

Leg. Finance - House & Senate Finance Comte Files (1975-76) 414

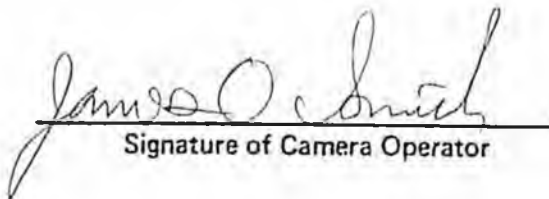
CSHB 441, HB 447, 448, CSHB 448

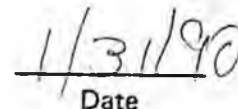


RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

COMMITTEE REPORT

5724/73

SENATE

Mr. President:

Date _____

The Committee on FINANCE has had COMB-443
social appropriation to the office of the governor
under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:

_____ Chairman

HOUSE JOURNAL

HOUSE FINANCE COMMITTEE REPORT FOR FINANCE COMMITTEE SUBSTITUTE FOR HOUSE BILL 441

COMMITTEE SUBSTITUTE FOR HOUSE BILL 441 (FINANCE) provides for a special appropriation in the amount of \$2,300,000 to the Office of the Governor to implement an option for the State to purchase AMU.

It is the intent of this legislation that the Governor shall upon passage of CSKB 441 execute on behalf of the State a binding option to purchase containing the following provisions:

1. A one year option to purchase the AMU campus with the right to extend the option for one year for additional consideration;
2. Conveyance in fee simple to the State of Alaska upon exercise of the option of at least 267.5 acres of real property comprising the AMU campus together with all improvements on this real property;
3. A purchase price to be determined under the option by independent fair market appraisals which take into consideration all restrictions on usage of the real property including but not limited to restrictions in applicable patents and the Amended Memorandum of Understanding of March 11, 1972, between the University of Alaska and AMU;
4. Credit for the full amount paid by the State for the option or extension of the option, and any indebtedness or obligation of AMU assumed by the State;
5. Revenue from tuition grants in excess of \$1600 per full time student per year paid during the option period shall be credited against the purchase price;
6. The establishment of a trust for all proceeds from the purchase price of the property, excepting those funds required for immediate planning and management, and exclusive of credits to be administered by the Board of Trustees of AMU, the income of such trust to be used to support and advance education in the State of Alaska;
7. For purposes of administering the trust, the AMU board shall be composed of a majority of Alaska residents selected to accomplish broad state representation and selected without regard to race, religion, national origin, or sex;
8. Continued development by AMU of innovative and viable educational programs for Alaska and cooperation with the Office of the Governor, the Post-Secondary Education Commission, the Legislative Interim Committee on Higher Education, and the University of Alaska, to develop viable proposals for the best future educational use of the AMU campus.

HOUSE JOURNAL

9. If the option is not exercised and AMU is sold to a third party within two years of the expiration of the option, AMU agrees to reimburse the State for any option monies paid;
10. Cooperation by AMU with the Office of the Governor, the Post-Secondary Education Commission, the Legislative Interim Committee on Higher Education, and the University of Alaska, to develop the specific guidelines and purposes of the trust to be administered by the AMU Board of Trustees for the support and advancement of education in the State of Alaska.

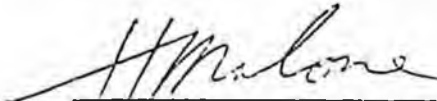
The principal reason for taking the option approach as opposed to an outright purchase this year of AMU by the University of Alaska aside from initial cash savings to the State, is to allow the State and AMU the maximum flexibility in developing viable and alternative educational programs.

During the interim and before midpoint into the Second Session of the Ninth Legislature, it is intended that the Office of the Governor, Post-Secondary Education Commission, the Legislative Interim Committee on Higher Education, the University of Alaska and AMU, will have developed various proposals for the best educational use of the AMU campus in light of all programs and new directions taken by AMU during this period.

During the same time, all the above entities will have hopefully developed specific education proposals to be funded from trust income if the option is exercised, which proposals may or may not involve support of educational activities centered around the AMU campus.

The Ninth Legislature will be receiving reports during the Second Session on the progress in developing all the alternatives, and the Governor should be developing a bond package for the purchase of AMU.

Respectfully submitted,


Hugh Malone, Chairman

Original sponsor: Rules Committee by
request of the Interim Committee on
Higher Education

Offered: 5/23/75
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 441

3 NINTH LEGISLATURE - FIRST SESSION

4 A BILL

5 For an Act entitled: "An Act making a special appropriation to the office
6 of the governor; and providing for an effective date."

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

8 * Section 1. The sum of \$2,300,000 is appropriated from the general fund
9 to the office of the governor to implement an option agreement for the
10 purchase by the State of Alaska from the Board of Trustees of Alaska
11 Methodist University of real property, improvements, furniture and fixtures
12 comprising the campus of Alaska Methodist University in Anchorage.

13 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
14 070(c).

Introduced: 4/17/75
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE INTERIM
COMMITTEE ON HIGHER EDUCATION

IN THE HOUSE

HOUSE BILL NO. 441

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act making a special appropriation to the
University of Alaska; and providing for an effective
date."

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

* Section 1. The sum of \$1,000,000 is appropriated from the general fund to the University of Alaska as the first installment of the down payment to implement the Memorandum of Agreement between the Board of Regents of the University of Alaska and the Board of Trustees of Alaska Methodist University, March 27, 1975, for the conveyance by the Board of Trustees of Alaska Methodist University of real property, improvements, furniture and fixtures comprising the campus of Alaska Methodist University in Anchorage to the Board of Regents of the University of Alaska.

* Sec. 2. The sum of \$700,000 is appropriated from the general fund to the University of Alaska as the second installment of the down payment to implement the Memorandum of Agreement between the Board of Regents of the University of Alaska and the Board of Trustees of Alaska Methodist University, March 27, 1975, for the conveyance by the Board of Trustees of Alaska Methodist University of the campus of Alaska Methodist University in Anchorage to the Board of Regents of the University of Alaska.

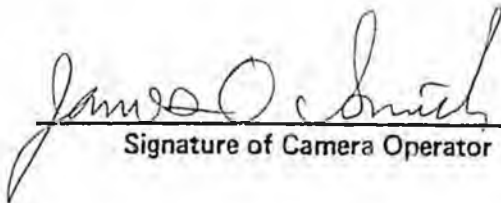
* Sec. 3. Sec. 1 of this Act takes effect immediately in accordance with AS 01.10.070(c). Sec. 2 of this Act takes effect July 1, 1975.



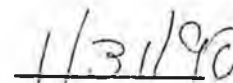
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Signature of Camera Operator



Date

"An Act making a special appropriation to the Alaska Educational Broadcasting Commission; and providing for an effective date."

COMMITTEE REPORT

4/22/75

HOUSE

FINANCE

Mr. Speaker:

Date April 9, 1976

The Committee on HESS has had HB 447

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR HB 447 AND THAT
CS FOR HB 447 DO PASS

() "and" recommends it BE REFERRED TO THE _____
COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

Susan Sullivan _____
Robert Quinn _____
Lyle E. Livingston _____
Charles H. Pa... _____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Susan Sullivan Chairman

"An Act making a special appropriation to the Alaska Educational Broadcasting Commission; and providing for an effective date."

COMMITTEE REPORT

HOUSE

4/20/76

Mr. Speaker:

Date _____

The Committee on FINANCE has had HB 447

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

() recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

() "and" recommends it BE REFERRED TO THE _____

COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ Chairman

The Legislature of the State of Alaska
FISCAL NOTE

all

First Session - Ninth Legislature

I. REQUEST

Bill No. HB 447
 Title: relating to making a special appropriation the the Educational Broadcast Com.
 Requested by: House Finance Date: 5/16/75
 Return Date Requested: ASAP
 Agency: education Program: Educational Broadcasting Commission

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		225,000				
TOTAL		225,000				

B. FUNDING: (Thousands of dollars)

GENERAL FUND		225,000				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See attached

IV. ATTACHMENTS

V. DATE: 5/19/75

PREPARED BY: *William A. Thomas*

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

8 May 1975

361 Distin #207
Juneau, Alaska 99801

Mr. Marvin R. Weatherly
Executive Director
Alaska Educational
Broadcasting Commission
308 G Street
Anchorage, Alaska 99501

Dear Marv:

As requested, I testified before the House Health, Education and Social Services Committee regarding HB 447, the KAKM translator funding appropriation.

Present on the committee were: Sullivan, Davis, Osterback, Swanson, Parr, Ostrosky. Mrs. Beirne was testifying before another committee and was unable to be present.

I outlined the system, and described why it was necessary and what service would be provided. I also handed out the attached two sheets, which give site-by-site cost estimates, and provide a map of the areas covered.

The coordinator position salary was questioned by Parr; he felt the figure was high. Osterback, on the other hand, felt that since it was a 7 day a week job it wasn't enough. I stated that this was a reasonable figure for this job.

I feel strongly that Frank Mingle needs someone to ram-rod this job, or he will never get everything properly installed this summer and next spring.

Rep. Sullivan asked what the program source would be, and I described the PBS programs briefly and stated that these would be augmented by local productions and program exchange with KUAC and KYUK. Rep. Ostrosky spoke of the need for this service and strongly supported it. Rep. Parr told of KUAC's programs and described them as appealing to the minority. He was not negative, though.

Mr. Marvin R. Weatherly

-2-

8 May 1975

Rep. Sullivan delayed further consideration of the bill until Rep. Beirne could be present, and I was dismissed.

Regards,

A handwritten signature in cursive script that reads "Dick".

Richard P. Dowling

SITE-BY-SITE COST ANALYSIS
OF KAKM TRANSLATOR SYSTEM

<u>Sites</u>	<u>Equipment Cost</u>	<u>Total including installation</u>
North Kenai	\$ 15,860	\$ 19,160
Sterling	16,510	19,810
Clam Gulch	15,410	17,390
Stariski Creek	15,410	17,390
Seldovia	18,160	22,250
Cooper Landing #1	11,060	15,040
Cooper Landing #2	11,060	15,040
Seward/Moose Pass	20,560	25,190
Hope	13,450	15,430
Girdwood	7,610	9,590
Tyonek	12,760	16,610
Talkeetna	8,510	10,490
Palmer	17,410	20,710
	<hr/>	<hr/>
Total	\$183,770	\$224,100
Less 10% bid discount		<hr/> 18,377
		\$205,723
Project Coordinator 120 days @ \$150/day		<hr/> 18,000
Grand Total		<hr/> <hr/> \$223,723

Mt. McKinley Nat'l. Park

Alaska Railroad

APPROXIMATE GRADE B CONTOUR

Susitna River

Sutton

Matanuska River

Willow

Houston

Wesilla

Palmer

Chugiak

Eagle River

Anchorage

Tyone

Girdwood

Hope

Portage

Whittier

COOK INLET

Ke.

Cooper Landing

Maose Pass

Cohoe

Wasilof

Skilak Lake

Kenai

Clam Gulch

Lake Tustumena

Seward

Ninilchik

Happy Valley P.

Stariski Creek

Anchor Point

Homer

KACHEMAK

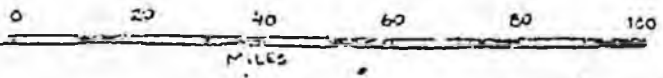
Seldovia

PROPOSED KAKM TRANSLATOR SYSTEM

⊙ TRANSLATOR

○ MAJOR COMMUNITIES SERVED

▬ INCOMING SIGNAL



Introduced: 4/22/75
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY M. BEIRNE, MALONE AND
SPECKING

2 HOUSE BILL NO. 447

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Alaska
7 Educational Broadcasting Commission; and providing for
8 and effective date."

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

10 * Section 1. The sum of \$225,000 is appropriated from the general fund to
11 the Alaska Educational Broadcasting Commission for the construction of 13
12 public television translators for Alaska Public Television, Inc. (KAKM),
13 Anchorage, in the Kenai and Matanuska-Susitna Boroughs.

14 * Sec. 2. This Act takes effect July 1, 1975.
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Original sponsors: H. Belrne, Malone
and Specking

Offered: 4/20/76
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE BILL NO. 447

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Alaska
7 Educational Broadcasting Commission; and providing for
8 an effective date."

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

10 * Section 1. The sum of \$185,000 is appropriated from the general fund to
11 the Alaska Educational Broadcasting Commission for the construction of
12 public television translators for Alaska Public Television, Inc. (KAKM),
13 Anchorage, in the Kenai and Matanuska-Susitna Boroughs.

14 * Sec. 2. The sum of \$141,000 is appropriated from the general fund to
15 the Alaska Educational Broadcasting Commission for KYUK (Kuskokwim Community
16 College, Bethel) for 15 translators in Southwest Alaska.

17 * Sec. 3. The sum of \$81,000 is appropriated from the general fund to the
18 Alaska Educational Broadcasting Commission for KYUK (Kuskokwim Community
19 College, Bethel) for the installation of "talk-back" capability in their new
20 translators.

21 * Sec. 4. The unexpended and unobligated portion of the appropriations
22 made under secs. 2 and 3 of this Act lapses into the general fund June 30,
23 1977.

24 * Sec. 5. This Act takes effect July 1, 1976.

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#

Original sponsors: H. Beirne, Malone
and Specking

Offered: 4/20/76
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE BILL NO. 447

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

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12/3
sta

Introduced: 4/22/75
Referred: Health, Education &
Social Services and Finance

BY H. BEIRNE, MALONE AND
SPECKING

1 IN THE HOUSE

2 HOUSE BILL NO. 447

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Alaska
7 Educational Broadcasting Commission; and providing for
8 and effective date."

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11 the Alaska Educational Broadcasting Commission for the construction of 13
12 public television translators for Alaska Public Television, Inc. (KAKM),
13 Anchorage, in the Kenai and Matanuska-Susitna Boroughs.

14 * Sec. 2. This Act takes effect July 1, 1975.

ALASKA STATE LEGISLATURE

..... Legislature Session

HOUSE NO.

By AND

An Act relating to special provisions pertaining to the Alaska Educational Broadcasting Commission and providing for an effective date.

Introduced in the House 19.....

HISTORY IN THE HOUSE

19 75

Read first time and referred to Committee on Health, Education & Social Services and Finance
Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

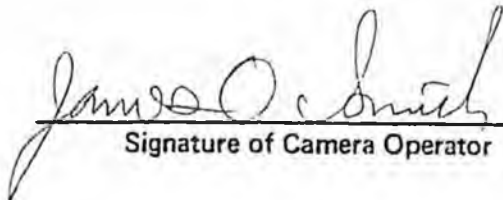
Chapter No.

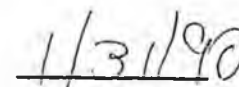


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Signature of Camera Operator


Date

COMMITTEE REPORT

5/12/75

HOUSE

Mr. Speaker:

Date May 29, 1975

The Committee on FINANCE has had HB 448

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

(x) recommends it BE REPLACED WITH CS FOR HB 448 AND THAT

CS FOR _____ DO PASS

() "and" recommends it BE REFERRED TO THE _____

COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends: no rec
_____ recommends: no rec
_____ recommends:
_____ recommends:
_____ recommends:

J. Maloney Chairman

Original sponsor: Parr, Bradner,
Brown, et al

Offered: 5/29/75
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 448 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating an emergency housing revolving loan
7 fund."

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

9 * Section 1. AS 18 is amended by adding a new chapter to read:

10 CHAPTER 100. EMERGENCY HOUSING REVOLVING LOAN FUND.

11 Sec. 18.100.010. FUND ESTABLISHED. There is created in the
12 Department of Commerce an emergency housing revolving loan fund for the
13 purpose of making residential housing loans, for mobile homes, and
14 for making construction loans for mobile home parks within communities
15 designated by the governor under AS 34.06.020 as housing emergency
16 areas.

17 Sec. 18.100.020. MOBILE HOME LOANS. The department may make loans
18 at an interest rate not to exceed six per cent a year to a person of
19 lower or moderate income who has been continuously an Alaska resident
20 since June 1, 1973 for purchase of mobile homes, to be used as the
21 permanent place of abode of the resident in communities which are
22 declared by the governor under AS 34.06.020 to be a housing emergency
23 area. If the loan is for purchase of a mobile home, the term of the
loan shall not exceed 10 years. The department shall make the loans on
the terms and conditions it finds appropriate.

Sec. 18.100.030. MOBILE HOME PARK CONSTRUCTION LOANS. (a) The
department may make loans for construction of mobile home parks in
communities which are declared to be a housing emergency area by the
governor under AS 34.06.020.

1 (b) The loans shall be for a maximum term of 10 years and bear
2 interest at a rate not to exceed 10 per cent a year upon the terms and
3 conditions the department finds appropriate.

4 (c) The loans may be for the purpose of acquiring land for use as
5 a mobile home park and for making, installing and constructing improve-
6 ments including water, sewer, other utilities, roads, streets, curbs,
7 gutters, sidewalks, drainage facilities, pads and other installations
8 or work, whether on or off the premises, which the department considers
9 necessary or desirable for a mobile home park.

10 (d) Loans shall be made based upon proposals for loans to the
11 department. The proposal shall show the number of mobile home spaces to
12 be provided, the facilities to be provided, the anticipated cost of the
13 project, the portion of the cost to be provided from sources other than
14 the loan, the space rentals and other charges to the tenants and the
15 number of spaces which are to be offered to persons of lower and moder-
16 ate income, and such other information as the department prescribes.

17 (e) The department shall require as a condition of a loan satis-
18 factory assurances that the mobile home park will be constructed and
19 operated in accordance with the proposal and that notice to persons of
20 lower and moderate income shall be made in a manner it considers ade-
21 quate to inform prospective tenants of lower and moderate incomes of the
22 availability to them of the spaces.

(f) During the life of the loan no changes may be made in space
rental or other charges or in the number of spaces to be available to
persons of lower and moderate income without the prior approval of the
department unless specifically authorized by regulations adopted by the
department.

23 (g) SPACE RENTAL CREDIT. The department shall
24 provide for space rental credits in mobile home parks financed in whole

or in part by acquisition, development or construction loans made under sec. 30 of this chapter. The credit is against interest which would otherwise be payable on the loan. The department shall develop, by regulation, criteria for qualifications for rent credit, including a schedule of family income in relation to rent and family size. The credit may be all or part of the space rental for specific spaces within the park and may vary considering the needs of the tenant.

Sec. 18.100.050. ASSISTANCE NOT CONSIDERED IN DETERMINING OTHER BENEFITS. Amounts credited on behalf of tenants under this chapter may not be considered in determining the amount of welfare or other public assistance otherwise authorized by law.

Sec. 18.100.060. POWERS OF DEPARTMENT. The department may

- (1) adopt regulations necessary to carry out the purposes of this chapter;
- (2) determine eligibility of applicants for loans under this chapter;
- (3) designate agents and delegate powers to them as necessary.

Sec. 18.100.070. SALE OR TRANSFER OF MORTGAGES. The Department of Revenue shall purchase all mortgages approved and authorized by the Department of Commerce under this chapter.

Sec. 18.100.080. TERMINATION. When the governor declares under 28.24.06.020 that a housing emergency no longer exists in an area, no further loans may be made in that area.

Sec. 18.100.090. DEFINITIONS. In this chapter "persons of lower and moderate income" means a person or persons considered by the department to require credits under this chapter on account of insufficient or inadequate personal or family income or otherwise limited personal financial resources, taking into consideration, without limitation, such

factors as

(A) the amount of the total income of the persons available for housing needs;

(B) the size of the family;

(C) the cost and condition of housing facilities available;

(D) standards established for various federal programs determining eligibility based on income of the persons; and

(E) the ability of the persons to compete successfully in the normal housing market and to pay the amounts at which private enterprise is providing decent, safe and sanitary housing.

Original sponsor: Parr, Bradner,
Brown, et al

Offered: 5/12/75
Referred: Finance

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 448

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to a loan to the Alaska State Housing
7 Authority for mobile home parks within the pipeline
8 corridor; and providing for an effective date."

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

10 * Section 1. The commissioner of revenue shall loan from the general fund
11 to the Alaska State Housing Authority the amount, not to exceed \$7,500,000
12 necessary for site acquisition, construction of mobile home parks, and
13 purchase and installation of up to 300 mobile homes for rent or purchase by
14 Alaska residents of lower and moderate income, in communities within the
15 pipeline corridor which are declared to be a housing emergency area by the
16 governor. Repayment of the loan from the general fund is from the proceeds
17 of a sale of revenue obligations of the Alaska State Housing Authority issued
18 for this purpose or from other funds available to the authority for the
19 purpose. The loan shall be repaid within one year after initial occupancy of
20 the mobile homes and shall bear interest at the same effective rate of the
21 bonds issued for the project or, if no bonds are issued, at the effective
22 rate borne by the bonds in the last issue of revenue bond issues by the
23 authority before initial occupancy.

24 * Sec. 2. The Alaska State Housing Authority may rent trailer spaces
25 available within emergency mobile home parks to residents meeting the resi-
26 dency and income qualifications of sec. 1 of this Act and may further sell
27 the purchased mobile homes to qualified purchasers.

28 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
29 070(c).

#

Introduced: 4/22/71
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY PARR, BRADNER, BROWN, COWPER
AND WALLIS

2 HOUSE BILL NO. 448

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to a loan to the Alaska State Housing
7 Authority for a mobile home park at Fairbanks; and
8 providing for an effective date."

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

10 * Section 1. The commissioner of revenue shall loan from the general fund
11 to the Alaska State Housing Authority the amount, not to exceed \$5,000,000,
12 necessary for site acquisition, construction of a 200-unit mobile home park,
13 and purchase and installation of 200 mobile homes in the vicinity of Fair-
14 banks for rent to persons of lower and moderate income. Repayment of the
15 loan is from the proceeds of a sale of revenue obligations of the Alaska
16 State Housing Authority issued for this purpose or from other funds available
17 to the authority for the purpose. The loan shall be repaid within one year
18 after initial occupancy of the mobile homes and shall bear interest at the
19 same effective rate of the bonds issued for the project or, if no bonds are
20 issued, at the effective rate borne by the bonds in the last issue of revenue
21 bond issues by the authority before initial occupancy.

22 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
23 070(c).

THIS BILL RESOLUTION

has been prepared by the staff of the Legislative Council in response to the request and at the direction of the sponsor. The staff has attempted to place it in proper legal and clerical form subject to any special limitations or instructions of the sponsor. Member requests are kept confidential by the staff and any announcement of intent to have a document drafted or introduced remains the prerogative and responsibility of the sponsoring member in dealing with colleagues and other persons. The Council or its staff may not endorse or comment on policy matters involved in a bill or resolution. The substance and merits of a bill or resolution are the responsibility of the sponsor.

Delivered to sponsor: _____

5/22/75

M E M O R A N D U M

TO: Susan Andrews
EDP Coordinator
Division of Legislative Finance
Room 409
Capitol Building

FROM: Chief Clerk
House of Representatives

SUBJ: Legislation
Identification _____

Secretary of the Senate

The following information is transmitted for the bill or resolution named above:

1. KEYWORDS - Keywords are important words from the title or from the body of the legislation under which the measure will be listed in the alphabetic index.

Appropriations - emergency housing revolving loan fund

2. STATUTE REFERENCES - List sections of the statutes added, amended, repealed, or repealed and reenacted.

3. DEPARTMENTS - List departments or agencies referred to or principally affected by the legislation.

Commerce

The Legislature
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. CS HB 44B (Finance)
 Title: An Act Creating an Emergency Housing Revolving Loan Fund
 Requested by: Jim Rhode Date: _____
 Return Date Requested: ASAP
 Agency: Commerce Program: _____

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	8.0	96.7	101.5	106.6	111.9	117.5
200 TRAVEL	1.0	6.0	6.2	5.0	5.2	5.5
300 CONTRACTUAL	5.9	34.3	36.0	37.8	39.7	41.7
400 COMMODITIES	1.0	5.0	5.2	5.5	5.8	6.1
500 EQUIPMENT	6.0	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
Capitalization	-0-	9900.0	5000.0	-0-	-0-	-0-
TOTAL	21.9	10042.0	5,149.0	154.9	162.6	170.8

B. FUNDING: (Thousands of dollars)

GENERAL FUND	21.9	10042.0	5,149.0	154.9	162.6	170.8
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-

C. POSITIONS:

PERMANENT/TEMPORARY	6 / 0	6 / 0	6 / 0	6 / 0	6 / 0	6 / 0
MAN MONTHS (P./T.)	6 / 0	72 / 0	72 / 0	72 / 0	72 / 0	72 / 0

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- Assumptions:
1. The Emergency Housing Revolving Loan Fund will structurally fall under the Division of Business Loans.
 2. Average cost of mobile home purchased by State will be \$25,000.
 3. Regulations will be promulgated immediately.
 4. Program will become operational July 1, 1976.
 5. Program will be declared a non-emergency in FY 78.
 6. 5% inflation 1977-80.
 7. One-half of the funds loaned in FY 76 will be loaned in

IV. ATTACHMENTS, FY 77.

V. DATE: _____ PREPARED BY: HL Smith

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

	FY 75	FY 76
Personal Services		
3 Loan Examiners I (1 Anch, 1 Fbks, & 1 Valdez) Range 15 @ \$1361/mo	4.8	57.8
3 Clerks (1 Anch, 1 Fbks, & 1 Valdez) Range 9 @ \$916/mo	3.2	38.9
Travel		
3 Loan Examiners @ 2.0 ea Regulations	1.0	6.0
Contractual		
Regulations	5.0	-0-
Office Space 600 s.f. @ \$1.50	.9	10.8
Communications & all other contractual based on current 3-employee office		18.0
Bank servicing 605 loans at \$1.50 per loan/mo		5.5
Commodities	1.0	5.0
Equipment		
6 desks	1.2	
6 chairs	.6	
3 files	.3	
3 calculators	.9	
3 typewriters	2.1	
3 utility tables	.3	
6 misc. at \$100	.6	
Capitalization		
Trailer Parks 3 @ \$800.0		2,400.0
Loans to applicants 25 loans/mo @ \$25.0		7,500.0
	21.9	10,042.0

STATE
of ALASKA*Master file*
MEMORANDUM

DEPARTMENT OF COMMERCE

TO: House Finance Committee

DATE : May 23, 1975

FROM: Langhorne A. Motley *LM*
Commissioner
Department of CommerceSUBJECT: CSHB 448 (Finance) submitted
to the undersigned at 9:30 a.m.
on May 23, 1975

I have quickly reviewed your proposed committee substitute and offer the following points for your consideration. The committee substitute subject to all of the points below could be a workable program.

1. Section 18.100.020, page 1, line 18 through 28. We would like to see that section deleted. The State should not get into the purchase and resale of mobile homes. The necessary bureaucracy, warranties, etc., would be such that it would defeat the main purpose of the exercise, i.e., to make monies available to encourage private developers to provide necessary emergency housing.
2. We are concerned with a ceiling maximum of \$30,000. Our experience dictates that when a ceiling or maximum is put on loans, all items, in this case all trailers, will be worth \$30,000. We think a better way is to tie it to low and moderate income which will in fact govern the total price of the mobile home because the debt amortization required in consideration of each applicant's total gross income will in essence keep the total purchase price somewhere around \$30,000 or below.
3. In Section 18.100.040 line 13, we would like to see it read "not to exceed 10% a year". The purpose being that if we have a proposal that is totally "low and moderate income" we may be, from a bookkeeping point of view, able to achieve the credit portion by reducing his overall loan interest rate going into the program.
4. We have a mechanical problem with the "credit" provisions with regards to bookkeeping and it should be recognized that the plan as envisioned under Section 18.100.050 is of such a fluid, unquantifiable, manner that it will require substantial additional bookkeeping on a monthly basis to adjust credit for forgiveness of interest. We point this out to you as a significant bureaucratic problem.

023

5. Section 18.100.060, page 3, line 19 dealing with "Assistance not considered in determining other benefits," may have a problem with regards to the lack of interlock that Federal and State regulations governing those programs may require. We just point this out for your information as a possible problem area with regards to food stamps, etc.
6. We would suggest that you define low and moderate income. A possible solution is to lift the language from the Alaska Housing Finance Corporation applicable statutes.
7. Line 12, page 3 we would like to see rewritten to include "acquisition, development, and construction loans." The reason being that with regards to the credit it should be laid against the whole debt service, including acquisition, development, and not only just to the construction costs which sometimes are minimal in mobile home parks.
8. We would like to see language reflected somewhere that these loans for homes are to be for owner-occupied only. This will clarify the intent of the regulation and preclude speculative buying at 6%.
9. Section .010, line 13. Our interpretation of this whole paragraph leads us to believe that the literal translation of this language into a program would result in the State becoming the largest mortgage banker with no inhibiting factors. Conceivably we could make loans on any house in any subdivision in any of the ~~affected~~ areas. Therefore, to stick to what we understand to be the intent of the regulation, i.e., to provide funds during an emergency situation we would, on line 13, substitute the word "for" with the word "including". We recognize that this runs a risk of upsetting the non-mobile home business but its the only way we feel you can specify in writing precisely your intent, i.e., take care of an emergency situation.

By separate correspondence you will receive a fiscal note to implement this program. Be advised that we are basically talking about two programs:

- a. A development loan program for the development of mobile home parks which can be handled without much additional staff and run basically from the Juneau office.
- b. The "retail" lending program for direct single family loans as such would require the addition of several loan officers and attendant supervisors and clerical help in each one of the cities affected. We are exploring the possibility now of using existing banks as the initial applicant place and the State in turn then purchasing those loans directly from the bank. We believe this to be a cheaper more efficient method to achieve this second aim of the referenced legislation.

May 23, 1975

It is my understanding that the intent of the legislature is to solve an emergency problem while it exists. We fully concur with this aim. However, it should be noted that the proposed legislation with our additional comments, addresses itself solely to providing the necessary financial incentive to provide necessary shelter during the emergency period. It does not, and should not, address itself to the other tangent considerations once these loans are made and the development and acquisition process goes on, i.e., meeting local and State regulations and laws in other arenas that are an integral part of our overall social fabric. Examples that come to mind are the rapidity with which environmental considerations can either be met or waived, construction permits, etc. The purpose of this paragraph is to point out that the Department of Commerce views as its sole mandate, in the event this bill passes with the suggestions we have made, to provide a vehicle in which the funding can be made available and not to address itself to the other tangent considerations.

Bill
5-21
Re 20

Original sponsor: Parr, Bradner,
Brown, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. ⁴⁴⁸ (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating an emergency housing revolving loan
7 fund."

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

9 * Section 1. AS 18 is amended by adding a new chapter to read:

10 CHAPTER 100. EMERGENCY HOUSING REVOLVING LOAN FUND.

11 Sec. 18.100.010. FUND ESTABLISHED. There is created in the
12 Department of Commerce an emergency housing revolving loan fund for the
13 purpose of making residential housing loans, including mobile homes, and
14 for making construction loans for mobile home parks within communities
15 designated by the governor under AS 34.06.020 as housing emergency
16 areas.

17 ~~Sec. 18.100.020. PURCHASE AND RESALE OF MOBILE HOMES. The depart-
18 ment may purchase mobile homes to be located in communities which are
19 declared by the governor under AS 34.06.020 to be a housing emergency
20 area for resale to Alaska residents of lower and moderate income for use
21 as the permanent place of abode of the purchaser. The sale price shall
22 be in an amount sufficient to pay the cost incurred by the state in
23 connection with purchase and transportation of the mobile home. The
24 sale shall be on the terms and conditions the department considers
25 appropriate except that the term of any purchase agreement may not
26 exceed 10 years nor may the interest rate charged exceed six per cent a
27 year. The maximum cost of a mobile home shall not exceed \$30,000.~~

28 Sec. 18.100.030. MOBILE HOME LOANS. The department may make loans
29 ~~not to exceed \$30,000~~ at an interest rate not to exceed six per cent a

~~6 in (B-002) of L1, 1973~~

~~a person who has been continuously an Alaska resident since June 1, 1973~~
a person of lower or moderate income who has been continuously an Alaska resident since June 1, 1973,

year to ~~an Alaska resident of lower or moderate income~~ for purchase of residential housing, including mobile homes, to be used as the permanent place of abode of the resident in communities which are declared by the governor under AS 34.06.020 to be a housing emergency area. If the loan is for purchase of a mobile home, the term of the loan shall not exceed 10 years. The department shall make the loans on the terms and conditions it finds appropriate.

Sec. 18.100.040. MOBILE HOME PARK CONSTRUCTION LOANS. (a) The department may make loans for construction of mobile home parks in communities which are declared to be a housing emergency area by the governor under AS 34.06.020.

(b) The loans shall be for a maximum term of 10 years and bear ~~interest at the rate of~~ ^{at a rate not to exceed} 10 per cent a year upon the terms and conditions the department finds appropriate.

(c) The loans may be for the purpose of acquiring land for use as a mobile home park and for making, installing and constructing improvements including water, sewer, other utilities, roads, streets, curbs, gutters, sidewalks, drainage facilities, pads and other installations or work, whether on or off the premises, which the department considers necessary or desirable for a mobile home park.

(d) Loans shall be made based upon proposals for loans to the department. The proposal shall show the number of mobile home spaces to be provided, the facilities to be provided, the anticipated cost of the project, the portion of the cost to be provided from sources other than the loan, the space rentals and other charges to the tenants and the number of spaces which are to be offered to persons of lower and moderate income, and such other information as the department prescribes.

(e) The department shall require as a condition of a loan satisfactory assurances that the mobile home park will be constructed and

1 operated in accordance with the proposal and that notice to persons of
2 lower and moderate income shall be made in a manner it considers ade-
3 quate to inform prospective tenants of lower and moderate incomes of the
4 availability to them of the spaces.

5 (f) During the life of the loan no changes may be made in space
6 rental or other charges or in the number of spaces to be available to
7 persons of lower and moderate income without the prior approval of the
8 department unless specifically authorized by regulations adopted by the
9 department.

10 Sec. 18.100.050. SPACE RENTAL CREDIT. The department shall
11 provide for space rental credits in mobile home parks financed in
12 whole or in part by construction loans made under sec. 40 of this
13 chapter. The credit is against interest which would otherwise be
14 payable on the loan. The department shall develop, by regulation,
15 criteria for qualifications for rent credit, including a schedule of
16 family income in relation to rent and family size. The credit may be
17 all or part of the space rental for specific spaces within the park and
18 may vary considering the needs of the tenant.

19 Sec. 18.100.060. ASSISTANCE NOT CONSIDERED IN DETERMINING OTHER
20 BENEFITS. Amounts credited on behalf of tenants under this chapter
21 may not be considered in determining the amount of welfare or other
22 public assistance otherwise authorized by law.

23 Sec. 18.100.070. POWERS OF DEPARTMENT. The department may

24 (1) adopt regulations necessary to carry out the purposes
25 of this chapter;

26 (2) determine eligibility of applicants for loans under
27 this chapter;

28 (3) designate agents and delegate powers to them as neces-
29 sary.

1 operated in accordance with the proposal and that notice to persons of
2 lower and moderate income shall be made in a manner it considers ade-
3 quate to inform prospective tenants of lower and moderate incomes of the
4 availability to them of the spaces.

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22 public assistance otherwise authorized by law.

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24 (1) adopt regulations necessary to carry out the purposes
25 of this chapter;

26 (2) determine eligibility of applicants for loans under
27 this chapter;

28 (3) designate agents and delegate powers to them as neces-
29 sary.

18.100.080 definition

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Sec. 18.100.080⁹. TERMINATION. When the governor declares under AS 34.06.020 that a housing emergency no longer exists in an area, no further loans may be made in that area.

Bill No. House Bill 448
 Title: An Act relating to a loan to ASHA for mobile home park
 Requested by: Department of Commerce Date: April 24, 1975
 Return Date Requested: _____
 Agency: Alaska State Housing Program; _____
 Authority _____

FISCAL DETAIL

Budget Request Unit(s) Affected: Department of Revenue
 EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
PERSONAL SERVICES						
TRAVEL						
OPERATIONAL						
EQUIPMENT						
VEHICLES & STRUCTURES						
GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING: (Thousands of dollars)

GENERAL FUND (Loan)	5,000,000					
OTHER FUNDS						

POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

HB 448 authorizes a loan from the Commissioner of Revenue to ASHA in the amount of \$5,000,000 to be repaid by the sale of ASHA Bonds. The Bill makes no provision for the repayment of the Bonds which would require a lease-back agreement from the State under ASHA's present Bond Resolution.

IV ATTACHMENTS

DATE: April 24, 1975

PREPARED BY: Tolbert E. Elliott

Tolbert E. Elliott
 Executive Director
 Alaska State Housing Authority

Original cc Legislative Finance
 Budget and Management
 Prime Sponsor (First Legislator Named)

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. House Bill 448

Title: An Act re a loan to the Ak. St. Hs'g. Auth. for mobile home park

Requested by: House State Affairs Date: April 25, 1975

Return Date Requested: April 29, 1975

Agency: Commerce Program: ASHA

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
CAPITALIZATION	5,000.0					
TOTAL						

B. FUNDING: (Thousands of dollars)

GENERAL FUND	\$5,000.0	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-

C. POSITIONS:

PERMANENT/TEMPORARY	-0- / -0-	-0- / -0-	/	/	/	/
MAN MONTHS (P./T.)	-0- / -0-	-0- / -0-	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Although the effect of this bill is a decrease of \$5 million on the General Fund for FY 75, repayment with interest should be made within FY 76. There will be no fiscal impact for administering this bill over and above the capitalization.

IV. ATTACHMENTS

V. DATE: April 25, 1975

PREPARED BY: _____

Jim Edenso
Acting Commissioner
Department of Economic
Development

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

FAIRBANKS NORTH STAR BOROUGH

Box 1267, Fairbanks, Alaska 99707

April 10, 1975

The Honorable Charles Parr
Pouch V
State Capital
Juneau, Alaska 99811

Dear Charlie:

This is in reference to your phone call regarding low income housing by use of mobile homes. I have given it considerable thought and have bounced the question off various citizens with varying responses. Coming down to a practical approach, I made an assumption that we needed 200 units in Fairbanks. Instead of the conventional stick buildings by Alaska State Housing or the State of Alaska, have them purchase mobile homes and bring them to Fairbanks. Alaska State Housing then would be responsible for the criteria for low income rental qualifications and for rental of the mobile homes to the families that are selected to move into them.

The next question would be the site.

1. Rental of sites from private trailer courts. In this approach ASHA would contract with trailer court owners for his yearly rent and maintenance of the mobile homes. This has many advantages in that various mobile home courts throughout the area could be used and there would not be a stigma against one court for having or being a low income court. For example, there is the 515 court being developed in North Pole. I have heard that a 200 unit court is being considered at Gold Hill, towards Ester, and that one is being considered in Fox. Also, I understand there is one being developed for 185 spaces in the College area. In this approach ASHA would lease the mobile homes to the low income families and then pay the fee to the mobile homes court owners.

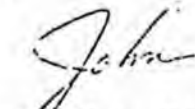
2. State owned land - Mobile units. The State of Alaska could make available state owned land and ASHA would bring in the mobile homes. A contract would be developed

with a land management company who would put in the water, sewer, roads, and lights, and for a fixed fee, maintain the mobile homes and spaces on a contract with the State of Alaska. Again ASHA would determine the families eligible for occupancy and collect the rental fee. The advantage of this approach would be that the land is owned by the state as well as the mobile homes, and at the end of the need for these mobile units, they could be shut down and removed at the least expense. There would be no "dead line" to get them out of a court, etc. The disadvantage would be the stigma that this is a low income rental area and people might be reluctant to move into this mobile park.

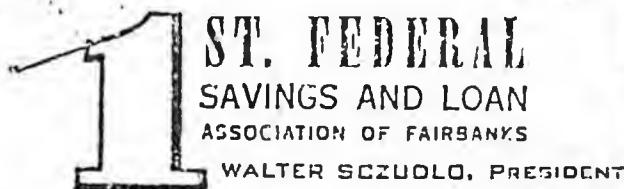
3. Some approximate costs. The new court going into North Pole is estimating rental of \$115 per site. The cost of electricity and heat would average out approximately \$85.00 a month. This then would be a minimum of \$200 a month plus the charge made by ASHA for the unit itself. Should the State of Alaska make land available and lease to a land management company, they would then be collecting back the cost of the development of roads, water, and sewer but there would be no land cost. Therefore the court could, per space, be a lower price than the \$115 of the privately developed unit. Of course, we would have the problem that the State of Alaska would be in competition with the many private mobile home courts.

I feel now, after the public hearing held by Commissioner Motley, that it would be an appropriate time to submit legislation for funds to acquire mobile homes and rental of spaces. Trying to get an idea of the cost, I contacted one firm and discussed with them the cost of 200 three bedroom units. They offered in this quantity a cost of \$18,000 per unit, for a total of \$360,000 f.o.b. Fairbanks. One year's rental for 200 units at \$115 would be \$230,000 or a total of \$590,000 for the cost of one years operation of these mobile homes.

Very truly yours,



JOHN A. CARLSON
Borough Mayor



April 11, 1975

10
DOWNTOWN OFFICE
500 SECOND AVENUE
CUSHMAN-GAFFNEY OFFICE
570 GAFFNEY ROAD
MAIL: P.O. BOX 709
FAIRBANKS, ALASKA 99707
PHONE 452-4471

The Honorable Charles H. Parr
Representative, State of Alaska
Pouch V
Juneau, Alaska 99801

Dear Mr. Parr:

I certainly appreciate your letter of April 7, 1975, concerning the rent control hearings.

Commissioner Motley held his hearing in Fairbanks on April 8th. I did appear and testified at said hearing -- probably at too much length. At least that is what my wife told me, since she was in the audience.

At the end of your letter you said you would appreciate any suggestions as to ways of remedying the rising housing costs and their effect on persons of low and fixed incomes. This is very difficult under present conditions of rising construction costs, and mounting inflation.

We have found that investors and builders are not interested in low cost housing, or even government subsidized low cost housing, because of the paper work involved, delays, the bureaucratic uncertainties, and the drastic limitations on income and profits. I am referring to the FHA programs. It is also my feeling that taxpayers are becoming very disenchanted with such programs, because of Federal deficits and the welfare aspects of such programs.

Low cost housing can only be secured, if it is subsidized sufficiently by either State or Federal funds to the extent that it does attract investors. Such housing in the past has made an attempt to be equal to housing, which is secured by taxpayers and owners from hard earned wages or other income. I am more and more of the opinion that such luxury cannot be afforded under present level of taxes, economy and inflation. It would seem that persons, who make only a low income, should be entitled to minimum standard of housing, commensurate with their low income. Persons on fixed income could fare no better. This may be a harsh thought, but I am wondering if it is not really based on realities, and on the fact that the taxpayers of these United States cannot afford to subsidize welfare based on more than minimum standards, rather than on semi-luxury standards. Possibly the State of Alaska four or five or six years from now, after it is earning its oil royalties, may be able to afford something more, but I doubt whether it can do so at this time.



"Christ Makes Men Independent"

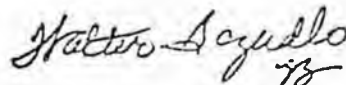
The Honorable Charles H. Parr
April 11, 1975
Page Two

I am also wondering whether persons of low income can really afford to live in metropolitan areas, or high cost areas, and expect housing equal to that of the majority of persons, who are receiving higher wages, or "boom" wages. Possibly they should be in rural areas in housing they can provide for themselves, or in mobile or trailer housing.

I do realize that Congress has stated as a matter of national policy substantially that all citizens are entitled to adequate and good housing. This is a difficult goal to reach under present economic pressures, as well as uncertainties. Possibly we may be reaching a point where such adequacy and quality should be redefined.

The foregoing is only some thoughts at random. As I said before, the problem you posed is a difficult one to remedy. It requires study by practical persons involved daily in housing: Its construction, materials, labor, financing, management, tenant needs and limitations, operations and rentals.

Sincerely yours,



Walter Scudlo
President

WS/eb

Mobile Homes a Solution?

With existing housing overpriced and over-crowded, it isn't long before people in need of a place to live start thinking about a mobile home, that modern-day answer to the tent.

At first some people might be put off by the price. ("\$4,500 down for a trailer?" exclaims a young mother. "Outside you can GET one for \$4,500.")

But nevermind. You'll have two months to find the money since it will take at least that long, according to one mobile home salesman, to get delivery.

And you needn't waste time wishing you could get it sooner — there isn't anyplace to put it anyway.

"Right now there are no spaces," said a woman at a sales yard, an amazing admission for someone who was hoping to sell mobile homes.

"Nothing," said the woman at the Lakeview Court. "No, we aren't expanding."

But another mobile home salesman was more optimistic. "There will be parks sprouting up all around," he said hopefully. "There should be spaces around the first of July." And he mentioned a 300 space development which he understands is going in somewhere on Badger Road.

But is it?

"Lots of people are coming in with the idea of building trailer courts," says John Jansen of the State Department of Environmental Conservation.

The department is still waiting, in most cases, for the necessary data to be supplied.

But, Jansen says, it appears that much of the land being purchased for this purpose has either a high water table or permafrost. Either condition makes it almost impossible to dispose of waste. If the waste water can not percolate down, says Jansen, there is no place for it to go but to the surface.

Even if they put in treatment facilities, he says, they still can't pump it into the ground if its going to come back up.

Of the larger courts which are proposed, Jansen says only one court looks like it will be completed. This is a North Pole installation which will be hooking into existing treatment facilities.

Several existing trailer courts

the state but also with borough zoning ordinances. "We get 25 to 30 calls a day," says borough Planning Director Donald Gilmer, "from people wanting to know what they can do."

Every case, Gilmer says, has to be studied on its merits. The

zone and the size of the parcel must be considered.

"But," he says, "we are remembering that what we put in we're going to have to live with after the boom is over. We have good examples from World War II of what not to do. People rented out spots in their back yard, side yard. We still have some of that junk left."

Any mobile home park — defined as any land parcel which is

occupied by more than two mobile homes — must get a borough permit. And in general the borough requires 3,000 square feet per trailer. The trailers must be at least 15 feet apart.

Anyone found operating a mobile home park in violation

of borough or state ordinances can be charged with a misdemeanor and if found guilty fined \$300 for every day the park continues to operate.

Illicit trailers are usually discovered, Gilmer says. Besides two employees whose duty it is to enforce the ordinances, the neighbors usually supply a tip.

"Then we take them to court," Gilmer says, "and we are currently winning our cases."

Anchorage News March 24, 1975

Fairbanks hearing: squeeze play

By JANE PENDER
Our Fairbanks Correspondent
FAIRBANKS — Housing and related problems emerged as the single most pressing impact problem in the Fairbanks area during hearings conducted here Saturday by Rep. Charlie Paar and Sen. Pat Rodey of Anchorage. Hearings were oriented primarily around the elderly and juveniles, but testimony from a number of citizens was received as well.

Not only is rental housing scarce to nonexistent, but there are no longer houses to buy. Agencies in need of expansion such as Community Youth Services cannot bring new people in because housing cannot be found for them. Some agencies cannot find office space, let alone a place to park their cars while they're at work.

LANDLORDS, LIKE Mario Grossi who owns and operates 12 apartments expressed the belief if rent control comes as a way to control rent gouging here, those affected most will be the town's elderly. He cited three elderly persons who share one of his apartments at \$310 a month. He said this is all they can afford, but, if rent control comes, he, along with every other landlord here will have to raise rents. He said "What I am facing in the next few months is the possibility of taxes doubling or tripling; heating oil up another 10 cents a gallon; prices for services like plumbing and heating

going up. I may not want to raise rents, but I might have to in order to break even."

He said, even if he was assured there would be no rent control, he would feel building new apartments this summer would be risky. "To build in Fairbanks now you are taking an extreme chance." He said for each two bedroom unit, it would cost from \$40,000 to \$50,000 and that he would have to charge \$500 to \$600 a month for each.

Doris Southall, who is active in various Senior Citizens Groups here said the average income of the elderly here ranges around \$3,442 a year not including the Senior citizen's \$100 a month bonus.

Most of these, she said, live in tiny cabins or sub-standard apartments, but want to stay independent as long as possible.

JOE STEINARD, who is very active with the Senior Citizens of Interior Alaska, a group which owns property and has established a center at Mile 38 Richardson Highway, detailed plans of his group to hook up 10 trailers for workers at Pump Station 3, and plans for building small cabins for senior citizens, but complained he had been unable to obtain information about funding for such projects.

The picture which emerged was of a runaway economy, with a high local inflation superimposed on high nationwide rates; of people caught in a money-land-living space squeeze, coupled with often expressed fear about what is to come this summer when workers and their families pour into Fairbanks.

One group which has been hard hit already is that of Fair-

banks juveniles, according to Director of Community Youth Services Kathy Carr-Lundfeld. She said while many of those problems had been around for quite a while, they were now increasing in seriousness. She said there was a large increase in child

neglect cases, and adjustment problems related to one parent being at work for the pipeline while children were left to their own devices.

SHE SAID there has been for juveniles, the following increases: 110 per cent juvenile runaways; 316 per

cent liquor violations; 85 per cent drug abuse; 65 per cent shoplifting; 242 per cent juveniles in need of supervision.

She said there had been a dramatic decrease in the age at which juveniles get into trouble with the law.



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Mobile home parking space scarce

(EDITOR'S NOTE: This is the third in a series of articles on the Daily News-Miner rent survey.)

Mobile homes and trailers are often mentioned as the cure-all for Fairbanks' housing shortage. At one meeting, borough mayor John Carlson claimed a dealer could bring 400 units into town and sell them in one day.

But where to put them? H.C. Guinn, zoning administrator at the borough, said there are plans

for expansion at several existing mobile home parks and some plans for new ones. Town and Country, Wildwood and Greenwood all plan some expansion this summer, but Guinn said the additional number of spaces probably will not be enough to ease the housing crunch very much.

Tanana Valley Mobile Home Park also plans some expansion, but spaces there will be for

persons who buy their mobile home there, with no spaces available for persons who already own a mobile home. Plans are for about 200 additional units there.

A similar operation is in the works in the North Pole area, but no definite plan has been submitted yet, Guinn said. The area in question needs to be rezoned before any mobile home park could be developed, and a

hearing on the rezoning was held Tuesday. Preliminary plans are for 500 spaces.

Guinn added that there are many inquiries from persons who wish to make a few spaces, between two and 10, available on property they own, "but they often find the costs involved in adhering to the requirements are more than they can handle." He explained the borough's ordinance for mobile home parks is

based on state standard for sanitation. "They are fairly stiff standards, but when it's done, it's done right."

Meanwhile, existing parks are full and space rent, like other rent, is going up.

The Daily News-Miner received six rent survey coupons from tenants in Lakeview Terrace and Lakeview Trailer Court, noting that space rent in

(See MOBILE HOME, page 3)

Fbks News-Miner April 17, 1975

MOBILE HOME

(Continued from page 1)

those parks is going up.

The tenants enclosed a postcard from the management explaining that rent would be going up \$10 per space as of May 1; plus pro-rating of electric bills to cover the Golden Valley Electric Association surcharge. The increase brings the rent at Lakeview Trailer Court to \$90, and the rent at Lakeview Terrace to \$100. Reasons given on the card were increased fuel costs, taxes and electricity.

Comments from tenants include: "All we are paying for is the lot. We pay our own fuel, electricity, propane. Last summer when our increase was put in effect their reason for it was paved roads which they haven't even attempted to start." "We pay our own fuel and electricity surcharge. There is no excuse for this raise. It appears they're joining the bandwagon and getting a raise through before any possible rent control."

"We pay the fuel and electric bills, don't have street lights, so don't understand reason for owner's increases in fuel, electricity, taxes, etc. As a matter of fact, the borough assesses the owner a tax of \$1 per year per trailer space which is passed on to space occupant. In summation, the space rent for Lakeview Terrace has increased from \$60 in September, 1972, to \$100, effective the first of May. During this period, no appreciable improvement, such as tarring streets, installation of street lights or even normal grading or snow removal of streets has been accomplished."

"I don't mind paying a utility bill, prices have gone up, but this is ridiculous. Thank goodness we are moving out of this place. I feel sorry for the people trapped here—the ones who were here before the pipeline and do not

care to work the pipeline jobs."

Phillip Rahoi, owner and manager of the courts, explained that the \$10 increase on spaces was to cover his taxes, which have gone up after an increased assessment from the borough. He said the assessment on the trailer court has gone up 100 per cent.

On the pro-rating of electricity, he explained that until March, he had been passing on the electric bill to tenants and paying the GVEA surcharge himself. The last time he paid it, it worked out to \$22.73 per tenant, and he said he just couldn't afford to do that anymore.

"I'm not out to exploit anybody," he said. "We've got people here on pensions." He noted that the price of the courts are just reaching a point where they are comparable with prices in Seattle.

He added that improvements are made every year, and this year he hopes to finish landscaping the courts and blacktop the streets. "I'll do it with money I have available. I won't go to the bank for a loan because of interest rates."

He pointed out that no one is going to speculate and build more trailer courts until they know what the population trend is going to be in a few years.

A check with the borough assessor's office showed that Rahoi was "fairly accurate in his projection of costs," according to Frank Hunt, property appraiser with the assessing department. Hunt noted that Lakeview is one of the nicest courts in town, and the difference in space price between the high quality and low quality parks is very small.

He also commented that costs of operating a park in Alaska are much higher than "outside," yet space rates don't reflect that much of a difference.

Fairbanks News-Miner
March 14, 1975

For rent: one room, 1

By SUZANNE BUSHONG
Staff writer

Home sweet home. Two rooms and two five gallon water jugs for \$500 a month. Not great, but at least it's a room over one's head.

That is the attitude prevailing among prospective renters in Fairbanks as the "apartment for rent" ads dwindle and the "wanted to rent" ads increase.

A check with persons looking for places to live in the Golden Heart City describes a search almost as futile and frustrating as a snipe hunt.

One of the lucky advertisers found a place to live for himself and his family. "I feel very fortunate," he said, "to find a nice place and a nice landlord." He is paying \$600 a month for a two-bedroom, unfurnished home.

There were seven other families looking at the place, and he had an interview with the landlord before obtaining the house, he said. It took him two weeks to find a place, and while the family was looking, they saw one house which rented for \$500 a month, first and last month's rent in advance, a

\$150 cleaning deposit plus cost of electricity. The man described the house as "terrible."

"It was dirty, the furniture was beat up, the carpet had holes in it, the oven door was falling off. My wife said she just wouldn't live there."

But he assumes that someone did indeed rent the place, since the advertisement for it disappeared.

One woman whose family is looking for a house to buy or rent said, "The rents here are so outrageous you can't save enough money for a down payment to buy a place."

The family which includes three children is living in an apartment and across the hall in a three-bedroom apartment is a family of 10. The apartments cost \$600 a month plus electricity.

The family looked at one home which was unfinished. It had no water, was unfurnished, and rented for \$700 a month.

"People just want the money from the pipeline," she said, "and my husband isn't even affiliated with it. People are renting anything and renters will give anything for it just to have a place to call home."

FAIRBANKS

rooms, no plumbing for \$500

posit plus cost of electricity. The house as "terrible."

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ut the money from the pipeline," ny husband isn't even affiliated re renting anything and renters g for it just to have a place to call

One woman in that situation is paying \$300 a month for what she calls "a hole in the ground."

There is no running water in the tiny cabin, and she said there is another cabin down the road which has only a bed and a living room, which is going for \$500 a month.

She has lived in the Fairbanks area for a long time, but had to move out of her former residence.

"If I don't find a place in the next few days, I'll have to stay at a hotel or I'll be in the street." She did live in her car for several weeks.

And during the search for someplace to live, one of the responses to her ad netted several obscene phone calls.

She also noted that she looked into buying a trailer, but the cheapest she could find was a 1955 model for \$8,500.

One man who has lived all over the world said he has never seen a housing situation like the one now in Fairbanks. He is considering leaving here if he doesn't find a place soon.

"Most of what I've seen have been marginal places. I'd say they are around \$100 to \$150 over

what they should be." One of the places he was shown in response to his ad was a hallway which had been converted into an apartment, for which the landlord was asking \$300 a month.

A group of three young women are looking for a place to share rent, because none of them could afford the rent prices alone. They are native Fairbanksans who took some time to travel outside and came back to the housing crunch. They are now staying in one of their parents' houses.

One said: "I just wish I had a duplex so I could jack up the rent."

One-room cabins for \$300 a month, no water.

Unfinished houses for \$1,000 a month.

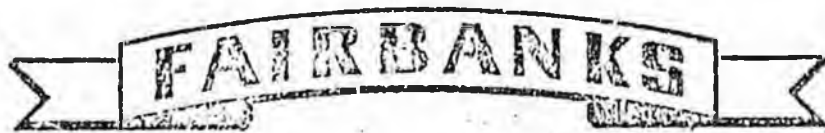
Increases of \$90 per month on current rentals.

Three bedroom house, 41 miles out of town, \$400 a month.

No children, no pets, no single women, no vacancies.

And in the meantime, the hotels and motels will rent rooms by the day only, totaling up rents over \$1,000 a month for a room.

And everyone says, "this is just the beginning."



CRUNCH INTENSIFIES

Describe Their Dilemmas * * *

Some Leave, Some Live in Hotels, Good Tent Business Seen



"There's lots of rooms but they're all took."

The husky man in the brand-new parka was explaining why he had spent the night at the Salvation Army but he could have been telling the story of housing in Fairbanks.

"The tent business is gonna be good," said the man at Alaska Tent and Tarp. "We're building 'em as fast as we can." And indeed, a wall tent from Tent and Tarp was one of two offerings in the Unfurnished Apartment section of the daily newspaper one day last week.

No one has yet offered a prize for the best housing crunch story but everyone seems to have a candidate.

There are stories about apartment vacancies being auctioned off, about rents of \$1000 per month, of old-time residents being kicked out to make room for renters who can afford exorbitant rents.

But there are always stories. Is it really so bad?

"Yes," says Linda Resh. "This is the last straw." She has

make the move to Juneau. They are confident that the housing situation there, even when bad, is much better than the situation in Fairbanks.

"There are a lot of people — old-timers — who are leaving," says Resh, "either going to Southeast or to the bush."

Will the Fairbanksans who leave be coming back someday? "I don't know if this will ever be over," she says. "There are more pipelines to be built. It may be 20 years. And naturally people come; this is the only

—Continued on page 2

Over 200 Attend Hearings

Is there a housing emergency in Fairbanks?

Does the situation justify the

10 lb. weight. —Jo K. Brown Photo

and Con

940

FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. CS HB 448 (Finance)
 Title: An Act Creating an Emergency Housing Revolving Loan Fund
 Requested by: Jim Rhode Date: _____
 Return Date Requested: ASAP
 Agency: Commerce Program: _____

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	8.0	96.7	101.5	106.6	111.9	117.5
200 TRAVEL	1.0	6.0	6.3	5.0	5.2	5.5
300 CONTRACTUAL	5.9	34.3	36.0	37.8	39.7	41.7
400 COMMODITIES	1.0	5.0	5.2	5.5	5.8	6.1
500 EQUIPMENT	6.0	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
Capitalization	-0-	9900.0	5000.0	-0-	-0-	-0-
TOTAL	21.9	10,042.0	5,149.0	154.9	162.6	170.8

B. FUNDING: (Thousands of dollars)

GENERAL FUND	21.9	10,042.0	5,149.0	154.9	162.6	170.8
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-

C. POSITIONS:

PERMANENT/TEMPORARY	6 / 0	6 / 0	6 / 0	6 / 0	6 / 0	6 / 0
MAN MONTHS (P./T.)	6 / 0	72 / 0	72 / 0	72 / 0	72 / 0	72 / 0

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- Assumptions:
1. The Emergency Housing Revolving Loan Fund will structurally fall under the Division of Business Loans.
 2. Average cost of mobile home purchased by State will be \$25,000.
 3. Regulations will be promulgated immediately.
 4. Program will become operational July 1, 1976.
 5. Program will be declared a non-emergency in FY 78.
 6. 5% inflation 1977-80.
 7. One-half of the funds loaned in FY 76 will be loaned in FY 77.

IV. ATTACHMENTS, FY 77.

V. DATE: _____ PREPARED BY: RL Smith

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

	FY 75	FY 76
Personal Services		
3 Loan Examiners I (1 Anch, 1 Fbks, & 1 Valdez) Range 15 @ \$1361/mo	4.8	57.8
3 Clerks (1 Anch, 1 Fbks, & 1 Valdez) Range 9 @ \$916/mo	3.2	38.9
Travel		
3 Loan Examiners @ 2.0 ea Regulations	1.0	6.0
Contractual		
Regulations	5.0	-0-
Office Space 600 s.f. @ \$1.50	.9	10.8
Communications & all other contractual based on current 3-employee office		18.0
Bank servicing 605 loans at \$1.50 per loan/mo		5.5
Commodities	1.0	5.0
Equipment		
6 desks	1.2	
6 chairs	.6	
3 files	.3	
3 calculators	.9	
3 typewriters	2.1	
3 utility tables	.3	
6 misc. at \$100	.6	
Capitalization		
Trailer Parks 3 @ \$800.0		2,400.0
Loans to applicants 25 loans/mo @ \$25.0		7,500.0
	21.9	10,042.0

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 HOUSE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Commerce, emergency housing revolving loan
8 fund; and providing for an effective date."

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

10 * Section 1. The sum of \$10,000,000 is appropriated from the general
11 fund to the Department of Commerce to fund the emergency housing revolving
12 loan fund.

13 * Sec. 2. The unexpended and unobligated portion of this appropriation
14 does not lapse.

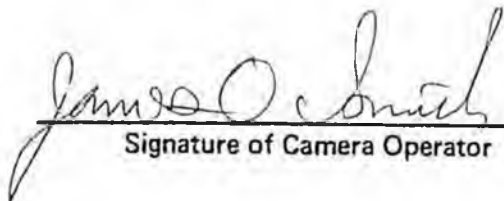
15 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
16 070(c).

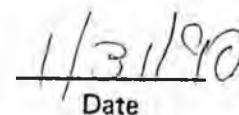


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Signature of Camera Operator


Date

COMMITTEE REPORT

FINANCE

5/30/75

SENATE

6-1-75

Mr. President:

Date

~~5-31-75~~

The Committee on COMMERCE has had CSHB 448 (Finance) amended emergency housing revolving loan fund (effect, date added) under consideration. A Majority of the members of the Committee

- () recommends it DO PASS
- () recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- () recommends it BE REPLACED WITH CS FOR _____ AND THAT CS FOR _____ DO PASS

~~and~~ recommends it BE REFERRED TO THE Finance COMMITTEE as amended.

- () reports it back WITHOUT RECOMMENDATION
- () "other"

Members signing the Majority report:

[Signature] _____

[Signature] _____

Members NOT concurring in the Majority report:

Boeverta recommends: no rec.

Zogh recommends: " "

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

A M E N D M E N T

OFFERED IN THE SENATE:

BY: COMMERCE

To: _____ SENATE BILL No. _____

CS HOUSE BILL No. 448 (Finance) amended
(effect. date added)

PAGE: 1

LINE: 18

PAGE 2

LINE 1

To Page 1 - Line 18

after the word "exceed" delete the word "six" and
insert the word "eight"

To Page 2 - Line 1

after the word "of" delete the number "10" and
insert the number "12"

COMMITTEE REPORT

SENATE

6/1/75

Mr. President:

Date _____

The Committee on FINANCE has had CSHB 448 (Finance) amended
emergency housing revolving loan fund (effect. date added)
under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:

Chairman

COMMERCE COMMITTEE REPORT

CSHB 448 (Finance) am

The purpose of this proposed legislation is for the development of a loan program for the development of mobile home parks which can be handled without much additional staff and run basically from the Juneau office.

The "retail" lending program for direct single family loans as such would require the addition of several loan officers and attendant supervisors and clerical help in each one of the cities affected. We are exploring the possibility now of using existing banks as the initial applicant place and the State in turn then purchasing those loans directly from the bank. The committee believes this to be a cheaper, more efficient method to achieve this second aim of the referenced legislation.

It is the intent of the legislature to solve an emergency problem while it exists. However, it should be noted that the proposed legislation addresses itself solely to providing the necessary financial incentive to provide necessary shelter during the emergency period. It does not, and should not, address itself to the other tangent considerations once these loans are made and the development and acquisition process goes on, i.e., meeting local and State regulations and laws in other arenas that are an integral part of our overall social fabric. Examples are the rapidity with which environmental considerations can either be met or waived, construction permits, etc. The purpose of this paragraph is to point out that the Department of Commerce views as its sole mandate, in the event this bill passes, to provide a vehicle in which the funding can be made available and not to address itself to the other tangent considerations.



A M E N D M E N T

OFFERED IN THE SENATE:

By: COMMERCE

To: _____ SENATE BILL No. _____

cs HOUSE BILL No. 448 (Finance) amended
(effect. date added)

PAGE: 1

LINE: 19

To Page 1 - Line 19

after "income" add, "or other person with emergency
housing need"

A M E N D M E N T

OFFERED IN THE SENATE:

BY: COMMERCE

To: _____ SENATE BILL No. _____

CSHOUSE BILL No. 448 (Finance) amended
(effect. date added)

PAGE: 1, 2, and 3

LINE: 13, 23-27, 10, and 24

To Page 1, line 13

delete "housing loans, for mobile homes," and insert
"mobile home loans,"

To Page 2, lines 23-27

delete subsection (f) and replace with the following:

"During the life of the loan, no changes may be made
in space rental or in the number of spaces to be made
available to persons of lower and moderate income
without the prior approval of the department in
accordance with regulations adopted under this chapter."

To Page 3, line 10

delete "welfare or other" and replace with "any state"

To Page 3, line 24

after the word "loans" insert "under this section"

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. CS HB 448 (Finance)
 Title: An Act Creating an Emergency Housing Revolving Loan Fund
 Requested by: Jim Rhode Date: _____
 Return Date Requested: ASAP
 Agency: Commerce Program: _____

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	8.0	96.7	101.5	106.6	111.9	117.5
200 TRAVEL	1.0	6.0	6.3	5.0	5.2	5.5
300 CONTRACTUAL	5.9	34.3	36.0	37.8	39.7	41.7
400 COMMODITIES	1.0	5.0	5.2	5.5	5.8	6.1
500 EQUIPMENT	6.0	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
Capitalization	-0-	9900.0	5000.0	-0-	-0-	-0-
TOTAL	21.9	10,042.0	5,149.0	154.9	162.6	170.8

B. FUNDING: (Thousands of dollars)

GENERAL FUND	21.9	10,042.0	5,149.0	154.9	162.6	170.8
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-

C. POSITIONS:

PERMANENT/TEMPORARY	6 / 0	6 / 0	6 / 0	6 / 0	6 / 0	6 / 0
MAN MONTHS (P./T.)	6 / 0	72 / 0	72 / 0	72 / 0	72 / 0	72 / 0

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- Assumptions:
1. The Emergency Housing Revolving Loan Fund will structurally fall under the Division of Business Loans.
 2. Average cost of mobile home purchased by State will be \$25,000.
 3. Regulations will be promulgated immediately.
 4. Program will become operational July 1, 1976.
 5. Program will be declared a non-emergency in FY 78.
 6. 5% inflation 1977-80.
 7. One-half of the funds loaned in FY 76 will be loaned in FY 77.

IV. ATTACHMENTS: FY 77.

V. DATE: _____ PREPARED BY: HL

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

	FY 75	FY 76
Personal Services		
3 Loan Examiners I (1 Anch, 1 Fbks, & 1 Valdez) Range 15 @ \$1361/mo	4.8	57.8
3 Clerks (1 Anch, 1 Fbks, & 1 Valdez) Range 9 @ \$916/mo	3.2	38.9
Travel		
3 Loan Examiners @ 2.0 ea Regulations	1.0	6.0
Contractual		
Regulations	5.0	-0-
Office Space 600 s.f. @ \$1.50	.9	10.8
Communications & all other contractual based on current 3-employee office		18.0
Bank servicing 605 loans at \$1.50 per loan/mo		5.5
Commodities	1.0	5.0
Equipment		
6 desks	1.2	
6 chairs	.6	
3 files	.3	
3 calculators	.9	
3 typewriters	2.1	
3 utility tables	.3	
6 misc. at \$100	.6	
Capitalization		
Trailer Parks 3 @ \$800.0		2,400.0
Loans to applicants 25 loans/mo @ \$25.0		7,500.0
	21.9	10,042.0

The Legislature of the State of Alaska
FISCAL NOTE
Second Session - Ninth Legislature

I. REQUEST

Bill Identification: CSHB 448 (Finance)
 Title: An Act creating an Emergency Housing Revolving Loan Fund
 Requested by: James Fennel Date: December 12, 1975
 Return Date Requested: January 1, 1976
 Agency: Commerce & Ec. Development Program: Development

II. FISCAL DETAIL

Budget Request Unit(s) Affected:

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES	8.0	96.7	101.5	106.6	111.9	117.5
200 TRAVEL	1.0	6.0	6.3	5.0	5.2	5.5
300 CONTRACTUAL	5.9	34.3	36.0	37.8	39.7	41.7
400 COMMODITIES	1.0	5.0	5.2	5.5	5.8	6.1
500 EQUIPMENT	6.0	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
Capitalization	-0-	9,900.0	5,000.0	-0-	-0-	-0-
TOTAL	21.9	10,042.0	5,149.0	154.9	162.6	170.8

B. FUNDING: (Thousands of dollars)

GENERAL FUND	21.9	10,042.0	5,149.0	154.9	162.6	170.8
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-

C. POSITIONS

PERMANENT/TEMPORARY	6 / 0	6 / 0	6 / 0	6 / 0	6 / 0	6 / 0
MAN MONTHS (P./T.)	6 / 0	72 / 0	72 / 0	72 / 0	72 / 0	72 / 0

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Assumptions

1. The Emergency Housing Revolving Loan Fund will structurally fall under the Division of Business Loans.
2. Average cost of mobile homes purchased by State will be \$25,000.
3. Regulations will be promulgated immediately.
4. Program will become operational July 1, 1976.
5. Program will be declared a nonemergency in 1978.

IV. ATTACHMENTS

V. DATE: 12-13-75 PREPARED BY: [Signature]

REVIEWED BY: [Signature]

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

	<u>FY 76</u>	<u>FY 77</u>
Personal Services		
3 Loan Examiners I (1 Anch, 1 Fbks, & 1 Valdez) Range 15 @ \$1,361/mo	4.8	57.8
3 Clerks (1 Anch, 1 Fbks, & 1 Valdez) Range 9 @ \$916/mo	3.2	38.9
Travel		
3 Loan Examiners @ 2.0 ea Regulations	1.0	6.0
Contractual		
Regulations	5.0	-0-
Office Space 600 s.f. @ \$1.50	.9	10.8
Communications & all other contractual based on current 3-employee office		18.0
Bank Servicing 605 loans at \$1.50 per loan/mo		5.5
Commodities	1.0	5.0
Equipment		
6 desks	1.2	
6 chairs	.6	
3 files	.3	
3 calculators	.9	
3 typewriters	2.1	
3 utility tables	.3	
6 misc. at \$100	.6	
Capitalization		
Trailer Parks 3 @ \$800.0		2,400.0
Loans to applicants 25 loans/mo @ \$25.0		7,500.0
	<u>21.9</u>	<u>10,042.0</u>

STATE
of ALASKA

MEMORANDUM

TO: James D. Fennel
Staff Assistant
Senate Finance Committee

DATE : December 29, 1975

FROM: William D. Thomson, Director
Management, Law and Finance
Department of Education

SUBJECT: Request for Revised Fiscal Note
CSHB 503 -- making a special
appropriation to the DOE

An appropriation for Pelican and Nondalton was included in Chapter 209
SLA 1975, Section 17, therefore, the need for this legislation no longer
exists.

FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. CS HB 448 (Finance)
 Title: An Act Creating an Emergency Housing Revolving Loan Fund
 Requested by: Jim Rhode Date: _____
 Return Date Requested: ASAP
 Agency: Commerce Program: _____

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	8.0	96.7	101.5	106.6	111.9	117.5
200 TRAVEL	1.0	6.0	6.3	5.0	5.2	5.5
300 CONTRACTUAL	5.9	34.3	36.0	37.8	39.7	41.7
400 COMMODITIES	1.0	5.0	5.2	5.5	5.8	6.1
500 EQUIPMENT	6.0	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
Capitalization	-0-	9900.0	5000.0	-0-	-0-	-0-
TOTAL	21.9	10,042.0	5,149.0	154.9	162.6	170.8

B. FUNDING: (Thousands of dollars)

GENERAL FUND	21.9	10,042.0	5,149.0	154.9	162.6	170.8
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-

C. POSITIONS:

PERMANENT/TEMPORARY	6 / 0	6 / 0	6 / 0	6 / 0	6 / 0	6 / 0
MAN MONTHS (P./T.)	6 / 0	72 / 0	72 / 0	72 / 0	72 / 0	72 / 0

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

- Assumptions:
1. The Emergency Housing Revolving Loan Fund will structurally fall under the Division of Business Loans.
 2. Average cost of mobile home purchased by State will be \$25,000.
 3. Regulations will be promulgated immediately.
 4. Program will become operational July 1, 1976.
 5. Program will be declared a non-emergency in FY 78.
 6. 5% inflation 1977-80.
 7. One-half of the funds loaned in FY 76 will be loaned in FY 77.

IV. ATTACHMENTS, FY 77.

V. DATE: _____ **PREPARED BY:** RL Smith

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

	FY 75	FY 76
Personal Services		
3 Loan Examiners I (1 Anch, 1 Fbks, & 1 Valdez) Range 15 @ \$1361/mo	4.8	57.8
3 Clerks (1 Anch, 1 Fbks, & 1 Valdez) Range 9 @ \$916/mo	3.2	38.9
Travel		
3 Loan Examiners @ 2.0 ea Regulations	1.0	6.0
Contractual		
Regulations	5.0	-0-
Office Space 600 s.f. @ \$1.50	.9	10.8
Communications & all other contractual based on current 3-employee office		18.0
Bank servicing 605 loans at \$1.50 per loan/mo		5.5
Commodities	1.0	5.0
Equipment		
6 desks	1.2	
6 chairs	.6	
3 files	.3	
3 calculators	.9	
3 typewriters	2.1	
3 utility tables	.3	
6 misc. at \$100	.6	
Capitalization		
Trailer Parks 3 @ \$800.0		2,400.0
Loans to applicants 25 loans/mo @ \$25.0		7,500.0
	21.9	10,042.0

Original sponsor: Parr, Bradner,
Brown, et al

Offered: 5/29/75
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 448 (Finance)am (e.date added)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating an emergency housing revolving loan
7 fund; and providing for an effective date."

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

9 * Section 1. AS 18 is amended by adding a new chapter to read:

10 CHAPTER 100. EMERGENCY HOUSING REVOLVING LOAN FUND.

11 Sec. 18.100.010. FUND ESTABLISHED. There is created in the
12 Department of Commerce an emergency housing revolving loan fund for the
13 purpose of making residential housing loans, for mobile homes, and
14 for making construction loans for mobile home parks within communities
15 designated by the governor under AS 34.06.020 as housing emergency
16 areas.

17 Sec. 18.100.020. MOBILE HOME LOANS. The department may make loans
18 at an interest rate not to exceed six per cent a year to a person of
19 lower or moderate income who has been continuously an Alaska resident
20 since June 1, 1973 for purchase of mobile homes, to be used as the
21 permanent place of abode of the resident in communities which are
22 declared by the governor under AS 34.06.020 to be a housing emergency
23 area. If the loan is for purchase of a mobile home, the term of the
24 loan shall not exceed 10 years. The department shall make the loans on
25 the terms and conditions it finds appropriate.

26 Sec. 18.100.030. MOBILE HOME PARK CONSTRUCTION LOANS. (a) The
27 department may make loans for construction of mobile home parks in
28 communities which are declared to be a housing emergency area by the
29 governor under AS 34.06.020.

1 (b) The loans shall be for a maximum term of 10 years and bear
2 interest at a rate not to exceed 10 per cent a year upon the terms and
3 conditions the department finds appropriate.

4 (c) The loans may be for the purpose of acquiring land for use as
5 a mobile home park and for making, installing and constructing improve-
6 ments including water, sewer, other utilities, roads, streets, curbs,
7 gutters, sidewalks, drainage facilities, pads and other installations
8 or work, whether on or off the premises, which the department considers
9 necessary or desirable for a mobile home park.

10 (d) Loans shall be made based upon proposals for loans to the
11 department. The proposal shall show the number of mobile home spaces to
12 be provided, the facilities to be provided, the anticipated cost of the
13 project, the portion of the cost to be provided from sources other than
14 the loan, the space rentals and other charges to the tenants and the
15 number of spaces which are to be offered to persons of lower and moder-
16 ate income, and such other information as the department prescribes.

17 (e) The department shall require as a condition of a loan satis-
18 factory assurances that the mobile home park will be constructed and
19 operated in accordance with the proposal and that notice to persons of
20 lower and moderate income shall be made in a manner it considers ade-
21 quate to inform prospective tenants of lower and moderate incomes of the
22 availability to them of the spaces.

23 (f) During the life of the loan no changes may be made in space
24 rental or other charges or in the number of spaces to be available to
25 persons of lower and moderate income without the prior approval of the
26 department unless specifically authorized by regulations adopted by the
27 department.

28 Sec. 18.100.040. SPACE RENTAL CREDIT. The department shall
29 provide for space rental credits in mobile home parks financed in whole

1 or in part by acquisition, development or construction loans made under
2 sec. 30 of this chapter. The credit is against interest which would
3 otherwise be payable on the loan. The department shall develop, by
4 regulation, criteria for qualifications for rent credit, including a
5 schedule of family income in relation to rent and family size. The
6 credit may be all or part of the space rental for specific spaces within
7 the park and may vary considering the needs of the tenant.

8 Sec. 18.100.050. ASSISTANCE NOT CONSIDERED IN DETERMINING OTHER
9 BENEFITS. Amounts credited on behalf of tenants under this chapter may
10 not be considered in determining the amount of welfare or other public
11 assistance otherwise authorized by law.

12 Sec. 18.100.060. POWERS OF DEPARTMENT. The department may

13 (1) adopt regulations necessary to carry out the purposes
14 of this chapter;

15 (2) determine eligibility of applicants for loans under
16 this chapter;

17 (3) designate agents and delegate powers to them as neces-
18 sary.

19 Sec. 18.100.070. SALE OR TRANSFER OF MORTGAGES. The Department
20 of Revenue shall purchase all mortgages approved and authorized by the
21 Department of Commerce under this chapter.

22 Sec. 18.100.080. TERMINATION. When the governor declares under
23 AS 34.06.020 that a housing emergency no longer exists in an area, no
24 further loans may be made in that area.

25 Sec. 18.100.090. DEFINITIONS. In this chapter "persons of lower
26 and moderate income" means a person or persons considered by the depart-
27 ment to require credits under this chapter on account of insufficient
28 or inadequate personal or family income or otherwise limited personal
29 financial resources, taking into consideration, without limitation, such

1 factors as

2 (A) the amount of the total income of the persons avail-
3 able for housing needs;

4 (B) the size of the family;

5 (C) the cost and condition of housing facilities avail-
6 able;

7 (D) standards established for various federal programs
8 determining eligibility based on income of the persons; and

9 (E) the ability of the persons to compete successfully
10 in the normal housing market and to pay the amounts at which pri-
11 vate enterprise is providing decent, safe and sanitary housing.

12 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
13 070(c).

Introduced: 4/22/75
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY PARR, BRADNER, BROWN, COWPER
AND WALLIS

2 HOUSE BILL NO. 448

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to a loan to the Alaska State Housing
7 Authority for a mobile home park at Fairbanks; and
8 providing for an effective date."

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

10 * Section 1. The commissioner of revenue shall loan from the general fund
11 to the Alaska State Housing Authority the amount, not to exceed \$5,000,000,
12 necessary for site acquisition, construction of a 200-unit mobile home park,
13 and purchase and installation of 200 mobile homes in the vicinity of Fair-
14 banks for rent to persons of lower and moderate income. Repayment of the
15 loan is from the proceeds of a sale of revenue obligations of the Alaska
16 State Housing Authority issued for this purpose or from other funds available
17 to the authority for the purpose. The loan shall be repaid within one year
18 after initial occupancy of the mobile homes and shall bear interest at the
19 same effective rate of the bonds issued for the project or, if no bonds are
20 issued, at the effective rate borne by the bonds in the last issue of revenue
21 bond issues by the authority before initial occupancy.

22 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
23 070(c).
24
25
26
27
28
29

122!
Bill

Original sponsor: Farr, Bradner,
Brown, et al

Offered: 5/29/75
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 448 (Finance) am (edate added)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating an emergency housing revolving loan
7 fund; and providing for an effective date."

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

9 * Section 1. AS 18 is amended by adding a new chapter to read:

10 * CHAPTER 100. EMERGENCY HOUSING REVOLVING LOAN FUND.

11 Sec. 18.100.010. FUND ESTABLISHED. There is created in the
12 Department of Commerce an emergency housing revolving loan fund for the
13 purpose of making residential housing loans, for mobile homes, and
14 for making construction loans for mobile home parks within communities
15 designated by the governor under AS 34.06.020 as housing emergency
16 areas.

17 Sec. 18.100.020. MOBILE HOME LOANS. The department may make loans
18 at an interest rate not to exceed six per cent a year to a person of
19 lower or moderate income who has been continuously an Alaska resident
20 since June 1, 1973 for purchase of mobile homes, to be used as the
21 permanent place of abode of the resident in communities which are
22 declared by the governor under AS 34.06.020 to be a housing emergency
23 area. If the loan is for purchase of a mobile home, the term of the
24 loan shall not exceed 10 years. The department shall make the loans on
25 the terms and conditions it finds appropriate.

26 Sec. 18.100.030. MOBILE HOME PARK CONSTRUCTION LOANS. (a) The
27 department may make loans for construction of mobile home parks in
28 communities which are declared to be a housing emergency area by the
29 governor under AS 34.06.020.

1 (b) The loans shall be for a maximum term of 10 years and bear
2 interest at a rate not to exceed 10 per cent a year upon the terms and
3 conditions the department finds appropriate.

4 (c) The loans may be for the purpose of acquiring land for use as
5 a mobile home park and for making, installing and constructing improve-
6 ments including water, sewer, other utilities, roads, streets, curbs,
7 gutters, sidewalks, drainage facilities, pads and other installations
8 or work, whether on or off the premises, which the department considers
9 necessary or desirable for a mobile home park.

10 (d) Loans shall be made based upon proposals for loans to the
11 department. The proposal shall show the number of mobile home spaces to
12 be provided, the facilities to be provided, the anticipated cost of the
13 project, the portion of the cost to be provided from sources other than
14 the loan, the space rentals and other charges to the tenants and the
15 number of spaces which are to be offered to persons of lower and moder-
16 ate income, and such other information as the department prescribes.

17 (e) The department shall require as a condition of a loan satis-
18 factory assurances that the mobile home park will be constructed and
19 operated in accordance with the proposal and that notice to persons of
20 lower and moderate income shall be made in a manner it considers ade-
21 quate to inform prospective tenants of lower and moderate incomes of the
22 availability to them of the spaces.

23 (f) During the life of the loan no changes may be made in space
24 rental or other charges or in the number of spaces to be available to
25 persons of lower and moderate income without the prior approval of the
26 department unless specifically authorized by regulations adopted by the
27 department.

28
29 Sec. 18.100.040. SPACE RENTAL CREDIT. The department shall
provide for space rental credits in mobile home parks financed in whole

1 or in part by acquisition, development or construction loans made under
2 sec. 30 of this chapter. The credit is against interest which would
3 otherwise be payable on the loan. The department shall develop, by
4 regulation, criteria for qualifications for rent credit, including a
5 schedule of family income in relation to rent and family size. The
6 credit may be all or part of the space rental for specific spaces within
7 the park and may vary considering the needs of the tenant.

8 Sec. 18.100.050. ASSISTANCE NOT CONSIDERED IN DETERMINING OTHER
9 BENEFITS. Amounts credited on behalf of tenants under this chapter may
10 not be considered in determining the amount of welfare or other public
11 assistance otherwise authorized by law.

12 Sec. 18.100.060. POWERS OF DEPARTMENT. The department may

13 (1) adopt regulations necessary to carry out the purposes
14 of this chapter;

15 (2) determine eligibility of applicants for loans under
16 this chapter;

17 (3) designate agents and delegate powers to them as neces-
18 sary.

19 Sec. 18.100.070. SALE OR TRANSFER OF MORTGAGES. The Department
20 of Revenue shall purchase all mortgages approved and authorized by the
21 Department of Commerce under this chapter.

22 Sec. 18.100.080. TERMINATION. When the governor declares under
23 AS 34.06.020 that a housing emergency no longer exists in an area, no
24 further loans may be made in that area.

25 Sec. 18.100.090. DEFINITIONS. In this chapter "persons of lower
26 and moderate income" means a person or persons considered by the depart-
27 ment to require credits under this chapter on account of insufficient
28 or inadequate personal or family income or otherwise limited personal
29 financial resources, taking into consideration, without limitation, such

1 factors as

2 (A) the amount of the total income of the persons avail-
3 able for housing needs;

4 (B) the size of the family;

5 (C) the cost and condition of housing facilities avail-
6 able;

7 (D) standards established for various federal programs
8 determining eligibility based on income of the persons; and

9 (E) the ability of the persons to compete successfully
10 in the normal housing market and to pay the amounts at which pri-
11 vate enterprise is providing decent, safe and sanitary housing.

12 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
13 070(c).

FAIRBANKS NORTH STAR BOROUGH

Box 1267, Fairbanks, Alaska 99707

April 10, 1975

The Honorable Charles Parr
Pouch V
State Capital
Juneau, Alaska 99811

Dear Charlie:

This is in reference to your phone call regarding low income housing by use of mobile homes. I have given it considerable thought and have bounced the question off various citizens with varying responses. Coming down to a practical approach, I made an assumption that we needed 200 units in Fairbanks. Instead of the conventional stick buildings by Alaska State Housing or the State of Alaska, have them purchase mobile homes and bring them to Fairbanks. Alaska State Housing then would be responsible for the criteria for low income rental qualifications and for rental of the mobile homes to the families that are selected to move into them.

The next question would be the site.

1. Rental of sites from private trailer courts. In this approach ASHA would contract with trailer court owners for his yearly rent and maintenance of the mobile homes. This has many advantages in that various mobile home courts throughout the area could be used and there would not be a stigma against one court for having or being a low income court. For example, there is the 515 court being developed in North Pole. I have heard that a 200 unit court is being considered at Gold Hill, towards Ester, and that one is being considered in Fox. Also, I understand there is one being developed for 185 spaces in the College area. In this approach ASHA would lease the mobile homes to the low income families and then pay the fee to the mobile homes court owners.


2. State owned land - Mobile units. The State of Alaska could make available state owned land and ASHA would bring in the mobile homes. A contract would be developed

with a land management company who would put in the water, sewer, roads, and lights, and for a fixed fee, maintain the mobile homes and spaces on a contract with the State of Alaska. Again ASHA would determine the families eligible for occupancy and collect the rental fee. The advantage of this approach would be that the land is owned by the state as well as the mobile homes, and at the end of the need for these mobile units, they could be shut down and removed at the least expense. There would be no "dead line" to get them out of a court, etc. The disadvantage would be the stigma that this is a low income rental area and people might be reluctant to move into this mobile park.

3. Some approximate costs. The new court going into North Pole is estimating rental of \$115 per site. The cost of electricity and heat would average out approximately \$85.00 a month. This then would be a minimum of \$200 a month plus the charge made by ASHA for the unit itself. Should the State of Alaska make land available and lease to a land management company, they would then be collecting back the cost of the development of roads, water, and sewer but there would be no land cost. Therefore the court could, per space, be a lower price than the \$115 of the privately developed unit. Of course, we would have the problem that the State of Alaska would be in competition with the many private mobile home courts.

I feel now, after the public hearing held by Commissioner Motley, that it would be an appropriate time to submit legislation for funds to acquire mobile homes and rental of spaces. Trying to get an idea of the cost, I contacted one firm and discussed with them the cost of 200 three bedroom units. They offered in this quantity a cost of \$18,000 per unit, for a total of \$360,000 f.o.b. Fairbanks. One year's rental for 200 units at \$115 would be \$230,000 or a total of \$590,000 for the cost of one years operation of these mobile homes.

Very truly yours,


JOHN A. CARLSON
Borough Mayor

JAC:lh