

HB

65

<TARGET><BILL>HB 65</BILL><SUBJECT>HB
65</SUBJECT><COMM>SFIN27</COMM></TARGET>

SENATE FINANCE COMMITTEE REPORT

DATE: 3/16/11

FURTHER:

DATE TURNED
IN TO OFFICE: _____

Finance Committee considered HOUSE BILL NO. 65

HB 65-SENIOR CITIZEN HOUSING DEV. FUND GRANTS

"An Act making regional Native housing authorities eligible to receive grants through the Alaska Housing Finance Corporation from the senior citizens housing development fund."

and recommends:

- be replaced with SCS _____ (_____)
 - Same Title Technical Title Change or New Title & SCR No. _____
- adopt previous SCS _____ (_____)
 - Same Title Technical Title Change or New Title & SCR No. _____
- attached amendment(s)
- adopt Education Letter of Intent
- further referral to _____ Committee

| Dept Abbr. | |
|------------|-----|
| ADM | LEG |
| CED | LAW |
| COR | LWF |
| CRT | MVA |
| EED | DNR |
| DEC | DPS |
| DFG | REV |
| GOV | DOT |
| DHS | UA |

| NEW FISCAL NOTE(S) | | | | |
|--------------------|--------|--------|------|------|
| Dept. | Fiscal | Indet. | Zero | FN # |
| REV | | | X | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

| PREVIOUS FISCAL NOTE(S) | | | | |
|-------------------------|--------|--------|------|------|
| Dept. | Fiscal | Indet. | Zero | FN # |
| | | | | |
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| | | | | |
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| | | | | |

APPROPRIATION - no fiscal note

| SIGNATURES AND RECOMMENDATIONS: | PRINTED LAST NAME | DO PASS | DO NOT PASS | NO REC | AMEND |
|---------------------------------|-------------------|-------------------------------------|--------------------------|-------------------------------------|--------------------------|
| | Thomas | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | EGAC | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | ORSAK | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | ELLIS | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| CO-CHAIR: | Hoffman | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| CO-CHAIR: | Stedman | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

FISCAL NOTE

STATE OF ALASKA cost # codes
 2012 LEGISLATIVE SESSION

Bill Version HB65
 Fiscal Note Number _____
 Publish Date _____

Identifier (file name) HB065-DOR-AHFC-12-14-11 Dept. Affected _____ Revenue _____
 Title SENIOR CITIZEN HOUSING DEV. FUND GRANTS Appropriation Alaska Housing Finance Corp.
 Allocation AHFC Operations
 Sponsor Representatives Edgmon, Herron
 Requester Senate Finance OMB Component Number 110

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| | FY13 Appropriation Requested | Included in Governor's FY13 Request | Out-Year Cost Estimates | | | | | |
|-------------------------------|------------------------------------|--|-------------------------|------------|------------|------------|------------|------------|
| | | | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 |
| OPERATING EXPENDITURES | | | | | | | | |
| Personal Services | | | | | | | | |
| Travel | | | | | | | | |
| Services | | | | | | | | |
| Commodities | | | | | | | | |
| Capital Outlay | | | | | | | | |
| Grants, Benefits | | | | | | | | |
| Miscellaneous | | | | | | | | |
| TOTAL OPERATING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| FUND SOURCE | | (Thousands of Dollars) | | | | | | |
|--------------|------------------|------------------------|------------|------------|------------|------------|------------|------------|
| 1002 | Federal Receipts | | | | | | | |
| 1003 | GF Match | | | | | | | |
| 1004 | GF | | | | | | | |
| 1005 | GF/Prgm (DGF) | | | | | | | |
| 1037 | GF/MH (UGF) | | | | | | | |
| 1178 | temp code (UGF) | | | | | | | |
| TOTAL | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| POSITIONS | | | | | | | | |
|-----------|--|--|--|--|--|--|--|--|
| Full-time | | | | | | | | |
| Part-time | | | | | | | | |
| Temporary | | | | | | | | |

| CHANGE IN REVENUES | | | | | | | | |
|--------------------|--|--|--|--|--|--|--|--|
| | | | | | | | | |

Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Updated for new legislative session.

Prepared by Stacy Schubert, Director Government Relations & Public Affairs
 Division Alaska Housing Finance Corporation
 Approved by Dan Fauske, CEO
Alaska Housing Finance Corporation

Phone 907-301-4556
 Date/Time 12/11/11 12:00 AM
 Date 12/14/2011

FISCAL NOTE

**STATE OF ALASKA
2012 LEGISLATIVE SESSION**

BILL NO. HB65 _____

Analysis

This bill allows regional housing authorities to compete for a funding source that already exists within AHFC. No additional resources or staff are expected; therefore, there is no fiscal impact to the corporation.

ALASKA STATE LEGISLATURE

SENATE FINANCE COMMITTEE

Senator Bert Stedman, Co-Chair
State Capitol, Room 516
Juneau, AK 99801-1182
(907) 465- 3873 - Phone
(907) 465-3922 - Fax
Senator_Bert_Stedman@legis.state.ak.us



Official Business

Senator Lyman Hoffman, Co-Chair
State Capitol, Room 518
Juneau, AK 99801-1182
Phone - (907) 465- 4453
Fax - (907) 465- 4523
Senator_Lyman_Hoffman@legis.state.ak.us

AGENDA

Monday, March 5, 2012

Senate Finance Room 532 – 9:00 AM

HB 307 – Supplemental/Capital/Other Appropriations (Pending Referral)

SB 184-Supplemental/Capital/Other Appropriations

SB 130 – Alaska Native Language Council

CSSB 130(STA) Version T

NEW \$ (DCCED) Community and Regional Affairs

SB 135 – Continuances in Criminal Trials/Victims

CSSB 135(JUD) Version M

NEW Zero (LAW) Criminal

Previously Published Zero (DOC) Office of the Commissioner

Previously Published Ind. (DOA) Office of Public Advocacy

HB 104 – Alaska Performance Scholarships

SCSforCSHB 104(FIN) Version R

NEW \$ (DEED) APCE

NEW \$ (DEED) APCE - Alaska Performance Scholarsips

NEW Zero (DEED) Education Support Services

Previously Published Zero (DOR) Taxation and Treasury

HB 65 – Senior Citizen Housing Dev. Fund Grants

HB 65 Version A

New Zero (DOR) Alaska Housing Finance Corporation

SB 160 – FY 13 Capital Budget: Agency Overviews

-Department of Natural Resources (continued)

-Department of Fish and Game

-Department of Health and Social Services

-Department of Public Safety

-Department of Corrections

STATE OF ALASKA

DEPT. OF HEALTH & SOCIAL SERVICES

Alaska Commission on Aging

SEAN PARNELL, GOVERNOR

P.O. BOX 110693
JUNEAU, ALASKA 99811-0693
PHONE: (907) 465-3250
FAX: (907) 465-1398

March 2, 2012

The Honorable Lyman Hoffman, Co-Chair
The Honorable Bert Stedman, Co-Chair
Senate Finance Committee
Alaska State Capitol, Rooms 518 & 516
Juneau, AK 99801-1182

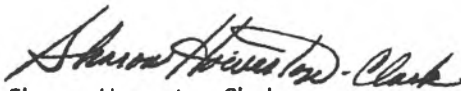
Subject: Support for HB 65

Dear Chair Hoffman & Chair Stedman:

The Alaska Commission on Aging (ACoA) is pleased to offer our support for HB 65, a bill authored by Representatives Edgmon, Joule, Herron and Foster co-sponsored by Representatives Peggy Wilson, Kerttula, Tuck, Gardner, Kawasaki, Millet, and Gara. The purpose of this legislation is to expand the list of eligible applicants for Alaska Housing Finance Corporation's (AHFC) Senior Citizens Housing Development Fund (SCHDF) to include regional housing authorities in addition to municipalities, 501(c)3 and (4) nonprofit organizations. The SCHDF program is used specifically to increase the number of senior housing units for older Alaskans and to address the needs of a growing Alaska senior population whose incomes are in the low to moderate range. The SCHDF is a flexible funding tool that provides gap financing for the construction of mixed-income housing projects for older Alaskans and supports a variety of development needs. The ACoA endorses the inclusion of regional housing authorities as eligible applicants to increase the availability of quality and affordable senior housing to benefit older Alaskans in every region of the state, including rural and remote areas.

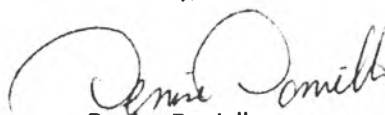
The ACoA supports passage of HB 65 to make these funds available for development of senior housing in rural and remote regions that are not adequately served by this program. Please feel free to contact Denise Daniello, ACoA's executive director (465-4879 or denise.daniello@alaska.gov) should you require additional information about our position. Thank you for your consideration and support of HB 65.

Sincerely,



Sharon Howerton-Clark
Chair, Alaska Commission on Aging

Sincerely,



Denise Daniello
ACoA Executive Director

Cc: Senator Johnny Ellis
Senator Dennis Egan
Senator Donald Olson
Senator Lesil McGuire
Senator Joe Thomas

Representative Reggie Joule
Representative Bryce Edgmon
Representative Bob Herron
Representative Neal Foster

Alaska State Legislature
REPRESENTATIVE BRYCE EDGMON
House District 37



HB 65

Senior Citizens Housing Development Fund Grants

SPONSOR'S INTENT

Adak
Akutan
Aleknagik
Atka
Chignik
Chignik Lagoon
Chignik Lake
Clark's Point
Cold Bay
Dillingham
Egegik
Ekwok
False Pass
Ivanof Bay
King Cove
King Salmon
Koliganek
Manokotak
Naknek
Nelson Lagoon
New Stuyahok
Nikolski
Perryville
Pilot Point
Portage Creek
Port Heiden
St. George
St. Paul
Sand Point
South Naknek
Togiak
Twin Hills
Ugashik
Unalaska

HB 65 will benefit senior citizens across the state by including regional housing authorities among the entities eligible for grants through the Alaska Housing Finance Corporation's Senior Citizens Housing Development Fund (SCHDF).

The SCHDF contributes funding to organizations that develop quality housing for older Alaskans, who make up the fastest growing segment of our population.

While SCHDF grants have been available to municipalities and 501(c)(3) and (4) nonprofits since the fund's inception, Alaska's regional housing authorities have not been eligible. HB 65, which has the support of the Alaska Housing Finance Corporation, will correct that omission.

In most cases, grants through the SCHDF complement funding from a variety of other sources. Often an SCHDF grant is the final piece of the puzzle that allows a project to go forward. Funds can be put toward pre-development expenses and new construction as well as acquisition of properties, accessibility modifications, and rehabilitations.

Alaska's 14 regional housing authorities span from Ketchikan to Barrow and are among the state's most experienced developers of affordable housing. Making housing authorities eligible for grants will not increase spending through the SCHDF. It may, however, widen the selection of projects competing for grants and increase AHFC's ability to more effectively allocate funding.

I would be very grateful for your support for this legislation, which I hope will benefit elders in every region of Alaska.

Alaska State Legislature
REPRESENTATIVE BRYCE EDGMON
House District 37



Memorandum

Date: February 2nd, 2011

Adak
Akutan
Aleknagik
Atka
Chignik
Chignik Lagoon
Chignik Lake
Clark's Point
Cold Bay
Dillingham
Egegik
Elkwok
False Pass
Ivanof Bay
King Cove
King Salmon
Koliganek
Manokotak
Naknek
Nelson Lagoon
New Stuyahok
Nikolski
Perryville
Pilot Point
Portage Creek
Port Heiden
St. George
St. Paul
Sand Point
South Naknek
Togiak
Twin Hills
Ugashik
Unalaska

To: Rep. Cathy Munoz, Chair
House Community & Regional Affairs Committee

From: Rep. Bryce Edgmon
House District 37

RE: Examples of 501(c)3 Nonprofits that have Received SCHDF Grants

Thank you again for hearing HB 65—Senior Citizens Housing Development Fund Grants—on February 1st in the Community & Regional Affairs Committee.

At the hearing, Rep. Saddler asked for examples of already-qualifying nonprofit organizations that have been recipients of SCHDF grants. I have looked into the question, and I write now to provide the requested examples.

They include the Retirement Community of Fairbanks as well as the Mid-Valley Senior Citizens—two of the three entities whose projects were described in an item in the committee members' bill packets titled "Examples of Senior Housing Projects Partly Funded with Senior Citizens Housing Development Grants."

Additional examples include:

Chugach Colony Estates—Grantee: Palmer Senior Citizens' Center, Inc.
Meadow Lakes—Grantee: Meadow Lakes Community Council
Togiak Senior Housing—Grantee: Bristol Bay Housing Development Corporation
Tovarish Manor Phase II—Grantee: Ninilchik Tribal Health, Culture and Heritage Nonprofit

Please do not hesitate to contact me or my staff if you require any further information regarding HB 65.

State Capitol Building

Juneau, AK 99801 · Phone: (907) 465-4451 · Toll Free: 1-800-898-4451 · FAX: (907) 465-3445
Email: Rep.Bryce.Edgmon@legis.state.ak.us

Senior Citizens Housing Development Fund (SCHDF)

Grants from the SCHDF provide funding for senior citizen housing. SCHDF monies are awarded according to three different AHFC programs which are outlined below. Under all three programs, eligible recipients for SCHDF monies are limited to municipalities or public or private nonprofit corporations designated as tax exempt under 26 U.S.C. 501(c) (3) and (4) of the internal Revenue Code of 1954.

Greater Opportunities for Affordable Living (GOAL)

The GOAL program awards SCHDF monies to bridge the gap between the total cost of the project and the total funding from other sources. Funds may be used for acquisition, rehabilitation and/or new construction of senior housing.

Grant recipients must choose a definition of "senior citizens" as either age 55 and older or age 62 and older according to the federal definition of "housing for older persons" under the Federal Fair Housing Act (Section 807 of 42 U.S.C. 3607) implemented at 24 CFR 100.300-308. Both choices carry with them requirements detailed in the application process.

Senior Access Program (SAP)

The SAP provides funds for accessibility modifications to existing housing. Examples of eligible activities are construction of ramps and installation of shower grab bars. SAP funds are awarded based on the cost of proposed eligible activities and are capped according to an annually determined amount.

Qualifying seniors must meet the definition of a "senior household" under 15 AAC 151.950 c.11. Income and residency restrictions apply.

Pre-Development Grants Program

The Pre-Development Grants Program provides funding in order to prepare projects for application to the GOAL, HUD 202, HUD 811 or other construction funding programs. Some examples of eligible expenses under this program are architectural single line drawings, legal fees, preliminary site engineering and consultant fees. Awards are based on specific eligible activities and are capped according to an annually determined amount.

Examples of Senior Housing Projects Partly Funded with Senior Citizens Housing Development (SCHDF) Grants

Generally, please see the below table for information regarding funding levels and interest in senior housing over the past few years. The table references senior funds allocated to rental development projects, by source, for competitive allocation through the Greater Opportunities for Affordable Living (GOAL) cycles from FY 2008 to present.

| GOAL Cycle for Rental Development | SCHDF \$'s Used | DCEH \$'s Used | Funded Requests / Number of Applicants |
|-----------------------------------|-----------------|----------------|--|
| FY 2008 | \$3.5 M | \$5.7 M | 6/9 |
| FY 2009 | \$5.5 M | \$1.6 M | 4/7 |
| FY 2010 | \$2.8 M | \$0.7 M | 2/2 |
| FY 2011 | \$4.0 M | \$0 | 2/4 |

Project Examples:

- 1) Raven Landing Phase I – Funded in FY 2008 Cycle
 - a. Project Sponsor: Retirement Community of Fairbanks
 - b. Project Location: Fairbanks
 - c. Number of Units: 20
 - d. Total Development Costs: \$5.1 M
 - e. Funding Sources:
 - i. \$490k - Neighborhood Stabilization Program
 - ii. \$1.1 M – SCHDF
 - iii. \$1.1 M – DCEH
 - iv. \$1.2 M – AHFC 1st Deed of Trust
 - v. \$950k – AHFC 2nd Deed of Trust
 - vi. \$150k – Denali Bank loan
 - vii. \$31k – Deferred Developer Fee

Photograph of Property (construction underway):



- 2) Blueberry Pointe – Funded in FY 2009 Cycle
- a. Project Sponsor: Mid Valley Senior Citizens
 - b. Project Location: Houston
 - c. Number of Units: 6
 - d. Total Development Costs: \$2.3M
 - e. Funding Sources:
 - i. \$1.2 M – SCHDF
 - ii. \$620k – HOME Investment Partnership funds
 - iii. \$330k – AHFC 1st Deed of Trust
 - iv. \$169k – AHFC 2nd Deed of Trust

Photograph of Property (completed):



- 3) Tuyurgarmiat Tegganritta Eniit – Funded in FY 2009 Cycle
- a. Project Sponsor: Bristol Bay Housing Development Corporation
 - b. Project Location: Togiak
 - c. Number of Units: 6
 - d. Total Development Costs: \$2.4 M
 - e. Funding Sources:
 - i. \$399k – SCHDF
 - ii. \$994k DCEH
 - iii. \$1 M – HUD Section 202

Pictures from Property (completed):





2011 LEGISLATIVE FACTSHEET

Enable Regional Housing Authorities (RHAs) to receive AHFC Senior Citizens Housing Development Funds (SCHDF)

January 31, 2011

LEGISLATIVE REQUEST: This legislation, pre-filed by Rep. Bryce Edgmon as HB65, will insert language in A.S. 18.56.810(a) to include Regional Housing Authorities as eligible grant recipients for funds appropriated by the legislature to the Senior Citizens Development Fund (SCHDF) that is administered by Alaska Housing Finance Corporation (AHFC). AHFC supports this legislation as written.

STATEMENT OF NEED:

- The Senior Citizens Housing Development Fund moved to AHFC during the merger of all state housing functions in 1992. SCHDF provides funding to organizations to develop senior citizen housing.
- Statutory language currently limits program eligibility to municipalities or public or private non-profit corporations designated as tax exempt under 26 U.S.C. 501c(3) and (4) (Internal Revenue Code of 1954). Although Alaska regional housing authorities are some of the most experienced and qualified housing developers in the state, they are not able to access this grant program that supports increased development of senior housing.
- Because of current statutory language, a housing authority must incorporate a separate non-profit organization or partner with an eligible organization in order to receive a SCHDF award for senior housing development.

HOW IT WORKS:

- Funding under SCHDF is used to develop housing for "older persons" as defined under the Federal Fair Housing Act. Sponsors can elect either age 62 and older, or age 55 and older as the age requirement for occupancy under Section 807 of the Fair Housing Act (42 U.S.C. 3607 (b) (1) as implemented at 42 CFR 100.300-308.
- Acquisition, rehabilitation, accessibility modification and new construction of senior housing as well as pre-development activities are all eligible for grant awards.

ADDITIONAL:

- Members of the Alaska Association of Housing Authorities (AAHA), collectively one of the largest groups of affordable housing providers in the state, support this statutory change.

CONTACT:

Stacy Schubert, 301-4556, sschubert@ahfc.state.ak.us

Cary Bolling: 350-2479, cbolling@ahfc.state.ak.us



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February 16, 2011

The Honorable Bill Stoltze, Co-Chair
House Finance Committee
Alaska Capitol, Room 515
Juneau, AK 99801-1182

The Honorable Bill Thomas, Co-Chair
House Finance Committee
Alaska Capitol, Room 505
Juneau, AK 99801-1182

RE: HB 65 (Edgmon, Herron, Foster, Joule)—Support

Dear Co-Chairs Stoltze and Thomas:

On behalf of the members of AARP in Alaska, we encourage you and your colleagues on the House Finance Committee to support for HB 65, authored by your Committee colleagues Representatives Bryce Edgmon and Reggie Joule as well as by Representatives Bob Herron and Neal Foster and co-sponsored by Representative Peggy Wilson. HB 65 will allow regional Native housing entities to apply for grants for senior housing from the Alaska Housing Finance Corporation.

HB 65 does not expand funding for senior housing. It simply allows Native organizations with housing expertise and experience to compete for grants for senior housing. This makes sense and creates a fair competitive field for organizations that AARP would like to see involved in senior housing.

AARP recommends an "AYE" vote for HB 65.

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-762-3314).

STATE OF ALASKA

DEPT. OF HEALTH & SOCIAL SERVICES

Alaska Commission on Aging

February 14, 2011

Representative Bryce Edgmon
Representative Bob Herron
Representative Neal Foster
Representative Reggie Joule
Alaska State Capitol
Juneau, AK 99801-1182

Subject: Support for HB 65

Dear Representatives Edgmon, Herron, Foster, and Joule:

The Alaska Commission on Aging (ACoA) is pleased to offer our support for HB 65, a bill sponsored by you and co-sponsored by Representative Peggy Wilson, to expand the list of eligible applicants for Alaska Housing Finance Corporation's (AHFC) Senior Citizens Housing Development Fund (SCHDF) to include regional housing authorities in addition to municipalities, 501(c)3 and (4) nonprofit organizations. The SCHDF program is used specifically to increase the number of senior housing units for older Alaskans and to address the needs of a growing Alaska senior population whose incomes are in the low to moderate range. The SCHDF is a flexible funding tool that provides gap financing for the construction of mixed-income housing projects for older Alaskans and supports a variety of development needs. The ACoA endorses the inclusion of regional housing authorities as eligible applicants to increase the availability of quality and affordable senior housing to benefit older Alaskans in every region of the state, including rural and remote areas.

Alaska is the state with the fastest growing senior population. Currently, there are more than 85,000 Alaska seniors age 60 years and older representing 12.3% of the state's population, a 52.6% increase since 2001. The population of Alaskan seniors increased nearly seven percent in the most recent year alone. All nine regions recognized by the Department of Health and Social Services experienced an increase in their senior populations of at least 20% over the last eight years.

Having a safe, comfortable, and accessible home fulfills a basic human need which becomes even more important as a person ages and develops frailties. Alaska has a statewide shortage of accessible, affordable housing options for seniors. The waiting list for AHFC's senior/disabled housing has grown by 70% in the past two years. In addition, 15-16% of Alaska's homeless population is estimated to be people age 55 years and older.

The ACoA supports passage of HB 65 to make these funds available for development of senior housing in rural and remote regions that are not adequately served by this program. Looking forward, we recognize that there will be an increased demand for additional funds for the SCHDF to meet the accelerating need of the growing Alaska senior population as well as to pay for higher construction costs related to

SEAN PARNELL, GOVERNOR

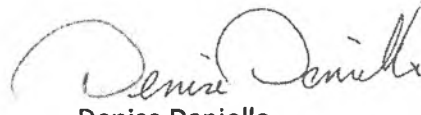
P.O. BOX 110693
JUNEAU, ALASKA 99811-0693
PHONE: (907) 465-3250
FAX: (907) 465-1398

inflation and development in rural and remote communities. Please feel free to contact Denise Daniello, ACoA's executive director (465-4879 or denise.daniello@alaska.gov) should you require additional information about our position. Thank you for your support of HB 65 and for recognizing the critical need to develop additional quality senior housing in Alaska.

Sincerely,


Sharon Howerton-Clark
Chair, Alaska Commission on Aging

Sincerely,


Denise Daniello
ACoA Executive Director

Cc: Representative Peggy Wilson



The Economic Impact of Alaska's Regional Housing Authorities

Executive Summary

Alaska's Regional Housing Authorities (RHA) play a key role in increasing the supply of quality affordable housing in Alaska. They provide housing, assistance in purchasing a home, renter and home buyer education, infrastructure for housing development, community facilities and employment opportunities to benefit Alaska Natives as well as non-Alaska Natives.

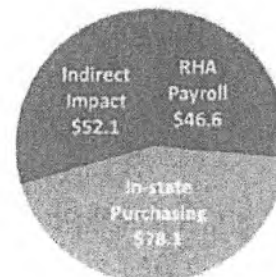
In rural communities, these organizations provide the vast majority of new housing units for local residents and they are a key player in increasing the supply of affordable housing in urban communities. The impacts to the lives of the people who receive housing are easy to understand, but housing authorities also provide benefits to all Alaskans in less direct ways. In addition to providing housing and other benefits to clients in substantial numbers, they also employ Alaskans throughout the state and contribute to the whole state by stimulating economic activity. RHAs have a nearly 100 percent resident hire rate.

The Association of Alaska Housing Authorities (AAHA) contracted with Information Insights to identify the statewide economic impacts of Alaska regional housing authorities, including the direct benefits to urban and rural Alaska as well as indirect economic benefits to the state as a whole. The study also highlights the work housing authorities are doing to provide safe, affordable and energy efficient housing stock in the state and the non-housing projects that improve the lives of Alaskans and benefit their communities. Finally, it provides regional details on housing authority economic activity.

Key Findings

TOTAL ECONOMIC IMPACT

The total economic impact of Alaska's regional housing authorities on the state's economy includes both direct and indirect benefits. Direct impacts include wages and benefits paid to employees of the regional housing authorities as well as purchases made by the housing authorities from vendors and contractors in Alaska. Indirect impacts include the additional revenue, employment and earnings created by the companies from which RHAs purchase goods and services, as well as the economic activity generated throughout the economy when employees of all impacted companies or organizations spend their paychecks.



Executive Summary

Total impacts of housing authority activity from all sources

The total (direct + indirect) economic impact of RHA activity in the state in 2008 was significant:

- \$177 million in economic activity statewide
- 2,831 jobs statewide

Of the jobs generated by RHAs in 2008, approximately 51.5 percent (1,457) were full-time jobs, 47.5 percent (1,345) were seasonal and temporary jobs, and the remainder (29) were part-time jobs.

Direct economic impacts statewide

In 2008, direct impacts statewide totaled:

- 1,757 people employed with housing authorities
- \$46.6 million in direct payroll
- \$78.1 million in spending with Alaska-based vendors and contractors

Nearly one third of the 1,757 direct jobs were full-time year round positions. The proportion of full time year round workers is lower in the direct jobs count than in the jobs generated by RHA vendor spending owing to the highly seasonal nature of construction in Alaska.

Indirect impacts

In 2008, indirect impacts of RHA activity statewide included:

- 495 jobs primarily in Alaska's construction, freight, government and professional services as a result of RHA purchases from Alaska-based vendors and contractors
- 579 additional jobs primarily in the service sector created when employees of both housing authorities and vendors spent their paychecks on Alaska goods and services
- \$45.5 million in additional economic activity resulting from RHA purchasing and payroll spending

BUILDING AND RETROFITTING ALASKA'S LOW-INCOME HOUSING STOCK

Direct benefits also include all the new housing units constructed in the state as well as renovations to existing housing by Alaska regional housing authorities. In 2008, these totaled:

- 200 new housing units built at a cost of just under \$48.1 million dollars
 - 137 new urban housing units built at a total cost of more than \$26.7 million dollars
 - 63 new rural housing units built at total cost of nearly \$21.4 million dollars

- Approximately 1,000 housing units rehabilitated and renovated at a total cost of more than \$18.2 million dollars
- 260 housing units - valued at more than \$23.6 million - were “conveyed” to individual owners through a variety of housing authority programs designed to make home ownership possible for the people they serve.

The 200 new units built in 2008 represent all types of homes, both single and multi-family units, including units that are designed to serve special populations like the elderly and people with disabilities. It is also important to note that site remediation and infrastructure development becomes part of total costs for many projects in both urban and rural communities. Examples include extending utilities or road systems to un-served areas in rural communities and providing demolition and environmental remediation in challenging urban neighborhoods.

In addition to building, renovating and transferring ownership of homes to individuals, regional housing authorities reported having nearly 4,500 housing units currently under management and conservatively estimate serving more than 10,000 people.

BRINGING MONEY AND JOBS TO RURAL AND URBAN ALASKA

In the four years from 2005 to 2007, RHAs contributed to the economies of 125 Alaska communities. In 2008 alone, the direct economic impact of RHA projects in the state’s rural and urban communities were as follows:

Direct impacts on rural Alaska, 2008

- More than 1,250 people employed
- \$26.5 million in payroll
- \$13.9 million spent with vendors and contractors located in rural Alaska

RHAs are creating work across the state, including some of the most remote communities where unemployment rates are extremely high. The impact of job creation in these small communities, with few employment opportunities, has far reaching positive implications beyond just local spending of disposable income.

Direct impacts on urban Alaska, 2008

- More than 500 people employed and \$20.2 million in payroll in 2008
- \$64.1 million spent with vendors and contractors located in urban Alaska¹

A KEY ROLE IN EXPANDING WEATHERIZATION SERVICES

For the past 30 years there have been five active weatherization entities in the state; now the Alaska Housing Finance Corporation has signed agreements with the

¹ The total purchasing by RHAs of \$78.1 million includes six percent that cannot be allocated as either urban or rural.

Executive Summary

housing authorities to do this important work as well. Alaska's regional housing authorities will play a key role in meeting the state's goal of weatherizing 13,000 housing units over the next five years. Regional housing authorities have the infrastructure and relationships throughout the state that will be invaluable in achieving rapid expansion in weatherization services.

NON-HOUSING IMPACTS

The flexibility of Native American Housing and Self Determination Act (NAHASDA) funds has made it possible for RHAs to invest in the infrastructure needed to support new quality housing units, even when the infrastructure goes beyond the buildings themselves. Examples include projects to extend utilities (water, electric, gas), extending access into new neighborhoods, building community facilities and providing financial support.



January 10, 2011

Representative Bryce Edgmon
Alaska State Capitol, Room 416
Juneau, Alaska 99801

SUBJECT: PROPOSED REVISIONS TO AS 18.56.010 – SENIOR CITIZENS HOUSING DEVELOPMENT FUND

Dear Representative Edgmon:

I am writing on behalf of Cook Inlet Housing Authority (CIHA), the state chartered regional housing authority for the Cook Inlet Region., and a member of the Association of Alaska Housing Authorities (AAHA). We offer our support for a proposed amendment to AS 18.56.010 to explicitly include Alaska's regional housing authorities as eligible recipients under the Alaska Housing Finance Corporation (AHFC) Senior Citizens Housing Development Fund (SCHDF) program.

The SCHDF program was created to provide funding to assist organizations in the development of senior citizen housing through grant awards for acquisition, rehabilitation, accessibility modification and new construction activities. CIHA and other Alaska regional housing authorities are some of the most qualified and experienced developers of senior housing in the state; in fact, CIHA itself is now the largest provider of senior housing in Alaska.

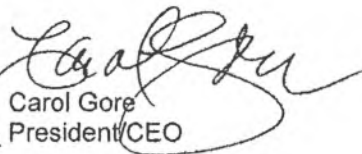
The current language of AS 18.56.010 excludes regional housing authorities from eligibility for SCHDF funds, because although they are tax exempt for I.R.S. purposes, they are not 501(c)(3) or (4) entities. The rationale for this distinction is unclear, and more importantly, has not been uniformly applied by AHFC in past grant awards. AHFC has awarded SCHDF grant funds to many regional housing authorities in the past, including CIHA, and only last year determined that regional housing authorities were actually not named as eligible recipients. The statutory language is unclear in that it names "public and private non-profit 501(C)(3) or (4) organizations" as eligible recipients. Although regional housing authorities are in fact public corporations, they are not "public non-profit" (i.e., 501(C)(3) entities). Inclusion of "regional housing authorities" to the list of eligible participants in the program would help clear this confusion.

AHFC's past award of SCHDF to regional housing authorities for senior housing development has set a precedent for regional housing authority eligibility for these funds. Regional housing authorities are also collectively the largest developer of housing, including senior housing, in the State. Denying regional housing authorities access to these valuable funds will result in a significant reduction in the delivery of greatly needed senior housing in rural and urban areas of the state. Further, there would not be any financial impact to the state's general fund if regional housing authorities were permitted to continue to access SCHDF funds. For these reasons, CIHA strongly supports AAHA's proposal to expressly include regional housing authorities organized under AS 18.55.996 to the list of entities eligible for the direct receipt of SCHDF funds.

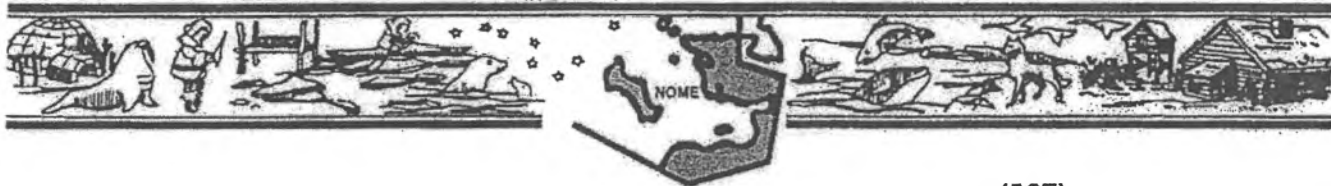
SCHDF Representative Edgmon
January 10, 2011
Page 2

It is our understanding that your office has agreed to sponsor legislation to provide for the requested statutory change. We very much appreciate your efforts to assist in this matter, and if there is anything further we can do to help in this effort please do not hesitate to contact us.

Respectfully,


Carol Gore
President/CEO

cc: Heather Arnett, AAHA Statewide Administrator



BERING STRAITS REGIONAL HOUSING AUTHORITY
Robert Mocan, President/CEO

(907)
(907)
P. O. Box 995 Nome, AK 99762
Phone No. (907) 443-5256
Fax No. (907) 443-8652
Toll Free No. 1-800-478-5255

January 27, 2011

Rep. Bryce Edgmon
Alaska State Capitol, Room 416
Juneau, AK 99801

Re: Proposed Revisions to Sec. 18.56.810: Senior Citizens Housing Development

Dear Rep. Edgmon,

I am writing on behalf of [Bering Straits Regional Housing Authority], one of 14 state chartered regional housing authorities who are members of the Association of Alaska Housing Authorities (AAHA). We offer our support for a proposed statutory amendment which would provide for the direct eligibility of Alaska housing authorities under the AHFC Senior Citizens Housing Development Fund Program.

The program was created to provide funding to assist organizations attempting to develop senior citizen housing. Acquisition, rehabilitation, accessibility modification and new construction of senior housing as well as pre-development activities are all eligible for grant awards.

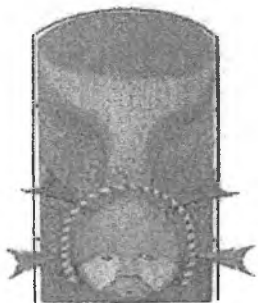
Although Alaska's regional housing authorities are some of the most experienced and qualified housing developers in the state, current statutory language limits program eligibility to municipalities or public or private nonprofit corporations designated as tax exempt under 26 U.S.C. 501©(3) and (4) (Internal Revenue Code of 1954). Regional housing authorities do not meet this technical definition and are thus unable to directly access this particular program as a resource to address increasing senior housing needs throughout the state. [Bering Straits Regional Housing Authority] strongly supports the proposal by AAHA to add regional housing authorities, as defined under AS 18.55.996, to the specified eligible entities which can apply for and receive these funds.

It is our understanding that your office has agreed to sponsor legislation which would provide for the requested statutory change. We very much appreciate your efforts to assist in this matter. If there is anything further we can do to help in your efforts, please do not hesitate to contact us.

Sincerely,

Robert Mocan
BSRHA
President/CEO

Cc: Heather Arnett, AAHA Statewide Administrator



Kodiak Island Housing Authority

3137 Mill Bay Road, Kodiak AK 99615

kodiakislandhousing.org

Phone: 907-486-8111 Toll Free: 800-478-5442 Fax: 907-486-4432

January 6, 2011

Rep. Bryce Edgmon
Alaska State Capitol, Room 416
Juneau, AK 99801

Re: Proposed Revisions to Sec. 18.56.810: Senior Citizens Housing Development

Dear Rep. Edgmon,

I am writing on behalf of the Kodiak Island Housing Authority (KIHA), one of 14 state chartered regional housing authorities who are members of the Association of Alaska Housing Authorities (AAHA). We offer our support for a proposed statutory amendment which would provide for the direct eligibility of Alaska housing authorities under the AHFC Senior Citizens Housing Development Fund Program.

The program was created to provide funding to assist organizations attempting to develop senior citizen housing. Acquisition, rehabilitation, accessibility modification and new construction of senior housing as well as pre-development activities are all eligible for grant awards.

Although Alaska's regional housing authorities are some of the most experienced and qualified housing developers in the state, current statutory language limits program eligibility to municipalities or public or private nonprofit corporations designated as tax exempt under 26 U.S.C. 501©(3) and (4) (Internal Revenue Code of 1954). Regional housing authorities do not meet this technical definition and are thus unable to directly access this particular program as a resource to address increasing senior housing needs throughout the state. KIHA strongly supports the proposal by AAHA to add regional housing authorities, as defined under AS 18.55.996, to the specified eligible entities which can apply for and receive these funds.

It is our understanding that your office has agreed to sponsor legislation which would provide for the requested statutory change. We very much appreciate your efforts to assist in this matter. If there is anything further we can do to help in your efforts, please do not hesitate to contact us.

Sincerely,

Marty Shuravloff
Executive Director



January 4, 2011

Rep. Bryce Edgmon
Alaska State Capitol, Room 416
Juneau, AK 99801

Re: Proposed Revisions to Sec. 18.56.810: Senior Citizens Housing Development

Dear Rep. Edgmon,

I am writing on behalf of Aleutian Housing Authority (AHA), one of the 14 state chartered regional housing authorities and a member of the Association of Alaska Housing Authorities (AAHA) to offer our support for a proposed statutory amendment which would provide for the direct eligibility of Alaska housing authorities under the AHFC Senior Citizens Housing Development Fund Program.

The program was created to provide funding to assist organizations attempting to develop senior citizen housing for seniors 60 years of age and older and whose incomes are in the low to moderate ranges. Acquisition, rehabilitation, accessibility modification and new construction of senior housing as well as pre-development activities are all eligible for grant awards.

Although Alaska's regional housing authorities are some of the most experienced and qualified housing developers in the state, current statutory language limits program eligibility to municipalities or public or private nonprofit corporations designated as tax exempt under 26 U.S.C. 501©(3) and (4) (Internal Revenue Code of 1954). Regional housing authorities do not meet this technical definition and are thus unable to directly access this particular program as a resource to address increasing senior housing needs throughout the state. Aleutian Housing strongly supports the proposal by AAHA to add regional housing authorities, as defined under AS 18.55.996, to the specified eligible entities which can apply for and receive these funds.

It is our understanding that your office has agreed to sponsor legislation which would provide for the requested statutory change. We very much appreciate your efforts to assist in this matter. If there is anything further we can do to help in your efforts, please do not hesitate to contact us.

Sincerely,

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

Dan Duame
Executive Director

Cc: Heather Arnett, AAHA Statewide Administrator



P.O. Box 50 Dillingham, Alaska 99576 Phone (907) 842-5956
Fax (907) 842-2784 TTY Phone (907) 842-6541

January 5, 2011

Rep. Bryce Edgmon
Alaska State Capitol, Room 416
Juneau, AK 99801

Re: Proposed Revisions to Sec. 18.56.810:
Senior Citizens Housing Development

Dear Rep. Edgmon:

Bristol Bay Housing Authority (BBHA) supports a proposed statutory amendment which would provide for the direct eligibility of Alaska housing authorities under the AHFC Senior Citizens Housing Development Fund Program. As you are aware, BBHA is one of 14 state chartered regional housing authorities who are members of the Association of Alaska Housing Authorities (AAHA).

The program was created to provide funding to assist organizations attempting to develop senior citizen housing. Acquisition, rehabilitation, accessibility modification and new construction of senior housing as well as pre-development activities are all eligible for grant awards.

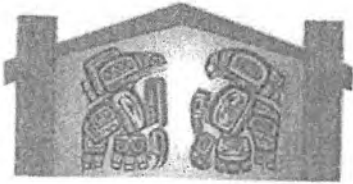
Although Alaska's regional housing authorities are some of the most experienced and qualified housing developers in the state, current statutory language limits program eligibility to municipalities or public or private nonprofit corporations designated as tax exempt under 26 U.S.C. 501©(3) and (4) (Internal Revenue Code of 1954). Regional housing authorities do not meet this technical definition and are thus unable to directly access this particular program as a resource to address increasing senior housing needs throughout the state. In the past, AHFC has interpreted the regulations to define Housing Authorities as eligible applicants and recipients of such funds. However, after a AG opinion on the topic, AHFC has reversed that interpretation of eligibility of Housing Authorities to directly participate in the program. BBHA strongly supports the proposal by AAHA to add regional housing authorities, as defined under AS 18.55.996, to the specified eligible entities which can apply for and receive these funds.

Thank you for sponsoring legislation which would provide for the requested statutory change. We appreciate your efforts to assist in this matter. Please contact me for any further information you may need on this issue.

Sincerely,


Dave McClure
Executive Director
Bristol Bay Housing Authority

Cc: Heather Arnett, AAHA Statewide Administrator



Tlingit-Haida Regional Housing Authority

P.O. Box 32237 • Juneau, Alaska 99803 • Fax (907) 780-6895 • Tel (907) 780-6868

January 23, 2011

Bryce Edgmon
Representative District 37
Alaska State Capitol, Room 416
Juneau, AK 99801

Re: Proposed Revisions to Sec. 18.56.810
Senior Citizens Housing Development

Dear Representative Edgmon,

It is my understanding that your office has agreed to sponsor legislation that will request a statutory amendment to allow Alaska housing authorities as eligible entity to apply for the AHFC Senior Citizens Housing Development Fund Program (SCHDF).

We thank you for sponsoring legislation that will allow Alaska regional housing authorities to apply for the SCHDF program as a resource to address increasing senior housing needs throughout the state and especially Alaska rural communities.

Tlingit Haida Regional Housing Authority is a member of the Association of Alaska Housing Authorities (AAHA). We strongly support the proposal by AAHA to add regional housing authorities, as defined under AS 18.55.996, to the specified eligible entities that are eligible to apply for and receive SCHDF funds.

If you have any questions or need my support with your efforts, please feel free to contact me at 907-780-6868.

Sincerely,

Dr. Blake Kazama
President and CEO
Tlingit Haida Regional Housing Authority

cc: Heather Arnett, AAHA Statewide Administrator

INTERIOR REGIONAL HOUSING AUTHORITY



January 5, 2011

Rep. Bryce Edgmon
Alaska State Capitol, Room 416
Juneau, AK 99801

Dear Rep. Edgmon:

RE: Proposed Revisions to Sec. 18.56.810 Senior Citizens Housing Development.

I am writing on behalf of the Interior Regional Housing Authority, one of 14 state chartered regional housing authorities who are members of the Association of Alaska Housing Authorities (AAHA). We offer our support for a proposed statutory amendment which would provide for the direct eligibility of Alaska housing authorities under the AHFC Senior Citizens Housing Development Program.

The program among others was created to provide funding to assist organizations attempting to develop senior citizen housing. The acquisition, rehabilitation, accessibility modification and new construction of senior housing as well as pre-development activities are all eligible for grant awards. What should be a relatively straightforward process is complicated by the fact that, regional housing authorities are hampered by a technicality. The need for senior housing is a need that we hear about on a continual basis.

Although Alaska's regional housing authorities are some of the most experienced and qualified housing developers in the state, current statutory language limits program eligibility to municipalities or public or private nonprofit corporations designated as tax exempt under 26 U.S.C. 501©(3) and (4) (Internal Revenue Code of 1954). Regional housing authorities do not meet this technical definition and are thus unable to directly access this particular program as a resource to address increasing senior housing needs throughout the state without having to jump through a lot of hoops.. The Interior Regional Housing Authority strongly supports the proposal by AAHA to add regional housing authorities, as defined under AS 18.55.996, to the specified eligible entities which can apply for and receive these funds.

It is our understanding that your office has agreed to sponsor legislation which would provide for the requested statutory change. We very much appreciate your efforts to assist in this matter. If there is anything further we can do to help in your efforts, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Irene Catalone', is written over a horizontal line.

Irene Catalone
CEO