation is undeterminable at this time since the projected demand for congregate senior citizen housing is unknown. Currently, AHFC finances residential mortgage loans through the issuance of taxable and tax-exempt bonds. (A separate fund initially created and funded by the Legislature finances mobile home loans.) Current AHFC staff does not have the expertise to finance/underwrite multi-family housing loans or work within federal government multi-family loan programs. To implement this legislation, additional staff would be needed with the required expertise. The expertise of financing multi-family senior citizen's housing may already be available elsewhere in other state agencies.

FISCAL NOTE

REQUEST:

Revision Date: 4/17/90
Title: Congregate Housing

Agency Affected: _____
BRU: Alaska Housing Finance Corporation

Sponsor: Rep. Ulmer
Requestor: _____

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS: none

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Judith DeSpain, Chief Administrative Officer Phone: 561-1900
Division: Alaska Housing Finance Corporation Date: 5/3/90

Approved by Commissioner: Hugh Malone Date: _____
Agency: Dept. of Revenue

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

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Congregate Housing

Agency Affected: Commerce & Economic Dev.
BRU: Alaska State Housing Authority

Sponsor: Rep. Ulmer
Requestor: Senate State Affairs

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	56.3	0	0	0	0	0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	56.3	0	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	56.3	0	0	0	0	0
FEDERAL FUNDS						
OTHER						
TOTAL	56.3	0	0	0	0	0

POSITIONS:

FULL-TIME	1	0	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary) This request is for the coordinator (Range 19A) of the model congregate housing project which is scheduled to last just one year. Specific job duties include: gathering data on congregate housing; formulation of pilot project; soliciting proposals for pilot project; selecting the project site; closing the project out; preparing an evaluation of the pilot program; and completing the final report to the Legislature.

Prepared by: Mark Romick Phone: 562-2813
Division: Alaska State Housing Authority Date: 4/12/90

Approved by Commissioner: Larry Mercurieff Date: 4/12/90
Agency: Department of Commerce & Economic Development

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Wednesday, April 11

HB 218, Extends the authority of the AHFC to assist in developing congregate housing and directs the ASHA to develop a pilot program for congregate housing.

AVAILABLE TO TESTIFY;

Anchorage Neighborhood Housing: Cynthia Parker, will explain layered financing.

Representative Ulmer

*AK. Neighborhood Housing

*AHFC

*AK. State Housing Authority

NOTES:

1. UNDER THE DEFINITION OF CONGREGATE HOUSING, ANYONE OR ANY GROUP MAY BE ELIGIBLE.

March 28, 1990

HB 218, Extends the authority of the AHFC to assist in developing congregate housing and directs the ASHA to develop a pilot program for congregate housing.

TELECONFERENCE; ANCHORAGE LIO

TO TESTIFY;

Representative Ulmer

*AK. Neighborhood Housing

*AHFC

*AK. State Housing Authority

*Anchorage Neighborhood Housing

*all have been notified, but I'm not sure which person will be available to testify.

NOTES:

1. AMENDMENT PROPOSED BY ULMER: in each packet. Please review.

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

- 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 19, 1990

POSITION PAPER

RE: SSSB 150

SPONSORS: Duncan, Kerttula, Fahrenkamp, Zharoff, Rodey,
Szymanski, and Sturgulewski.

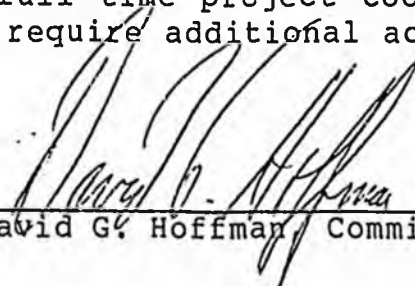
Program Effects

This bill would establish within the Department of Community and Regional Affairs a senior housing revolving loan fund, from the sale of bonds by the Alaska State Housing Authority. The purpose of the fund will be for mortgage loans, building material loans, renovation loans and loans for the construction of senior citizen housing. Additionally, this bill would establish a Senior Housing Office in the Department of Community and Regional Affairs. This bill would satisfy a growing population's housing needs including helping seniors live independently or semi-independently longer through a wide range of single or group home options.

Comments

The Department of Community and Regional Affairs supports this bill. The concept is viable and the audience this bill addresses is in need of this type of proposed program. The recently completed Senior Citizen Housing Survey by the Older Alaskans Commission shows a need for public commitment to decent affordable housing options for Alaska's senior citizens.

The Department of Community and Regional Affairs can only fulfill the intent of this bill by receiving full support as proposed in the bill. That includes Alaska State Building Authority sale of bonds and additional staff funding by the legislature. This staff would fulfill the requirements of the Senior Housing Office with a full time project coordinator and processing of the loans would require additional accounting and technical loan staff.



David G. Hoffman, Commissioner

Alaska State Legislature

HOUSE OF REPRESENTATIVES



REPRESENTATIVE FRAN ULMER

MEMORANDUM

October 13, 1989

TO: Senator Pat Pourchot, Chair
Senate State Affairs Committee

Representative Red Boucher, Chair
House State Affairs Committee

FROM: Rep. Fran Ulmer

RE: HB 218, relating to senior citizens' housing

HB 218 extends the authority of the Alaska Housing Finance Corporation to make mortgage loans to borrowers for the construction, repair, remodel or rehabilitation of residential housing for use as congregate housing for senior citizens. The bill authorizes an interest rate 1% less than the interest rate payable on the corporation's bonds for development of the project.

The purpose of this legislation is to address a growing problem within Alaska: the need for housing which combines both privacy and independence with the provision of some services for the elderly. This is a problem for all seniors, regardless of income; the solution must be available to all seniors.

Senior congregate housing can be apartment-style living or group homes. It includes a variety of housing alternatives for seniors who are not related as a family but who share some common facilities and services. For example, they may enjoy one to three meals per day, weekly housekeeping and laundry, transportation, and social/recreational activities. It is an "intermediate" form of housing which falls between the fully independent lifestyle of a single family home or apartment and the dependent or skilled-care attention provided in a nursing home. Congregate housing allows ambulatory persons to live independently of their families. Seniors emphasize their desire for the degree of privacy which congregate housing provides, as opposed to other types of housing for seniors.

District 4B — Juneau

P.O. Box V • Juneau, Alaska 99811-3100 • (907) 465-4947

Residents are typically 75 to 85 years old, between the "young retirees" (65 - 74 years old) and the "frail elderly" (85+ years old). Based on detailed 1985 Department of Labor population figures, this age group represents about 24 percent of Alaska seniors statewide. The potential market today in various census areas may be as follows:

<u>Census Area</u>	<u>Est. Seniors 75-85 yrs old</u>
Anchorage -----	1,630 seniors
Fairbanks -----	530
Kenai Peninsula -----	400
Matanuska-Susitna -----	360
Juneau -----	300
Ketchikan -----	190

Although the usual sponsors of congregate housing have been non-profit organizations, the growth in the size and wealth of the nation's elderly population prompted private developers to enter the market in the 1980's. However, market conditions appear to work against project feasibility in Alaska without some form of public support and available financing. The relatively small pool of potential senior residents, higher labor and material costs, the absence of affordable financing, and the lack of economies of scale in smaller-sized housing projects make it difficult to create congregate housing which will fall within the financial constraints of even middle income seniors.

It is appropriate for the state to participate in these types of housing projects through a reduced interest rate from the Alaska Housing Finance Corporation. At this time, AHFC is uncertain whether it has the statutory authority in its market stabilization program [AS 18.56.210(a)(5); 2 ch 147 SLA 1988] to provide developer financing for these projects. HB 218 clearly establishes that authority.

Because the primary sponsors of congregate housing have traditionally been nonprofit organizations, I am preparing a sponsor substitute for HB 218 which will broaden the definition of borrower to include nonprofit corporations and agencies of the state or municipal governments. The bill will allow both private developers and non-profits to take advantage of the favorable real estate market and turn currently unwanted, excess housing into much needed congregate units.

Item 5

Alaska State Legislature

HOUSE OF REPRESENTATIVES



REPRESENTATIVE FRAN ULMER

MEMORANDUM

January 15, 1990

TO: Chairman Boucher and Members
House State Affairs Committee

FROM: Rep. Fran Ulmer

RE: SSHB 218, relating to congregate housing

Attached you will find a letter from the Alaska Housing Finance Corporation regarding the difficulties the agency believes it might encounter in financing congregate housing projects under HB 218. The purpose of my memo is to offer for your consideration two amendments to HB 218 which address the agency's concerns.

AHFC feels that it lacks the expertise to evaluate or finance such projects. It is understandable that the agency lacks expertise in this area because this area has not, to date, been part of the mandate of AHFC. However, this expertise can easily be obtained from other states. Financing housing projects for target populations such as senior citizens is standard fare for housing agencies in every state in the nation. There is no lack of precedent, in evaluation standards or in financing regulations, to guide AHFC into its new role.

This responsibility would constitute a shift in AHFC's purpose. Serving special needs populations and financing projects for non-profit organizations and local governments alters the agency's direction. It is a direction we must pursue, however, in order to meet the needs of Alaska's citizens. Congregate housing has emerged as an important service which the state must assist.

I would like to suggest that the committee consider two amendments (attached). The first clarifies that AHFC shall be the secondary mortgage market for congregate housing loans, providing permanent financing for those projects. Temporary loans for construction or rehabilitation of congregate housing would be made by ASHA, by the private lending community, or other sources. AHFC feels more comfortable in a role as secondary lender, and supports this amendment.

District 4B — Juneau

P.O. Box V • Juneau, Alaska 99811-3100 • (907) 465-4947

House State Affairs Committee
January 15, 1990
Page 2

The second amendment modifies the definition of congregate housing in order to better meet the needs of other special needs groups such as handicapped persons and battered women seeking transitional housing. This amendment will allow for increased flexibility in housing arrangements for special populations and will encourage creative use of existing properties on the market.

Several other issues related to financing mechanisms have been raised by AHFC and need to be addressed. They are:

- Methods of funding congregate loans through AHFC;
- The effect of financing congregate housing projects on AHFC's bond rating.

Each of these items concerns technical financing issues which may be addressed more appropriately by the House Finance Committee, the next committee of referral. I urge you to consider preparation of a committee substitute for SSHB 218 to incorporate the two amendments proposed, and pass it on to House Finance to resolve the financial questions.

FU/dl

The logo for Alaska Housing Finance Corporation features a stylized mountain peak or 'A' shape above the word 'Alaska' in a bold, sans-serif font. Below 'Alaska' is the word 'Housing' in a larger, bold, sans-serif font. Underneath 'Housing' is the text 'FINANCE CORPORATION' in a smaller, all-caps, sans-serif font.

Alaska
Housing
FINANCE CORPORATION

520 East 34th St.
Anchorage, AK 99503
(907) 561-1900

P.O. Box 101020
Anchorage, AK 99510

January 5, 1990

The Honorable Fran Ulmer
Alaska State Legislature
House of Representatives
P.O. Box V
Juneau, AK 99811-3100

Dear Representative Ulmer:

Thank you for the opportunity to comment on your sponsor substitute for HB 218, relating to the role of the Alaska Housing Finance Corporation in assisting the development of congregate housing.

I appreciate your interest in facilitating residential development and rehabilitation activities to address the requirements of Alaskans with special housing needs, such as senior citizens and persons who experience disabilities. In examining your bill, however, we have identified several issues which are problematic from the perspective of the Corporation as a secondary lender.

1. Alaska Housing Finance Corporation is not familiar with underwriting congregate housing, and lacks the expertise necessary to evaluate such projects. The Corporation is also not experienced in temporary or construction lending. To develop such a function in the Corporation would dilute our ability to continue the functions we are most expert at; that is, to attract much-needed mortgage capital to the state and to make it available through the mechanism of the secondary mortgage market. We are interested in working with the Alaska State Housing Authority (ASHA) to explore cooperative approaches to facilitate the flow of this capital to sponsors of housing for special needs populations.

2. The definition of "congregate housing" is too broad to represent a specific housing product which would be offered to investors through the bond market, or to provide a sound and impartial basis for project evaluation.

3. The Housing Development Fund mentioned in Section 2 exists in name only--there are currently no monies available to the Fund. Were the Fund

The Honorable Fran Ulmer
January 5, 1990
Page 2

to be capitalized through a transfer of funds from the Corporation's unrestricted assets, the Corporation's bond rating would be adversely impacted, resulting in diminished capacity to continue to attract mortgage capital to the state. Further, these assets have reserved for other purposes and legislative mandates. Such a move would also result in serious creditor questions of liability.

The Housing Development Fund could be recapitalized through an appropriation from the legislature or, alternatively, through federal funding. Upon passage of the National Affordable Housing Act currently before Congress (S566), federal Housing Opportunity Partnership funds will flow to states, and could (at legislative option) be used to capitalize the Housing Development Fund. Such a use would effectively leverage private dollars, thereby multiplying the number of projects which could be undertaken.

4. We question the propriety of AHFC making loans to units of local government. This type of lending activity would exert undue pressure on loan underwriting inasmuch as scrutiny of the credit capacity of the borrower may not satisfy AHFC guidelines, and could cause loans to be made or approved for reasons that might not qualify as prudent lending practices.

While specific authority for AHFC to make or participate in loans to units of local government is not contained in existing statute, lending to non-profit organizations is not currently restricted by statute or regulation. However, such sponsors must meet the same underwriting standards as any other borrower.

In conclusion, we would support legislation that would cast the Corporation into the role of providing permanent financing to projects, with the projects defined by a temporary lender who would also provide construction or rehabilitation management services. Temporary loans may be made by ASHA, by the private lending community, or other sources; AHFC would commit to purchase the paper after completion of construction. Cost of permanent financing could be subsidized through the Housing Development Fund, capitalized through state or federal appropriation.

The Honorable Fran Ulmer
January 5, 1990
Page 3

Once again, I appreciate the opportunity to provide constructive comment on your proposed legislation. If I can provide further information or technical assistance in this matter, please do not hesitate to call.

Sincerely,

A handwritten signature in black ink, appearing to be 'T. Behan', written over a horizontal line.

Thomas C. Behan
Chief Executive Officer/Executive Director

MB/lb

A M E N D M E N T

OFFERED IN THE HOUSE

BY REP. ULMER

TO: SSHB 218

Page 2, lines 20 - 21:

Delete "that contains individual residence areas and common facilities
for congregate living"

*Need to be do a better job of CONCRETE
(LUCAS)*

A M E N D M E N T

OFFERED IN THE HOUSE

BY REP. ULMER

TO: SSHB 218

Page 1, following line 10:

Insert a new bill section to read:

"* Section 1. AS 18.56.090 is amended to read:

Sec. 18.56.090. GENERAL POWERS. In addition to other powers granted in this chapter, the corporation may, for the purpose of providing housing for persons of lower and moderate income or persons located in remote, underdeveloped, or blighted areas of the state and for its other corporate purposes,

(1) [REPEALED

(2)] make or participate in the making of mortgage loans to sponsors, developers, builders, and purchasers of residential housing, if the corporation determines that mortgage loans are not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions;

(2) [(3)] purchase or participate in the purchase of mortgage loans made to sponsors, developers, builders, owners, and purchasers of residential housing, if the corporation

(A) has given approval before the initial making of the loan and has determined that mortgage loans were, at the time the approval was given, not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and

conditions; [,] or

(B) has determined that the purchase or participation will result in additional residential housing, taking into account without limitation such factors as reinvestment of the proceeds of the sale in additional mortgage loans, increased availability of mortgage loans insured by the federal government, its agencies, or departments, the reduction, if any, of interest payments to be made with respect to mortgage loans, or such other factors as will tend to increase or improve the supply of residential housing within the state;

(3) [(4)] make partial rental payments and mortgage interest payments under a contract with any housing owner if the payments will be applied to decrease rental or mortgage interest charges of persons of lower and moderate income or owners or purchasers of residential housing in remote, underdeveloped or blighted areas of the state;

(4) [(5)] make loans from the housing development fund;

(5) [(6)] collect reasonable fees and charges in connection with making, purchasing, and servicing its mortgages, loans, notes, bonds, certificates, commitments, and other evidences of indebtedness;

(6) [(7)] acquire real property, or any interest in real property, in its own name, by purchase, transfer, or foreclosure, when the acquisition is necessary or appropriate to protect any loan in which the corporation has an interest; sell, transfer, and convey the property to a buyer; and, if the sale, transfer, or conveyance cannot

be effected with reasonable promptness or at a reasonable price, rent or lease the property to a tenant pending the sale, transfer, or conveyance;

(7) [(8)] sell, at public or private sale, to any purchaser, including the Federal National Mortgage Association, all or any part of a mortgage or other instrument or document securing a construction, land development, mortgage, or temporary loan of any type permitted by this chapter;

(8) [(9)] purchase, in order to meet the requirements of the sale of its mortgages to the Federal National Mortgage Association, stock of the Federal National Mortgage Association;

(9) [(10)] procure insurance against any loss in connection with its operation;

(10) [(11)] consent to the modification of the rate of interest, time of payment of any installment of principal or interest, or any other terms, of the mortgage loan, mortgage loan commitment, construction loan, temporary loan, contract, or agreement of any kind to which the corporation is a party;

(11) [(12)] borrow money as provided in this chapter to carry out and effectuate its corporate purposes; and issue its obligations as evidence of borrowing;

(12) [(13)] include in any borrowing the amounts necessary to pay financing charges, interest on the obligations for a period not exceeding one year after the date on which the corporation estimates funds will otherwise be available to pay the interest, consultant, advisory, and legal fees, and other expenses that are necessary or

incident to this borrowing;

(13) [(14)] under AS 18.56.088, adopt and publish regulations respecting its lending programs and other regulations that are necessary to effectuate its purposes;

(14) [(15)] provide technical and advisory services to sponsors, builders, and developers of residential housing and to residents of it;

(15) [(16)] promote research and development in scientific methods of constructing low-cost and energy-efficient residential housing of high durability;

(16) [(17)] make and execute agreements, contracts, and other instruments necessary or convenient in the exercise of the powers and functions of the corporation under this chapter, including contracts with any person, firm, corporation, governmental agency, or other entity;

(17) [(18)] receive, administer, and comply with the conditions and requirements respecting any appropriation or gift, grant, or donation of property or money;

(18) [(19)] sue and be sued in its own name;

(19) [(20)] adopt an official seal;

(20) [(21)] adopt bylaws for the regulation of its affairs and the conduct of its business, and adopt regulations and policies in connection with the performance of its functions and duties;

(21) [(22)] employ fiscal consultants, engineers, attorneys, real estate counselors, appraisers, and other consultants and employees that may be required in the judgment of the corporation, and

fix and pay their compensation from funds available to the corporation;

(22) [(23)] do all acts and things necessary, convenient, or desirable to carry out the powers expressly granted or necessarily implied in this chapter;

(23) [(24)] invest or reinvest, subject to its contracts with noteholders and bondholders, any money or funds held by the corporation in any obligations or other securities or investments in which banks or trust companies in the state may legally invest funds held in reserves or sinking funds or any funds not required for immediate disbursement, and in certificates of deposit or time deposits secured by obligations of, or guaranteed by, the state or the United States;

(24) [(25) REPEALED

(26) REPEALED

(27) REPEALED

(28)] purchase a mortgage loan made to refinance an existing mortgage loan, without regard to whether the corporation holds the existing mortgage loan, as long as the interest rate and fees charged to the borrower are sufficient to fully reimburse the corporation for all costs incurred by the corporation in purchasing the mortgage loan and as long as the borrower will be in compliance with AS 18.56.096(a)(6) after purchase of the mortgage loan by the corporation;

(25) participate in the making of mortgage loans to borrowers for congregate housing under AS 18.56.100(b)(1) as the purchaser of those loans."

put in congregate housing in all states.
as per the bill - 210 is

Renumber the following bill sections accordingly.

Page 2, following line 21:

Insert new bill sections to read:

"* Sec. 4. AS 18.56.105 is amended to read:

Sec. 18.56.105. ALLOCATION OF LENDING ACTIVITIES. The corporation shall designate regions within the state that, [WHICH] in the aggregate, encompass the entire state. In participating in the making or purchasing of loans under AS 18.56.090(1) and (2) [AS 18.56.090(2) AND (3)] or under AS 18.56.100, the corporation shall make its money available through the private financial institutions in the state within each region designated by the corporation under this section. The corporation shall allocate its money among the regions on the basis of recent and future anticipated lending activity as well as the potential need for the loans in each region and may reallocate its money among the regions as it considers appropriate to reflect changes in lending activity or need in the regions.

* Sec. 5. AS 18.56.110(g) is amended to read:

(g) Notwithstanding AS 18.56.090(11) [AS 18.56.090(12)] and (a) of this section, the corporation may not issue bonds in any 12-month period beginning after June 30, 1983, in an amount that exceeds the amount of bonds authorized to be issued during the preceding period, unless a different amount is authorized by the legislature. This subsection does not apply to the issuance by the corporation of re-funding bonds or to the issuance by the corporation of bonds the proceeds of which are intended to be used to refinance mortgage loans

held by the corporation."

Renumber the following bill section accordingly.

Alaska State Legislature

HOUSE OF REPRESENTATIVES



REPRESENTATIVE FRAN ULMER

MEMORANDUM

February 19, 1990

TO: All House Members
FROM: Rep. Fran Ulmer
RE: CSHB 218(Fin), relating to congregate housing

CSHB 218, relating to congregate housing, is scheduled for a vote on the floor Tuesday, February 20, 1990. The purpose of this memo is to provide you with some additional background information on the bill.

I first introduced HB 218 in response to a request from senior citizens who were interested in congregate housing as an alternative to more costly institutionalization. Senior citizens expressed their desire for the degree of privacy, independence and flexibility which congregate housing provides. Typically, seniors between the ages of 75 and 85 years of age find it increasingly difficult to maintain their homes. They need assistance with yard work, housekeeping, and other daily chores. Congregate housing meets these needs by combining apartment-style living with some services. It is a cost effective form of housing because it allows seniors to retain their independence as long as possible.

As the bill progressed through committee hearings, a number of other groups with special housing needs expressed their need for congregate housing. Because of this interest, CSHB 218 was broadened and is no longer limited to senior citizens.

CSHB 218 is supported by the Pioneers of Alaska, the American Association of Retired Persons, the Older Alaskans Commission, the Network on Domestic Violence, the Alaska Housing Finance Corporation and the Alaska State Housing Authority.

The following is a general explanation of the bill. If you have questions, I hope you will call my office.

District 4B — Juneau

P.O. Box V • Juneau, Alaska 99811-3100 • (907) 465-4947

PURPOSE: The purpose of the bill is to assist in the creation of congregate housing in Alaska. It does this in two ways:

- (1) Authorizes ASHA to conduct a "pilot project" for the purpose of determining who the most likely borrowers will be and how specific projects may be financed most economically. ASHA will conduct this project by developing real projects in response to actual requests from Alaska communities.
- (2) Authorizes AHFC to make mortgage loans for congregate housing to borrowers who include individuals, non-profits, and agencies of the state or a municipal government.

HOW IT WORKS: AHFC has agreed to be the secondary mortgage market for congregate housing loans; it will not be the originating agency. Borrowers can go to ASHA for assistance or to a commercial lender for preparation of the loan package. ASHA and other loan originators will be reviewing projects to determine the credit worthiness of the borrowers, acceptable security for the loans, appropriate loan terms, and other issues related to mortgage lending.

When the loan package has been prepared by the loan originator, it may be submitted to AHFC for sale on the secondary mortgage market. AHFC will review the loan package to determine borrower eligibility, credit worthiness, and other issues related to mortgage lending. AHFC may choose to purchase the loan. This is a discretionary power, not mandatory.

WHO MAY BORROW? The bill provides for a variety of borrowers: private individuals, developers, nonprofit corporations or agencies of the state or a municipal government. It allows for public-private partnerships to maximize funding opportunities. The bill has no income or age restrictions as to potential occupants of congregate housing.

WHAT WILL THE PROJECTS BE? The projects may include a wide variety of housing options, from the retrofitting of a single family home for the use of 3 or 4 senior citizens, to the construction of a multi-unit apartment complex used as transitional housing for battered women. The bill allows for the construction of congregate housing, or the purchase, remodeling and/or rehabilitation or existing housing for congregate purposes.

HOW WILL THEY BE FINANCED? Financing will depend on the needs and abilities of the borrowers. Some senior citizens may pool their existing assets to provide security for a standard mortgage loan. Other projects may be appropriate for funding through tax-exempt bonds. Projects developed through a public-private partnership may receive funding from municipal or federal sources in addition to AHFC financing.

WILL THE LOAN BE SUBSIDIZED BY AHFC? Most projects probably will not need a subsidy. However, during the pilot project period (until February 15, 1992) AHFC is authorized to provide a subsidy on the interest rate of the loan if (a) it decides the subsidy is necessary and (b) can provide financing for the subsidy. After February 15, 1992, an interest rate subsidy can only be funded through a special appropriation made to the Housing Development Fund. AHFC is given this latitude regarding subsidies during the pilot project period in order for that agency to determine what subsidies may be required and whether there are existing mechanisms to fund such subsidies.

WHAT HAPPENS WHEN THE PILOT PROJECT IS OVER? ASHA and AHFC will report to the legislature the results of the pilot project with recommendations for further legislative action which may be necessary. Although we can't tell at this point whether there will be 20 applicants during the pilot project or only 2, we should have a better idea about the kind of borrowers, what their needs are, and how their projects can be financed. I hope that there will be a variety of projects developed and financed during the pilot project period.

QUESTIONS? For more information, contact Dianne Lindback in my office.

Alaska State Legislature

HOUSE OF REPRESENTATIVES



REPRESENTATIVE FRAN ULMER

MEMORANDUM

March 6, 1990

TO: Senator *Pat* Pourchot, Chair
Senate State Affairs Committee

FROM: Rep. *Fran* Ulmer

RE: CSSSHB 218, relating to congregate housing

CSSSHB 218, relating to congregate housing, passed out of the Senate Special Committee on Banking and Economic Development today. This legislation is consonant with the recommendations of the AHFC Task Force regarding the future of that agency and approved financial practices, as well as with the recommendations of the Alaska Housing Market Task Force. The bill continues to gain support.

I would like to request a hearing for CSSSHB 218 by the Senate State Affairs Committee at the earliest opportunity.

FU/dl

Alaska State Legislature

HOUSE OF REPRESENTATIVES



REPRESENTATIVE FRAN ULMER

MEMORANDUM

March 13 1990

TO: Senator Pat Bourchot, Chairman
Senate State Affairs Committee

FROM: Rep. Fran Ulmer

RE: CSSSHB 218, relating to congregate housing

I would like to request a hearing for CSSSHB 218, relating to congregate housing, before the Senate State Affairs Committee at the earliest opportunity. The bill passed out of the Special Committee on Banking and Economic Development and has received favorable support from a broad spectrum of constituents and legislators. I am looking forward to a review by your committee as well.

Thank you for your consideration of this request.

Charles!

FU/dl

Alaska State Legislature

HOUSE OF REPRESENTATIVES



REPRESENTATIVE FRAN ULMER

MEMORANDUM

March 26, 1990

TO: Senator Pat Pourchot, Chair
Senate State Affairs Committee

FROM: Rep. Fran Ulmer

RE: CSSSHB 218, relating to congregate housing

I first introduced HB 218 in response to a request from senior citizens who were interested in congregate housing as an alternative to more costly institutionalization. Senior citizens expressed their desire for the degree of privacy, independence and flexibility which congregate housing provides. Typically, seniors between the ages of 75 and 85 years of age find it increasingly difficult to maintain their homes. They need assistance with yard work, housekeeping, and other daily chores. Congregate housing meets these needs by combining apartment-style living with some services. It is a cost effective form of housing because it allows seniors to retain their independence as long as possible.

As the bill progressed through committee hearings, a number of other groups with special housing needs expressed their need for congregate housing. Because of this interest, CSSSHB 218 was broadened and is no longer limited to senior citizens.

CSSSHB 218 is supported by the Pioneers of Alaska, the American Association of Retired Persons, the Older Alaskans Commission, the Network on Domestic Violence, the Alaska Housing Finance Corporation and the Alaska State Housing Authority.

CSSSHB 218 is consistent with the recommendations of the Housing Policy Development Committee of the Alaska Housing Market Council and with the recommendations of the Housing Finance Task Force regarding the future of the Alaska Housing Finance Corporation.

The following is a general explanation of the bill.

District 4B — Juneau

P.O. Box V • Juneau, Alaska 99811-3100 • (907) 465-4947

PURPOSE: The purpose of the bill is to assist in the creation of congregate housing in Alaska. It does this in two ways:

- (1) Authorizes ASHA to conduct a "pilot program" for the purpose of determining who the most likely borrowers will be and how specific projects may be financed most economically. ASHA will conduct this project by developing real projects in response to actual requests from Alaska communities.
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HOW IT WORKS: AHFC has agreed to be the secondary mortgage market for congregate housing loans; it will not be the originating agency. Borrowers can go to ASHA for assistance or to a commercial lender for preparation of the loan package. ASHA and other loan originators will be reviewing projects to determine the credit worthiness of the borrowers, acceptable security for the loans, appropriate loan terms, and other issues related to mortgage lending.

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HOW WILL THEY BE FINANCED? Financing will depend on the needs and abilities of the borrowers. Some senior citizens may pool their existing assets to provide security for a standard mortgage loan. Other projects may be appropriate for funding through tax-exempt bonds. Projects developed through a public-private partnership may receive funding from municipal or federal sources in addition to AHFC financing.

WILL THE LOAN BE SUBSIDIZED BY AHFC? Most projects probably will not need a subsidy. However, during the pilot program period (until February 15, 1992) AHFC is authorized to provide a subsidy on the interest rate of the loan if (a) it decides the subsidy is necessary and (b) can provide financing for the subsidy. After February 15, 1992, an interest rate subsidy can only be funded through a special appropriation made to the Housing Development Fund. AHFC is given this latitude regarding subsidies during the pilot program period in order for that agency to determine what subsidies may be required and whether there are existing mechanisms to fund such subsidies.

WHAT HAPPENS WHEN THE PILOT PROGRAM IS OVER? ASHA and AHFC will report to the legislature the results of the pilot program with recommendations for further legislative action which may be necessary. Although we can't tell at this point whether there will be 20 applicants during the pilot project or only 2, we should have a better idea about the kind of borrowers, what their needs are, and how their projects can be financed. I hope that there will be a variety of projects developed and financed during the pilot program period.

5251e

Alaska State Legislature

HOUSE OF REPRESENTATIVES



REPRESENTATIVE FRAN ULMER

MEMORANDUM

April 2, 1990

TO: Senator Pat Pourchot, Chair
Senate State Affairs Committee

FROM: Rep. Fran Ulmer

RE: CSSSHB 218, relating to congregate housing

Attached for your review are two items:

Proposed revisions to HB 218 -

These revisions respond to concerns raised during the committee's previous discussion of the bill. They include the following: (1) a revised description of AHFC's authorization which clarifies the requirement to make fiscally prudent loans; (2) a revised definition of congregate housing (as suggested by AHFC); (3) a revised description of ASHA's role in conducting a "pilot program"; and (4) a more detailed description of the report to the legislature at the end of the pilot program period.

An explanation of "layered" financing -

Some of the congregate projects which will be developed under HB 218 will use "layered" financing. It is this creative combination of funding sources which may enable projects to bring their loan-to-value ratio within prudent lending standards required for an AHFC loan. Layered financing is complicated because there are many possible federal sources depending on the project and the borrower.

I believe the committee may want to consider deleting any reference to subsidies within the bill. The inclusion of language regarding possible future subsidies may obscure the point that AHFC should approve only those loan applications which fall within prudent lending guidelines.

PROPOSED REVISIONS TO HB 218

Section 1, page 5

(25) participate in the making of mortgage loans to borrowers for congregate housing under AS 18.56.100(b)(1) as the purchaser of those loans. Loans made for congregate housing under this section must reflect prudent underwriting standards and lending practices which include but are not limited to appropriate loan-to-value ratios and the ability of the borrower to repay the loan.

Section 3, page 6

(n) In (b)(1), (1), and (m) of this section "congregate housing" means a multi-family housing development with fully independent living units, and services integrated in the building(s) which may include, but is not limited to, housekeeping, meal service and resident training or development programs.

Sec. 7, page 8 PILOT PROROGAM AUTHORIZED. (a) The Alaska State Housing Authority shall administer a pilot program for the development of congregate housing projects in the state; ASHA activities shall include borrower qualification, temporary financing, construction loan management and, in cooperation with the Alaska Housing Finance Corporation, assistance in determining appropriate, available funding sources for permanent financing.

(b) The Alaska State Housing Authority and the Alaska Housing Finance Corporation shall report to the legislature not later than February 15, 1992, concerning congregate housing projects developed during the pilot program. That report shall include a review of those persons, organizations, and/or communities who expressed a need for congregate housing; a listing of borrowers who have requested funding for congregate housing; a review of funding mechanisms used to develop specific congregate projects, especially financing which has required participation by multiple sources; an analysis of the problems encountered by borrowers in the financing, purchase, construction or rehabilitation of congregate housing; recommendations for legislative action related to congregate housing programs or financing.

HB 218

Alaska State Legislature

HOUSE OF REPRESENTATIVES

Congregate Housing



REPRESENTATIVE FRAN ULMER

MEMORANDUM

April 3, 1990

*PAT
Major changes
in S.A. CS*

TO: Senator Pat Pourchot, Chair
Senate State Affairs Committee

FROM: Rep. *Fran Ulmer*

RE: CSSSHB 218, relating to congregate housing

In response to the committee's concerns expressed during the hearing on CSSSHB 218, I would like to submit the following revisions for your consideration.

RE: AHFC requirement to operate within prudent lending guidelines

Section 1, page 5

(25) participate in the making of mortgage loans to borrowers for congregare housing under AS 18.56.100(b)(1) as the purchaser of those loans. Loans made for congregare housing under this section must reflect prudent underwriting standards and lending practices which include, but are not limited to, appropriate loan-to-value ratios and the ability of the borrower to repay the loan.

RE: No subsidies shall be authorized for congregare housing loans

Section 3, page 6, delete lines 6-13; replace with

(1) The rate of interest on a loan entered into under (b)(1) of this section shall be equal to the cost of funds of that bond issue plus one-half of one percentage point for a permanent loan.

Senator Pat Pourchot
April 3, 1990
Page 2

RE: Definition of congregate housing

Section 3, page 6

(n) In (b)(1), (1), and (m) of this section "congregate housing" means a multi-family housing development with fully independent living units and services integrated in the building(s) which may include, but is not limited to, housekeeping, meal service, and resident training or development programs.

RE: Role of ASHA in conducting a "pilot program"

Section 7, page 8

PILOT PROGRAM AUTHORIZED. (a) The Alaska State Housing Authority shall administer a pilot program for the development of congregate housing projects in the state; ASHA activities shall include borrower qualification, temporary financing, construction loan management and, in cooperation with the Alaska Housing Finance Corporation, assistance in determining appropriate, available funding sources for permanent financing.

(b) The Alaska State Housing Authority and the Alaska Housing Finance Corporation shall report to the legislature not later than February 15, 1992 concerning congregate housing projects developed during the pilot program. That report shall include a review of those persons, organizations and/or communities who expressed a need for congregate housing; a listing of borrowers who have requested funding for congregate housing; a review of funding mechanisms used to develop specific congregate projects, especially financing which has required participation by multiple sources; an analysis of the problems encountered by borrowers in the financing, purchase, construction or rehabilitation of congregate housing; recommendations for legislative action related to congregate housing programs or financing.

"LAYERED" FINANCING FOR CONGREGATE HOUSING

"Layered" financing means the combination of a variety funding sources which may include funding from federal and local government, as well as the private sector.

Examples of federal programs available:

- a) "312" Program - HUD housing rehabilitation program; often used in combination with other funding sources.
- b) Community Development Block Grant - federal funds distributed to both state and local governments; used extensively in combination with other funding sources.
- c) HUD Permanent Housing for the Disabled - federal grant funds for purchase/rehabilitation or construction of housing for the disabled.
- d) McKinney Act - provides grants for housing for the homeless.
- e) Section 8 Certificates - federal program which assists tenants with rent; if tenant has no income, certificate pays total cost of rent.
- f) Section 8 Vouchers - federal program which assists tenants with rent; with vouchers, tenant is responsible for utilities.
- g) Single Room Occupancy Program - HUD program which provides vouchers to the homeless for rent costs.

PROJECT EXAMPLES OF "LAYERED" FINANCING:

Washington Inner City Self Help

Tenants grouped together to purchase the Champlain Court building in the Adams-Morgan district of Washington, D.C.

The purchase price was \$675,000; three funding sources were used.

- 1) First Right Purchase Assistance Program - funded with money from the federal Community Development Block Grant program; short-term loan covering costs associated with purchase and rehabilitation.
- 2) Washington's Home Purchase Assistance Program - funded in part by the city Community Development Block Grant program and, in part, by the city's general fund.
- 3) Tenant Assistance Program - funded entirely by the city's general fund revenue; provides an operating subsidy to assist tenants with rent.

LAYERED FINANCING

Page 2

AFFORDABLE CITY HOMES

This group built a 63 unit, multi-family development called Etzel Place in St. Louis, Missouri. Funding came from five sources:

- 1) The National Equity Fund - a Chicago-based limited partnership of corporations that invest in low-income housing, in exchange for the federal income tax credits they receive.
- 2) Construction loan provided by Boatmen's National Bank of St. Louis; committed to lend \$1.4 million at a flat 10% rate.
- 3/4) 30 year mortgage financed by Aetna Life and Casualty and the Missouri Housing Development Commission.
- 5) City of St. Louis provided \$1.3 million to complete financing through its Housing Implementation Program.

Alaska State Legislature



REPRESENTATIVE FRAN ULMER

MEMORANDUM

May 3, 1990

TO: All Senate Members

FROM: Rep. Fran Ulmer

RE: Senate CS for CSSSHB 218, relating to congregate housing

Congregate housing is a form of housing in which individual living units are combined with group living facilities and/or resident services. It may take a variety of forms, from the single-family home shared by several residents, to an apartment-style complex of many individual units.

The hallmark of congregate living is in the provision of congregate facilities and services. Congregate housing for senior citizens typically includes meal service and housekeeping, among other services. Congregate housing for released offenders typically includes job training and treatment services such as alcohol counseling. Congregate housing is a cost effective form of housing for population groups who have special needs.

In addition to special needs populations, congregate housing has received strong support from the mainstream of professionals in the housing industry. Congregate housing has become a popular type of housing for middle class families in Europe during the last decade, and is gaining recognition in this country as well. By providing the mechanism for securing long term financing for congregate housing through AHFC, the state will assist the industry in developing this type of housing in Alaska.

CSHB 218 is supported by: Alaska Realtors' Association
Pioneers of Alaska
American Association of Retired Persons
Older Alaskans Commission
Network on Domestic Violence
Alaska Housing Finance Corporation
Alaska State Housing Authority

District 4B — Juneau

P.O. Box V • Juneau, Alaska 99811-3100 • (907) 465-4947

HB 218 -- CONGREGATE HOUSING

AHFC: Authorized to make mortgage loans for congregate housing; will operate as the secondary mortgage market only. AHFC will approve only those loans which fall within prudent lending guidelines.

ASHA: Will conduct a 2 year "pilot program" to determine who the borrowers are and how projects may be financed. ASHA may provide loan origination services for borrowers upon request; will also provide technical assistance to help find appropriate funding sources (federal, municipal, and other) or combination of sources. ASHA will review project applications for credit worthiness and will coordinate with AHFC on criteria used to determine credit worthiness of projects and borrowers.

PRIVATE SECTOR: Commercial lenders may also provide loan origination services and obtain long term financing from AHFC.

BORROWERS: Individuals, developers, corporations, non-profit organizations, government entities, or combinations of these.

PROJECTS: May be anything from the retro-fitting of a single family home for congregate use to the construction of a multi-unit facility.

FINANCING: Financing will depend on the needs and abilities of the borrowers. Some private individuals may pool their existing assets to provide security for a standard mortgage loan. Some projects may be appropriate for funding through tax-exempt bonds. Other projects may be suitable for "layered" financing which combines federal loans, grants and/or other funds with an AHFC mortgage (see attachment).

SUPPORTED BY: Alaska Realtors Association
Pioneers of Alaska
American Association of Retired Persons
Older Alaskans Commission
Network on Domestic Violence
Alaska Housing Finance Corporation
Alaska State Housing Authority

CONSISTENT WITH THE RECOMMENDATIONS OF:
The Housing Policy Development Committee of the
Alaska Housing Market Council
Housing Finance Task Force Concerning the Future
of the Alaska Housing Finance Corporation



February 6, 1990

The Honorable Fran Ulmer
Alaska House of Representatives
P.O. Box V (MS3100)
Juneau, AK 99811

Re: HB 218

Dear Representative Ulmer:

Please be advised that the Alaska State Housing Authority supports HB 218. The Authority is always willing to take on new and innovative programs designed to assist Alaskans in general, as well as Alaskans with special needs.

We look forward to working with you and the Legislature in developing a comprehensive program for congregate housing in Alaska.

Sincerely,

ALASKA STATE HOUSING AUTHORITY

Ray Price
Executive Director

cc:c:wp50\rp\1\rpfa.1



520 East 34th St.
Anchorage, AK 99503
(907) 561-1900

P.O. Box 101020
Anchorage, AK 99510

February 6, 1989

The Honorable Fran Ulmer
Alaska State Legislature
House of Representatives
P.O. Box V
Juneau, AK 99811-3100

By FAX

Dear Representative Ulmer:

I am pleased to offer our support for CSSSHB 218, relating to congregate housing. We believe that this legislation represents a workable approach to meeting the housing needs of Alaska's seniors and other populations with special needs.

It has been a pleasure to provide technical assistance to you in the development of this bill, and we look forward to the Corporation's participation in this alternative housing approach.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Behan", is written over a horizontal line.

Thomas C. Behan
Chief Executive Officer/Executive Director

A small, handwritten mark or signature flourish located below the typed name of Thomas C. Behan.

Older Alaskans Commission

Box C
Juneau, Alaska 99811-0209
907/465-3250

POSITION PAPER ON CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL 218

The Older Alaskans Commission supports the passage of CSSSHB 218 (Finance).

HB 218 allows Alaska Housing Finance Corporation to issue bonds and make mortgage loans for various types of congregate housing. The bill states that the borrowers for congregate loans may be individuals, nonprofit corporations, or governmental entities. There are no income level limits on the persons who may ultimately rent or buy units within the congregate housing.

The loans may be made to build, repair or renovate residential congregate housing. Congregate housing is defined to mean multi-family group-living buildings which have both separate living areas and shared facilities. The congregate housing may include provision for the delivery of "services" to promote the congregate living (such as a cafeteria, laundromat).

Although the bill would allow subsidized interest rates on the loans if a separate funding source for such a subsidy should become available, the basic intent is for the loans to be made at rates reflecting the actual cost to AHFC.

The Older Alaskans Commission feels that this bill will make available the type of financing needed to encourage private developers--or local citizens' groups--to develop and build much-needed congregate housing for senior citizens.

The 1989 Senior Housing Report issued by the Commission shows that seniors of all income levels desire the option of living, with other seniors, in specially designed and adapted housing that would enhance each resident's mobility, independent functional ability, and security. Promoting such housing should be a priority of the State of Alaska, in order to reduce the long term need for more nursing home or institutional care for seniors.

The Commission urges your passage of CSSSHB 218.

APPROVED:

Peggy A. Burgin
Peggy A. Burgin, Chair
Older Alaskans Commission

Dated: March 1, 1990

REVIEWED AND Agree :

Frank S. Baxter
Frank S. Baxter, Commissioner
Department of Administration

Dated: 3/1/90



ALASKA STATE LEGISLATIVE COMMITTEE

CHAIRMAN
Mr. R. W. Bob Pavitt
130 Seward Street, #205
Juneau, AK 99801
(907) 586-2066

VICE CHAIRMAN
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Anchorage, AK 99508
(907) 562-4895

SECRETARY
Miss Ann L. Walsh
924 Kellum #201
Fairbanks, AK 99701
(907) 456-6737

SENIOR CITIZEN HOUSING
POSITION PAPER

BACKGROUND/PROBLEM

Since 1980, Alaska's senior population has grown by 66% to more than 19,000 residents according to the Department of Labor. It is one of the fastest growing age groups in the state. If Alaska's population continues to grow older as projected, the senior population could double soon after the year 2000. Many seniors who formerly would have retired Outside are now remaining in Alaska.

Affordable, secure, accessible housing facilities with attendant supportive services are meager at best, and totally unavailable in most rural and urban Alaska communities. Thus, the strong desire of older Alaskans to remain independent as long as possible in their own homes must give way to some other housing solution when they can no longer maintain a private residence.

It is socially and economically advantageous to all Alaskans to effectively address senior citizen housing needs.

PROPOSED SOLUTION

Mechanisms must be established to enable and encourage seniors and their families, profit or non-profit organizations and government agencies to work cooperatively in meeting the needs. Development of alternative approaches, home equity conversions and provision of methods for realistic financing are but a few of the topics which must be addressed. Appropriate lands on which to locate necessary facilities need to be made available.

Physical housing, as such, is not the only aspect to be addressed in meeting senior needs. Greater support must be provided for adult family care, weatherization, day care, respite care, case management, and other services which make it possible for a senior to stay in his or her own home as long as possible.

In summary, necessary lands, financing methods, mechanisms for cooperative action, and supportive services must be made available if we are to solve senior citizen housing problems in Alaska.

PROPOSED LEGISLATION

SB 150 would create a senior housing office in the Department of Community and Regional Affairs, and a revolving loan fund for all types of senior housing.

HB 218 would expand the Alaska Housing Finance Corporation's authority to include loans to build congregate housing for seniors, and to cooperatively establish a pilot program of such housing.

These bills currently in the Alaska Legislature would constitute a start in addressing senior housing problems, and the AARP ALASKA STATE LEGISLATIVE COMMITTEE supports passage of this legislation.

**LEGISLATIVE PRIORITIES
OF
THE PIONEERS OF ALASKA**

1. During this session of the Legislature the Pioneers are most interested in protecting the Senior programs presently in place. We prefer the \$250.00 monthly bonus program remain as it is, however, rather than see it suffer major setbacks, the Grand Igloo supports an annuity program as introduced by Senator Kerttula.

2. The Pioneers support a requirement of 65 years of age as a minimum for admission to the Pioneer Home system, and removal of the word 'destitute' as is presently used in giving priority for admission.

3. The Pioneers support full state funding to cover property tax exemptions for Seniors.

4. The Pioneers support in-Home Support Care and Senior Housing. Re: HB 218; SB 150.

5. The Pioneers support Health Care legislation. Re: HB 47.

6. Also, it has been noted, from a recent news article that Sen Uehling has prefiled legislation that would give Medicare eligible Senior an option to choose to receive health care under Medicaid at home rather than in a Long Term Care facility. The Pioneers certainly support this concept.

The Pioneers have taken no position regarding a State Income Tax or the Governor's proposal on an Education Endowment.

The Pioneer's registered lobbyist is Bill Ray, 165 Behrends Ave, Juneau, AK, 99801, Tel: (907) 586-1225

Bob Huffman, Chm.
Legislative Committee
Pioneers of Alaska

Shared Housing: An Adaptable Affordable Housing Option

by
Diana T. Myers

Shared housing responds to one of the greatest challenges of this decade: the reshaping of the existing housing stock to accommodate major social, economic, and demographic changes in our society. The Urban Institute reports that two-thirds of the United States' housing was built for the nuclear family. Less than one-quarter of the population, however, still lives in such households.

The average household size has decreased and the number of single-person, single-parent, elderly,

Diana T. Myers serves as housing consultant to the Shared Housing Resource Center (SHRC) in Philadelphia, Pennsylvania. Her firm, Diana T. Myers and Associates, provides consultation services to public and private agencies that offer housing for elderly, single, disabled, and other special needs populations. Ms. Myers was assisted in the preparation of this article by SHRC's Joyce Mantell and Joan Davitt.



Eldridge House in Hyannis, Mass. (Photo by Mark Cote)

and other small, non-traditional households has increased. Many of these households live on fixed or limited incomes. They find themselves unable to support single-family homes and have few alternatives in the private market. Shared housing, with its characteristics of affordability and adaptability, offers a practical solution to this challenge.

Shared housing is a living arrangement where two or more unrelated people occupy a home or apartment to their mutual advantage. Each person has a private room and uses common living areas. There are two shared housing models: "match-up" and "group shared" residences.

In a match-up, a home-provider (owner or renter) shares extra

space with a home-seeker in exchange for rent and/or services. The majority of group shared residences are sponsored by public or non-profit agencies and involve three or more people living cooperatively in a single large dwelling. The optimum size for a group shared residence serving independ-

ent populations is four to twelve, with an average of eight.

Shared housing is distinguished from other types of group living by the elements of self-governance and self-management. Home-sharers generally participate in setting household policies and in carrying out household chores and responsibilities. A group facilitator frequently is an integral part of a group shared residence. The facilitator meets on a regular basis with residents to discuss household policies, mediate conflicts, and otherwise facilitate the process of group living.

Shared living has been common in this country for at least a century, but past arrangements generally were informal. Individuals moving from the farm to the city

moved in with friends, families, or individuals referred by word-of-mouth. Home-sharing 1980s style is more formalized, assisted by programs that perform intake, counseling, screening, referral, and sometimes real estate development, in order to facilitate sharing.

Not only has the process become more formal, but shared living also has become increasingly popular over the past 20 years. The 1980 census documented 670,000 Americans over the age of 65 living with non-relatives—a 35 percent increase since 1970. There were 50 shared housing programs throughout the country in 1981. By 1987 there were 235 match-up programs and 125 group shared residence programs sponsoring 425 shared residences.

Interest in shared housing con-

tinues to grow. A national survey by the Shared Housing Resource Center (SHRC) of 167 programs operating in 1988 revealed that in a one-year period 79,377 people requested information on shared housing and 15,550 of them entered into shared living arrangements.

The primary impetus behind the recent resurgence of interest in shared housing has been the critical need for affordable housing for the elderly. Proponents view shared housing as an ideal option for older Americans, 74 percent of whom owned their own homes in 1985.

Match-up is particularly suited for this population since it enables older adults to age in place and reduces the need for costly supports, other housing alternatives, and premature institutionaliza-

tion. For those who wish to move, group shared residences provide a homelike environment with the added benefits of affordability, security, companionship, and support services.

Paradoxically, the SHRC survey revealed that while 79 percent of shared housing programs focused on older adults, only 36 percent of the persons in home sharing arrangements were elderly. Fifteen percent were single parent families, college students, and homeless persons. The remaining 49 percent did not represent a specific group.

These figures demonstrate a recent trend: programs which were initiated to serve only the elderly have expanded to become inter-generational or to target special needs populations. This enlarges the potential pool of home sharers, and increases the possibility of service exchanges, in which home seekers perform household chores in return for reduced rent.

The multiple benefits of shared living account for its increasing popularity. Shared housing arrangements cost considerably less to develop and operate than other housing alternatives that serve low- and moderate-income households. Based on a *pro rata* share of staff and other program expenditures, the average cost per person placed by a match-up is \$625. These costs tend to be higher in the start-up years and lower in the third and subsequent years.

Savings to home sharers in match-ups are also attractive. Rents may range from only 50 percent to 75 percent of the area's cost for an efficiency or one-bedroom apartment. Furthermore, the home-seeker has use of an entire house, often including a backyard, garden, laundry, and other amenities not found in apartments.

Not only does home sharing provide affordable housing to home seekers, but the home owners derive significant financial



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benefit. The extra income to the home owner can be used for property maintenance and repair, or simply to supplement a small or fixed income.

The cost of developing group shared residences varies considerably. It can range from a few thousand dollars for adding sprinklers and smoke detectors to an existing single family home to hundreds of thousands of dollars for the new construction or substantial rehabilitation of a facility.

In any case, the cost per household compares favorably to other housing alternatives. For example, the cost of five shared housing facilities in the Philadelphia area ranged from \$17,375 to \$35,000 per household served, compared to an average of \$53,591 per household for HUD Section 202 projects funded in the Philadelphia area in fiscal year 1989.

Average rent in group shared residences throughout the country is \$350 per month. Rents vary according to the level of services provided: \$150-300 for no services (except a facilitator); \$300-\$750 for moderate services (housekeeper, one to three meals, transportation, and laundry); and \$400-\$1,400 for intensive care (usually in licensed facilities).

Shared housing is extremely flexible. Diverse populations and communities are being served. Although the majority of programs operate in urban and suburban areas, approximately 16 percent serve rural areas.

The design and management of shared housing is adaptable to a wide variety of needs, values, and lifestyles. Shared living arrangements allow for varying degrees of independence: from inter-generational residences (where all members are employed), to frail elderly households receiving three meals, housekeeping, transportation, and other services. Some households are highly communal, sharing all meals and child care. Others are highly autonomous, each

person having his/her individual cupboards and refrigerator shelves.

Finally, shared housing can be an important component of a neighborhood preservation strategy. Match-ups take advantage of the existing single-family housing stock and preserve both the stock and the single-family nature of the neighborhood. Group shared residences, in addition to utilizing single-family stock, often turn vacant, obsolete, non-residential properties into active, revenue-producing facilities.

Support

Shared housing programs have numerous benefits, but, like many programs serving lower income households, they are not self-supporting. SHRC's 1988 survey re-

vealed that 71 percent of shared housing programs serve people with incomes below \$10,000. The per person cost of \$625 is modest in administrative terms; however, this is a substantial fee for households in this income bracket. Subsidies are required to sustain shared housing programs.

Match-ups need funds to support staff and other administrative costs. Group shared residences need seed money, capital, and operating grants in addition to administrative costs.

Unfortunately, shared housing programs face serious obstacles in raising funds. Like most nonprofits, they have difficulty in raising core administrative costs for agency operations. Since 100 per-

(continued on page 302)



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Innovative Housing, Inc.

After successfully sponsoring 100 shared houses, Innovative Housing, Inc., is developing a new housing form: house clusters. Their goal is to "foster a cohesive cross-generation community." The pilot project, located in Fairfax, California, will consist of five buildings in two house clusters. Each shared house will contain four to five individual "vest pocket" units with individual sleeping/living areas as well as shared common areas.

It also includes a flexible new design feature, sleeping porches, which can be used to accommodate the children of single parents. Each two or three shared houses encircles a courtyard which climbs to a communal garden. Other areas include two community rooms, a sound-isolating music and television room, and a ground floor bedroom with bath accessible to the handicapped.

(continued from page 299)

cent of a match-up program's budget is for administration, support for these programs is especially difficult.

Demonstration funds often can be obtained for the first few years of program operation, but raising funds in the later years can be a real challenge. In addition, match-ups often are rejected by traditional housing funders who seek "bricks and mortar" projects and refuse to recognize that match-up programs create new units of housing.

Even those who accept match-up models as a legitimate housing program often judge results solely in terms of completed matches, without considering that even unmatched clients benefit from the housing counseling provided.

Group shared residences are acceptable as "bricks and mortar" projects and can cover certain operating expenses from development and management fees. They do, however, face difficulties in obtaining seed money, construction funding, and permanent financing.

For example, some housing finance programs exclude shared

residences. Because the units generally do not have private baths and kitchens, they are not considered permanent housing. They are therefore ineligible for tax-exempt financing. In addition, the cost of group facilitators and other support services cannot be absorbed into the normal operating budget of a group shared residence, requiring separate fundraising efforts.

It is clear that in order for shared housing to expand as an affordable housing option, shared housing practitioners must continue to educate the public and potential funders regarding its benefits and special attributes. In addition, it is essential to expand the network of agencies sponsoring shared housing programs.

Because of their origins, the vast majority of state and local shared housing programs are sponsored by public and private agencies serving older persons. Although these organizations are familiar with elderly persons and their needs, and are adept at counseling, they often lack expertise in housing.

Obvious targets for expansion efforts, then, are housing and community development agencies.

Growth in this area is desirable since it will provide access to the many skills and resources of the housing industry.

With this goal in mind, SHRC decided to undertake a special survey of housing and community development agencies already sponsoring shared housing programs. The findings highlighted the unique benefits and drawbacks of housing and community development agency sponsored shared housing programs.

SHRC surveyed a small but significant number of housing and community development agencies sponsoring shared housing programs. These programs represent approximately 10 percent of the shared housing programs in the country. The staff of 18 group shared residences and 16 match-up programs were interviewed by telephone during August and September 1989. Fifty-three percent of the programs had been in operation for more than five years; 30 percent for one to five years; and 17 percent for less than one year. All of the programs operating less than one year were group shared residences.

The programs were sponsored by the entire range of housing and community development agencies. More than 53 percent of the programs were sponsored by housing, housing and community development, or housing and redevelopment authorities. One quarter were sponsored by nonprofit housing development corporations, including two rural advisory development corporations. The remainder of the sponsors were municipal housing departments and agencies.

Although the reasons for initiating shared housing programs varied, the majority of match-up sponsors cited a need to assist older adults to remain in their homes and to prevent premature institutionalization. A number of housing authorities saw shared housing as an opportunity to decrease

the number of persons on their waiting lists for other elderly housing facilities.

Other sponsors initiated programs to provide affordable housing options in areas with low rental vacancy rates and high costs or to "take advantage of a decreasing number of 'house rich' people." Sometimes the availability of a building or property led to the development of a group shared residence. For example, two single family residences, having been acquired by public agencies for parking and street widening, were saved from the wrecking ball and converted into group shared residences.

Not surprisingly, 73 percent of the programs focus on the elderly or frail elderly. Like the SHRC's 1988 survey of programs sponsored by all types of agencies, the 1989 survey found that group shared residences are most likely to serve elderly residents only.

Match-up programs, while also serving the elderly, are more likely to be inter-generational or to be targeted to single parents, students, homeless, or other special needs populations. Also similar to other sponsors, housing agencies sponsoring shared housing programs serve predominantly low- and moderate-income households.

Administration

Housing agency sponsored programs are administered with bare bones staff. Only 27 percent of the agencies reported more than one full-time employee. Most programs are creative in their use of staff, operating with part-timers and volunteers.

Match-up program staff tend to be housing counselors, and many have other counseling responsibilities for their agencies in addition to the shared housing program.

Similarly, most of the group shared residences sponsored by

housing authorities or other public agencies have no staff dedicated solely to the group shared residences. Rather, staff perform tenant selection, rent collection, counseling, and other services for group shared residences as part of their regular duties.

The type of staff for the group shared residences varies according to the group served and the level of service provided. Many have resident managers or housekeepers, social workers, facilitators, and other on-site employees.

The only programs with consistent staffing are the state funded congregate housing programs in Massachusetts, each of which has a congregate coordinator. The coordinator positions are funded through the Executive Office of Older Affairs.

A number of interesting ownership/management models evolved from local history and circumstance. In Cambridge, Massachusetts, the Housing Authority purchased a property developed by a nonprofit and now subcontracts to

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that same agency for management and support services. In Cumberland County, Pennsylvania, a former church convent was leased for \$1 to a nonprofit agency that now subcontracts with the housing authority to perform general oversight, fiscal services, and to provide the group facilitator. The Lake County, Illinois, Housing Authority acquired and rehabilitated a property as a group shared residence and then sold it to a local nonprofit which in turn leases it to Catholic Charities.

Obtaining operational funds for shared housing programs is a challenge. Very often, staff costs are simply absorbed by the agency in its on-going operating budget or financed from rental income. The programs that do use funds from outside sources generally depend upon Community Development Block Grant (CDBG) or local housing program funds.

The funds for initiating and developing group shared residences are from the same public and private programs used to finance other subsidized housing projects. While CDBG funds are the most common source, three programs used innovative financing techniques.

- Lincoln, Massachusetts, a town of 5,000 population, floated a municipal bond in the amount of \$100,000 to pay for the renovation of the Codman Farmhouse for four elderly persons.

- Boston Aging Concerns—Young and Old United recently launched a new effort called "100 ROOMS." Its goal is to raise \$2 million through social investments from individuals, businesses, and religious congregations to finance the acquisition and renovation of future shared housing projects.

- Working together, the Episcopal Diocese, St. Georges Episcopal Church, and the Shared Housing Resource Center of Philadelphia obtained special waivers that enabled them to develop St. Georges

Manor. It is one of the first group shared residences for well elderly in the country to receive financing from HUD's Section 202 program for the elderly and handicapped.

All but five of the group shared residences depend on rental subsidies from federal or state sources. Of those five, two do not use any subsidies; one is subsidized by a church; one by a housing authority; and one through a special city voucher program for the homeless.

The most common source of rent subsidies, the HUD Section 8 program, is being used in a variety of ways by shared housing projects. Ten years ago the Denton, Texas, Housing Authority used the Section 8 new construction program to develop a five-person shared residence. The Ventura County, California, Housing Authority is one of the first programs in the country to implement HUD's new Section 8 Shared Housing regulations for a match-up program. The Cumberland County, Pennsylvania, Housing Authority subsidizes four of its eight shared housing units with Section 8 Single Room Occupancy (SRO) vouchers.

A number of factors have an impact on the design of a group shared residence: the level of services provided, the characteristics of the site or building, and the number and nature of the occupants. The number of persons in the residences surveyed ranges from 3 to 39, with 80 percent at either the low (fewer than eight) or high (more than 20) end.

Without exception, the larger facilities are those serving frail elderly and include meals and services. It should be noted, however, that many of these facilities are divided into smaller clusters by floor or hallway so as to maintain an intimate setting.

Sponsors were quite creative in obtaining properties. A former convent, a fraternity house, a farmhouse, and a church manse were all converted to group shared residences. Renovations ranged

from minor repairs to single family homes and apartments to substantial rehabilitation with new construction. The Captain Clarence Eldridge House in Hyannis, Massachusetts, involved a sizable addition to a modest single family home.

The many variations notwithstanding, there are two common principles in the design of shared housing. The first is that the exterior of the building maintain a single-family appearance as much as possible. The second is that the interior be "homelike" and that it enhance the desired levels of privacy and companionable sharing. The sponsors surveyed described many design innovations in their projects, such as music rooms, sleeping porches, and "floating" bedrooms which can be used in either of two adjacent apartments. One of the most innovative design concepts is the vest pocket community being planned by Innovative Housing for Fairfax, California.

When asked about the strengths of their programs, virtually all survey respondents cited their ability to provide housing to elderly and other special households at affordable rents. The match-up sponsors emphasized the positive aspects of maintaining elders in their own homes and taking advantage of the existing housing stock. Other strengths mentioned were the dedication and commitment of program staff and good relationships with other community agencies.

As expected, the problems most often related were the need for more staff and funds. Attracting appropriate home seekers, personality conflicts among sharers, and serving single parent families were also significant concerns.

Although the number of single parents seeking affordable housing is spiraling in many communities, most programs are not equipped to deal with the special needs and problems of such households.

The results of the survey of housing and community development agency sponsored shared housing programs show that, by and large, the programs are similar to those sponsored by other agencies. At the same time, however, these programs exhibit certain special advantages and disadvantages.

The principal advantages are the stability and continuity afforded by the sponsoring agency. Even though many programs express a need for more funds and staff, in many cases their core costs are covered by the sponsor.

Secondly, sponsorship by housing agencies brings expertise in housing counseling, real estate development, management, and other areas central to the success of shared housing programs. Access to bargain properties and other resources that generally would not be available to social service agencies is an important advantage that housing agencies possess.

The use of agency staff and social services is particularly beneficial. In addition, program marketing can be facilitated by the pool of clients available through a housing agency's normal intake function. Finally, shared housing staff can take advantage of computer facilities, fiscal management skills, and other services that they might not be able to afford on the limited budgets typical of smaller programs.

Many of the pitfalls of housing agency sponsorship go hand-in-hand with the advantages. Although absorption of shared housing program costs in the agency's general operating budget is an advantage, the sponsor must be sure to keep separate records of expenses. Inadequate documentation of costs can hamper proper cost/benefit analysis and be detrimental to the future of the shared housing program.

The shared use of staff is efficient, but proper coordination is

Captain Clarence Eldridge House

Captain Clarence Eldridge House, a group shared residence for 20 elderly persons in Hyannis, Massachusetts, is sponsored by the Barnstable Housing Authority. Eldridge House, with its 8,500-square-foot new addition to the 2,000 square-foot 19th century sea captain's house, boasts an award winning design. The "dignity of privacy and also the important opportunities for sharing" are maximized with individual kitchenettes and 1/2 baths as well as shared parlors, sitting rooms and porches. It is a prominent example of the facilities developed and operated with funds from the Massachusetts Congregate Housing Program. The program was initiated to serve elderly persons neither capable of living independently, nor in need of constant supervision or medical attention. Local housing authorities are eligible for grants from the Executive Office of Community Development for acquisition, construction, and operation. The Executive Office of Older Adults provides funds for hiring congregate coordinators. The coordinators are central to the success of this approach; their responsibilities range from rent collection to mediating problems to arranging for residents' service needs.

necessary to avoid confusion. It is also essential that staff receive adequate training in shared housing procedures. Special counseling and screening techniques must be taught to ensure that clients are appropriate for shared living and that they are properly matched.

Drawing from existing waiting lists can be beneficial, but it must be recognized that other marketing techniques also must be utilized. Individuals interested in high-rise apartment living are not necessarily prime candidates for shared housing. Relying solely upon existing lists might result in the selection of inappropriate clients. This, in turn, could lead to inappropriate matches and client dissatisfaction. Ultimately, such situations could endanger the reputation of the program. Clearly a separate marketing strategy must be developed for shared housing programs.

It has been demonstrated that

shared housing is an adaptable, affordable housing option for elderly and other populations served by housing and community development agencies. It also has been demonstrated that housing and community development agencies are prime candidates to sponsor shared housing programs. They bring many advantages to the process, and with proper planning and training, they can overcome the disadvantages. Housing and community development agencies and shared housing can make a perfect match.



HOMER



SENIOR

CITIZENS

March 28, 1990

Chairman Pat Pourchot
State Affairs Committee
P. O. Box V (MS 3100)
Juneau, Ak 99811

Dear Chairman Pourchot,

Homer Senior Citizens, Inc., a nonprofit corporation, is updating a needs survey for congregate/ assisted living housing for seniors. From March 16 to March 26 the following responses have been received:

19 seniors have signed up for immediate occupancy,
37 seniors anticipate occupancy within the next five years,
2/3 rds of the 66 respondents ARE MIDDLE INCOME OR ABOVE who would not qualify for low income or affordable housing.

Homer Senior Citizens, Inc. was fortunate in 1982 to receive a capitol improvement grant to build 24 units of independent living senior housing. The corporation has successfully managed these units without asking for one cent more from the state; has acquired additional land and architectural plans to build 24 units of Congregate/Assisted Living Housing. The corporation believes that with these assets and managerial experience, it can construct, manage these units as well as pay back a mortgage on the development.

The problem is securing the financing. The corporation would guarantee the pay back the mortgage and has the proper assets to secure the loan. Homer Senior Citizens, Inc. has exhausted possible funding sources from lending institutions; federal programs designed to help low income persons would only meet the needs of only one-third of the population and for those persons, Section 8 stipends, would be available. Because Alaska Housing Finance Corporation is the state lending agency for private individuals, the corporation and I URGE you to support of HB 218 in a form compatible to SB 150 which would allow lending of monies ALSO to nonprofit corporations and municipalities who can prove the need exists for specialized housing and has the financial capability to pay back the loan.

Private (nonprofit) corporations and municipalities CAN meet the chronic need for this type of housing demanded by the rapidly growing senior population of the state; eliminate the need for premature admission to Pioneer Homes because this type of housing is not available. Let us help meet the needs of these Alaskans.

Sincerely,

Velma Ellyson
Project Director

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE ULMER

NAME: SHARON SCRANTON
TITLE:
ADDRESS: 895 W 12TH ST
CITY: JUNEAU, AK ZIP: 99801
PHONE: 596-4852
BILL NO: HB 218
SUBJECT: AHFC LOANS FOR CONGREGATE HOUSING
MESSAGE: I WANT TO COMMENT IN FAVOR OR SUPPORT OF THIS BILL. I WORK IN ADULT DAY CARE, WORKING CLOSELY WITH SENIORS. THE SINGLE MAJOR PROBLEM IS PROTECTED ENVIRONMENT BUT NOT INSTITUTIONAL ENVIRONMENT. I CAN DOCUMENT THE SAVING OF 33 MONTHS OF INSTITUTIONAL CARE ON ONE SINGLE CLIENT & THAT COULD OF BEEN EXPANDED WITH CONGREGATE HOUSING.

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HOUSE BILL 218 AT A GLANCE

AHFC: Authorized to make mortgage loans for congregate housing; will operate as the secondary mortgage market only. AHFC will review all applications for credit worthiness and other issues related to mortgage lending.

ASHA: Will conduct a 2 year "pilot program" to determine who the borrowers are and how projects may be financed. ASHA will provide loan origination services for project applicants; will also provide technical assistance to help find appropriate funding sources (federal, municipal, and other) or combination of sources. ASHA will review project applications for credit worthiness and will coordinate with AHFC on criteria used to determine credit worthiness of projects and borrowers.

PRIVATE SECTOR: Commercial lenders may also provide loan origination services and obtain long term financing from AHFC.

BORROWERS: Individuals, developers, corporations, non-profit organizations, and government entities.

PROJECTS: May be anything from the retro-fitting of a single-family home for congregate use to the construction of a multi-unit facility.

SUPPORTED BY: Pioneers of Alaska
American Association of Retired Persons
Older Alaskans Commission
Network on Domestic Violence
Alaska Housing Finance Corporation
Alaska State Housing Authority

CONSISTENT WITH THE RECOMMENDATIONS OF:
The Housing Policy Development Committee of the
Alaska Housing Market Council
Housing Finance Task Force Concerning the Future
of the Alaska Housing Finance Corporation

PROPOSED AMENDMENT TO CSSSHB 218, RELATING TO CONGREGATE HOUSING

Sec. 3 (n) In (b)(1), (1), and (m) of this section "congregate housing" means an assembly of a variety of facilities, services and people under one roof or community to provide facilities or services that otherwise would not be available in total independent living for persons with special housing needs. Persons with special housing needs includes, but is not limited to: senior citizens; AIDS patients; the chronically ill; homeless men and women, with or without children; homeless youth; victims of domestic violence and their children; victims of elder abuse; victims of sexual abuse; substance abusers; the mentally ill; persons in transition from the Alaska Psychiatric Institute, the Corrections system, and Alaska Youth Initiative graduates; the developmentally disabled; the neurologically impaired and those with head injuries and brain trauma; rural Alaskans who come to regional centers for educational, medical or other reasons.

NOTE: The definition of congregate housing proposed above is suggested by the Alaska State Housing Authority as that agency received it from the Coalition of Large Public Housing Authorities. The list of persons with special housing needs is suggested by the Housing Policy Development Committee of the Alaska Housing Market Council (see page 20 of their final report). That list of special needs groups was developed after three months of public hearings on the issue.

BILL SUMMARY

HB 218, EXTENDING THE AUTHORITY OF THE ALASKA HOUSING FINANCE CORPORATION
TO ASSIST IN THE DEVELOPMENT OF SENIOR CITIZENS' HOUSING

- Sec. 1 Authorizes use of AHFC's Housing Development Fund for loans to develop, build, repair, remodel, or rehabilitate residential housing for senior citizens that is used as congregate housing.
- Sec. 2 Provides that money in the Housing Development Fund shall be used to reduce the interest payable by senior housing developers to 1% less than the interest rate payable on AHFC's bonds. If the housing ceases to be used for seniors, the interest rate would revert to the prevailing rate charged by AHFC.

Directs AHFC to address in regulation borrower eligibility, loan terms, and characteristics of eligible housing projects.

Defines "congregate housing" as a group-living building with individual residence areas and common facilities.

Defines "senior citizen" as an Alaska resident age 65 or older.

- Sec. 3 Effective date 7/1/89.



CARTA



Central Alaska Retired Teachers Association

Volume 1 V, Number 2

December 1989

SURVEY SHOWS RETIRED TEACHERS WANT SENIOR HOUSING HERE

Of the twenty-four CARTAs who returned the middle income housing survey that was included with the September/October newsletter, only one said "not interested" in senior housing in Anchorage. Most were looking forward to the future. Three indicated need within the next 1-3 years; nine said in 3-6 years; eleven were looking forward beyond six years.

Judging from these responses—a pretty fair return from the approximately 200 newsletters mailed, Central Alaska retired teachers are definitely interested in having appropriate Anchorage-area housing available for middle and upper income senior citizens and would themselves participate. Not only are they interested. They are also flexible and would accept several possible variations.

About half desire rentals, half condominiums to be purchased. Some marked both, indicating either would be acceptable. Three preferred separate village-type units. Two-bedroom apartments were chosen by nineteen. Extra storage and heated parking received high marks.

Location preference was not conclusive: downtown (9), east Anchorage (7), midtown (6), south Anchorage (3), Turnagain (2), out of town but within Municipality (2). Several marked more than one choice. Fifteen wanted a view, with mountains highly preferred. The other location question asked near what facilities the housing should be located. Respondents were asked to mark any that applied; most marked several. The results: shopping area (14), grocery store (14), public transportation (12), drug store (11), medical facilities (8), library (6), park (6), theaters (5), athletic facility (3), educational facilities (2). Two respondents marked "all of the above."

Amenities desired within the retirement housing

complex were identified as follows: maintenance personnel (20); some food service (17), with one meal a day (10), two meals (5), three meals (2); coin-op laundry (16); transportation (15); athletic room (14); security personnel (14); library (12); resident manager (12); swimming pool (12); meeting rooms (10); first aid room (9); arts and crafts area (9); card/game room (8); beauty parlor (7); general store (6).

Twenty indicated willingness to purchase units outright and pay \$50-\$75,000 (8), \$75-100,000 (10), \$100-\$150,000 (2). The same number were willing to pay rent: \$500-\$750 (8), \$750-\$1000 (10), \$1000-\$1500 (2).

Continued on page 3

PUT THESE 1990 CARTA MEETINGS ON YOUR CALENDAR—AND COME !!!

- Jan 13**—Regular meeting. Program is Medicare Insurance: How Do You Choose, with guest speaker to answer questions.
- Feb 19**—White Elephant Auction for scholarship fund. Bring items to sell and money to buy!
- Mar 17**—ASRTA / CARTA joint luncheon meeting at the Hilton Hotel. Speaker to be announced.
- Apr 21**—Regular meeting. Election of officers for upcoming year. Program to be announced.
- May 12**—Regular meeting. Installation of officers.

Note: The March and April meetings are the third Saturday of the month. The March meeting date was changed to coincide with the AARP training workshop. The Senior Center was not available for CARTA on the regular April meeting date.

JEAN MCLANE underwent surgery November 20th, but we hear he is doing well. It's put our Sunshine Committee in a position to receive our sunshine himself. You can drop him a note at 1911 Kuskokwim, Anchorage 99504 or call him at 279-3166.

GENEVA and BUCK SMITH travelled "outside" in their fifth-wheel for two months. They visited friends and relatives and enjoyed relaxing days in Idaho, Washington, California, Arizona, New Mexico and Nevada. They left their pickup and trailer in Las Vegas where they plan to return in April for the Alaskans Convention. They also visited their daughter in Hawaii for two weeks.

MARILOU and DICK SMITH will be visiting family in the San Diego area during January 1990.

RITA and JOHN STRACHAN recently returned from a two week visit to Ireland--great horse country and thousands of castles and ruins. Their 17-day trip included trail riding, horseback lessons in Donegal, a visit to the Waterford factory, scenic trips to the Ring of Kerry, Connemara country, and, of course, the famous Blarney castle. They planned to spend the holidays with grandchildren in Sedro Wooley, Washington. A family reunion after Christmas in San Francisco is also planned to celebrate Rita's 50th birthday and to ring in 1990. Relatives and friends from Alaska, Hawaii, the east coast, and the west coast are all planning to help Rita enjoy turning half a century.

ALICE THOMPSON has been sightseeing in New York and Washington, D.C., then a visit to a sister in Ohio, followed by a flight to Mexico for fun in the sun. She'll be back to Anchorage in January.

MARIE TYEIT's new address is PO Box 96474, Houston, Texas, 77213-6474.

MCDONAGH APPOINTED TO TEACHERS RETIREMENT SYSTEM BOARD

CARTA has been notified by the office of Governor Cowper that one of its members, Roxy McDonagh, has been appointed to the Teachers Retirement System Board to replace Merritt Olson. CARTA will look forward to regular reports from her to keep the membership advised about the administration of the retirement fund.

NO ANSWERS YET FROM GOVERNOR OR COMMISSIONER ON AD HOC PRPA

Letters and copies of the last CARTA newsletter featuring the Post Retirement Pension Adjustment problem went to Governor Cowper and Commissioner Andrews saying in part:

According to information made available to the Central Alaska Retired Teachers Association, it is the plan of this administration to deny teacher retirees an ad hoc post-retirement pension adjustment justified by an increase in cost of living. Such an action is unconscionable and appears to us to be illegal.

To date no reply has been received from either the Governor or the Commissioner.

Volunteers Needed

Weekday mornings and afternoons for two hour shifts in Dining Room, Recreation, Gift Shop.
Contact Liz Illg in Volunteer Services 562-2281

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WHITE HOUSE CONFERENCE ON AGING NOT YET ORDERED BY THE PRESIDENT

Under the Older Americans Act, the President may call for a 1991 White House Conference on Aging. Prior to the conference, the national aging network will be involved in a year of pre-conference related events.

The Alaska Older Alaskans Commission hopes that it will be possible to convene an Alaska Conference on Aging, perhaps in late spring 1991, and is asking Governor Cowper for a one-time allocation from the FY91 budget.

HOUSING SURVEY, cont.

Many marked both purchase and rental figures although they preferred one or the other in an earlier question. There was a greater spread on acceptable monthly maintenance and service fees. Several noted it would depend on what is included. Preferences were \$150-\$200 (10), \$200-\$250 (5), \$250-\$300 (4), over \$350 (1), no idea (1), no preference marked (2).

on file w/
CRA. for grants

SENIOR HOUSING REQUESTS

<u>LOCATION</u>	<u>REQUESTING AGENCY</u>	<u># UNITS</u>	<u>FUNDING REQUESTED</u>
Kake	Tlingit-Haida Housing Auth.	12	\$1,200,000.00
Haines	City of Haines	18	1,500,000.00
Yakutat	Tlingit-Haida Housing Auth.	14	1,400,000.00
Homer	Homer Senior Citizens	24	2,062,345.00
Stebbins	City of Stebbins	15	1,500,000.00
St. Mary's	City of St. Mary's	3	800,000.00
Palmer	ASBA	45	2,700,000.00
Anchorage	CIHA	45	4,500,000.00
Anchorage	Meridian Living	35	3,500,000.00
Fairbanks	City of Fairbanks	25	2,500,000.00
Nenana	Interior Regional Housing	15	750,000.00

20.85

21.4

STEVE COWPER, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

RURAL DEVELOPMENT DIVISION
HOUSING ASSISTANCE SECTION

549 E 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508
PHONE: (907) 561-0900

PO BOX 8
JUNEAU, ALASKA 99811
PHONE: (907) 465-2287

PO BOX 295
DILLINGHAM ALASKA 99576
PHONE (907) 842-2245

PO. BOX 350
KOTZEBUE, ALASKA 99752
PHONE: (907) 442-3875

PO BOX 348
BETHEL, ALASKA 99559
PHONE: (907) 543-3864

1001 NOBLE, SUITE 430
FAIRBANKS, ALASKA 99701
PHONE (907) 452-4468

PO BOX 41
NOME ALASKA 99762
PHONE: (907) 443-2655

STATEWIDE TOLL FREE
PHONE: 800-478-4535

March 16, 1989

Ms. Roxanne Stewart
Senator Jim Duncan's Office
Alaska State Legislature
Room 110-C
Juneau, Alaska 99811

Dear Ms. Stewart:

As you requested, I am sending you criteria to be included in Senate Bill 150 for establishing a loan program in the Department of Community and Regional Affairs for senior citizen congregate and/or group homes.

The non-owner occupied loan program could be expanded to include loans for this purpose.

- Interest rates consistent with non-owner occupied.
- Loan amounts consistent with nonowner occupied.
- Include both urban and rural areas for the senior housing loan program.

The establishment of this program would require an appropriation from the Legislature. In order to begin to handle the demand we would require a \$6-10 million appropriation.

In order to expand the existing program it would be necessary to change the statutes affecting the loan program.

The specifics and details of the program would be worked out once the statutes and appropriation are approved by the Legislature.

File - new title - use same guidelines as non-owner occupied

Senior Housing Loans

Roxanne Stewart
March 16, 1989
Page Two

As you requested, I am sending you a list of the agencies in the state requesting senior citizen housing.

If you should have any questions, or desire additional information, please be sure to contact me.

Thank you.

Sincerely,

Charles J. Atkins for

Michael C. Harper
Director

Introduction/ Purpose

The Housing Assistance Loan Programs have been designed to finance the purchase, renovation, or construction of residential property by Alaskan residents throughout the state, but specifically in areas where conventional financing is limited. The programs are financed through the Housing Assistance Revolving Loan Fund, created and funded by the State Legislature.

The programs are administered by the Housing Assistance Section of the Department of Community and Regional Affairs.

Loans are available through established lending institutions, or directly from the Program offices in areas not regularly served by commercial mortgage lending institutions. Loans are also available for all housing that does not meet conventional code or lending requirements.

Rural Nonowner-Occupied Loan Program

The Rural Nonowner-Occupied Loan Program provides financing to qualified borrowers for the construction, rehabilitation or purchase of two to eight rural nonowner-occupied rental housing units in a single community or in a specified area outside a community. If an extraordinary need is demonstrated, the Program may finance up to 16 rental units. Rural is defined as:

(A) a community with a population of 4500 or less in the first judicial district of the state; or,

(B) a community with a population of 4500 or less in the second, third, or fourth judicial district of the state that is not connected by road or rail to Anchorage or Fairbanks.

Terms

Loan Amount

The maximum amount which can be borrowed under this Program is \$1,250,000. The loan to value ratio cannot be more than 80%.

Interest Rate

The interest rate is set by statute and is currently at 10.5%.

Loan Term

The maximum loan term is 30 years or the remaining economic life of the property, whichever is less.

Collateral

All loans must be secured by collateral. The structure being financed is usually sufficient collateral.

Borrowers

Individual borrowers who are emancipated, or at least 18 years of age, and residents of the State of Alaska, and business entities which are Alaska companies, are eligible. If the business entities are corporations, they must be incorporated in Alaska and controlled by Alaska residents. If they are partnerships, joint ventures, or other entities, they must be composed of a majority of Alaska residents. Borrowers may not occupy any of the financed units.

Other State Loans

Borrowers cannot be participating, in any capacity, in any other nonowner-occupied housing projects funded by loans from the Program. However, a borrower who has a nonowner-occupied loan from the Program may obtain an owner-occupied loan from the Program. There is no maximum dollar amount on the borrower's contribution to the project.

Eligible Properties

To be eligible for financing under this loan program, the units to be financed may not exhibit any nonconforming features. A nonconforming feature would be one or more characteristics, with respect to design, construction practices, materials, foundation systems, utilities, and minimum space requirements, which are not common to the community in which the property is located and which would ordinarily preclude financing by private financial institutions. In addition, all property financed under this loan program must comply with all applicable laws, ordinances, regulations and building codes, including the regulations of the Department of Environmental Conservation regarding on-site water and wastewater systems.



Renovation, Rehabilitation and Improvement Loans may be made under the Rural Nonowner-Occupied Program for the purpose of renovating, rehabilitating or improving existing units. The renovation, rehabilitation or improvement may be combined with the purchase of the rental unit.

Partial Releases

After five years from the date of completion of a project, and if security is not impaired, the Program may execute partial releases of property subject to its deed of trust.

Assumption

All loans originated or purchased by the Housing Assistance Loan Program are assumable. The Program office requires prior approval of the qualifications of the borrowers assuming the loan. Failure to meet this requirement could result in the lender having to repurchase the loan.

Loan Proceeds

Loan proceeds can be used to:

- Purchase an existing building or buildings.
- Contract to renovate or improve an existing building or buildings.
- Build a new project.

Types of Loans

The Housing Assistance Section makes two types of loans under the program — direct and indirect loans. Direct loans are mortgage loans made directly by the Housing Assistance Loan Program to the borrower. The Program also purchases mortgage loans made under the program by participating lending institutions. These are called indirect loans. A list of all participating financial institutions is available at any Program office. Also, loan staff will assist any applicant in seeking the type of loan that meets their eligibility requirements.

Application/More Information

Applying for a loan under this program is basically the same as applying for a conventional home mortgage loan. Additional information and application materials can be obtained from any of the following Housing Assistance Loan Program Offices:

■ Anchorage

Mr. Michael Harper,
Director
Mr. Hank Hodge,
Loan Manager
949 East 36th Ave.
Suite 403
Anchorage, AK 99508
(907) 561-0900, or
800-478-4585 (Toll Free)

■ Kotzebue

Ms. Sophie Ferguson,
Loan Examiner
Drift Inn, 2nd Floor
P.O. Box 350
Kotzebue, AK 99752
(907) 442-3675

■ Nome

Ms. Catherine Dickson,
Loan Examiner
P.O. Box 41
Nome, AK 99762
(907) 443-2655

■ Bethel

Loan Examiner
BNC Complex
P.O. Box 348
Bethel, AK 99559
(907) 543-3864

■ Dillingham

Mr. Bobby Andrew,
Loan Examiner
Choggiung Office Bldg.
P.O. Box 295
Dillingham, AK 99576
(907) 842-2245 or
842-2255

■ Fairbanks

Willis Greimann
Loan Examiner
1001 Noble
Suite 430
Fairbanks, AK 99701
(907) 452-4468

■ Juneau

Ms. Joyce Michaelson,
Loan Examiner
P.O. Box BC
Juneau, AK 99811
(907) 465-2267



Housing Assistance Loan Program

Rural Nonowner-Occupied Loan Program

State of Alaska

Housing Assistance Section

Department of Community and Regional Affairs

HOUSING NEEDS FOR MIDDLE TO UPPER INCOME SENIOR CITIZENS OF JUNEAU

There is a serious need in Juneau for senior citizen housing. Although several units of low income housing have been provided for Juneau seniors, few choices exist for middle or upper income seniors. The June 1989 survey and report providing a Juneau senior profile (The Golden Resource, City and Borough of Juneau, 155 South Seward Street, Juneau, Alaska 99801) states 12% of all persons aged 65 to 85 would like to change housing.

The report shows persons within the 65 to 85 age group, experience housing problems not necessarily related to income. 75% of the survey group own their own homes, but age group analysis of the data show a 77% ownership for the 65 to 75 year age group falls to 48% for ages 85 plus. The aging tend to become isolated, unable to care for property, without easy access to markets, health care, restaurants, and the amenities to which they are accustomed. Apparently these factors tend to make the senior want to relocate to a central location where fellowship, security, health and other necessary facilities and services are readily accessible.

The Juneau community appears to be little different in needs for the aging from senior needs in states other than Alaska, except for the number of persons involved. Many communities have found it both profitable and socially desirable to provide congregate housing, which meets senior needs. Such housing helps to keep the senior out of nursing home and in a independent living status as long as possible. Independent living or possibly assisted living under conditions meeting the senior needs is far cheaper to individuals and society than nursing home living. The social and economic advantages are too numerous to mention; family maintenance, volunteerism and - continued contribution by seniors to the economy of the communitiy are only a few pluses.

The survey report, The Golden Resource, has almost unprecedented reliability in the information presented. Questionairs used in the survey were sent to 1130 persons. 857 responses were received. 95% of the respondents said they wanted to continue to live in Juneau. 12% said they wanted a change in housing.

It is clear from the data in the report, the following items are descriptive of persons age 65 and older living in Juneau:

July 1, 1987 estimates placed the total number of seniors over age 65 who were living in Juneau on that date at 1266 persons. In 1989 there are an estimated 1172 persons ages 65 to 85 living in Juneau.

42% of the group surveyed in 1989 live in downtown Juneau
17% live in the Mendenhall valley area
14% live out the road beyond the University of Alaska Southeast
73 is the average age
61% have lived in Juneau more than 30 years
60% is married
28% is widowed
55% of the group is female

Reported income ranges as follows:

37% of all persons surveyed report annual income of
\$10,000 to \$20,000
23% report \$20,000 to \$30,000
7% reported \$30,000 to \$40,000
3% report \$40,000 to \$50,000
2% report \$50,000 to \$60,000
2% report over \$60,000

Based on combined income, all persons repoding reported incomes as follows:

15% to 20% have incomes of \$10,000 to \$20,000
30% approx. have incomes of \$20,000 to \$30,000
16% to 19% have incomes of \$30,000 to \$40,000
8% to 10% have incomes of \$50,000 to \$60,000
10% to 13% have incomes greater than \$60,000

According to the 1987 population estimates contained in the report The Golden Resource, there were more people between the ages of 55 to 64 (1532 people) than there were over the age of 65 (1266). There were approximately 2,515 people between the ages of 45 to 54 and approximately 5,037 people in the 35 to 44 age bracket. This indicates that the senior population will be increasing very dramatically over the next few years. This is especially true if 95% of these people decide to stay in Juneau, as the seniors currently living in Juneau have indicated they will.

Based on information presented in the survey there are 140 persons who are interested in changing their current housing. Of this group 56 are singles and the remainder of 84 make 42 married units or a probable total of 98 housing units.

It is unlikely the survey results reflect enough information to consider all persons would be looking for a housing alternative that might be provided under a new program. Probably some will wish to move in with relatives or friends when they can no longer remain independent. Others may wish to move to an apartment or unit which requires less daily effort on the part of the person or couples. Development of housing probably should occur in phases as needed.

The next page summarizes housing units, income, and probable payment dates. The attached Table contains a summary of information on alternative housing units available in the Denver, Colorado area. This summary issued in July 1989 also describes basic costs for services and amenities provided. Although the description of facilities and services is entitled "Luxury" alternative units of housing for Juneau's seniors may or may not include all space, services and amenities termed luxury. Necessary space, facilities and services should be provided to meet the need of Juneau seniors.

Assuming a maximum of 25% of spendable income were to be available to finance Juneau housing, the information shown on the chart on the next page approximates the minimum funds available to cover costs of alternative shelter for seniors in Juneau.

There is a need for housing now. Current trends indicate a significant increase in need for housing for middle and upper income seniors. Data show the seniors themselves are in a financial position adequate to pay reasonable costs for rent or lease of housing. It is doubtful if condominium living would meet the need; only those persons with the greatest finances would be able to purchase such units and the existing problem would not be solved.

Non-profit and private groups have provided housing in other places. A somewhat similar approach to meeting low income housing needs was taken by Alaska Housing Ministries - refer to the attached description of Alaska Housing Ministires.

PROBABLE MONTHLY PAYMENTS AND NUMBER OF HOUSING UNITS NEEDED BASED ON INCOME CATEGORY

*Income Category	Level of Income For Persons Over Age 65 Expressed in \$ Combined	Persons over Age 65 In Income Range Expressed as a Percent Combined	**Probable Acceptable Level of Monthly Payment for Shelter and Number of Units Needed	
(A)	10,000-20,000	15 to 20	\$ 500	16
(B)	20,000-30,000	30	720	30
(C)	30,000-40,000	16 to 25	935	20
(D)	40,000-50,000	8 to 10	1,105	9
(E)	50,000-60,000	8 to 10	1,300	9
(F)	Over 60,000	10 to 25	1,500	14

*Of the 1, 172 persons now resident in Juneau who are 65 to 85 years of age, the 12% who wish to remain number 140 persons and of this 140 there are 42 married couples and 56 single persons. If all of these persons were to remain in Juneau and seek alternative housing this would represent a total demand of 98 units. Assuming not more than 25% of income should be spent on shelter the rent ranges for different income categories would be as follows:

Category (A) \$400 to \$625, (B) \$625 to \$830, (C) \$830 to \$1,040, (D) \$1,040 to \$1,250, and Category (E) and (F) would be approximately \$1,250 and \$1,500.

**Estimated affordable payments have been selected as the average of the lower and upper income figures except for Category (F) which is the base amount.

Greater attention should be given to the economic development aspects of meeting senior citizen needs in the City and Borough. Retirement is an employment category for approximately 1,200 persons per year and growing. Seventy-two percent of these persons have incomes in excess of \$20,000 per year. These primary occupational aspects of retirement in Juneau add an estimated 16 to 20 million dollars to the Juneau payroll annually. The two to four secondary jobs related to retirement in Juneau swell the significance of the retirement community here. Survey respondents tell us the subsidies provided by property tax forgiveness as well as sales tax benefits allow them to retire and stay here. Such benefits -- far from being welfare and "freebies" -- constitute a subsidy which returns a five to one benefit to the economy of the City and Borough of Juneau.

Many persons would like to have and are willing to pay for congregate housing which serves the elder population, regardless of income. Options should be investigated for identifying and funding all types of needed senior housing: middle income, intermediate housing, adult foster homes, facilities for programs such as adult day care and the like. This is especially critical, given the "age wave", or the fact that the older population in the Borough has been, and will continue to be, steadily increasing, with the majority of people wishing to stay here.

RECOMMENDATIONS

1. JUNEAU SHOULD ASSUME THE LEADERSHIP TO BRING ABOUT ADEQUATE SENIOR HOUSING INCLUDING, BUT NOT NECESSARILY LIMITED, TO MAKING A CENTRAL DOWNTOWN SITE AVAILABLE FOR SUCH A DEVELOPMENT.

AND PROVIDING FOR PLANNING AND REVENUE FUNDING AS WELL AS PARTNERSHIP ARRANGEMENTS WITH AGENCIES -- PUBLIC AND PRIVATE -- TO BUILD AND OPERATE THE NEEDED FACILITIES.
2. NON-PROFIT, FOR PROFIT, PRIVATE AND/OR GOVERNMENT INTEREST SHOULD BE INVITED TO MAKE PROPOSALS FOR PROVISION AND/OR OPERATION OF THE NEEDED HOUSING.

ALASKA HOUSING MINISTRIES

WHAT IS IT?

United Methodists, in company with members of other churches in the State of Alaska, have long been aware and deeply concerned for those in our communities who are unable to afford adequate housing. A major segment of decent and hardworking people, who make up the low and moderate income families of this state, do not share in any way in the great efforts that have been made by the State of Alaska to provide for the housing needs of its population.

Seven denominations in Alaska banded themselves together in late 1982 to provide a long term answer to the low and moderate income and handicapped housing needs of Alaska citizens. The bodies participating are:

The Alaska Missionary Conference of the United Methodist Church
The Catholic Archdiocese of Anchorage
The Lutheran Council of Anchorage
The Episcopal Diocese of Anchorage
The Presbytery of the Yukon
The Alaska Assoc. of Baptist Churches and Institutions
The Northwest Conference of the Mennonite Church

An Alaska non-profit corporation has been formed under the sponsorship of the seven bodies. The name of the new corporation is ALASKA HOUSING MINISTRIES. Financial liability is restricted to the corporation, and is not a potential liability for any of the seven sponsoring bodies.

The goal of the corporation is to build, own and operate housing for low and moderate income people and for handicapped people statewide.

Rent levels will be kept low by one or a combination of the following:

1. Removing the profit motive from operation of housing.
2. Federal rent subsidies where appropriate.
3. Seeking grants and gifts from Churches, governmental bodies, and the private sector.
4. Favorable interest rates on mortgage monies.

National Housing Ministries, a Church sponsored non-profit corporation with nationwide experience and reputation in construction and maintenance and management of low and moderate income housing, has been assisting in the guidance of the new corporation.

The new corporation has been structured to permit other religious bodies to join in the sponsorship and would welcome such additional sponsorship. Church sponsored non-profit corporations have a long history of involvement in housing of people with special needs. The ALASKA HOUSING MINISTRIES seeks to carry on that responsibility in Alaska.

The new corporation is operated by a 14 person Board of Directors. Each sponsoring denomination nominates two persons to the Board of Directors and this nomination is the only means of appointment to the Board.

Alaska Housing Ministries believes its Board of Directors provide a wealth of expertise and a tradition of caring to its task of providing housing. All serve without remuneration of any kind. It is the policy of the Corporation to use professional services in all phases of its operation. It is anticipated that the long-term management of any housing owned by Alaska Housing Ministries will be handled by National Housing Ministries, non-profit management and consulting organization.

The long term integrity of Alaska Housing Ministries lies in its well established sponsoring bodies. Each of the seven sponsoring bodies has a long history of social caring and activity. The motivation of the organization is deeply religious as well as humanitarian.

FUNDING AND CURRENT OPERATIONS

During the 1983 session of the State of Alaska Legislature, HB302 was passed and signed into law. One of the provisions of HB302 established a program of direct grants to non-profit organizations to facilitate the construction of housing for low and moderate income persons. The program was funded with \$5,000,000. and is being administered by the Department of Community and Regional Affairs. This source of funding has been the primary source of funding for Alaska Housing Ministries.

NEED

The proposed housing is envisioned for families with incomes under \$20,000 per year. Currently, most residents with incomes in excess of that can qualify for home ownership under one of the various state programs of subsidized interest rates. According to a study made by CH2M Hill, commissioned by the Dept. of Community and Regional Affairs, the subject income group is the one which is most critically affected by our present housing market. Many such families are paying 1/3 and more of their monthly income for rental housing. Housing for HANDICAPPED persons is also a critical need over the entire state.

ALASKA HOUSING MINISTRIES is proposing to provide rentals in the range of \$450-600 per month, depending on the unit size and location.

UNDER CONSTRUCTION NOW:

ALASKA HOUSING MINISTRIES now has 62 units under construction in Eagle River. A site in Fairbanks has been selected and planning is in process to construct two phases with approximately 50 units in each phase. These projects are on well selected sites close to shopping, schools and public transportation, and have all required public utilities. The projects are well planned, of low density, and will be cons to standards of quality requiring minimum long-term maintenance. They will be very well landscaped and will be a distinct asset to their neighborhoods.

The ALASKA HOUSING MINISTRIES has organized itself to act as its own developer and general contractor to achieve maximum cost and time effectiveness. Costs per unit will be far below those incurred by ASHA.

The present Board membership is as follows:

Rev. Howard Bess, President (American Baptist)

Mr. Bess is the pastor of the First American Baptist Church of Anchorage. Prior to moving to Alaska, he served as president of Goleta Valley Housing for ten years. This Goleta, California non-profit corporation owned and operated a 75 unit 236 family project. He also served eight years on the Board of Santa Barbara (California) Baptist Homes, two of those years as a member of the Executive Board. This Oakland, California, based non-profit corporation operates 14 housing complexes for older citizens in the western states.

Rev. Richard Madden, Vice President (Presbyterian), PhD

Dr. Madden is the Pastor of Emmanuel Presbyterian Church of Anchorage. He serves as an Adjunct Professor at Alaska Pacific University and is the Chairman of the Social Concerns Committee of the Presbytery of the Yukon.

Mr. Joseph Henri, Esquire, Secretary (Roman Catholic)

Mr. Henri is an attorney with a broad background of public service in both governmental and Church agencies. He served the State of Alaska as the Commissioner of Administration under Governor Egan.

Rev. Fr. Steven Moore, Treasurer (Roman Catholic)

Father Moore is the Administrative Assistant to Archbishop Francis Hurley of the Roman Catholic Archdiocese of Anchorage.

Mr. Frank Willis, Board Member (United Methodist)

Mr. Willis is an active Churchman and a professional realtor.

Mrs. Jean Stassel, Board Member (United Methodist)

Mrs. Stassel is an active Churchwomen and a professional fisherwoman.

Mr. Hadley Jenner, Board Member (Mennonite)

Mr. Jenner is an active Churchman and a professional land planner for the Municipality of Anchorage.

Miss Janna Alley, Board Member (Mennonite)

Miss Alley is an active Churchwoman and an architect.

Mr. Kirk Waldhaus, Board Member (Lutheran)

Mr. Waldhaus is an active Churchman and a computer service sales specialist.

The Rev. Fr. Peter Richmond, Board Member (Episcopalian)

Father Richmond is pastor of the Episcopalian Church in Fairbanks, Alaska, and is a licensed civil engineer.

The Rev. Fr. Chuck Eddy, Board Member (Episcopalian)

Father Eddy is the pastor of St. Mary's Episcopalian Church of Anchorage.

The Rev. Alonzo Patterson, Board Member (Baptist)

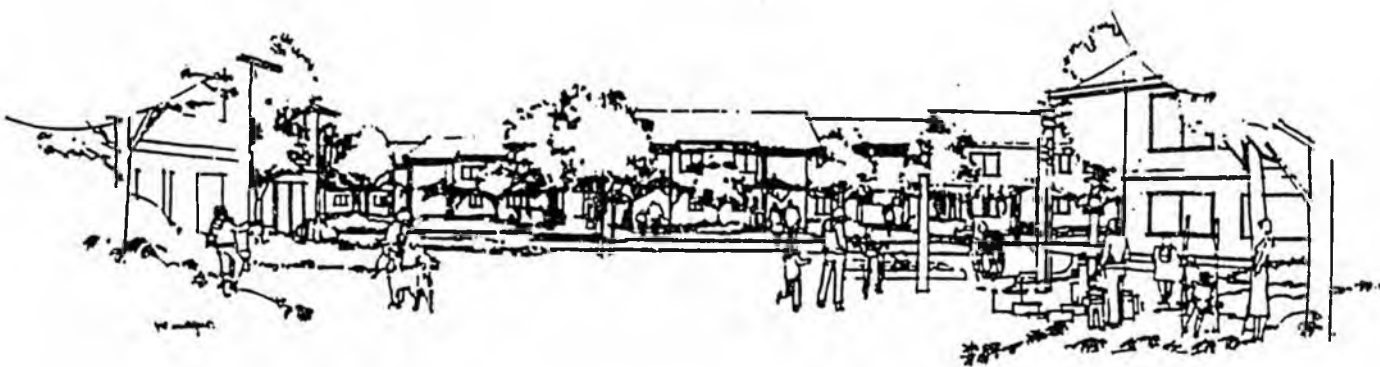
Mr. Patterson is the pastor of the Shiloh Missionary Baptist Church of Anchorage. He presently serves as the Chairman of the Parol Board for the State of Alaska.

MANAGEMENT

The Alaska Housing Ministries will contract with the National Housing Ministrie to provide for the long term administration and management of these projects. The National Housing Ministries, a church sponsored non-profit corporation, has a long and outstanding history of successful management of low and moderate income projects, and currently has over 3,000 units under its administration.

The National Housing Ministries' management plan is based on the following general concepts:

1. Sufficient income from the projects was allocated to insure a high standard of maintenance and management. No additional funds will ever be required from the State of Alaska.
2. On-site management personnel will be selected from the community served, and will be thoroughly trained and supported throughout the life of these projects.
3. The National Housing Ministries recognizes and fills the requirement for the more intensive management required by low and moderate income people, and works with the tenants individually and collectively to insure that they will enjoy the benefits of this housing opportunity for many years to come.



EAGLE RIVER APARTMENT
EAGLE RIVER ALASKA
ALASKA HOUSING MINISTRIES • PR

LUXURY SENIOR RETIREMENT COMMUNITIES

(Alphabetically listed, information current as of June 10, 1988)

Name of property Address (cross streets) City, Telephone Manager	Breakdown of units										Additional staff				Amenities												
	Total no. of units	Independent/price range	Assisted living/price range	Skilled/price range	Buy-in or deposit	Min. lease	Min. income/age	Average age of residents	Occupancy rate	SPN	Social worker	Security	Laundry service	Laundry facilities	Hour-lapping services	Transportation	Concierge service	Parking	Meal program price/requirments	Emergency call system	Swimming pool	Jacuzzi	Exercise room	Hair salon	Commince store	Pets allowed/deposit	Houseguest/children restrictions
Arroyo Meridian 8555 W. 59th Ave. (59th/Reiston) Arroyo 80004, 425-1800 Steven Woodworth	133	100 \$1995-450	18 \$1545-1900		Dep. \$3500-3500	12 mo.	\$28,000 None	70	58%	11 hrs. daily (L.P.N.)		24 hrs.			X	X	X	Covered parking 3 meals daily available 100 meals a year included in rent	X			X	X		Yes None	Guest rooms available	Resident by referral to regular chair while dining in dining room
Boulder Meridian 801 Gillespie Dr. (Table Mesa/Broadway) Boulder 80303, 494-3900 Denise Dennis	94	80 \$38-1200			Dep. \$3300-4500	12 mo.	\$20,000 None	70	80%	12 hrs. daily (L.P.N.)		24 hrs.			X	X	X	Garage and parking lot 3 meals daily available 100 meals a year included in rent	X		X	X	X		Yes None	Guest rooms available	Resident by referral to regular chair while dining in dining room
Centerbury Gardens and The Inn at Centerbury 11285 E. Mississippi Ave. (Mississippi/Molina) Aurora 80012, 341-1412 William J. Nowell	237	161 \$185-1500	86 \$895-1415		Dep. \$500	1 mo.	None None	82	90%	40 hrs. weekly	40 hrs. weekly	24 hrs.			X	X	X	Parking lot 3 meals & continental breakfast included in rent	X		X	X	X	X	Yes \$250	Guest and respite care rooms available	
Cherry Oaks Retirement Community 8800 Leedsdale (Leedsdale/Monaco) Denver 80224, 331-8883 Tom Brunger	151	151 \$175-1325	Assisted living and in all units		Dep. \$500	3 mo.	None \$5 yrs.	80	72%	8 hrs. daily + on-call					X	X	X	Covered parking 3 meals daily available Some included in rent according to package	X				X		No	Guest rooms available	
Dayton Place Retirement Community 1950 S. Dayton St. (Dayton/Jewell) Denver 80231, 751-5150 John Patterson	190	100 \$195-1150	90 \$1255-1835		Dep. \$100-300	1 mo.	None 61 yrs.	80+	48%	4 hrs. daily	on-call	24 hrs.			X	X	X	Parking lot 3 meals daily included in rent	X			X	X	X	Yes \$250	Guest rooms available	
Heritage Club 2020 S. Monroe St. (Evans/Monroe) Denver 80210, 756-0025 Ron Barker	218	205 \$1000-2800	24 \$1800		Dep. 1 mo. rent	12 mo.	None 67 yrs.	70	55%	24 hrs.		24 hrs.			X	X	X	Parking lot & covered parking 3 meals daily 25 meals per month included in rent	X		X	X	X	X	Yes none	Guest rooms available	Wheelchair restricted in assisted living areas
Inglennok Retirement Community 2185 E. Egbert (22nd Ave/Egbert) Brighton 80401, 659-4146 Faron Bernhard	111	81 \$145-945	12 \$178		Dep. \$250	1 mo.	None 55 yrs.	85	88%	20 hrs. weekly		24 hrs.			X	X	X	Parking lot, garage 2 meals daily included in rent breakfast additional \$50 mo.	X		X		X	X	Yes \$150	Guest rooms available	
Lakewood Estates 8543 W. Dakota Ave. (Alameda/Carr) Lakewood 80226, 887-3888 Ron Logan	80	80 \$730-1650			Dep. \$100	1 mo.	None 55 yrs.	82	84%	13 hrs. weekly		24 hrs.			X	X	X	Underground parking 3 meals daily included in rent	X			X	X	X	Yes \$150	Guest rooms available	
Lakewood Meridian 1825 S. Balsam (Wadsworth/Jewell) Lakewood 80228, 980-5500 Dary Watson	178	114 \$735-1611	13 Not available	52 Not available	Dep. \$3300-4500	12 mo.	\$20,000 None	75	84%	24 hrs.		24 hrs.			X	X	X	Underground and parking lot meals daily available 100 meals a year included in rent	X		X	X	X	X	Yes None	Guest rooms available	Resident by referral to regular chair while dining in dining room
Oakhurst Towers 8030 E. Glend Ave. (Hampton/Tamarac) Denver 80231, 698-0578 Mildred Richards	171	151 \$730-1650			Dep. \$300	6 mo.	Individual production \$5 yrs.	84		7 hrs. weekly		Nights			X	X	X	Underground parking 1 or 2 meal lease option	X	X	X	X	X	No	Short term visit only Guest rooms available		
Partplace 111 Emerson St. (Speer/Emerson) Denver 80218, 744-0400 John Mobley	233	183 \$875-1720	53 \$1800		Dep. 1 mo. rent	12 mo.	None 61 yrs.	77	45%	24 hrs.	24 hrs.	24 hrs.			X	X	X	Garage & parking lot 2 meals daily cost included in assisted living rent, extra in independent	X	X	X	X	X	X	Yes \$150	Age limit on pool and Guest rooms available	Independent living residents must be ambulatory

LUXURY SENIOR RETIREMENT COMMUNITIES (Continued)
 (Alphabetically listed, information current as of June 10, 1988)

Breakdown of units

Additional staff

Amenities

Name of property Address (cross streets) City, Telephone Manager	Total no. of units	Independent/price range		Assisted living/price range	Skilled/price range	Buy-in or deposit	Min. lease	Min. income/age	Average age of residents	Occupancy rate	P.N.	Social worker	Security	Laundry services	Laundry facilities	Housekeeping services	Transportation	Errand service	Parking	Meal program price requirements	Emergency call system	Swimming pool	Jazz club	Exercise room	Hair salon	Compliment store	Pets allowed/deposit	Houseguests/children restrictions	Wheelchair accessible areas
		Dep.	Indep.																										
Park Avenue Tower 100 23rd St. (23rd/Washington) Denver 80205, 398-8100 Charles Robinson	152	152	\$384-994			Dep. \$100 + 1 mo. rent	9 mo.	None 50 yrs.	72	84%			24 hrs.		X	X	X	X	Underground parking	2 meals daily included in rent on package; 3 meals daily available for fee	X	X	X	X	X	X	Yes \$200	Guest rooms available	
Park Manor 1801 E. 19th Ave. (High/19th) Denver 80218, 438-7000 Sandy Martini	144	54	\$279-1821	54	\$1100-1500	Dep. \$600	1 mo.	None 65 yrs.	84	87%	8 hrs. daily	8 hrs. daily	24 hrs.		X	X	X		Garage and parking lot	3 meals daily included in rent	X				X	Yes \$100	Guest rooms available		
Porter Place 1001 E. Yale Ave. (Yale/Dowling) Denver 80210, 871-8200 Jim McBride	138	128	\$475-1525				1 mo.		84	84%	Overcall	Overcall	24 hrs.	Weekly meals included in rent	X	X	X		Garage, carport, parking lot	3 meals daily included in rent	X			X	X	X	No	Guest rooms available	
RiverPointe 5225 S. Prince St. (Bollenaw/Federal) Littleton 80123, 787-0400 Richard Johnson	163	163	\$165-1225			Dep. \$300	12 mo.	None 65 yrs.	80	87%	2 hrs. 4 days		24 hrs.		X	X	X		Limited underground parking	1 meal daily included in rent; additional meals available for fee	X		X	X	X	Yes \$200	1 mo. per year allowed/ Guest rooms available		
San Marino Retirement Villas 5006 W. 75th (75th/Sheridan) Westminster 80030, 424-8080 Ernie & Virginia Lahner	106	106	\$775-1154			Dep. \$100	1 mo.	None 65 yrs.	80	88%			24 hrs.		X	X	X	X	Parking lot	3 meals daily included in rent	X		X	X	X	Yes \$100	Guest rooms available		
Springwood Retirement Community 8559 Tenk Way (Ward/Ralston) Arvada 80004, 424-8550 Jane Hawthorne	125	112	\$115-1225	13	\$1450-1800	Dep. \$190 additional for parking	1 mo.	None 62 yrs.	78	83%	15 hrs. weekly		24 hrs.	Weekly meals included in rent	X	X	X	X	Covered parking and parking lot	2 meals daily included in rent; additional meals available for fee	X			X	X	X	Yes \$100	Guest rooms available	
Sunny Acres Villa 2501 E. 104th Ave. (104th/Washington) Thornton 80222, 452-4181 Cheryl Long	644	614	\$463-1798	12	\$1100-1500	Dep. \$380	1 mo.	None 63 yrs.	78	84%	24 hrs.	8 hrs. daily + no call	24 hrs.	Weekly meals included in rent	X	X	X		Off-street, carports, garage	3 meals daily for fee; 3 meals daily included in rent for skilled						Yes \$100	Guest rooms available		
The Atrium 3352 30th St. (30th/Diagonal) Boulder 80301, 444-0300 Management transition	82	82	\$475-2000			Dep. \$100	1 mo.	None None	78	83%			24 hrs.	Weekly meals included in rent	X	X	X	X	Underground parking	3 meals daily available for fee	X			X	X	Yes \$200	Guest rooms available		
The Corona Retirement Community 3451 S. Corona (Corona/Hampden) Englewood 80110, 781-0300 Michael Harrison	222	222	\$1000-1400			Buy-in or rentable dep.	12 mo.	\$12,800 87 yrs.	78	86%	48 hrs. weekly		24 hrs.	Weekly meals included in rent	X	X	X	X	Underground parking	Varies in some meals included in rent according to package	X		X	X	X	X	Yes \$100	Guest rooms available	
The Courtyard at Lakewood 7106 W. 13th Ave. (10th/Wadsworth) Lakewood 80215, 239-0740 Gwen Jordan	110	120	\$715-1074			Dep. \$100	1 mo.	None 65 yrs.	78	44%			24 hrs.		X	X	X		Underground parking	3 meals daily included in rent; additional meals available	X		X	X	X	Yes \$200	Guest rooms available, fee		
Treeport of Denver 10200 E. Harvard Ave. (Parker/Havens) Denver 80231, 698-0822 John Wilson	189	155	\$410-1335	34	\$115-1445	Dep. \$200	17 mos.	None None	78	85%	48 hrs. weekly	Overcall	Nights		X	X	X	X	Limited covered parking	3 meals daily included in rent	X			X	X	Yes \$300	Guest apartments available		
Westend Meridian 10613 W. 19th Ave. (Kipling/Collas) Lakewood 80215, 232-7100 Ray Sheffield	154	134	\$1185-1415	20	\$1725	Dep. \$3500-5500	12 mo.	\$28,000 None	78	48%	12 hrs. daily		24 hrs.	Weekly meals included in rent	X	X	X	X	Carports and parking lot	3 meals daily available; 160 meals a year included in rent	X			X	X	Yes \$100	Guest rooms available	Pool and transferred to regular chair when done to dining room	

sent to Sen. Pouchot
from Sylvia Short, 1.19.90

MIDDLE INCOME SENIOR HOUSING

Results of Questionnaire Survey, 1989 SUMMARY

Over 2,000 questionnaires regarding the need and desires for middle-income senior housing in Anchorage, Alaska, were distributed in July, August and September, 1989. A total of eighty-three were returned completed, and the following is a summary of what they checked.

WHEN: There was no consensus as to when such housing would be needed, but all returned questionnaires indicated they would be interested in it in the near future.

TYPES: Almost equal numbers indicated interest in rental, condominium or separate units, and there was a distinct preference for private development over government-operated housing.

SIZE: By far the most indicated they wanted two-bedroom units with an extra room or storage space and enclosed parking area. Less than half wanted separate living-dining-cooking areas and a sizeable number wanted heated parking.

LOCATION: The downtown area rated first, preferably with a view, mountains being preferred with water next. Midtown was the next most popular area.

NEAR: Most wanted to be near a grocery store, public transportation and shopping areas, with medical facilities, a drug store and library next in importance.

AMENITIES: Maintenance personnel was wanted by approximately 3/4ths of those answering, and security personnel by over half. Other amenities rating high were a coin-operated laundry, food service (15 desiring more than one meal), a resident manager, transportation and meeting rooms. In general, all kinds of amenities except a general store were wanted by at least 25% (one out of four).

FEE: The majority indicated they felt a maintenance and service fee of \$150 to \$200, or less, would be appropriate.

COST: Prospective buyers indicated the \$50,000 to \$75,000 range with some 26 indicating they would pay more.

RENTAL: The lowest indicated rent of \$500 - \$750 was checked by 52, some indicating they would prefer to pay even less. 18 were willing to pay over \$750 a month.

IN GENERAL

It appears that there is real interest in a privately-developed senior housing project. It should have both rental and purchasable units, most with two bedrooms, storage area and enclosed parking. The site could be in the downtown area or at midtown, so long as there is some type of view, preferably of mountains or water. It should be situated in a commercial area with access to transportation. Included within the complex itself should be provision for maintenance and security, a coin-operated laundry and food service providing at least one meal a day. Common rooms for meeting, recreation and reading should also be available, and a sizeable number would also like a swimming pool.

MIDDLE INCOME SENIOR HOUSING

Questionnaire

Over the past several months a group of interested Alaskans has been meeting to discuss availability and suitability of housing for seniors in the middle and upper income brackets. The purpose of this questionnaire is to invite your participation in identifying needs and desires for such housing in Anchorage. Please feel free to check everything below which would apply.

1. WHEN might you be interested in senior middle-income housing?

- 17 (a) Now
23 (b) In 1 to 3 years
29 (c) In 3 to 6 years
21 (d) Longer

2. Which of the following TYPES OF HOUSING would you be most interested in?

- 7 (a) Government operated
23 (b) Privately developed
28 (c) Rental units with amenities (see below, No. 5)
28 (d) Condominium units with similar amenities
27 (e) Separate village-type units with such amenities

3. What SIZE unit would you prefer?

- 2 (a) Efficiency-type
19 (b) One-bedroom
59 (c) Two-bedroom
6 (d) Three or more bedroom
30 (e) Separate living-dining-cooking areas
12 (f) Combination of any of above areas (from (e))
46 (g) Extra room or storage area
49 (h) Enclosed parking area
26 (i) Heated parking spots

4. Which of the following general LOCATIONS appeals to you for such housing?

- 40 (a) Downtown (between 1st and 15th, L and Gambell)
29 (b) Midtown (15th to Tudor; Minnesota to New Seward)
11 (c) West (Turnagain area)
2 (d) South (South of Tudor)
12 (e) East (East of New Seward; North of Tudor)
39 (f) Area with view (check which) Mountains 31 Water 23 Woods 10 City 8
4 (g) Out of town (within Anchorage Municipality)
 (h) Near (check any):
19 Theaters
56 Shopping areas
62 Grocery store
38 Medical facilities
34 Drug store
21 Educational facilities
27 Park
10 Athletic facility
32 Library
57 Public transportation

5. Which of the following amenities would you want available in the complex?

- | | |
|---|---------------------------------|
| <u>24</u> Beauty Parlor | <u>49</u> Security personnel |
| <u>26</u> Arts and crafts | <u>60</u> Maintenance personnel |
| <u>21</u> First Aid room | <u>43</u> Resident manager |
| <u>34</u> Meeting rooms | <u>9</u> General store |
| <u>27</u> Athletic room | <u>29</u> Swimming pool |
| <u>27</u> Library | <u>28</u> Card/game rooms |
| <u>47</u> Coin-operated laundry | <u>40</u> Transportation |
| <u>44</u> Food service (number of meals per day <u>1</u>) (2 meals or more - 15) | |
| Other: | |

6. What monthly maintenance and service FEE would you feel appropriate?

<u>52</u>	(a)	\$150 - \$200
<u>12</u>	(b)	\$200 - \$250
<u>6</u>	(c)	\$250 - \$300
<u>2</u>	(d)	\$300 - \$350
<u>5</u>	(e)	Over \$350

7. If you would prefer to PURCHASE, what PRICE would you be willing to pay?

<u>38</u>	(a)	\$50,000 - \$75,000
<u>14</u>	(b)	\$75,000 - \$100,000
<u>11</u>	(c)	\$100,000 - \$150,000
<u>1</u>	(d)	Over \$150,000

8. If you prefer to rent, what RENTAL would you be willing to pay?

<u>52</u>	(a)	\$500 - \$750
<u>14</u>	(b)	\$750 - \$1,000
<u>4</u>	(c)	\$1,000 - \$1,500
<u>0</u>	(d)	Over \$1,500

If you would care to learn the results of this survey and/or to meet with the Middle Income Housing Forum (4th Tuesdays at Senior Center), please enter your name, address and telephone below:

PLEASE RETURN THIS FORM TO THE ANCHORAGE SENIOR CENTER

HB 218

3.28.90

Ulmer - AHFC requested ASHA be
loan originator, in addition to
banks

Kelly: Duncan's Bill

Uehling: Duncan's Bill

Fiscal Note

Why position in ASHA? (Why C: RA)

A: Rec. by AHFC and ASHA

Uehling: Bill should be focused

PAT: Broadening is OK

Ulmer: Amendment clarifies

Kelly: AHFC to fund "welfare program"
Shifting cost from general fund to AHFC.

Trying to get back subsidy on AHFC.

A: Bill does not require AHFC to
fund any one project.

Kelly - AHFC never had to make any loans.

NO faith in AHFC to be fiscally
responsible (6000 homes in foreclosure)

Will encourage over-building of this type.

A: Market-rate of interest rate - intent

AHFC - Mitzi Barker

Referred to Amendment - ???

SB 405 = Kenai Congregate Housing 3.28.90

Saldotna:

Betty Warren - PRO
Bob Rubeauveux -

KENAI:

1. Mayor Williams
2. RHONDA WEBB: Adult Day-care, proposal to locate in congregare housing.
3. Roger Meeks: Co-chair on Congregate Housing - located adjoining senior center -
4. J.W. ~~Gallen~~ - in favor
5. Georgetta Funk - support

CHUGIAK

Loretta French - Chugick Sen. Citizen Inv
in support #150 on waiting list

- WALT HARRIS - Mat-Su Igloo 31 - in support

Bob Gore - Ketchikan

6-1011D
Chenoweth
4/10/90

Original sponsor(s): REP. ULMER, Hudson

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE
 2 SENATE CS FOR CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 218 (SA)
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA
 4 SIXTEENTH LEGISLATURE - SECOND SESSION
 5 A BILL

6 For an Act entitled: "An Act extending the authority of the Alaska Housing
 7 Finance Corporation to assist in the development of
 8 congregate housing, and directing the Alaska State
 9 Housing Authority to develop a pilot program for
 10 congregate housing; and providing for an effective
 11 date."

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

13 * Section 1. AS 18.56.090 is amended to read:

14 Sec. 18.56.090. GENERAL POWERS. In addition to other powers
 15 granted in this chapter, the corporation may, for the purpose of
 16 providing housing for persons of lower and moderate income or persons
 17 located in remote, underdeveloped, or blighted areas of the state and
 18 for its other corporate purposes,

19 (1) [REPEALED

20 (2)] make or participate in the making of mortgage loans to
 21 sponsors, developers, builders, and purchasers of residential housing,
 22 if the corporation determines that mortgage loans are not otherwise
 23 available, wholly or in part, from private lenders upon reasonably
 24 equivalent terms and conditions;

25 (2) [(3)] purchase or participate in the purchase of mort-
 26 gage loans made to sponsors, developers, builders, owners, and pur-
 27 chasers of residential housing, if the corporation

28 (A) has given approval before the initial making of
 29 the loan and has determined that mortgage loans were, at the time

1 the approval was given, not otherwise available, wholly or in
2 part, from private lenders upon reasonably equivalent terms and
3 conditions; [,] or

4 (B) has determined that the purchase or participation
5 will result in additional residential housing, taking into ac-
6 count without limitation such factors as reinvestment of the
7 proceeds of the sale in additional mortgage loans, increased
8 availability of mortgage loans insured by the federal government,
9 its agencies, or departments, the reduction, if any, of interest
10 payments to be made with respect to mortgage loans, or such other
11 factors as will tend to increase or improve the supply of res-
12 idential housing within the state;

13 (3) [(4)] make partial rental payments and mortgage inter-
14 est payments under a contract with any housing owner if the payments
15 will be applied to decrease rental or mortgage interest charges of
16 persons of lower and moderate income or owners or purchasers of res-
17 idential housing in remote, underdeveloped or blighted areas of the
18 state;

19 (4) [(5)] make loans from the housing development fund;

20 (5) [(6)] collect and pay reasonable fees and charges in
21 connection with making, purchasing, and servicing its mortgages,
22 loans, notes, bonds, certificates, commitments, and other evidences of
23 indebtedness;

24 (6) [(7)] acquire real property, or any interest in real
25 property, in its own name, by purchase, transfer, or foreclosure, when
26 the acquisition is necessary or appropriate to protect any loan in
27 which the corporation has an interest; sell, transfer, and convey the
28 property to a buyer; and, if the sale, transfer, or conveyance cannot
29 be effected with reasonable promptness or at a reasonable price, rent

1 or lease the property to a tenant pending the sale, transfer, or
2 conveyance;

3 (7) [(8)] sell, at public or private sale, to any pur-
4 chaser, including the Federal National Mortgage Association, all or
5 any part of a mortgage or other instrument or document securing a
6 construction, land development, mortgage, or temporary loan of any
7 type permitted by this chapter;

8 (8) [(9)] purchase, in order to meet the requirements of
9 the sale of its mortgages to the Federal National Mortgage Associa-
10 tion, stock of the Federal National Mortgage Association;

11 (9) [(10)] procure insurance against any loss in connection
12 with its operation;

13 (10) [(11)] consent to the modification of the rate of
14 interest, time of payment of any installment of principal or interest,
15 or any other terms, of the mortgage loan, mortgage loan commitment,
16 construction loan, temporary loan, contract, or agreement of any kind
17 to which the corporation is a party;

18 (11) [(12)] borrow money as provided in this chapter to
19 carry out and effectuate its corporate purposes; and issue its obliga-
20 tions as evidence of borrowing;

21 (12) [(13)] include in any borrowing the amounts necessary
22 to pay financing charges, interest on the obligations for a period not
23 exceeding one year after the date on which the corporation estimates
24 funds will otherwise be available to pay the interest, consultant,
25 advisory, and legal fees, and other expenses that are necessary or
26 incident to this borrowing;

27 (13) [(14)] under AS 18.56.088, adopt and publish regu-
28 lations respecting its lending programs and other regulations that are
29 necessary to effectuate its purposes;

1 (14) [(15)] provide technical and advisory services to
 2 sponsors, builders, and developers of residential housing and to resi-
 3 dents of it;

4 (15) [(16)] promote research and development in scientific
 5 methods of constructing low-cost and energy-efficient residential
 6 housing of high durability;

7 (16) [(17)] make and execute agreements, contracts, and
 8 other instruments necessary or convenient in the exercise of the
 9 powers and functions of the corporation under this chapter, including
 10 contracts with any person, firm, corporation, governmental agency, or
 11 other entity;

12 (17) [(18)] receive, administer, and comply with the con-
 13 ditions and requirements respecting any appropriation or gift, grant,
 14 or donation of property or money;

15 (18) [(19)] sue and be sued in its own name;

16 (19) [(20)] adopt an official seal;

17 (20) [(21)] adopt bylaws for the regulation of its affairs
 18 and the conduct of its business, and adopt regulations and policies in
 19 connection with the performance of its functions and duties;

20 (21) [(22)] employ fiscal consultants, engineers, attorneys,
 21 real estate counselors, appraisers, and other consultants and em-
 22 ployees that may be required in the judgment of the corporation, and
 23 fix and pay their compensation from funds available to the corpo-
 24 ration;

25 (22) [(23)] do all acts and things necessary, convenient, or
 26 desirable to carry out the powers expressly granted or necessarily
 27 implied in this chapter;

28 (23) [(24)] invest or reinvest, subject to its contracts
 29 with noteholders and bondholders, any money or funds held by the

1 corporation in any obligations or other securities or investments in
 2 which banks or trust companies in the state may legally invest funds
 3 held in reserves or sinking funds or any funds not required for imme-
 4 diate disbursement, and in certificates of deposit or time deposits
 5 secured by obligations of, or guaranteed by, the state or the United
 6 States;

7 (24) [(25) REPEALED

8 (26) REPEALED

9 (27) REPEALED

10 (28)] purchase a mortgage loan made to refinance an existing
 11 mortgage loan, without regard to whether the corporation holds the
 12 existing mortgage loan, as long as the interest rate and fees charged
 13 to the borrower are sufficient to fully reimburse the corporation for
 14 all costs incurred by the corporation in purchasing the mortgage loan
 15 and as long as the borrower will be in compliance with AS 18.56.-
 16 096(a)(6) after purchase of the mortgage loan by the corporation;

17 (25) participate in the making of mortgage loans to bor-
 18 rowers for congregate housing under AS 18.56.100(b)(1) as the pur-
 19 chaser of those loans; loans made for congregate housing under this
 20 paragraph must reflect application of prudent underwriting standards
 21 and lending practices that include, but are not limited to, appropri-
 22 ate loan-to-value ratios and the ability of a borrower to repay the
 23 loan.

24 * Sec. 2. AS 18.56.100(b) is amended to read:

25 (b) Consistent with AS 18.56.090, the corporation may make
 26 temporary and permanent loans from the housing development fund, at an
 27 interest rate or rates determined by the corporation, and with the
 28 security for repayment that is necessary and practicable, to purchase,
 29 make, or participate in the making of mortgage loans

1 (1) to borrowers who are individuals, nonprofit corpora-
 2 tions, or agencies of the state or a municipal government, for perma-
 3 nent loans to develop, build, repair, remodel, or rehabilitate res-
 4 idential housing that is to be used and occupied as congregate hous-
 5 ing; or

6 (2) that are not federally insured or guaranteed for res-
 7 idential housing, if the corporation determines that the loans are not
 8 otherwise available, wholly or in part, from private lenders upon
 9 reasonably equivalent terms and conditions.

10 * Sec. 3. AS 18.56.100 is amended by adding new subsections to read:

11 (1) The rate of interest on a loan entered into under (b)(1) of
 12 this section must equal the cost of funds of the bond issue the pro-
 13 ceeds of which are used to provide the loan plus one-half of one
 14 percentage point.

15 (m) The corporation shall adopt regulations to implement (b)(1)
 16 and (1) of this section that

17 (1) determine borrower eligibility, including regulations
 18 to determine that the borrower has the ability to repay the loan;

19 (2) define procedures for the application, review, and
 20 approval of authorized loans;

21 (3) establish loan guidelines, loan terms, and acceptable
 22 security for loans; and

23 (4) identify characteristics of housing projects eligible
 24 for loans.

25 (n) In (b)(1), (1), and (m) of this section "congregate housing"
 26 means a multi-family housing development with fully independent living
 27 units and services integrated in the building that may include, but
 28 are not limited to, housekeeping, meal service, and resident training
 29 or development programs.

1 * Sec. 4. AS 18.56.100(1) is repealed and reenacted to read:

2 (1) The corporation may reduce the interest rate on a loan
3 entered into under (b)(1) of this section only from amounts appropri-
4 ated to the housing development fund specifically to reduce the inter-
5 est payable by borrowers who develop housing under (b)(1) of this
6 section. If a project developed by a borrower with a reduced interest
7 subsidy made under this subsection ceases to be used for congregate
8 housing, the corporation shall adjust the interest rate payable on the
9 unpaid balance of the loan to the prevailing rate of interest charged
10 by the corporation on loans made for other residential purposes, but
11 may not reduce the interest rate payable below the subsidized rate.

12 * Sec. 5. AS 18.56.105 is amended to read:

13 Sec. 18.56.105. ALLOCATION OF LENDING ACTIVITIES. The corpo-
14 ration shall designate regions within the state that, [WHICH] in the
15 aggregate, encompass the entire state. In participating in the making
16 or purchasing of loans under AS 18.56.090(1) and (2) [AS 18.56.090(2)
17 AND (3)] or under AS 18.56.100, the corporation shall make its money
18 available through the private financial institutions in the state
19 within each region designated by the corporation under this section.
20 The corporation shall allocate its money among the regions on the
21 basis of recent and future anticipated lending activity as well as the
22 potential need for the loans in each region and may reallocate its
23 money among the regions as it considers appropriate to reflect changes
24 in lending activity or need in the regions.

25 * Sec. 6. AS 18.56.110(g) is amended to read:

26 (g) Notwithstanding AS 18.56.090(11) [AS 18.56.090(12)] and (a)
27 of this section, the corporation may not issue bonds in any 12-month
28 period beginning after June 30, 1983, in an amount that exceeds the
29 amount of bonds authorized to be issued during the preceding period,

1 congregated housing programs or the provision of loans for their develop-
2 ment.

3 (c) In this section, "congregate housing" has the meaning given in
4 AS 18.56.100(n), enacted in sec. 3 of this Act.

5 * Sec. 8. Section 7 of this Act is repealed June 30, 1993.

6 * Sec. 9. Section 4 of this Act takes effect February 16, 1992.

7 * Sec. 10. Except for sec. 4 of this Act, this Act takes effect July 1,
8 1990.

STATE OF ALASKA
THE LEGISLATURE

POUCH • STATE CAPITOL
JUNEAU, ALASKA 99801
907 465 3800

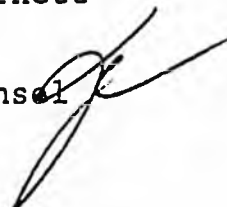
LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 10, 1990

SUBJECT: Draft SCS CSHB 218 (State Affairs)

TO: Senator Pat Pourchot, Chair
Senate State Affairs Committee
ATTN: Susie Barnett

FROM: Jack Chenoweth
Legislative Counsel 

I have moved the reference to "permanent loan" from its location at the end of AS 18.56.100(1) as suggested by Representative Ulmer's memo to AS 18.56.100(b)(1) [page 6, lines 2 and 3]. Its location in (b)(1) allows AHFC to make only "permanent loans" for congregate housing; no contractors need apply for construction financing assistance.

JBC:lmb
L10/063

Enclosure